

PSC NO: 8 GAS
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 3/1/2007

STATEMENT TYPE: DAC
STATEMENT NO: 59

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STATEMENT OF DELIVERY ADJUSTMENT CHARGE

(Issued Under Authority of 16 NYCRR Sec. 270.55)

Effective With Usage On and After March 1, 2007
Applicable to Billings Under Service Classification Nos. 1, 2, 3, 5, 7, 8 and 9
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
P.S.C. No. 8 - GAS

| APPLICABLE SERVICE TERRITORY | <u>¢ per Ccf</u> All Territory |
|--|-----------------------------------|
| TAKE OR PAY RECOVERY Amount applicable during the period July 1, 2006 through June 30, 2007 for Take or Pay Reconciliation pursuant to General Information Leaf No. 144 of P.S.C. No. 8 - Gas. | (0.0030) |
| R & D FUNDING MECHANISM Amount applicable during the period January 1, 2007 through December 31, 2007 for R & D Funding Mechanism pursuant to Commission Order in Case 04-G-1047. | (0.1060) |
| TRANSITION COST SURCHARGE Intermediate Transition Cost Surcharge pursuant to General Information Leaf No. 148.2 applicable during the period March 1, 2007 through March 31, 2007. | 0.2710 |
| Upstream Transition Cost Surcharge pursuant to General Information Leaf No. 148.1 applicable during the period March 1, 2007 through March 31, 2007. | 0.1880 |
| RESERVE CAPACITY COST ADJUSTMENT Amount applicable to changes in reserve capacity costs as calculated in the attached Reserve Capacity Cost Adjustment Statement. | (0.0389) |
| LOST REVENUE ASSOCIATED WITH MFC AND BILLING CHARGE Amount applicable to loss revenue associated with the Merchant Function Charge and the Billing Charge. | 0.0000 |
| TOTAL DELIVERY COST ADJUSTMENT Commencing with the gas used on and after March 1, 2007 and thereafter until changed, the delivery cost adjustment will be. | 0.3111 |

Date: February 26, 2007

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