

PSC NO: 8 GAS  
 COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
 INITIAL EFFECTIVE DATE: 12/1/2006

STATEMENT TYPE: RCC  
 STATEMENT NO: 73

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT  
 AND  
 RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing December 1, 2006  
 Applicable to Usage Under Service Classification Nos. 1, 2, 3, 5, 7, 8, 9 and Non-Large Industrial 13M and 13D9  
 NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
 P.S.C. No. 8 - GAS

	Total NY Monthly Capacity <u>Dth</u> (A)	Total NY Annual Capacity <u>Dth</u> (B)	Demand Rate <u>Dth</u> (C)	Total Demand <u>Cost</u> (D=BxD)
<u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>				
NFGSC EFT Capacity Temperature Swing	158,367.0	1,900,404.0	3.5570	\$6,759,737
NFGSC ESS Delivery Temperature Swing	104,467.0	1,253,604.0	2.1345	\$2,675,818
NFGSC ESS Capacity Temperature Swing	731,269.0	8,775,228.0	0.0432	\$379,090
Nexen	15,000.0	180,000.0	4.5400	\$817,200
Empire Peaking	0.0	0.0	0.0000	\$0
Nexen	16,000.0	192,000.0	4.5400	\$871,680
Central NY Oil & Gas	24,264.0	291,168.0	2.2500	\$655,128
Tennessee Lateral	24,000.0	288,000.0	1.3077	\$376,618
Total Daily Temperature Swing/Peaking Reserve Capacity Costs				\$12,535,271
Peaking to classes other than TC 4.0 - %				95.359%
Peaking to classes other than TC 4.0 - \$				\$11,953,509
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)				83,927,152
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.14243
Base Reserve Capacity Charge				\$0.14632
<b>Reserve Capacity Cost Adjustment (\$/Mcf) (.13848-.14632)</b>				<b>(\$0.00389)</b>
<b>(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M)</b>				
DMT Factor				10.770%
<b>Non-Large Industrial SC 13D</b>				<b>(\$0.00042)</b>

Date: November 28, 2006

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

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT  
AND  
RESERVE CAPACITY COST STATEMENTEffective With Usage During Billing Period Commencing December 1, 2006  
Applicable to Usage Under Service Classification Nos. 13M and 13D TC 4.0  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
P.S.C. No. 8 - GAS

	Total NY Monthly Capacity Dth (A)	Total NY Annual Capacity Dth (B)	Demand Rate Dth (C)	Total Demand Cost (D=BxD)
<u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>				
NFGSC EFT Capacity Temperature Swing	158,367.0	1,900,404.0	3.5570	\$6,759,737
NFGSC ESS Delivery Temperature Swing	104,467.0	1,253,604.0	2.1345	\$2,675,818
NFGSC ESS Capacity Temperature Swing	731,269.0	8,775,228.0	0.0432	\$379,090
Nexen	15,000.0	180,000.0	4.5400	\$817,200
Empire Peaking	0.0	0.0	0.7694	\$0
Nexen	16,000.0	192,000.0	4.5400	\$871,680
Central NY Oil & Gas	24,264.0	291,168.0	2.2500	\$655,128
Tennessee Lateral	24,000.0	288,000.0	1.3077	\$376,618
Total Daily Temperature Swing/Peaking Reserve Capacity Costs				\$12,535,271
Peaking to TC 4.0 - %				4.641%
Peaking to TC 4.0 - \$				\$581,762
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)				9,388,599
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.06196
Base Reserve Capacity Charge				\$0.05332
<b>Reserve Capacity Cost Adjustment (\$/Mcf) (.05756-.05332)</b> <b>(applicable to SC13M TC 4.0)</b>				<b>\$0.00864</b>
DMT Factor				13.540%
<b>SC 13D TC 4.0</b>				<b>\$0.00117</b>

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