Received: 02/26/2003 Status: CANCELLED Effective Date: 03/01/2003

..DID: 21717

..TXT: PSC NO: 8 GAS STATEMENT TYPE: RCC

COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION STATEMENT NO: 28

INITIAL EFFECTIVE DATE: 03/01/03

STAMPS:

RECEIVED: 02/26/03 STATUS: Effective EFFECTIVE: 03/01/03

Page 1 of 1

## RESERVE CAPACITY COST ADJUSTMENT STATEMENT AND RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing March 1, 2003 Applicable to Usage Under Service Classification Nos. 1, 2, 3, 5, 7, 8, and 9 AND 13D and 13M NATIONAL FUEL GAS DISTRIBUTION CORPORATION

P.S.C. No. 8 - GAS

	Total NY Monthly Capacity	Total NY Annual Capacity	March Demand Rate	Total Demand	
Daily Temperature Swing/Peaking Reserve	Dth	<u>Dth</u>	\$/Dth	Cost	
Capacity Costs	$\frac{\Delta C}{(A)}$	(B)	(C)	(D=BxC)	
			4	****	
NFGSC EFT Capacity Temperature Swing	111,844.0	1,342,128.0	\$3.5883	\$4,815,958	
NFGSC ESS Delivery Temperature Swing	84,980.0	1,019,760.0	\$2.1345	\$2,176,678	
NFGSC ESS Capacity Temperature Swing	3,994,060.0	47,928,720.0	\$0.0432	\$2,070,521	
El Paso	27,412.0	328,944.0	\$5.0167	\$1,650,213	
Empire Peaking	27,412.0	328,944.0	\$0.7694	\$253,090	
Total Daily Temperature Swing/Peaking	,	,		\$10,966,460	
Reserve Capacity Costs					
Total Annual Normalized Sales and Total				74,609,122	
Aggregation Volumes (Mcf)					
Daily Temperature Swing/Peaking Reserve				\$0.1470	
Capacity Costs per Mcf					
Base Reserve Capacity Charge			<u>\$0.1418</u>		
Reserve Capacity Cost Adjustment (\$/Mcf) (.14711418)				<u>\$0.0052</u>	
Applicable to SC1, 2, 3, 5, 7, 8, and 9					
Less: Storage and Capacity Costs Recovered				<u>\$0.0928</u>	
through SC 13M Rates					** ° * **
Reserve Capacity Cost Charge (\$/Mcf) (.14710928)					<u>\$0.0542</u>
Applicable to 13M and 13D rates					

Date: February 26, 2003

Issued by <u>D.F. Smith, President, 10 Lafayette Square, Buffalo NY 14203</u> (Name of Officer, Title, Address)