

PSC NO: 8 GAS  
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 2/1/2011

STATEMENT TYPE: RCC  
STATEMENT NO: 124

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT  
AND  
RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing February 1, 2011  
Applicable to Usage Under Service Classification Nos. 1, 2, 3, 5, 7, 8, 9 and Non-Large Industrial 13M and 13D  
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 Cost (D=BxC)
<u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>				
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.5545	\$6,359,370
NFGSC ESS Delivery Temperature Swing	135,672.0	1,628,064.0	2.1345	\$3,475,103
NFGSC ESS Capacity Temperature Swing	949,704.0	11,396,448.0	0.0432	\$492,327
NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.1556	\$347,138
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0432	\$242,974
NFGSC FSS Delivery Temperature Swing	0.0	0.0	0.0000	\$0
NFGSC FSS Capacity Temperature Swing	0.0	0.0	0.0000	\$0
Subtotal Daily Temperature Swing/Peaking Reserve Capacity Costs				\$10,916,912
<u>Contingency Capacity</u>				
NFGSC EFT Capacity	31,664.0	379,968.0	3.5545	\$1,350,596
System Upstream Capacity	32,310.0	387,720.0	9.7451	\$3,778,370
Subtotal Contingency Capacity Costs				\$5,128,966
<b>Grand Total Reserve Capacity Costs</b>				<b>\$16,045,878</b>
Peaking to classes other than TC 4.0 - %				97.8043%
Peaking to classes other than TC 4.0 - \$				\$15,693,559
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)				79,556,596
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.19726
Base Reserve Capacity Charge				\$0.18730
<b>Reserve Capacity Cost Adjustment (\$/Mcf) (.19724-.18730)</b>				<b>\$0.00996</b>
(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M)				
DMT Factor				9.5784%
<b>Non-Large Industrial SC 13D</b>				<b>\$0.00095</b>

Date: January 28, 2011

Issued by A.M. Cellino, 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 February 1, 2011  
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=BxC)
<u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>				
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.5545	\$6,359,370
NFGSC ESS Delivery Temperature Swing	135,672.0	1,628,064.0	2.1345	\$3,475,103
NFGSC ESS Capacity Temperature Swing	949,704.0	11,396,448.0	0.0432	\$492,327
NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.1556	\$347,138
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0432	\$242,974
Subtotal Daily Temperature Swing/Peaking Reserve Capacity Costs				\$10,916,912
<u>Contingency Capacity</u>				
NFGSC EFT Capacity	31,664.0	379,968.0	3.5545	\$1,350,596
System Upstream Capacity	32,310.0	387,720.0	9.7451	\$3,778,370
Subtotal Contingency Capacity Costs				\$5,128,966
<b>Grand Total Reserve Capacity Costs</b>				<b>\$16,045,878</b>
Peaking to TC 4.0 - %				2.1957%
Peaking to TC 4.0 - \$				\$352,319
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)				7,578,474
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf				\$0.04649
Base Reserve Capacity Charge				\$0.03419
<b>Reserve Capacity Cost Adjustment (\$/Mcf) (.04648-.03419)</b>				<b>\$0.01230</b>
<b>(applicable to SC13M TC 4.0)</b>				
DMT Factor				24.8258%
<b>SC 13D TC 4.0</b>				<b>\$0.00305</b>

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