



## Natural Gas Prices Go Down

(October 31, 2008) Erie, Pa.: National Fuel Gas Distribution Corporation has filed with the Pennsylvania Public Utility Commission (PUC) an adjustment to its Gas Supply Charges to be effective November 1, 2008. Once implemented, the adjustment will lower the annual bill for a typical residential customer from \$1,855.10 to \$1,661.78, or by 10.4 percent. Gas Supply Charges are always passed on to utility customers without mark-up. This portion of a customer's bill only reflects the Gas Supply Charges paid by the utility, and those charges are regularly audited by the PUC.

According to Nancy Taylor, Senior Manager of Corporate Communications, "In August, we had projected rates for this winter would be approximately 38 percent higher than last year. The August filing was based on market trends at the time. Since then, the price of the utility's recent natural gas purchases has come down. The decrease to become effective November 1, 2008, combined with the 10.7 percent interim decrease that went into effect September 1, 2008, reflects the price decrease, resulting in Gas Supply Charges that will be approximately 14 percent more than last year." The process for passing on these costs to customers in Pennsylvania requires that the utility file its annual projection for Gas Supply Charges in August. The utility then has the opportunity to revise this projection on a quarterly basis in order to reflect more current marketplace prices for the natural gas supplies being purchased for its customers. National Fuel's New York customers experience monthly adjustments to account for changes in the marketplace price of natural gas.

The decrease is the direct result of lower wellhead prices plus lower projected costs for natural gas as compared to the costs that were projected as recently as September, when National Fuel implemented an interim decrease to its Gas Supply Charges. According to the Energy Information Administration, expectations for residential and small commercial consumer winter heating bills across the country have fallen significantly.

Customers are cautioned that the weather will also impact bills and a colder winter season, when compared to last year, could drive bills higher because of the additional volume of gas that customers may use. "Customers are encouraged to call the company now to find out about payment programs and services that may help them," Ms. Taylor said. "National Fuel offers a Budget Plan that allows customers to level out their bills over a year. The utility also has programs specifically designed for low-income customers."

Customers can also take advantage of National Fuel's Energy Partnership Savings Card, which provides discounts on energy-efficient products and services as offered by local appliance dealers and heating contractors. Customers can call 1-800-365-3234 for additional information, or go to National Fuel's web site at [www.nationalfuelgas.com](http://www.nationalfuelgas.com) and, under the "For Home" section, select "Fuel For Thought - Pennsylvania" for a copy of the Savings Card as well as a list of participating dealers and contractors.

National Fuel serves approximately 214,000 customers in 14 counties in northwestern Pennsylvania.