



6363 MAIN STREET/WILLIAMSVILLE, NY 14221/TEL 800-634-5440
www.nationalfuelgas.com

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Julie Coppola Cox (716) 857-7079

National Fuel's Conservation Incentive Rebate Program Now Offers New Feature for Non-Residential Customers

Customers can visit www.NationalFuelForThought.com to learn more

(December 3, 2008) Williamsville, New York: National Fuel Gas Distribution Corporation's New York division today announced that the rebate portion of its Conservation Incentive Program has been expanded to include fixed (pre-qualified) rebate options for small, non-residential customers. With energy costs predicted to be 10 –15 percent higher this winter, now is the ideal time for western New Yorkers to use the tools National Fuel's Conservation Incentive Program offers to save energy and save money.

“With our new, fixed rebate options, our rebate program offers something for every small business, whether they are doing minor equipment upgrades or planning a large renovation,” said Jon Gruchala, general manager of Energy Services for National Fuel. “Our fixed rebates accommodate a variety of equipment sizes and make applying for a rebate faster and easier.”

Rebates are available for small, non-residential customers whose facilities use less than 12,000 Mcf (thousand cubic feet) of natural gas per year for upgrading to more energy-efficient equipment. These customers can choose from one of two rebate options:

- Fixed (Pre-Qualified) Rebate** – Fixed rebates available on pre-qualified equipment. It's fast and easy. The list below summarizes the types of equipment and rebates associated with upgrades to those items that are now being offered as part of the Conservation Incentive Program.
- Customized (Performance-Based) Rebate** – Rebates are determined on a case-by-case basis, based on the results of an energy-use analysis. Customized rebates can be as much as 50 percent of the incremental equipment and installation costs, up to \$25,000. This may result in a larger rebate than if the company were to receive a fixed rebate.

Fixed rebate requirements for select natural gas appliances include:

| Equipment | Minimum Required Efficiency | Equipment Size | | | |
|----------------------|-----------------------------|----------------|-----------------|-------------------|----------------|
| | | (<300kBtuh) | (300-500 kBtuh) | (500-1,000 kBtuh) | (>1,000 kBtuh) |
| Space Heating | | | | | |
| Hot air furnace | 90% AFUE | \$500 | N/A | N/A | N/A |
| Hot water boiler | 85% AFUE | \$600 | \$750 | \$1,500 | \$2,500 |
| | 90% AFUE | \$1,000 | \$1,500 | \$2,500 | \$3,500 |
| Steam boiler | 81% AFUE | \$600 | (\$2/kBtuh) | (\$2/kBtuh) | (\$2/kBtuh) |
| | | | \$600-\$1,000 | \$1,000-\$2,000 | \$2,000+ |

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Continued - Fixed rebate requirements for select natural gas appliances include:

| Equipment | Minimum Required Efficiency | Rebate |
|-------------------------------|------------------------------------|---------------|
| Space Heating | | |
| Unit Heater | 90% AFUE | \$1,000 |
| Low Intensity Infrared Heater | N/A | \$500 |
| Programmable Thermostat | Energy Star®-rated | \$25 |
| Water Heating | | |
| Storage Tank Water Heater | 0.61 EF | \$150 |
| Tankless Water Heater | 0.78 EF | \$350 |
| Cooking | | |
| Fryer | Energy Star®-rated | \$750 |
| Broiler | 30% AFUE | \$500 |
| Convection Over | 40% AFUE | \$500 |
| Combination Oven | 40% AFUE | \$750 |
| Steamer | Energy Star®-rated | \$750 |
| Griddle | 45% AFUE | \$500 |

(AFUE) Annual Fuel Utilization Efficiency

(EF) Energy Factor

(kBtuh) 1,000 Btu per hour

Please Note: all appliances must be installed by a contractor. **Non-residential customers applying for a rebate AND 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.** The Conservation Incentive Program rebate offers are available for qualifying equipment purchased and installed on or after November 1, 2007 only.

The Conservation Incentive Program continues to include 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 the New York State Energy Research Development Authority (NYSERDA), through its Existing Facilities Program. For these customers, *customized* 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 small, non-residential customers is also any time on or after November 1, 2007.

For a rebate application or for more information, call 1-800-365-3234 or visit www.NationalFuelForThought.com. Small, non-residential customers interested in customized rebates should call 1-866-NYSERDA, or 1-866-697-3732 to learn more.

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Launched on December 1, 2007, National Fuel's Conservation Incentive Program was approved by the New York State Public Service Commission and represents a substantial commitment to running extensive programs promoting the benefits of conservation through education, rebate offers and targeted low-income initiatives. The Conservation Incentive Program includes rebates for non-residential customers as described above, rebates for residential space and water heating appliances and programmable thermostats and a Savings Card program. The Savings Card program offers discounts from National Fuel's energy partners on services and materials related to energy use and energy conservation. Discounts are being offered on items like furnace filters, weatherization items, services like furnace cleaning and tune-ups and new appliances.

In addition to the rebate and savings card features of the program, the Conservation Incentive Program includes free weatherization assistance for low-income customers, which is being implemented in partnership with the NYSERDA, through its EmPower New YorkSM program. Customers who may be eligible for free weatherization assistance through the Conservation Incentive Program will be identified by National Fuel and social service providers and referred to EmPower New YorkSM.

To learn more about the Conservation Incentive Program or to download rebate applications for both residential and non-residential customers, visit www.NationalFuelForThought.com or call 1-800-365-3234.

National Fuel is an integrated energy company with \$4.1 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.

Media Contact: Julie Coppola Cox 716-857-7079