



National Fuel’s Conservation Incentive Program Now Accepting Rebate Applications

Customers can visit www.NationalFuelForThought.com to learn more

(December 4, 2007) Williamsville, New York: National Fuel Gas Distribution Corporation’s New York division (the “Utility”) today announced that the rebate portion of its Conservation Incentive Program (“CIP”) is now active and accepting applications. In addition, a Web site, www.NationalFuelForThought.com, is now available and provides information on the rebate conditions for residential and non-residential customers, as well as a rebate application form, frequently asked questions and long-term energy savings tips.

National Fuel’s Conservation Incentive Program has been approved for approximately one year, and funded to a set amount. The Utility expects to issue rebates through this winter and spring, and if funds are still available, into this summer. The New York State Public Service Commission (“PSC”) is now working on a plan for a program like the National Fuel Conservation Incentive Program for all utilities in New York State. It is expected that the PSC will issue an Order on that matter before the conclusion of the CIP that will outline the terms, including timing, for that plan, which is expected to be rolled out next year.

On January 29, 2007, the Utility submitted to the PSC a request to re-design and raise its Delivery Service Charges beginning in 2008. As part of that request, the Utility proposed the CIP, which represents a substantial commitment to running extensive programs promoting the benefits of conservation through education, rebate offers and targeted low-income initiatives. On September 19, 2007, the PSC approved the CIP, which allowed National Fuel to then move forward in developing the program in detail. The other issues included in the request filed in January have yet to be decided.

For Residential customers in National Fuel’s western New York service area, rebates will be available for the following items purchased (and, for space and water heating items, installed) on or after November 1, 2007:

	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



Please note: space and water heating appliances (furnaces, boilers and water tanks) must be installed by a contractor. Contractors must be able to supply one of the following: Federal ID number, a Certificate of Insurance or a Business Certificate showing their company's name and address in order for the rebate application to be considered complete. For more information on the rebate conditions, please visit www.NationalFuelForThought.com.

The rebate redemption center for the Conservation Incentive Program opened on December 1, 2007 and rebate applications are available at www.NationalFuelForThought.com. Customers who have questions about rebates that have been submitted for processing should call 1-877-285-7824, Monday through Thursday, 8 a.m. to 8 p.m., Friday and Saturday, 8 a.m. to 5 p.m. In order for a rebate application to be considered complete and processed, the following information must be supplied:

Purchased item	Required documentation
Programmable thermostat	Receipt; make and model number, UPC (bar code) label from the package (only ENERGY STAR®-rated models qualify).
Furnaces, Boilers and Water Heater	<p>Paid invoice or receipt(s) indicating the Retailer/Contractor name, Federal ID number, or a Certificate of Insurance or a Business Certificate showing their company's name and address.</p> <p>Itemized description of each product, including:</p> <ol style="list-style-type: none"> 1. Manufacturer, and complete model number. 2. Energy Factor (EF) for natural gas water heaters. 3. AFUE (efficiency) rating for natural gas furnace or boiler. <p>Product installation date.</p>

In addition to the rebate feature of the program, the Conservation Incentive Program includes free weatherization assistance for low-income customers, which is being implemented in partnership with the New York State Energy Research and Development Authority ("NYSERDA"), through its EmPower New YorkSM program. Customers who may be eligible for free weatherization assistance through the CIP will be identified by National Fuel and social service providers and referred to EmPower New YorkSM.

The CIP also includes a non-residential rebate offer for customers whose facilities use less than 12,000 Mcf (thousand cubic feet) of natural gas per year that is not based on a fixed rebate schedule. This program feature is also being implemented in partnership with NYSERDA, through its Enhanced Commercial/Industrial Performance Program. For these customers, rebates will be based upon the installed cost for the new equipment and the amount of savings it will generate. As much as 50 percent of the incremental equipment and installation costs, up to \$25,000 per project, will be offered. The rebate effective date for qualifying purchases made by non-residential customers is also November 1, 2007. Non-residential customers (with annual usage of less than 12,000 Mcf) should call 1-866-NYSERDA, or 1-866-697-3732 to learn more.



National Fuel is an integrated energy company with \$3.8 billion in assets comprising five operating segments: Utility, Pipeline and Storage, Exploration and Production, Energy Marketing, and Timber. The Utility segment serves approximately 500,000 customers in western New York. Additional information about National Fuel is available at www.nationalfuelgas.com.

* AFUE – Annual Fuel Utilization Efficiency is the most widely used measure of a furnace’s heating efficiency. It measures the amount of heat actually delivered to a house compared to the amount of fuel that must supply the furnace.

** EF – The efficiency of a storage water heater is indicated by its Energy Factor (EF). An overall efficiency measure based on the use of 64 gallons of hot water per day, the EF takes into consideration both the transfer of heat to the water from the fuel used, and the standby loss of heat from the water.

Media Contact: Julie Coppola Cox 716-857-7079

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