Received: 04/22/2002 Status: CANCELLED Effective Date: 05/01/2002

..DID: 18836

..TXT: PSC NO: 8 GAS LEAF: 74.2

COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 0

INITIAL EFFECTIVE DATE: 05/01/02 SUPERSEDING REVISION:

STAMPS: ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 00-G-1858 DATED 4/18/02.

RECEIVED: 04/22/02 STATUS: Effective EFFECTIVE: 05/01/02

GENERAL INFORMATION (Cont*d)

II. CONTINUED

(2) Gas Cost Recovery for Service Classification Nos. 7, 8 and 9.

- (a) The Base Reserve Capacity Rate included in Service Classification Nos. 7, 8, and 9 shall be equal to \$0.01418 per 100 cubic feet.
- (b) Reserve Capacity Cost Adjustment

The Reserve Capacity Cost Adjustment included in the Monthly Distribution Adjustment Charge for Service Classification Nos. 1, 2 an 3 as calculated in Section 19.b.(1)(a)ii. shall be charged to Customers under Service Classification Nos. 7, 8 and 9.

(c) Calculation of 100% Load Factor Cost of Gas Included in Service Classification No. 7 Rates

The 100% load factor cost of gas included in SC 7 rates shall be the sum of the Commodity Cost of Gas and the 100% load factor demand cost of gas. The Commodity Cost of Gas shall equal the Average Monthly Commodity Cost of Gas as calculated in Section 19.b.(1)(b)i.. The 100% load factor demand cost of gas shall equal the average demand cost of gas as calculated in Section 19.b.(1)(b)ii. multiplied by 50.787%.

(d) Calculation of Gas Costs Included in Service Classification No. 8 Rates

The cost of gas included in SC 8 rates shall be determined on a seasonal basis. For the months of October, November, December, January, February, March and April, the cost of gas for SC 8 shall equal the Monthly Gas Supply Charge calculated in Section 19.b.(1)(b). For the months of May, June, July, August and September, the cost of gas for SC 8 shall equal the Commodity Cost of Gas included in the Monthly Gas Supply Charge as calculated in Section 19.b.(1)(b)i..

(e) Calculation of the 85% Load Factor Cost of Gas Included in Service Classification No. 9 Rates

The 85% load factor cost of gas included in SC 9 rates shall be the sum of the Commodity Cost of Gas and the 85% load factor demand cost of gas. The Commodity Cost of Gas shall equal the Average Monthly Commodity Cost of Gas as calculated in Section 19.b.(1)(b)i.. The 85% load factor demand cost of gas shall equal the average demand cost of gas as calculated in Section 19.b.(1)(b)ii. multiplied by 59.749%.

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