



National Fuel's Conservation Incentive Rebate and Savings Card Programs Can Provide Much-Needed Help This Winter

(October 17, 2008) Williamsville, N.Y.: The outlook for wintertime (November through March) energy prices indicates that National Fuel's customers in western New York may be facing natural gas commodity cost increases in the range of 15 to 20 percent. Should this winter's weather be significantly colder than last year, customers' bills could rise even more. National Fuel's forecast is in line with that which was offered by the Energy Information Administration ("EIA") on October 7, 2008, when it forecast natural gas heating costs for customers in the Northeast to increase by 18.8 percent. While these forecasts have improved from earlier predictions, the fact remains that prices are expected to be higher this year when compared to last year.

The cost of natural gas, along with other energies, has been on the rise for some time. These costs are set in the energy marketplace where the forces of supply and demand mostly determine cost. Demand for natural gas in the United States and in the global market is increasing while supply has struggled to meet that demand. Rising demand is the result of a number of factors, including the fact that more and more natural gas is being used for electric generation due to its environmental benefits. Other factors like drilling restrictions that have prohibited the expansion of our domestic energy resource base and weather, both during the summer and winter, also impact supply and demand and, therefore, the price of natural gas.

Utilities like National Fuel are required, by law, to pass on the cost of natural gas to their customers without mark-up or discount. During the winter months, the cost of the natural gas used (expressed as "Gas Supply Charges" on a customer's monthly bill) can amount to as much as 80 percent of their total charges. The other costs (expressed as "Delivery Service Charges" on a customer's monthly bill) represent the utility's costs for providing safe and dependable service to its customers. ***See the chart provided at the end of this new release for an illustration of those costs.***

Higher natural gas prices make it more important than ever for customers to prepare for the winter season by finding ways to use less energy. With **National Fuel's Conservation Incentive Rebate and Savings Card Programs**, customers can save on large and small purchases designed to make their homes and businesses more energy-efficient. Rebates on the purchase of energy-efficient space and water heating equipment and programmable thermostats **and** discounts on other, effective and lower-cost, energy conservation materials are now available.

The Conservation Incentive **Rebate Program**, which is nearly a year old, has provided more than \$2.1 million in rebates tied to the purchase of qualifying residential energy efficient equipment. In addition, the program also assists low-income and non-residential customers with energy-efficiency improvements. So far, the program has provided nearly \$750,000 in weatherization improvements to more than 200 low-income customers. Rebates are offered on the following residential heating items:



Equipment	Required Minimum Efficiency	Rebate Amount
Space Heating		
Hot Air Furnace	90% AFUE	\$300
Hot Water Boiler	85% AFUE	\$400
Steam Boiler	81% AFUE	\$200
Programmable Thermostat	ENERGY STAR®- Rated	\$25
Water Heating		
Storage Tank Heater	0.61 EF	\$150
Tankless Heater	0.78 EF	\$350

For a copy of the rebate application and more information on the documentation required to complete that application, visit www.NationalFuelForThought.com.

Non-residential customers can find out more about the rebates available, which can amount to as much as \$25,000 per project, by visiting www.NationalFuelForThought.com or by calling the New York State Energy Research and Development Authority ("NYSERDA") at 1-866-NYSERDA (1-866-697-3732).

New this year, National Fuel and its Energy Partners are offering a **free Conservation Incentive Program Savings Card**, which can be used to receive discounts on a wide variety of energy-savings materials and services. Discounts are being offered on things like: service and repair on natural gas appliance, furnace filters, home weatherization products, high-efficiency furnaces, water heaters, other natural gas appliances and more. For a list of the participating vendors and contractors, the discounts they are offering and to print a free Savings Card, visit www.NationalFuelForThought.com.

For those customers who are having trouble paying their energy bills, National Fuel and other third-party agencies offer a variety of programs and services that can help. For more information on National Fuel's programs, including the Budget Plan, special programs for low-income and special needs customers, the Neighbor For Neighbor Heat Fund and more, visit www.nationalfuelgas.com or call National Fuel's Customer Response Center at 716-686-6123 (in the Buffalo area) or at 1-800-365-3234 (outside the Buffalo area), Monday through Friday, 7:00 am to 6:00 pm.

Customers are also advised that the **Home Energy Assistance Program (HEAP)**, which is a federally funded program that provides assistance to eligible customers to pay their home heating bills, is scheduled to open on November 3, 2008. Funding for HEAP was increased this year and the income thresholds for qualifying customers was raised. For example, this year, a family of four with an annual household gross income of \$45,312 can qualify for a HEAP grant. For more information on the income thresholds and grant amounts being offered this year, customers can visit www.otda.state.ny.us/main/heap or call the New York State HEAP hotline at 1-800-342-3009.



National Fuel provides natural gas service to approximately 700,000 customers in Western New York and northwestern Pennsylvania. Additional information about National Fuel and its customer services is available at www.nationalfuelgas.com or by calling 716-686-6123 (in the Buffalo area) or 1-800-365-3234 (outside of the Buffalo area).

