



**NATIONAL FUEL ANNOUNCES DECREASE TO GAS SUPPLY CHARGES  
Filing to be submitted to the Pennsylvania Public Utility Commission**

(January 31, 2008) Erie, Pa.: National Fuel Gas Distribution Corporation has announced a quarterly adjustment to gas supply charges effective February 1, 2008, for its Pennsylvania customers. This 1.8 percent decrease will lower the bill of a typical residential customer using one hundred thousand cubic feet of gas annually from \$125.50 to \$123.25 per month.

According to Nancy Taylor, Senior Manager of Corporate Communications, "Recent decreases in the market price of natural gas have made this quarterly adjustment possible. This change reflects the cost of gas that has been, and will be, purchased by the company for its customers." Pennsylvania utility companies are permitted to update gas supply charges on a quarterly basis to reflect actual changes in market prices. National Fuel's next opportunity to adjust gas supply charges will be May 1, 2008. Gas supply charges are passed along to customers dollar for dollar, with no mark-up or profit to National Fuel.

In a state-required filing, National Fuel recently forecast a 2.2 percent increase for gas supply charges to be effective August 1, 2008, through July 31, 2009. That forecast, which was based on information developed in December when market prices were higher, remains on file with the Pennsylvania Public Utility Commission, and will be adjusted before that date in accordance with market conditions.

Customers who are having trouble paying their bills are encouraged to call National Fuel at 1-800-365-3234 to find out about payment programs and available services. National Fuel serves approximately 214,000 customers in 14 counties in northwestern Pennsylvania.

**Media Contact: Nancy J. Taylor 814-871-8699**