

National Fuel Gas Distribution Corporation  
6363 Main Street  
Williamsville, NY 14221

July 29, 2005

Hon. Jaclyn A. Brillling, Secretary  
New York State Department of Public Service  
Three Empire State Plaza  
Albany, NY 12223-1350

Dear Secretary Brillling:

The following statements are being issued in compliance with the order in Case No. 04-G-1047 dated July 22, 2005.

Enclosed is an electronic version of Monthly Gas Supply Charge Statement No. 41 applicable to Service Classification Nos. 1, 2, and 3, and Delivery Adjustment Charge Statement No. 40 applicable to Service Classification Nos. 1, 2, 3, 5, 7, 8, and 9 of our Rate Schedule P.S.C. No. 8 – Gas. The Monthly Gas Supply Charge Statement No. 41 and the Delivery Adjustment Charge Statement No. 40 will be effective commencing with gas used on or after August 1, 2005.

The estimated amount related to surcharges and credits included in Statements No. 40 & 41 is \$21,000 based on estimated August 2005 sales of 10,290,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is an increase of \$125,100 on a monthly basis.

The surcharge calculation for August 2005 Intermediate Pipeline Stranded Capacity Surcharge pursuant to General Leaf No. 148.2 of P.S.C. No 8 – Gas results in a unit surcharge of \$0.01460 /Mcf is applicable for August 1, 2005 through August 31, 2005.

The surcharge calculation for August 2005 Upstream Pipeline Stranded Capacity Surcharge pursuant to General Leaf No. 148.1 of P.S.C. No 8 – Gas results in a unit surcharge of \$0.00000 /Mcf is applicable for August 1, 2005 through August 31, 2005.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 91, Demand Transfer Recovery Rate Statement No. 89, Gas Transportation Statement No.91, Natural Gas Vehicle Statement No. 91, Standby Sales Service Rate Statement No.91, Transportation Sales Service Rate Statement No.93, Reserve Capacity Cost Statement No. 57, Weather Normalization Clause Multipliers Statement No. 40, Distributed Generation Statement No. 20, LIRA Minimum Charge Statement No. 01, Minimum Bill Credit Statement No. 01, and Merchant Function Charge Statement No. 01 are included.

This statement is filed in compliance with 16 NYCRR, Section 270.55. Information pertaining to section 270.55d(7) will be delivered under separate cover letter.

In connection with this filing, the Company is also required to submit information that contains trade secrets. Accordingly, the Company has filed the required information with the Department Records Access Officer, together with a request for trade secret protection under the Commission's regulation. The instant filing includes redacted copies of the documents submitted to the Department Records Access Officer. The information for which trade secret protection has been requested is deleted. Copies of the same documents, with the redacted sections shaded (but legible) for identification, are being submitted to the Department Records Access Office under separate cover.

Very truly yours,

Eric H. Meinel  
General Manager  
Rates & Regulatory Affairs

Encl.