

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

October 27, 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. 59 applicable to Service Classification Nos. 1, 2, and 3, and Delivery Adjustment Charge Statement No. 55 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. 59 and the Delivery Adjustment Charge Statement No. 55 will be effective commencing with gas used on or after November 1, 2006.

The estimated amount related to surcharges and credits included in Statements No. 55 & 59 is \$347,000 based on estimated November 2006 sales of 39,870,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is an increase of \$11,730,000 on a monthly basis.

The surcharge calculation for November 2006 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 \$0.02680 /Mcf is applicable for November 1, 2006 through November 30, 2006.

The surcharge calculation for November 2006 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 \$0.00840 /Mcf is applicable for November 1, 2006 through November 30, 2006.

The Company's Off-System/Capacity Release/Service Class 11 filing pursuant to General Leaf No. 82 of P.S.C. No. 8 – Gas is enclosed to be refunded for the period November 1, 2006 through March 31, 2007.

The Company's 90/10 Symmetrical Sharing filing for the twelve months ended July 31, 2006 is included. The unit surcharge of \$0.0645/Mcf is applicable for the period November 1, 2006 through October 31, 2007. The Company has included an adjustment of \$714,064 to the TC1.1 transportation rate class targeted revenue to reflect the fact that actual migration of sales customers to the TC 1.1 transportation rate class was less than the amount forecasted in the rate year from which the sharing target was determined. This has been discussed with the Public Service Commission Staff and is addressed in Schedules A and B in the 90/10 filing.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 109, Demand Transfer Recovery Rate Statement No.106, Gas Transportation Statement No.106, Natural Gas Vehicle Statement No. 109, Standby Sales Service Rate Statement No.109, Transportation Sales Service Rate Statement No.111, Reserve Capacity Cost Statement No. 72, Weather Normalization Clause Multipliers Statement No. 55, Distributed Generation Statement No. 38, LIRA Minimum Charge Statement No.16, Minimum Bill Credit Statement No.16, Merchant Function Charge Statement No.19, Incremental Monthly Gas Supply Charge Statement No. 15 and Low Income Customer Affordability Assistance Program Statement No. 7 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.