

National Fuel Gas Distribution Corporation
6363 Main Street
Williamsville, NY 14221

December 29, 2006

Hon. Jaclyn A. Brillling, Secretary
New York State Department of Public Service
Three Empire State Plaza
Albany, NY 12223-1350

Dear Secretary Brillling:

Enclosed is an electronic version of Monthly Gas Supply Charge Statement No. 61 applicable to Service Classification Nos. 1, 2, and 3, and Delivery Adjustment Charge Statement No. 57 applicable to Service Classification Nos. 1, 2, 3, 5, 7, 8, and 9 of our Rate Schedule P.S.C. No. 8 – Gas. The Monthly Gas Supply Charge Statement No. 61 and the Delivery Adjustment Charge Statement No. 57 will be effective commencing with gas used on or after January 1, 2007.

The estimated amount related to surcharges and credits included in Statements No. 57 & 61 is \$1,331,000 based on estimated January 2007 sales of 85,160,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is a decrease of \$5,033,200 on a monthly basis.

The surcharge calculation for January 2007 Intermediate Pipeline Stranded Capacity Surcharge pursuant to General Leaf No. 148.2 of P.S.C. No 8 – Gas results in a unit surcharge of \$0.02690 /Mcf is applicable for January 1, 2007 through January 31, 2007.

The surcharge calculation for January 2007 Upstream Pipeline Stranded Capacity Surcharge pursuant to General Leaf No. 148.1 of P.S.C. No 8 – Gas results in a unit surcharge of \$0.01350 /Mcf is applicable for January 1, 2007 through January 31, 2007.

The Company's Annual Reconciliation filing for the twelve months ended August 31, 2006, pursuant to General Information Leaf No. 78 and 81 of P.S.C. No. 8 – Gas is included. The unit surcharge of \$0.2258/Mcf is applicable for the period January 1, 2007 through December 31, 2007.

The calculation for the Research and Development Funding Mechanism pursuant to Commission Order in Case 04-G-1047 is included as a workpaper. The unit refund of \$0.0106/Mcf is applicable for the period January 1, 2007 through December 31, 2007.

The calculation for Lost Revenue due to migration effective January 1, 2007 is included as a workpaper. Since there was no net migration for the test period there is no Lost Revenue.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 111, Demand Transfer Recovery Rate Statement No.108, Gas Transportation Statement No.108, Natural Gas Vehicle Statement No. 111, Standby Sales Service Rate Statement No.111, Transportation Sales Service Rate Statement No.113, Reserve Capacity Cost Statement No. 74, Weather Normalization Clause Multipliers Statement No. 57, Distributed Generation Statement No. 40, LIRA Minimum Charge Statement No.18, Minimum Bill Credit Statement No.18, Merchant Function Charge Statement No.21, Incremental Monthly Gas Supply Charge Statement No. 17 and Low Income Customer Affordability Assistance Program Statement No. 9 are included.

This statement is filed in compliance with 16 NYCRR, Section 270.55. Information pertaining to section 270.55d(7) will be delivered under separate cover letter.

In connection with this filing, the Company is also required to submit information that contains trade secrets. Accordingly, the Company has filed the required information with the Department Records Access Officer, together with a request for trade secret protection under the Commission's regulation. The instant filing includes redacted copies of the documents submitted to the Department Records Access Officer. The information for which trade secret protection has been requested is deleted. Copies of the same documents, with the redacted sections shaded (but legible) for identification, are being submitted to the Department Records Access Office under separate cover.

Very truly yours,

Eric H. Meinel
General Manager
Rates & Regulatory Affairs

Encl.