

NATIONAL FUEL GAS CO

FORM POS AMC

(Application or declaration under the act - Post-effective amendments)

Filed 07/12/94

Address	6363 MAIN STREET WILLIAMSVILLE, NY 14221-5887
Telephone	716-857-7000
CIK	0000070145
Symbol	NFG
SIC Code	4924 - Natural Gas Distribution
Industry	Natural Gas Utilities
Sector	Utilities
Fiscal Year	09/30

NATIONAL FUEL GAS CO

FORM POS AMC

(Application or declaration under the act - Post-effective amendments)

Filed 7/12/1994

Address	6363 MAIN STREET WILLIAMSVILLE, New York 14221-5887
Telephone	716-857-7000
CIK	0000070145
Industry	Natural Gas Utilities
Sector	Utilities
Fiscal Year	09/30

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

POST-EFFECTIVE AMENDMENT NO. 3

TO APPLICATION - DECLARATION

UNDER THE

PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

National Fuel Gas Company
30 Rockefeller Plaza
New York, New York 10112

Utility Constructors, Inc.
East Erie Extension
Linesville, Pennsylvania 16424

NATIONAL FUEL GAS COMPANY

(Name of top registered holding company)

P. C. Ackerman
Senior Vice President
National Fuel Gas Company
10 Lafayette Square
Buffalo, New York 14203

J. P. Pawlowski
Treasurer
Utility Constructors, Inc.
10 Lafayette Square
Buffalo, New York 14203

(Names and addresses of agents for service)

It is respectfully requested that the Commission send copies
of all notices, orders and communications to:

R. J. Tanski
Vice President
National Fuel Gas Distribution Corporation
10 Lafayette Square
Buffalo, New York 14203

PAGE 2 OF 25

Post Effective Amendment No. 2 is hereby amended and
restated in its entirety as follows:

Item 1. Description of Proposed Transaction

I. INTRODUCTION

National Fuel Gas Company ("National") is a public utility

holding company registered under the Public Utility Holding Company

Act of 1935, as amended ("Act"). National and its subsidiaries (the

"National Fuel Gas System", or "System") are involved in all phases of the natural gas business.

National's wholly-owned subsidiaries include National Fuel Gas Distribution Corporation ("Distribution"), National Fuel Gas Supply Corporation ("Supply"), Penn-York Energy Corporation ("Penn-York"), Seneca Resources Corporation, Empire Exploration, Inc. ("Empire"), National Fuel Resources, Inc. ("NFR"), Utility Constructors, Inc. ("UCI"), Highland Land and Minerals, Inc., Data-Track Account Services, Inc. and Leidy Hub, Inc. (formerly, Enerop Corporation).

Distribution carries out the retail natural gas distribution activities of the System in the states of New York and Pennsylvania.

Distribution is a local distribution company ("LDC") and its LDC activities are subject to the jurisdiction of the New York Public Service Commission and the Pennsylvania Public Utility Commission.

At its 1993 fiscal year end (September 30, 1993), Distribution operated 14,494 miles of utility pipeline in its service territory.

PAGE 3 OF 25

Supply is an interstate natural gas pipeline and its interstate natural gas pipeline activities are subject to the jurisdiction of the Federal Energy Regulatory Commission ("FERC"). Supply owns and operates an integrated natural gas pipeline system extending from southwestern Pennsylvania to the New York-Canadian border at the Niagara River. Supply operates approximately 3,256 miles of transmission and gathering pipelines in addition to its 31 underground natural gas storage fields. Through January 1, 1994, Supply operated approximately 1,700 productive natural gas and oil wells in the Appalachian basin. Effective that date, Supply transferred those wells to Empire in accordance with the provisions of Section 12(f) and Rule 90 under the Act.

Penn-York operates three underground natural gas storage fields and provides storage services for off-system customers.

Empire is involved in the exploration, development and production of natural gas and oil reserves in the Appalachian and midwestern regions of the United States. At its 1993 fiscal year end, Empire owned an interest in approximately 473 productive wells.

These wells are located primarily in New York and Pennsylvania, however Empire also owns an interest in wells located in Michigan and West Virginia.

II. REQUEST FOR AUTHORITY

National and UCI have filed this Post-Effective Amendment to the Application-Declaration on file in this proceeding to seek authorization from the Securities and Exchange Commission

PAGE 4 OF 25

("Commission") to continue the operations of UCI pursuant to Section 2(b) of the Gas Related Activities Act of 1990 ("GRAA"). 1/

III. UCI'S ACTIVITIES

By order dated May 1, 1987 (HCAR No. 24381) the Commission authorized National to acquire 100% of the capital stock of UCI.

UCI's offices and base of operations are located in Linesville, Pennsylvania, six miles from the Pennsylvania-Ohio border. The operations of UCI involve the construction of new and replacement pipelines, well drilling and maintenance services, and site construction and auxiliary services related to the natural gas pipeline business. As authorized under the May 1, 1987 Order, UCI's services are provided to other System subsidiaries and to non-associate companies.

Under the terms of the May 1, 1987 Order, the Commission required that, during each three-year period following National's acquisition of UCI, the total revenues received by UCI from

non-associate companies should be less than the total revenues received by UCI during the same period from associate, or System companies. This requirement was based on the Commission's

1/ Pub.L. 101-572, 104 Stat. 2810, November 15, 1990.

PAGE 5 OF 25

interpretation of Section 10(c)(1) ^{2/} and Section 11(b)(1) ^{3/} of the Act at the time such authorization was granted.

Since National's acquisition of UCI, through the end of its 1991 fiscal year (September 30, 1991), billings by UCI for construction and related services undertaken on behalf of System companies totalled approximately \$33,603,000. Billings to non-associate companies during the same period totalled approximately \$28,849,000, or approximately 46% of total revenues. During the 1992, and 1993 fiscal years, however, billings to associate companies totalled approximately \$6,427,000, and billings to non-associate companies totalled approximately \$35,585,000, or approximately 85% of total revenues. The majority of UCI's billings are attributable to large diameter pipeline construction (i.e. over 8 inches in diameter). Such large diameter pipeline construction suits UCI's experience and complement of pipeline construction equipment. UCI continues to perform pipeline and construction jobs for System companies, however, over the last few years, the number of major pipeline construction projects proposed by System companies has decreased. Oil and gas well drilling activities had provided UCI with a fair amount of System work and associated billings, however, oil and natural gas prices in the Appalachian Basin have remained

^{2/} Public Utility Holding Company Act of 1935, Section 10(c)(1), 15 U.S.C. Section 79J(c)(1).

^{3/} Id. Section 11(b)(1), 15 U.S.C. Section 79k(b)(1).

below the level at which Empire, the System's Appalachian oil and gas exploration subsidiary, is inclined to drill a large number of additional oil and gas wells. Thus, the amount of System work available to UCI has decreased.

While the System does have preliminary plans for some major construction projects in the service territory, such projects typically involve extensive filings with the Federal Energy Regulatory Commission and are subject to environmental and regulatory delays. In order for UCI to maintain efficiencies with respect to its labor force and to maintain the utilization of its construction equipment, UCI has been successful in securing pipeline contracts from other non-associate companies - primarily upstream natural gas pipelines that provide natural gas supplies to the System. Such non-associate companies have maintained a certain level of construction projects in New York, Pennsylvania, Ohio, West Virginia, Kentucky, Virginia, Maryland, Indiana, Michigan, and Illinois, neighboring states easily serviced by UCI.

Tabulated below, on a fiscal year basis, are the billings generated by UCI with respect to services rendered to associate companies and non-associate companies.

PAGE 7 OF 27

Fiscal Year Ended 9/30	Associate Companies Billings	Non-Associate Companies Billings	Total
	(\$000's omitted)		
1987*	\$ 2,482	\$ 216	\$ 2,698
1988	9,190	1,567	10,757
1989	7,802	3,263	11,065
1990	10,333	6,286	16,619
1991	3,796	17,517	21,313
Inception through 9/30/91	\$33,603	\$28,849	\$62,452

1992	\$4,364	\$24,692	\$29,056
1993	\$2,063	\$10,893	\$12,956
<hr/>			
Inception through 9/30/93	\$40,030	\$64,434	\$101,464

*Acquisition in May 1987 - reflects approximately four months of revenues.

During the last three fiscal years, the billings to associate companies have decreased below the level of billings to non-associate companies. This has resulted primarily because of the reduced well drilling and major pipeline construction activities of System companies.

PAGE 8 OF 25

IV. THE GAS RELATED ACTIVITIES ACT

As discussed in the Application-Declaration and the Order authorizing National to acquire 100% of the capital stock of UCI, unless approved by the Commission under Section 10 of the Act, it is unlawful under Section 9(a) of the Act

for any registered holding company or any subsidiary company thereof . . . to acquire, directly or indirectly, any securities or utility assets or any other interest in any business; 4/

National applied to the Commission under Section 10(a) of the Act 5/ to acquire 100% of the capital stock of UCI. Section 10(b) of the Act provides, in pertinent part, that the Commission shall approve the acquisition unless it finds that the acquisition will be detrimental to the public interest or the interest of investors or consumers.

Notwithstanding the provisions of Section 10(b), Section 10(c)(1) directs the Commission not to approve

an acquisition of securities or utility assets, or of any other interest, which is . . . detrimental to the carrying out of the provisions of Section 11. /6

4/ Id. Section 9(a)(1), 15 U.S.C. Section 79i(a)(1).

5/ Id. Section 10(a), 15 U.S.C. Section 79j(a).

Section 11(b)(1) in turn, directs the Commission:

To require . . . that each registered holding company, and each subsidiary company thereof, shall take such action as the Commission shall find necessary to limit the operations of the holding-company system of which such company is a part to a single integrated public-utility system, and to such other businesses as are reasonably incidental, or economically necessary or appropriate to the operations of such integrated public-utility system. 7/

The Section further provides:

The Commission may permit as reasonably incidental, or economically necessary or appropriate to the operations of one or more integrated public utility systems the retention of an interest in any [non-utility] business which the Commission shall find necessary or appropriate in the public interest or for the protection of investors or consumers and not detrimental to the proper functioning of such system

The Commission and commentators have generally referred to these provisions as the "other business" clauses of Section 11(b)(1).

Section 11(b)(1) has been held by the Commission to require a registered holding company to limit itself to the management and operation of its electric or gas utility business and to such non-utility businesses as will primarily further its utility business. The Commission authorized National to acquire UCI under its interpretation of Section 11(b)(1) which permitted the retention

7/ Id. Section 11(b)(1), 15 U.S.C. Section 79k(b)(1).

of non-utility interests or "other businesses" upon an affirmative showing of an "operating or functional relationship" between the non-utility business and the operations of the integrated utility business of the holding company system. The "functional relationship" was deemed to have been established upon National's showing of the amount of pipeline work that UCI undertook for associate companies, and National's representation that the levels of such System work would account for more than one-half of UCI's billings. 8/

As shown above, UCI had met the test of receiving 50% of its revenues from associate companies during the first three-year

measurement cycle established by the Commission. It became apparent that UCI would not meet the 50% test for the second three-year period and National and UCI filed Post-Effective Amendment No. 1 in this proceeding to request an appropriate change in the method of measurement utilized for the functional relationship test.

National and UCI have now filed this Post-Effective Amendment No. 3 to seek authorization from the Commission to continue the activities of UCI pursuant to Section 2(b) of the GRAA.

8/ See discussion of this test described in CSW CREDIT, INC., HCAR No. 23767 (July 19, 1985), 33 SEC Docket 1161.

PAGE 11 OF 25

In addition to the historical "functional relationship" interpretation developed by the Commission under Section 11(b)(1) of the Act, Section 2(b) of the GRAA provides that:

The acquisition by a registered company of any interest in any company organized to participate in activities . . . related to the supply of natural gas, including exploration, development, production, marketing, manufacture, or other similar activities related to the supply of natural or manufactured gas, shall be deemed, for purposes of section 11(b)(1) of the Act, to be reasonably incidental or economically necessary or appropriate to the operation of such gas utility companies, if--

(1) the Commission determines, after notice and opportunity for hearing in which the company proposing the acquisition shall have the burden of proving, that such acquisition is in the interest of consumers of each gas utility company of such registered company or consumers of any other subsidiary of such registered company; and

(2) the Commission determines that such acquisition will not be detrimental to the interest of consumers of any such gas utility company or other subsidiary or to the proper functioning of the registered holding company system.

National and UCI believe that UCI's pipeline construction and related services are the types of "other similar activities related to the supply of natural gas" referred to in Section 2(b) of the GRAA. As stated in the Congressional Record during the presentation of the GRAA, Senator D'Amato pointed out that the GRAA

"is limited to the acquisition of gas supply related businesses. Investments in business, which are not related to gas, such as real estate,

PAGE 12 OF 25

drug stores, or other similar activities, would remain subject to the functional relationship test requiring that the applicant prove that the proposed activity is reasonably incidental or economically necessary or appropriate to the utility business". 9/

UCI's pipeline construction business involves the construction of large diameter pipelines for System companies and

upstream pipeline suppliers which are used to supply natural gas to the National Fuel Gas System and its retail and wholesale consumers.

Also described in the Congressional Record, was the concern that the gas systems registered under the Act should "be effective participants in the newly emerged competitive environment" that had begun to develop in the interstate pipeline industry after the issuance of FERC Order 436 (requiring the transportation of gas not owned by the interstate pipelines). Such competitive environment continues to evolve as the interstate pipelines are restructuring their services to comply with the 636 series of FERC Orders.

UCI's pipeline construction activities, which have been primarily undertaken in National's utility service territory or for upstream pipeline suppliers, helps to assure that sufficient pipeline capacity will be available to provide supplies of natural gas for the

/9 Congressional Record - S17586, October 27, 1990.

companies and consumers of the National Fuel Gas System. The following table shows the approximate breakdown of UCI's contracts and revenues within the service territory and for upstream suppliers.

Fiscal Year Ended September 30	Within National's Service Territory	Non-Associate Upstream Suppliers	Other Parties
	(\$000's omitted)		
1987 No. of contracts	16	2	-
associated revenue	\$ 2,482	216	-
1988 No. of contracts	42	4	2
associated revenue	\$ 9,190	\$ 1,486	\$ 71
1989 No. of contracts	43	3	3
associated revenue	\$ 8,919	\$ 1,421	\$ 725
1990 No. of contracts	34	3	2
associated revenue	\$10,933	\$ 5,060	\$ 626
1991 No. of contracts	29	8	3
associated revenue	\$ 8,232	\$11,848	\$1,233
1992 No. of contracts	22	9	3
associated revenue	\$10,127	\$18,797	\$ 132
1993 No. of contracts	27	5	2
associated revenue	\$ 7,493	\$ 5,222	\$ 241

SEVEN YEAR TOTAL			
- - No. of contracts	213	34	15
- - Associated revenue	\$57,375	\$43,860	\$3,028

Under Section 2(b)(1) of the GRAA, National has the burden of proving that the ownership and operation of UCI is in the interest of consumers of National's gas utility subsidiary (Distribution) or consumers of any of National's other subsidiaries.

Before the passage of the GRAA, compliance with the functional relationship test (as measured by 50% of UCI's revenues)

PAGE 14 OF 25

was deemed to have been in the interest of National's consumers. As described above, however, during the last three-year measurement cycle, the proportion of billings issued by UCI to associate companies has decreased.

Notwithstanding such shift in the proportion of billings, National believes that the entire National Fuel Gas System has benefited by having UCI included in the group of contractors competing for most all of its System construction projects. Even where UCI was not chosen as the Contractor, the System companies believe that the winning bids submitted by other contractors have been lower than they otherwise may have been, had UCI not been a participant in the contract letting process. The increased competition and overall lower prices for System projects are evident because other contractors have offered to do work at prices lower than UCI had offered. Nonetheless, UCI's construction pricing practices are viewed as reasonable, because of the number of contracts won by UCI for projects proposed by non-associate companies.

In addition, the projects undertaken by UCI for non-associate companies helps UCI to maintain its labor force and consistency in work crews. This helps to assure that an efficient and competitive contractor will be available for gas supply projects

that are proposed by System companies. The System believes that these factors have resulted in the reduction of overall construction expenditures of the System during the past five years, and have

PAGE 15 OF 25

benefited both the LDC customers and other customers of the System and the System's shareholders. To the extent that capital construction expenditures can be reduced, this will have a dampening effect on the rate increase requests of the System companies, helping to minimize rate increase requests which would be borne by the LDC customers. To the extent that UCI is successful in obtaining contracts for projects for non-associate upstream pipelines, the cost savings achieved on such projects are also ultimately passed along to National's LDC customers through lower upstream rates.

Attached as Exhibit E-1 is a map showing the location of National's system pipelines and utility service territory. The map also includes the location of the facilities of the major upstream pipeline suppliers in New York, Pennsylvania, Ohio, West Virginia, Kentucky, Virginia, Maryland, Indiana, Michigan and Illinois that bring natural gas to or through the System's utility service territory. For the majority of its natural gas supplies that are not produced locally by Empire and/or other local producers, the System relies on natural gas transported under firm transportation and storage contracts through the pipeline facilities of Transcontinental Gas Pipeline Company (approximately 26 Million Cubic Feet Per Day ("MMCFD"), Columbia Gas Transmission (approximately 26 MMCFD), Columbia Gulf Transmission Corporation (approximately 6 MMCFD), Tennessee Gas Pipeline (approximately 272 MMCFD), Texas Eastern Transmission Corp. (approximately 73 MMCFD) and CNG Transmission Corp. (approximately 150 MMCFD) (all such quantities listed are those

PAGE 16 OF 25

in place as of January, 1994). Recently, Supply entered into a precedent agreement with Empire State Pipeline ("Empire State") under which Supply will have the ability to access up to 50 MMCFD of capacity, on Empire State's pipeline to receive deliveries in the systems utility service territory. The source for much of the gas in the Empire State Pipeline is from the Michigan Basin. Distribution also entered into an emergency interconnection agreement with Empire State's Pipeline whereby Distribution may access gas supplies for the use of its customers in emergency situations. As shown on Exhibit E-1, these pipelines bring gas to National's System and those pipelines travel through New York, Pennsylvania, Ohio, West Virginia, Kentucky, Virginia, Maryland, Indiana, Michigan, and Illinois. Replacements of, and upgrades to those pipeline systems provide a direct benefit to National's customers by maintaining or increasing the deliverability of gas supplies to National's utility service territory. During periods when Distribution has temporary excess supplies, Distribution also has the ability to utilize those pipelines to sell such supplies to other LDC's who might find it beneficial to purchase such temporary excess. A large number of UCI's contracts with non-associate upstream suppliers have been with Tennessee Gas Pipeline and CNG Transmission Corp., which two pipelines combined, provide over half of the upstream pipeline capacity utilized by the System. The major pipeline projects undertaken by UCI for the upstream pipelines have been primarily in the states of New York, Pennsylvania, Virginia, and West Virginia. However, pipeline companies have requested UCI to compete for

PAGE 17 OF 25

projects in Kentucky, Maryland, Indiana, Michigan, and Illinois, i.e., those states shown on Exhibit E-1. Such projects, either pipeline renewals or new installations, allow the System flexibility

to receive supplies of gas through a large number of inter-connection points as shown in Exhibit E-1.

From time to time, these major pipeline suppliers announce pipeline expansion proposals to increase natural gas service to, and through, the System's service territory. Such expansions sometimes involve the facilities of the System and new service opportunities for System companies. For example, during 1989 and 1990, UCI was a major contractor for a major pipeline project that increased throughput through System facilities. Details of the project are set out in FERC Docket CP 88-194, et al., but, in summary, through National's involvement in the projects, the System gained a direct link to TransCanada Pipelines, Ltd. at an import point at the Niagara River, and incremental capacity of 326.5 MMCF per day, or 119 BCF per year, feeding into the System's transmission facilities.

Recent projects have also been announced by the pipeline companies to increase pipeline capacity and services to, and through, National's service territory. Details of the Liberty Transportation Project are filed at FERC Docket CP 92-715, et. al. While the project is designed to ultimately bring approximately 500 MMCF per day of additional supplies to the New York City area, all of the initial supplies, and almost half of the ultimate planned supplies will be transported through a major interconnection point at Lebanon,

PAGE 18 OF 25

Ohio, and then eastward through portions of the System's service territory to Leidy, Pennsylvania. National is connected to the major facilities at Leidy through the 24-inch diameter pipeline that was a major portion of the project referred to in the preceding paragraph (CP 88-194).

Even more recent filings by the major pipeline suppliers have proposed to expand facilities and services that would increase

the ability to transport natural gas supplies to the System, and/or provide the opportunity for System companies to provide more services to their customers. Texas Eastern Transmission Corp. has made two recent FERC Filings (CP 93-565 and CP 94-5) to expand its system to provide more transportation services to its customers in the Northeast. Many of those customers are also storage customers of National's system companies (Supply and Penn-York). Ultimate details of such projects are expected to change and are subject to further FERC filings, however these projects are here used simply as an example of the ongoing development of the natural gas pipeline systems to and through National's service territory. National expects that such transportation projects will require associated storage facilities which National is considering developing.

National believes that the opportunity to have UCI become involved in the construction activities helps its System companies to augment their opportunity for access to more supplies of natural gas, and also provides the opportunity for System companies for increased service opportunities for System customers.

PAGE 19 OF 25

National believes that such increased access to supplies for the System, and UCI's activities to act as a contractor for these pipeline and storage projects are those activities anticipated by the

GRAA.

Additionally, UCI's construction activities provide diversification in sources of earnings for the shareholders of National while maintaining the company's focus in the natural gas business and natural gas related businesses.

In addition to National's burden under Section 2(b)(1) of the GRAA, the Commission must determine that the ownership and operation of UCI as proposed "will not be detrimental to the interest

of consumers of any such gas utility or other subsidiary or to the proper functioning of the registered holding company system".

National's current equity investment in UCI is \$5,959,753.

UCI also has \$7,200,000 of short term borrowings outstanding through the System Money Pool (See HCAR No. 35-25964, December 29, 1993).

Such investment is de minimus when compared to National's overall capitalization of over \$1.8 billion.

National believes that UCI's construction activities provide diversification in sources of earnings for the shareholders of National while maintaining the company's focus in the natural gas business and natural gas related businesses and without affecting the proper functioning of the System. The System believes that it is appropriate to maintain the operations of UCI so that such construction expertise related to natural gas pipelines will remain

PAGE 20 OF 25

available to System companies, and actually be located within the service territory of the System. For work that UCI undertakes for System companies, the System will observe the standards of Section 13 under the Act and the Rules promulgated thereunder. As described above, the activities of UCI are directly related to the supply of natural gas for National's system.

The expertise of UCI is generally in pipeline construction activities in the service area of the System and in the area adjoining the service territory in which pipelines of upstream suppliers are located. Since it is the System's desire to have an experienced contractor readily available for System projects, and notwithstanding that upstream pipeline suppliers have facilities that extend to Texas, Louisiana, and the Gulf Coast, in order to help assure that the operation's of UCI ". . . will not be detrimental . . . to the proper functioning of the registered holding company

system," . . . UCI believes that it is appropriate to commit to limit its construction activities to the states of New York, Pennsylvania, Ohio, West Virginia, Kentucky, Virginia, Maryland, Indiana, Michigan, and Illinois. In this way, UCI can maintain and improve its construction techniques in areas of similar terrain and where those techniques will ultimately be available for, and directed toward the primary benefit of National's System and its customers. By committing to not extend its operations to geographic areas not within the expertise of UCI and/or to areas of the country where construction practices and techniques would not necessarily be

PAGE 21 OF 25

applicable to System construction projects, UCI intends to always be available for System construction projects for the ultimate benefit

of customers of National's system.

Item 2. Fees, Commissions and Expenses

Filing Fee	\$2,000
Fees and Expenses of Counsel for National (Estimated)	2,000
Misc. Expenses (Estimated)	1,000
	<u>\$5,000</u>

Item 3. Applicable Statutory Provisions

Sections 9, and 10 of the Act and Section 2(b) of the Gas

Related Activities Act are considered applicable to the proposed transactions.

The applicability of each of the sections and rules to each of the proposed transactions are set out as follows:

<u>Proposed Transaction</u>	<u>Applicable Provisions</u>
UCI's operation of its business in pipeline construction.	Secs. 9, 10 and 11 and Sec. 2(b) of the GRAA

To the extent that the proposed transactions are considered by the Commission to require authorization, approval or exemption under any section of the Act or provision of the rules or regulations

other than those specifically set forth herein, request for such authorization, approval or exemption is hereby made.

Item 4. Regulatory Approval

No consent or approval of any state commission or any federal commission (other than the Securities and Exchange

PAGE 22 OF 25

Commission) is required with respect to the transactions proposed herein.

Item 5. Procedure

The Commission is requested to issue an order permitting this Application-Declaration, as amended, to become effective as soon as practicable, in order that UCI may be in a position to continue to commit to undertake construction projects in accordance with the provisions of such Order.

National and UCI request that the Commission's order herein be entered pursuant to the provisions of Rule 23. If a hearing is ordered, National waives a recommended decision by a hearing officer or other responsible officer of the Commission and consents that the Division of Investment Management, Office of Public Utility Regulation may assist in the preparation of the Commission's decision and/or order and requests that the Commission's order become effective upon issuance.

Each year, by May 15, and again within 15 days after the filing of National's Annual Form U5S, UCI will file its individual company balance sheet and income statement for the respective six and twelve month periods. In addition to such financial statements, UCI will submit a description in narrative format describing the construction activities of UCI undertaken during such reporting period.

PAGE 23 OF 25

Item 6. Exhibits and Financial Statements

The following exhibits and financial statements are filed as part of this Application-Declaration:

(a) Exhibits:

E-1 Map showing location of System facilities and major upstream pipelines.

(b) Financial Statements

S-1 Consolidating Balance Sheet of National Fuel Gas Company (including Balance Sheet of UCI) as of March 31, 1994.

S-2 Consolidating Income Statement of National Fuel Gas Company (including Income Statement of UCI) for the Twelve months ended March 31, 1994.

There have been no material changes, not in the ordinary course of business, since the date of these financial statements.

Item 7. Information as to Environmental Effects

The proposed transactions outlined herein concern a description of the scope of activities authorized to be undertaken by UCI and involve no major action which will significantly affect the quality of the human environment.

No federal agency has prepared or is preparing an environmental impact statement with respect to the transactions proposed in this Application-Declaration.

SIGNATURES

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned companies have duly caused this

PAGE 24 OF 25

Amendment to be signed on their behalf by the undersigned thereunto duly authorized.

Dated: July 12, 1994

NATIONAL FUEL GAS COMPANY

*By /s/ Philip C. Ackerman
Philip C. Ackerman
Senior Vice President*

UTILITY CONSTRUCTORS, INC.

By /s/ Joseph P. Pawlowski

APPENDIX

Exhibit E-1 referred to in Item 1 is a map showing the location of the System's pipeline facilities and utility service territory. It also shows the location of the pipelines that provide supplies of natural gas to National's System.

This Exhibit E-1 is being submitted under cover of Form S-E.

ASSETS	NATIONAL FUEL GAS			PENN-YORK ENERGY CORPORATION	SENECA RESOURCES CORPORATION	LEIDY HUB, INC.	EMPIRE EXPLORATION, INC.
	COMPANY (PARENT) (Inc. Unbilled)	DISTRIBUTION CORPORATION (Inc. Unbilled)	SUPPLY CORPORATION				
PROPERTY, PLANT & EQUIPMENT:							
GAS UTILITIES	\$0	\$1,004,099,114	\$515,555,481	\$109,459,252	\$0	\$0	\$0
NON-UTILITIES	\$224,207	\$80,137	\$13,580	\$0	\$341,163,476	\$3,208	\$87,685,094
	\$224,207	\$1,004,179,251	\$515,569,061	\$109,459,252	\$341,163,476	\$3,208	\$87,685,094
LESS ACCUMULATED D, D & A	\$104,213	\$238,618,275	\$155,359,392	\$37,262,472	\$127,024,799	\$3,208	\$34,776,183
NET PROPERTY, PLANT & EQUIP	\$119,994	\$765,560,976	\$360,209,669	\$72,196,780	\$214,138,677	\$0	\$52,908,911
CURRENT ASSETS:							
CASH	\$105,236	\$9,413,800	\$621,126	\$85,170	\$1,078,528	\$21,605	\$124,359
TEMPORARY CASH INVESTMENTS	\$7,047,283	\$1,088	\$0	\$0	\$0	\$0	\$0
NOTES RECEIVABLE-INTERCO	\$192,800,000	\$0	\$0	\$0	\$0	\$0	\$0
RESERVE FOR DOUBTFUL ACCOUNTS	\$0	(\$9,180,410)	\$0	\$0	(\$35,152)	\$0	(\$56,368)
ACCOUNTS RECEIVABLE-INTERCO	\$13,005,540	\$14,070,498	\$26,812,651	\$253,010	\$500,953	\$0	\$728,511
ACCOUNTS RECEIVABLE-CUSTOMERS	\$0	\$174,429,339	\$310,561	\$714,477	\$0	\$0	\$0
OTHER ACCOUNTS RECEIVABLE	\$7,778,302	\$9,309,622	\$5,075,590	\$1,465	\$8,210,166	\$0	\$2,139,804
UNBILLED UTILITY REVENUE	\$0	\$54,179,745	\$0	\$0	\$0	\$0	\$0
DIVIDENDS RECEIVABLE-INTERCO	\$11,848,976	\$0	\$0	\$0	\$0	\$0	\$0
MATERIALS & SUPPLIES-AVE. COS	\$0	\$7,410,926	\$11,829,804	\$2,123,466	\$50,869	\$0	\$319,572
GAS STORED UNDERGROUND	\$0	\$1,489,826	\$2,811,410	\$0	\$0	\$0	\$0
UNRECOVERED PURCH GAS COSTS	\$0	(\$2,537,692)	\$5,531,284	\$0	\$0	\$0	\$0
PREPAYMENTS	\$312,399	\$19,223,622	\$4,154,715	\$837,895	\$724,161	\$6,063	\$0
NOTES RECEIVABLE	\$0	\$9,819	\$17,372	\$0	\$0	\$0	\$0
DEFERRED INCOME TAXES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL CURRENT ASSETS	\$232,897,736	\$277,820,183	\$57,164,513	\$4,015,483	\$10,529,525	\$27,668	\$3,255,878
OTHER ASSETS:							
STOCK OF SUBSIDIARIES	\$720,449,533	\$0	\$0	\$0	\$0	\$0	\$0
NOTES OF SUBSIDIARIES	\$529,382,000	\$0	\$0	\$0	\$0	\$0	\$0
INVESTMENT IN ASSOCIATED CO	\$0	\$0	\$61,434	\$0	\$0	\$0	\$0
RECOVERABLE FUTURE TAXES	\$0	\$98,453,136	\$4,559,049	\$1,143,961	\$0	\$0	\$0
DEF CONTRACT REFORMATION	\$0	\$14,493,709	(\$99,982)	\$0	\$0	\$0	\$0
UNAMORTIZED DEBT EXPENSE	\$4,042,181	\$18,118,125	\$3,265,594	\$1,689,143	\$0	\$0	\$0
OTHER REGULATORY ASSETS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DEFERRED CHARGES	\$669,923	\$20,858,971	\$16,044,850	\$5,303,543	\$307,891	\$1,873	\$530,999
OTHER ASSETS	\$303,129	\$5,410,750	\$3,857,069	\$826,009	\$1,031,976	\$812,593	\$81,424
NOTES RECEIVABLE	\$0	\$0	\$0	\$0	\$36,300	\$0	\$0
TOTAL OTHER ASSETS	\$1,254,846,766	\$157,334,691	\$27,688,014	\$8,962,656	\$1,376,167	\$814,466	\$612,423
TOTAL ASSETS	\$1,487,864,496	\$1,200,715,850	\$445,062,196	\$85,174,919	\$226,044,369	\$842,134	\$56,777,212

ASSETS	HIGHLAND LAND & MINERALS, INC.	UTILITY CONSTRUCTORS, INC.	DATA-TRACK ACCOUNT SERVICES, INC.	NATIONAL FUEL RESOURCES	TOTAL BEFORE ELIMINATIONS	ELIMINATIONS (DR.) CR.	NFGC & SUBS CONSOLIDATED
PROPERTY, PLANT & EQUIPMENT:							
GAS UTILITIES	\$0	\$0	\$0	\$0	\$1,629,113,847	\$0	\$1,629,113,847
NON-UTILITIES	\$2,692,356	\$9,639,500	\$31,021	\$14,586	\$441,547,165	\$0	\$441,547,165
	\$2,692,356	\$9,639,500	\$31,021	\$14,586	\$2,070,661,012	\$0	\$2,070,661,012
LESS ACCUMULATED D, D & A	\$826,411	\$4,834,361	\$964	\$4,593	\$598,814,871	(\$26,950,156)	\$571,864,715
NET PROPERTY, PLANT & EQUIP	\$1,865,945	\$4,805,139	\$30,057	\$9,993	\$1,471,846,141	(\$26,950,156)	\$1,498,796,297
CURRENT ASSETS:							
CASH	\$363,065	\$141,253	\$49,489	\$660,933	\$12,664,564	\$0	\$12,664,564
TEMPORARY CASH INVESTMENTS	\$0	\$0	\$0	\$0	\$7,048,371	\$0	\$7,048,371
NOTES RECEIVABLE-INTERCO	\$1,700,000	\$0	\$500,000	\$900,000	\$195,900,000	\$195,900,000	\$0
RESERVE FOR DOUBTFUL ACCOUNTS	\$0	\$0	\$0	(\$99,000)	(\$9,370,930)	\$0	(\$9,370,930)
ACCOUNTS RECEIVABLE-INTERCO	\$79,189	\$165,312	\$34,249	\$8,378	\$55,658,291	\$55,658,291	\$0
ACCOUNTS RECEIVABLE-CUSTOMERS	\$412,113	\$0	\$0	\$7,435,540	\$183,302,030	\$0	\$183,302,030
OTHER ACCOUNTS RECEIVABLE	\$2,000	\$2,493,533	\$0	\$0	\$35,010,482	(\$1,900,000)	\$36,910,482
UNBILLED UTILITY REVENUE	\$0	\$0	\$0	\$0	\$54,179,745	\$0	\$54,179,745
DIVIDENDS RECEIVABLE-INTERCO	\$0	\$0	\$0	\$0	\$11,848,976	\$11,848,976	\$0
MATERIALS & SUPPLIES-AVE. COS	\$284,727	\$0	\$0	\$0	\$22,019,364	\$36,807	\$21,982,557
GAS STORED UNDERGROUND	\$0	\$0	\$0	\$0	\$4,301,236	\$0	\$4,301,236
UNRECOVERED PURCH GAS COSTS	\$0	\$0	\$0	\$0	\$2,993,592	\$0	\$2,993,592
PREPAYMENTS	\$96,475	\$106,671	\$506	\$16,106	\$25,478,613	\$2,050,294	\$23,428,319
NOTES RECEIVABLE	\$0	\$0	\$0	\$0	\$27,191	\$0	\$27,191
DEFERRED INCOME TAXES	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL CURRENT ASSETS	\$2,937,569	\$2,906,769	\$584,244	\$8,921,957	\$601,061,525	\$263,594,368	\$337,467,157
OTHER ASSETS:							
STOCK OF SUBSIDIARIES	\$0	\$0	\$0	\$0	\$720,449,533	\$720,449,533	\$0
NOTES OF SUBSIDIARIES	\$0	\$0	\$0	\$0	\$529,382,000	\$529,382,000	\$0
INVESTMENT IN ASSOCIATED CO	\$0	\$0	\$0	\$0	\$61,434	\$61,434	\$0
RECOVERABLE FUTURE TAXES	\$0	\$0	\$0	\$0	\$104,156,146	\$0	\$104,156,146
DEF CONTRACT REFORMATION	\$0	\$0	\$0	\$0	\$14,393,727	\$0	\$14,393,727
UNAMORTIZED DEBT EXPENSE	\$0	\$0	\$0	\$0	\$27,115,043	\$0	\$27,115,043
OTHER REGULATORY ASSETS	\$0	\$0	\$0	\$0	\$0	(\$37,428,921)	\$37,428,921
DEFERRED CHARGES	\$0	\$0	(\$28)	\$54,099	\$43,772,121	\$37,767,411	\$6,004,710
OTHER ASSETS	\$8,077	\$636,659	\$289	\$323,807	\$13,291,782	(\$8,200,842)	\$21,492,624
NOTES RECEIVABLE	\$0	\$2,310,686	\$0	\$0	\$2,346,986	\$0	\$2,346,986
TOTAL OTHER ASSETS	\$8,077	\$2,947,345	\$261	\$377,906	\$1,454,968,772	\$1,242,030,615	\$212,938,157
TOTAL ASSETS	\$4,811,591	\$10,659,253	\$614,562	\$9,309,856	\$3,527,876,438	\$1,478,674,827	\$2,049,201,611

	NATIONAL FUEL GAS						
	COMPANY	DISTRIBUTION	SUPPLY	PENN-YORK	SENECA	LEIDY HUB,	EMPIRE
	(PARENT)	CORPORATION	CORPORATION	ENERGY	RESOURCES	INC.	EXPLORATION,
	(Inc. Unbilled)	(Inc. Unbilled)		CORPORATION	CORPORATION		INC.
CAPITALIZATION AND LIABILITIES							
CAPITALIZATION:							
COMMON STOCK, \$1 PAR VALUE	\$37,096,941						
CAPITAL STOCK OF SUBSIDIARIES		\$59,170,600	\$25,345,050	\$29,332,377	\$500,000	\$4,000	\$15,000
PAID-IN-CAPITAL	\$373,937,055	\$121,668,184	\$6,561,772	\$0	\$92,245,000	\$1,038,500	\$11,774,942
EARNINGS REINVESTED IN							
THE BUSINESS	\$382,951,257	\$231,309,677	\$127,669,989	\$2,521,032	(\$22,550,790)	(\$456,971)	\$4,997,129
TOTAL COMMON STOCK EQUITY	\$793,985,253	\$412,148,461	\$159,576,811	\$31,853,409	\$70,194,210	\$585,529	\$16,787,071
LONG-TERM DEBT NET OF CURRENT							
SINKING FUND REQUIREMENTS	\$478,417,000	\$0	\$0	\$0	\$0	\$0	\$0
NOTES PAYABLE-INTERCO.	\$0	\$319,917,000	\$119,465,000	\$10,000,000	\$80,000,000	\$0	\$0
TOTAL CAPITALIZATION	\$1,272,402,253	\$732,065,461	\$279,041,811	\$41,853,409	\$150,194,210	\$585,529	\$16,787,071
LIABILITIES:							
CURRENT & ACCRUED LIABILITIES:							
NOTES PAYABLE-BANKS & OTHERS	\$179,600,000	\$0	\$0	\$0	\$0	\$0	\$0
NOTES PAYABLE-INTERCOMPANY	\$3,100,000	\$19,500,000	\$81,700,000	\$26,500,000	\$34,900,000	\$300,000	\$24,300,000
SINKING FUND REQUIREMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
L/T DEBT DUE CURRENTLY	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ACCOUNTS PAYABLE-OTHER	\$87,721	\$58,183,583	\$8,674,369	\$82,152	\$3,643,573	(\$8,041)	\$278,211
SUPPLIER REFUNDS PAY.-CUSTOME	\$0	\$16,026,275	\$0	\$0	\$0	\$0	\$0
DIVIDENDS PAYABLE	\$14,229,387	\$0	\$0	\$0	\$0	\$0	\$0
ACCOUNTS PAYABLE-INTERCO	\$7,691,862	\$28,188,000	\$11,127,421	\$3,250,146	(\$136,897)	\$888	\$76,006
DIVIDENDS PAYABLE-INTERCO	\$0	\$7,468,000	\$3,193,476	\$1,187,500	\$0	\$0	\$0
CUSTOMER DEPOSITS	\$0	\$5,655,734	\$0	\$0	\$0	\$0	\$0
RESERVE FOR GAS REPLACEMENT	\$0	\$73,691,040	\$0	\$0	\$0	\$0	\$0
ESTIMATED REVENUE REFUNDS	\$0		(\$1)	\$9,308	\$0	\$0	\$0
FEDERAL INCOME TAXES	\$75,788	\$24,249,338	\$238,741	\$1,462,942	(\$1,917,666)	\$12,434	\$729,222
OTHER TAXES	(\$450,594)	\$11,873,923	\$169,267	(\$122,282)	\$112,894	(\$3)	\$259,686
OTHER ACCRUALS	\$10,659,443	\$2,482,850	\$2,396,914	\$115,560	\$2,219,638	\$0	\$367,822
ACCRUED PENSION CONTRIBUTION	\$103,267	\$8,547,472	\$3,087,151	\$179,374	\$241,007	\$0	\$12,119
TOTAL CURRENT LIABILITIES	\$215,096,874	\$255,866,215	\$110,587,338	\$32,664,700	\$39,062,549	\$305,278	\$26,023,066
DEFERRED CREDITS:							
REFUNDABLE TAXES	\$0	\$23,686,203	\$5,900,410	\$2,398,009	\$0	\$0	\$0
UNAMORTIZED INVEST TAX CREDIT	\$0	\$13,942,797	\$401,448	\$56,392	\$0	\$0	\$0
ACCUM DEFERRED INCOME TAXES	(\$198,012)	\$158,036,733	\$43,647,600	\$7,387,451	\$33,737,729	(\$48,673)	\$13,745,415
OTHER DEFERRED CREDITS	\$563,381	\$17,118,441	\$5,483,589	\$814,958	\$3,049,881	\$0	\$221,660
TOTAL DEFERRED CREDITS	\$365,369	\$212,784,174	\$55,433,047	\$10,656,810	\$36,787,610	(\$48,673)	\$13,967,075
TOTAL CAPITALIZATION & LIABS	\$1,487,864,496	\$1,200,715,850	\$445,062,196	\$85,174,919	\$226,044,369	\$842,134	\$56,777,212

	HIGHLAND LAND & MINERALS, INC.	UTILITY CONSTRUCTORS, INC. <50>	DATA-TRACK ACCOUNT SERVICES, INC.	NATIONAL FUEL RESOURCES	TOTAL BEFORE ELIMINATIONS	ELIMINATIONS (DR.) CR.	NFGC & SUBS CONSOLIDATED
CAPITALIZATION AND LIABILITIES							
CAPITALIZATION:							
COMMON STOCK, \$1 PAR VALUE					\$37,096,941	\$0	\$37,096,941
CAPITAL STOCK OF SUBSIDIARIES	\$4,500	\$1,000	\$1,000	\$10,000	\$114,383,527	(\$114,383,527)	\$0
PAID-IN-CAPITAL	\$445,500	\$5,958,753	\$499,000	\$3,490,000	\$617,618,706	(\$243,681,651)	\$373,937,055
EARNINGS REINVESTED IN THE BUSINESS	\$3,507,650	(\$1,876,697)	\$80,393	\$1,720,343	\$729,873,012	(\$346,921,755)	\$382,951,257
TOTAL COMMON STOCK EQUITY	\$3,957,650	\$4,083,056	\$580,393	\$5,220,343	\$1,498,972,186	(\$704,986,933)	\$793,985,253
LONG-TERM DEBT NET OF CURRENT							
SINKING FUND REQUIREMENTS	\$0	\$0	\$0	\$0	\$478,417,000	\$0	\$478,417,000
NOTES PAYABLE-INTERCO.	\$0	\$0	\$0	\$0	\$529,382,000	(\$529,382,000)	\$0
TOTAL CAPITALIZATION	\$3,957,650	\$4,083,056	\$580,393	\$5,220,343	\$2,506,771,186	(1,234,368,933)	\$1,272,402,253
LIABILITIES:							
CURRENT & ACCRUED LIABILITIES:							
NOTES PAYABLE-BANKS & OTHERS	\$0	\$0	\$0	\$0	\$179,600,000	\$0	\$179,600,000
NOTES PAYABLE-INTERCOMPANY	\$0	\$5,600,000	\$0	\$0	\$195,900,000	(\$195,900,000)	\$0
SINKING FUND REQUIREMENTS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
L/T DEBT DUE CURRENTLY	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ACCOUNTS PAYABLE-OTHER	\$1,962	\$840,554	\$17,844	\$2,127,970	\$73,929,898	(\$3,810,249)	\$70,119,649
SUPPLIER REFUNDS PAY.-CUSTOME	\$0	\$0	\$0	\$0	\$16,026,275	\$0	\$16,026,275
DIVIDENDS PAYABLE	\$0	\$0	\$0	\$0	\$14,229,387	\$0	\$14,229,387
ACCOUNTS PAYABLE-INTERCO	\$443,567	\$19,607	\$17,345	\$642,972	\$51,320,917	(\$51,320,917)	\$0
DIVIDENDS PAYABLE-INTERCO	\$0	\$0	\$0	\$0	\$11,848,976	(\$11,848,976)	\$0
CUSTOMER DEPOSITS	\$0	\$0	\$0	\$0	\$5,655,734	\$0	\$5,655,734
RESERVE FOR GAS REPLACEMENT	\$0	\$0	\$0	\$0	\$73,691,040	\$0	\$73,691,040
ESTIMATED REVENUE REFUNDS	\$0	\$0	\$0	\$0	\$9,307	\$0	\$9,307
FEDERAL INCOME TAXES	\$183,957	(\$838,852)	\$2,788	\$410,784	\$24,609,476	(\$2,572,218)	\$22,037,258
OTHER TAXES	\$118,352	(\$59,773)	(\$2,458)	\$65,407	\$11,964,419	\$0	\$11,964,419
OTHER ACCRUALS	\$8,695	\$533,569	\$0	\$347,508	\$19,131,999	\$0	\$19,131,999
ACCRUED PENSION CONTRIBUTION	\$0	\$67,268	\$0	\$10,609	\$12,248,267	\$0	\$12,248,267
TOTAL CURRENT LIABILITIES	\$756,533	\$6,162,373	\$35,519	\$3,605,250	\$690,165,695	(\$265,452,360)	\$424,713,335
DEFERRED CREDITS:							
REFUNDABLE TAXES	\$0	\$0	\$0	\$0	\$31,984,622	\$0	\$31,984,622
UNAMORTIZED INVEST TAX CREDIT	\$0	\$0	\$0	\$0	\$14,400,637	\$0	\$14,400,637
ACCUM DEFERRED INCOME TAXES	\$92,828	\$394,376	(\$263)	\$439,706	\$257,234,890	\$16,361,481	\$273,596,371
OTHER DEFERRED CREDITS	\$4,580	\$19,448	(\$1,087)	\$44,557	\$27,319,408	\$4,784,985	\$32,104,393
TOTAL DEFERRED CREDITS	\$97,408	\$413,824	(\$1,350)	\$484,263	\$330,939,557	\$21,146,466	\$352,086,023
TOTAL CAPITALIZATION & LIABS	\$4,811,591	\$10,659,253	\$614,562	\$9,309,856	\$3,527,876,438	(1,478,674,827)	\$2,049,201,611

NATIONAL FUEL GAS COMPANY AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDED MARCH 31, 1994
INCLUDES ADJUSTMENT FOR SENECA RESOURCES CORPORATION & EMPIRE EXPLORATION

	NATIONAL FUEL GAS			PENN-YORK	SENECA	LEIDY HUB,	EMPIRE
	COMPANY	DISTRIBUTION	SUPPLY	ENERGY	RESOURCES	INC.	EXPLORATION,
	(PARENT)	CORPORATION	CORPORATION	CORPORATIO	CORPORATION		INC.
	(Inc. Unbilled)	(Inc. Unbilled)					
OPERATING REVENUES:							
GAS SALES	(\$18,739,218)	\$897,115,176	\$111,618,632	\$0	\$0	\$0	\$724,981
OTHER OPERATING REVENUES	\$0	\$38,824,316	\$112,416,036	\$38,345,944	\$48,654,699	\$0	\$9,824,017
	(\$18,739,218)	\$935,939,492	\$224,034,668	\$38,345,944	\$48,654,699	\$0	\$10,548,998
OPERATING EXPENSES:							
PURCHASED GAS	\$0	\$479,295,225	\$123,697,671	\$0	\$382,331	\$0	\$646,960
OPERATION EXPENSE	\$2,646,175	\$214,307,871	\$12,576,403	\$22,898,640	\$14,102,087	\$500,262	\$3,036,471
PROP, FRANCH & OTHER TAXES	\$899,542	\$86,886,793	\$9,504,819	\$1,834,495	\$1,489,004	\$3,493	\$237,652
DEPREC, DEPLETION & AMORT	\$6,000	\$27,522,370	\$14,493,285	\$2,836,532	\$18,444,662	\$83	\$3,565,083
MAINTENANCE	\$0	\$19,985,813	\$6,245,423	\$804,358	\$9,697	\$0	\$0
FEDERAL INCOME TAX	(\$6,056,783)	\$23,613,426	\$2,642,093	\$3,616,691	\$398,139	\$27,450	\$1,120,385
STATE INCOME TAX	\$0	\$2,386,076	\$1,279,458	\$1,828	\$0	\$0	\$258,975
DEFERRED INCOME TAXES-NET	(\$49,140)	\$4,684,329	\$15,281,775	(\$835,150)	\$569,032	(\$173,750)	(\$379,767)
INVESTMENT TAX CREDIT ADJ.	\$0	(\$4,723)	\$0	\$0	\$0	\$0	\$0
	(\$2,554,206)	\$858,677,180	\$185,720,927	\$31,157,394	\$35,394,952	\$357,538	\$8,485,759
OPERATING INCOME (LOSS)	(\$16,185,012)	\$77,262,312	\$38,313,741	\$7,188,550	\$13,259,747	(\$357,538)	\$2,063,239
OTHER INCOME:							
UNREMITTED EARNINGS OF SUBS	\$43,847,906	\$0	\$0	\$0	\$0	\$0	\$0
DIVIDENDS FROM SUBSIDIARIES	\$46,706,135	\$0	\$0	\$0	\$0	\$0	\$0
INTEREST - INTERCOMPANY	\$47,411,038	\$26,954	\$0	\$0	\$0	\$0	\$0
APPLIANCE & JOBBING	\$0	\$6,264	\$0	\$0	\$0	\$0	\$0
GAIN-PUR OF DEB SINKG FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISCELLANEOUS	\$0	\$25,534	\$145,962	\$0	\$39,248	\$92,291	\$0
INVESTMENT TAX CREDIT	\$0	\$663,302	\$18,745	\$3,867	\$0	\$0	\$0
ALLOW FUNDS USED IN CONST	\$0	\$54,578	\$446,752	\$6,300	\$0	\$0	\$0
OTHER INTEREST	\$858,446	\$248,895	\$682,065	(\$1,520)	\$48,820	\$0	(\$42)
	\$138,823,525	\$1,025,527	\$1,293,524	\$8,647	\$88,068	\$92,291	(\$42)
INCOME (LOSS) BEFORE INTEREST C	\$122,638,513	\$78,287,839	\$39,607,265	\$7,197,197	\$13,347,815	(\$265,247)	\$2,063,197
INTEREST CHARGES:							
INTEREST ON LONG-TERM DEBT	\$36,668,393	\$0	\$0	\$0	\$0	\$0	\$0
INTEREST - INTERCOMPANY	\$162,222	\$27,814,796	\$11,764,387	\$1,547,416	\$5,471,678	\$10,361	\$588,415
OTHER INTEREST	\$6,262,519	\$3,499,428	\$1,422,279	\$186,606	\$291,546	\$0	\$24,185
ALLOW BOR FUNDS USED CONST	\$0	(\$52,779)	(\$57,648)	(\$1,987)	\$0	\$0	\$0
	\$43,093,134	\$31,261,445	\$13,129,018	\$1,732,035	\$5,763,224	\$10,361	\$612,600
INC/(LOSS) BEFORE CUMULTV EFFEC	\$79,545,379	\$47,026,394	\$26,478,247	\$5,465,162	\$7,584,591	(\$275,608)	\$1,450,597
CUMULATIVE EFFECT OF CHANGE IN							
ACCOUNTING FOR INCOME TAXES	\$35,001	\$0	\$0	\$0	\$2,599,769	\$0	\$1,265,734
NET INC/(LOSS) AVAIL COM STOCK	\$79,580,380	\$47,026,394	\$26,478,247	\$5,465,162	\$10,184,360	(\$275,608)	\$2,716,331

NATIONAL FUEL GAS COMPANY AND SUBSIDIARIES
CONSOLIDATING STATEMENT OF INCOME FOR THE TWELVE MONTHS ENDED MARCH 31, 1994
INCLUDES ADJUSTMENT FOR SENECA RESOURCES CORPORATION & EMPIRE EXPLORATION

	HIGHLAND LAND & MINERALS, INC.	UTILITY CONSTRUCTORS, INC.	DATA-TRACK ACCOUNT SERVICES, INC.	NATIONAL FUEL RESOURCES	TOTAL BEFORE ELIMINATIONS	ELIMINATIONS (DR.) CR.	NFGC & SUBS CONSOLIDATED
OPERATING REVENUES:							
GAS SALES	\$0	\$0	\$0	\$39,376,585	\$1,030,096,156	(\$101,044,188)	\$929,051,968
OTHER OPERATING REVENUES	\$7,056,867	\$14,010,466	\$362,284	\$0	\$269,494,629	(\$80,320,596)	\$189,174,033
	\$7,056,867	\$14,010,466	\$362,284	\$39,376,585	\$1,299,590,785	(\$181,364,784)	\$1,118,226,001
OPERATING EXPENSES:							
PURCHASED GAS	\$0	\$0	\$0	\$35,749,267	\$639,771,454	\$157,355,725	\$482,415,729
OPERATION EXPENSE	\$5,768,759	\$14,886,924	\$354,382	\$1,012,927	\$292,090,901	\$24,320,633	\$267,770,268
PROP, FRANCH & OTHER TAXES	\$57,505	\$40,609	\$300	\$263,944	\$101,218,156	\$0	\$101,218,156
DEPREC, DEPLETION & AMORT	\$151,343	\$1,419,163	\$269	\$1,896	\$68,440,686	(\$3,023,882)	\$71,464,568
MAINTENANCE	\$0	\$0	\$0	\$0	\$27,045,291	\$0	\$27,045,291
FEDERAL INCOME TAX	\$308,682	(\$924,970)	\$9,704	\$208,012	\$24,962,829	\$0	\$24,962,829
STATE INCOME TAX	\$121,741	\$316,456	\$2,859	\$78,396	\$4,445,789	\$0	\$4,445,789
DEFERRED INCOME TAXES-NET	\$70,597	\$14,154	(\$2,253)	\$706,487	\$19,886,314	\$1,045,548	\$18,840,766
INVESTMENT TAX CREDIT ADJ.	\$0	\$0	\$0	\$0	(\$4,723)	\$0	(\$4,723)
	\$6,478,627	\$15,752,336	\$365,261	\$38,020,929	\$1,177,856,697	\$179,698,024	\$998,158,673
OPERATING INCOME (LOSS)	\$578,240	(\$1,741,870)	(\$2,977)	\$1,355,656	\$121,734,088	(\$1,666,760)	\$120,067,328
OTHER INCOME:							
UNREMITTED EARNINGS OF SUBS	\$0	\$0	\$0	\$0	\$43,847,906	(\$43,847,906)	(\$0)
DIVIDENDS FROM SUBSIDIARIES	\$0	\$0	\$0	\$0	\$46,706,135	(\$46,706,135)	\$0
INTEREST - INTERCOMPANY	\$58,951	\$0	\$16,229	\$60,089	\$47,573,261	(\$47,573,261)	\$0
APPLIANCE & JOBBING	\$0	\$0	\$0	\$0	\$6,264	\$0	\$6,264
GAIN-PUR OF DEB SINKG FUNDS	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MISCELLANEOUS	\$0	\$155,847	\$0	\$0	\$458,882	\$0	\$458,882
INVESTMENT TAX CREDIT	\$0	\$0	\$0	\$0	\$685,914	\$0	\$685,914
ALLOW FUNDS USED IN CONST	\$0	\$0	\$0	\$0	\$0	\$0	\$0
OTHER INTEREST	\$18,766	\$438,709	\$0	\$10,087	\$507,630	\$0	\$507,630
	\$77,717	\$594,556	\$16,229	\$70,176	\$2,304,226	\$0	\$2,304,226
INCOME (LOSS) BEFORE INTEREST CHRG	\$655,957	(\$1,147,314)	\$13,252	\$1,425,832	\$263,824,306	(\$139,794,062)	\$124,030,244
INTEREST CHARGES:							
INTEREST ON LONG-TERM DEBT	\$0	\$0	\$0	\$0	\$36,668,393	\$0	\$36,668,393
INTEREST - INTERCOMPANY	\$0	\$213,893	\$0	\$93	\$47,573,261	\$47,573,261	\$0
OTHER INTEREST	\$606	\$5,204	\$565	\$18,516	\$11,711,454	(\$8,936)	\$11,720,390
ALLOW BOR FUNDS USED CONST	\$0	\$0	\$0	\$0	(\$112,414)	\$0	(\$112,414)
	\$606	\$219,097	\$565	\$18,609	\$95,840,694	\$47,564,325	\$48,276,369
INC/(LOSS) BEFORE CUMULTV EFFECT	\$655,351	(\$1,366,411)	\$12,687	\$1,407,223	\$167,983,612	(\$92,229,737)	(\$75,753,875)
CUMULATIVE EFFECT OF CHANGE IN ACCOUNTING FOR INCOME TAXES							
	\$51,377	(\$124,792)	(\$124)	(\$460)	\$3,826,505	\$0	\$3,826,505
NET INC/(LOSS) AVAIL COM STOCK	\$706,728	(\$1,491,203)	\$12,563	\$1,406,763	\$171,810,117	(\$92,229,737)	\$79,580,380

End of Filing



© 2005 | EDGAR Online, Inc.