PSC NO: 8 GAS COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION INITIAL EFFECTIVE DATE: 03/01/04

STATEMENT TYPE: SSS STATEMENT NO: 74

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STATEMENT OF STANDBY SALES SERVICE RATE

Effective With Usage During Billing Period Commencing March 1, 2004 Applicable to Usage Under Service Classification No. 12 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

I)	Summ	ary of Maximum and Minimum Allowable Prices	<u>\$ Per Ccf</u>
	1.	Maximum Allowable Price	
		<u>Demand Charge</u> Demand Gas Cost	\$0.144080
		Multiplied by Premium Factor	125%
		Demand Charge	<u>\$0.180100</u>
		<u>Commodity Charge</u> Monthly Gas Cost	\$0.732060
		Plus: Base Reserve Capacity Cost Plus: Delivery Adjustment Charge	\$0.014180 <u>\$0.003570</u>
		Subtotal	\$0.749810
		Less: Net Demand Gas Cost Less: Transition Cost	\$0.144080 <u>\$0.000000</u>
		Commodity Gas Cost	\$0.605730
		Multiplied by Premium Factor	125%
		Commodity Charge	<u>\$0.757163</u>

Date: February 27, 2004

Issued by <u>D.F. Smith, President, 6363 Main Street, Williamsville NY 14221</u> (Name of Officer, Title, Address)

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STATEMENT OF STANDBY SALES SERVICE RATE

Effective With Usage During Billing Period Commencing March 1, 2004 Applicable to Usage Under Service Classification No. 12 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

I)	Summary of Maximum and Minimum Allowable Price (Cont.)		<u>\$ Per Ccf</u>
	2.	Minimum Allowable Price	
		Commodity Gas Cost	\$0.605730
		Plus:	<u>\$0.010000</u>
		TOTAL MINIMUM	<u>\$0.615730</u>

II) <u>Statement of Billing Rates in Effect</u>

Pursuant to Service Classification No. 12 of National Fuel Gas Distribution Corporation's P.S.C. No. 8 - Gas tariff, and the maximum allowable and minimum allowable rates identified above, the Company establishes the following S.C. 12 Standby Sales Service Rates ("SBSSR") effective March 1, 2004. The rates listed below are in addition to the appropriate transportation service rate charged to the customer for the volumes of gas purchased by the customer under this service classification.

SBSSR(1) - Default Rate

Qualifications

Transportation service customers who have contracted for S.C. 12 standby sales service for the month

Rate

The default S.C. 12 SBSS rates shall be the maximum allowable prices.

Date: February 27, 2004

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STATEMENT OF STANDBY SALES SERVICE RATE

Effective With Usage During Billing Period Commencing March 1, 2004 Applicable to Usage Under Service Classification No. 12 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

II) <u>Statement of Billing Rates in Effect (Cont.)</u>

SBSSR(2) - Short Term Transitional Standby Rate

Qualifications

Transportation service customers under a former P.S.C. No. 7 - Gas S.C. 12 or S.C. 15 transportation service agreement in effect as of September 19, 1995.

Rate

The Short Term Transitional Standby rates shall be the Maximum Allowable Prices.

Monthly Demand Volume

The Short Term Transitional Standby Monthly Demand Volumes shall equal the total S.C. 13 volumes transported by the customer during the billing month.

Date: February 27, 2004

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