Received: 05/28/2004 Status: CANCELLED Effective Date: 06/01/2004

PSC NO: 8 GAS STATEMENT TYPE: DISS COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION STATEMENT NO: 77

INITIAL EFFECTIVE DATE: 06/01/04

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STATEMENT OF DEFICIENCY IMBALANCE SALES SERVICE RATE

Effective With Usage During Billing Period Commencing June 1, 2004 Applicable to Billings Under Service Classification No. 11 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

	\$ Per Ccf
Billing Rate	
Monthly Gas Cost	\$0.793670
Plus: Base Reserve Capacity Cost	\$0.014180
Plus: Delivery Adjustment Charge	\$0.004380
Rate for Delivery Deficiencies between $0-2\%$ of total monthly throughput	\$0.812230
Seasonal Premium Factor (April - October)	110%
Rate for Delivery Deficiencies above 2% of total monthly throughput	<u>\$0.893453</u>

The rates listed above 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.

Date: May 28, 2004

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