Received: 04/28/2008 Status: CANCELLED Effective Date: 05/01/2008

PSC NO: 8 GAS STATEMENT TYPE: MFC COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION STATEMENT NO: 40

INITIAL EFFECTIVE DATE: 5/1/2008

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MERCHANT FUNCTION CHARGE

Effective With Usage During Billing Period Commencing May 1, 2008 Applicable to Billings Under Service Classification Nos. 1, 2, 2A, and 3 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

	Residential ¢ per Ccf	Non-Residential ¢ per Ccf
Monthly Gas Supply Charge	119.4284	119.4284
Uncollectible Factor	2.83185%	0.40231%
Uncollectible Charge	3.3820	0.4805
Supply Charge	0.7250	0.2520
Records and Collection Charge	1.7530	1.8990
Storage Carrying Cost Charge	(0.1506)	(0.1506)
Total Merchant Function Charge	5.7094	2.4809

Date: April 28, 2008

Issued by <u>R.J. Tanski, President, 6363 Main Street, Williamsville, NY 14221</u>
(Name of Officer, Title, Address)