

PSC NO: 8 GAS  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 02/28/07

LEAF: 86  
REVISION: 8  
SUPERSEDING REVISION: 7

## GENERAL INFORMATION (Cont'd)

## II. 19.j. CONTINUED

- (b) The determination period to be used in the computation of this annual Transition Cost Reconciliation shall be the 12-month period beginning on the first day of May and ending on the following April 30.
- (c) The reconciliation surcharge/refund period shall refer to the 12-month period beginning three months following a given determination period (August 1st through July 31st).
- (d) The rate of reconciliation surcharge/refund shall be determined by dividing determination period amount by the service classification volumes subject to transportation transition cost recovery during the reconciliation surcharge/refund period. Any balance remaining at the end of such period shall be reconciled in the next transition cost expense annual filing or the Annual Surcharge or Refund Computation pursuant to Section II.19.f.

## k. Asset Management Costs and Revenue

- (1) The gross profit from utilization of Company's upstream transportation and storage assets from asset management agency and similar arrangements not otherwise addressed under Section II.19.g and Section II.19.h shall be included in the \$1.0 million cumulative off-system sales and capacity release amount to be applied to the CMR to defray unanticipated expense increases described in Case 07-G-xxxx. Eighty-five percent of any such credits and/or net revenues not included in the \$1.0 million target shall be accumulated and credited to the Company's Customers during each subsequent five-month period beginning in November and ending in March through the monthly gas supply charge. The remaining 15% of any such credits and/or net revenues shall be retained by the Company.

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