PSC NO: 8 GAS COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION INITIAL EFFECTIVE DATE: 2/1/2007

STATEMENT TYPE: DISS STATEMENT NO: 112

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STATEMENT OF DEFICIENCY IMBALANCE SALES SERVICE RATE

Effective With Usage During Billing Period Commencing February 1, 2007 Applicable to Billings Under Service Classification No. 11 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

Billing Rate	<u>\$ per Ccf</u>
Monthly Gas Cost	\$1.007454
Plus: Base Reserve Capacity Cost	\$0.014632
Plus: Delivery Adjustment Charge	\$0.002981
Rate for Delivery Deficiencies between 0 - 2% of total monthly throughput	\$1.025067
Seasonal Premium Factor (April - October)	125%
Rate for Delivery Deficiencies above 2% of total monthly throughput	\$1.281334

The rates listed above are in addition to the approriate transportation service rate charged to the customer for the volumes of gas purchased by the customer under this service classification.

Date: January 29, 2007

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