NATIONAL FUEL GAS CO

FORM U-1
(Application for Public Utility Holding Company)

Filed 12/29/94

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

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File No. 70-

SECURITIES AND EXCHANGE COMMISSION

Washington, D.C.

FORM U-1

APPLICATION OR DECLARATION

under

the

PUBLIC UTILITY HOLDING COMPANY ACT OF 1935

National Fuel Gas Company
10 Lafayette Square
Buffalo, New York 14203

National Fuel Gas Distribution Corporation
10 Lafayette Square
Buffalo, New York 14203

Seneca Resources Corporation
10 Lafayette Square
Buffalo, New York 14203

National Fuel Gas Supply Corporation
10 Lafayette Square
Buffalo, New York 14203

National Fuel Resources, Inc.
10 Lafayette Square
Buffalo, New York 14203

Utility Constructors, Inc.
10 Lafayette Square
Buffalo, New York 14203

(Names of companies filing this statement
and addresses of principal executive offices)

NATIONAL FUEL GAS COMPANY

(Name of top registered holding company)

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

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(Names and addresses of agents for service)

Item 1. Description of Proposed Transactions.

National Fuel Gas Company ("National") is a public utility holding company registered under the Public Utility Holding Company Act of 1935, as amended (the "Holding Company Act"). National Fuel Gas Distribution Corporation ("Distribution"), National Fuel Gas Supply Corporation ("Supply"), Seneca Resources Corporation ("Seneca"), National Fuel Resources, Inc. ("NFR") and Utility Constructors, Inc. ("Utility Constructors"), wholly-owned subsidiaries of National, are joining in this Application-Declaration. Three other wholly- owned subsidiaries of National, Highland Land & Minerals, Inc., Data-Track Account Services, Inc. and Leidy Hub, Inc., have not joined in this Application or Declaration. Neither National nor any subsidiary of National currently has an ownership interest in an exempt wholesale generator ("EWG") or a foreign utility company ("FUCO") as defined in Sections 32 and 33 of the Holding Company Act.

The Applicant-Declarants have filed this Application- Declaration in connection with their 1995-1997 long-term financing program. The Applicant-Declarants seek to obtain long- term debt authority from the Commission through December 31, 1997.

DEBENTURES AND MEDIUM-TERM NOTES REQUIREMENTS

National proposes to issue and sell at one time or from time to time not to exceed $350,000,000 aggregate principal amount of debt securities consisting of (i) one or more series of its Debentures (the "New Debentures") and/or (ii) one or more series of its Debentures designated as Medium-Term Notes (the "New MTNs"), in each case on terms to be determined at the time of bidding or when the agreement to sell is made, as the case may be.

The New Debentures will be offered by use of negotiated sales or competitive bidding.

The New MTNs will be offered, on a periodic basis, as the need for funds arises. New MTN offerings will be handled by or through an agent or agents. National may also sell New MTNs to an agent acting as principal. Any such New MTN may be resold by such agent to one or more investors or other purchasers, including other dealers, from time to time in one or more transactions, including negotiated transactions, at a fixed public offering price or at varying prices related to prevailing market prices at the time of resale.

The New Debentures and/or New MTNs will be issued under an Indenture dated as of October 15, 1974, between the Company and a trustee, who is currently The Bank of New York (formerly Irving Trust Company), as Trustee (the "Trustee"), as heretofore supplemented (the "Indenture"), and as it will be supplemented by one or more supplemental indentures in the form attached as Exhibit A-3. The New Debentures will have a term not less than one year and not more than forty years. The maturities of the New MTNs, which will range from 9 months to forty years, from date of issue, will be determined by agreement between National and the respective purchasers. The price and annual interest rate (which may either be fixed or variable) of each series of New Debentures and/or each issuance of New MTNs will be determined at the time of bidding or when the agreement to sell is made, as the case may be. The prices will range between 95% and 105% of the principal amount. Interest will be paid on pre- established dates and at stated maturities.

The supplemental indentures, which provide for the issuance of New Debentures and/or New MTNs, may include provisions for the redemption prior to maturity at various percentages of the principal amount and may include various restrictions on optional redemption for a given number of years which could be for the term of the New Debenture or New MTNs. Market conditions at the time of sale will determine the applicable redemption terms. National may issue New Debentures and/or New MTNs containing terms, conditions and features setting forth covenants, put and call rights and/or amortization and/or sinking fund provisions that may attract investors and reduce National's interest costs and/or risks.

National will not issue New MTNs or New Debentures at rates in excess of those generally obtained at the time of pricing for sales of medium-term notes or debentures having the same maturity, issued by companies of comparable credit quality and having similar terms, conditions and features.

The New Debentures and, to the extent that their terms exceed twelve months, the New MTNs will be considered funded debt under National's Indenture and as such National will not be permitted to issue New Debentures and/or New MTNs unless:

(a) The consolidated income available for interest and subsidiary preferred stock dividends for any twelve consecutive calendar months within the fifteen calendar months immediately preceding the date of such issue shall have been not less than two times the sum of (i) the total annual interest charges upon the consolidated debt (as defined) of National and its subsidiaries; and (ii) the total annual dividend requirements on subsidiary preferred stock, in each case to be outstanding immediately after such issue; and

(b) After giving effect to the issue of such New Debentures and/or New MTNs and to the application of the proceeds thereof, the sum of (i) the principal amount of outstanding consolidated debt (as defined) of National and its subsidiaries; and (ii) the amount of outstanding subsidiary preferred stock, shall, in the aggregate, not be more than 60% of consolidated net tangible assets.

An Officer's Certificate and, to the extent required, an Independent Accountants' Certificate will be supplied to the Trustee from time to time in accordance with the Indenture certifying compliance with these requirements.

The advantages that National may realize through the use of a medium-term note program are:

-- Lower interest costs may be obtained because medium- term notes are offered on a continuous basis so that the supply does not exceed the investors' demand at any given time. By contrast, large underwritten offerings must be priced in an effort to assure that the entire proposed offering will be purchased by investors at one time.

-- It provides the flexibility to issue debt maturing at any point along the yield curve. Previously, there was not a convenient method of issuing smaller amounts of shorter-term debt in the public markets.

-- The size of the offering can be tailored to National's immediate need for funds.

-- Market timing risks are reduced due to the averaging of interest rates over the offering period.

-- The ability to price and issue medium-term notes immediately will allow National to take advantage of market opportunities.

None of the proceeds from the sale of the New Debentures or New MTNs proposed herein will be used by National or any subsidiary of National for the acquisition of an interest in an EWG or a FUCO. Additionally, neither National nor any subsidiary of National is a party to, or has any rights under, a service, sales or construction agreement with an EWG or a FUCO. In the event that National or any subsidiary of National does acquire an interest in an EWG or a FUCO and proceeds from the sale of the New Debentures or New MTNs are required, National will file an application-declaration in accordance with the Holding Company Act, if required.

National proposes to lend, by December 31, 1997, not to exceed $250,000,000 to Distribution, not to exceed $150,000,000 to Supply, not to exceed $150,000,000 to Seneca, not to exceed $20,000,000 to NFR and not to exceed $20,000,000 to Utility Constructors, in exchange for unsecured subsidiary notes; but the total amount lent by National to such subsidiaries pursuant to the order herein requested will not exceed the proceeds received by National from the issuance of the New Debentures and/or New MTNs. The interest rates and maturity dates of such notes and their terms, conditions and features will be designed to parallel the effective cost of capital and other terms, conditions and features of the corresponding New Debentures and/or New MTNs. This means, among other things, that National will have the option to require payment of such notes at any time to the extent that the New Debentures and/or New MTNs mature, are redeemed, or otherwise reacquired by National.

Distribution, Supply, Seneca, NFR and Utility Constructors will issue subsidiary notes to National bearing interest at the effective interest cost of the principal amount of the related New Debentures and/or New MTNs (which will include the coupon rate of the New Debenture and/or New MTN issued by National, an amortization of the underwriters' or agents' fees and an allocation of the other recoverable costs associated with the long-term debt financing program), in each case rounded to the next highest 1/100th of 1%. For example, if National (i) issued $10,000,000 of New MTNs with a term of 30 years, a coupon of 8.50% and an all-in effective cost of 8.6235% (8.6235% equals 8.50% plus (a) the effect of amortizing the agents' fees over the life of the New MTN (such fees for a 30-year New MTN would equal .750 of the aggregate principal amount of the New MTNs Notes sold), and (b) an allocation over the life of the New MTN of the other costs associated with the long-term debt financing program (estimated to be an additional 5 basis points per issue)), and
(ii) lent those proceeds to Seneca, Seneca would execute an unsecured promissory note to National promising to pay $10,000,000 in 30 years with an interest rate of 8.63%. Seneca's interest payment dates would be the same as those of National under the corresponding New MTNs, and Seneca would promise to repay principal to National early if National redeemed or tendered for the corresponding New MTNs.

The proceeds from the sale of such notes may be used by Distribution, Supply, Seneca, NFR and Utility Constructors (i) to reduce their respective outstanding short-term borrowings under the lines of credit described more fully in the Application or Declaration, as amended, filed with the Commission (File No. 70- 8297) and the Commission's related orders and any successor Application or Declaration and Commission Order, (ii) to repay notes payable to National which relate to outstanding debentures or medium-term notes of National that have been redeemed or tendered for or matured and, to the extent such debentures or medium-term notes are redeemed or tendered for by National, any premium to the extent that National and such subsidiaries incur a premium in refinancing, plus unrecovered debt discount and expense on the outstanding issue tendered for or redeemed, (iii) for their construction or other capital expenditure programs, and/or (iv) for general corporate purposes. (Please refer to Item 6 Exhibit (B) S-10 "Projected Statement of Cash Flows by Subsidiary for Calendar Years 1995, 1996 and 1997" for an analysis of the projected borrowing needs of each National subsidiary joining in this Application or Declaration.)

In the event that proceeds are used to repay subsidiary notes payable to National which relate to outstanding debentures or medium-term notes of National that have been redeemed or tendered for, National may elect to issue New Debentures and/or New MTNs shortly before the redemption (or discharge) or shortly thereafter. If the New Debentures and/or New MTNs are issued after a redemption (or discharge) of existing debentures or medium-term notes, National will borrow the necessary funds on a short-term basis, and the related subsidiary will temporarily fund the payment to National necessary for the redemption (or discharge) by borrowing under the money pool arrangement.

National shall not use the proceeds from the sale of New Debentures and/or New MTNs to enter into refinancing transactions unless the estimated present value savings derived from the net difference between interest payments on a new issue of comparable securities and those securities refunded is, on an after-tax basis, greater than the present value of all repurchasing, redemption, tendering and issuing costs, assuming an appropriate discount rate.

INTEREST RATE SWAP REQUIREMENTS

In conjunction with the Applicant-Declarants' long-term financing plan, National may enter into one or more interest rate swap agreements ("swaps") in notional amounts aggregating not in excess of $350,000,000 at any one time outstanding. As a result, National is seeking additional authority to enter into one or more swaps, and one or more derivative instruments, such as interest rate caps, interest rate floors and

interest rate collars (collectively, the swaps and derivative instruments are sometimes referred to as "Swap and Derivative Transactions"), with one or more counterparties from time to time through December 31, 1997, in notional amounts aggregating not in excess of $350,000,000 at any one time outstanding.

National already has certain authority to enter into swaps with notional amounts not in excess of $200,000,000 pursuant to the SEC order granted in connection with National's short-term borrowing and system Money Pool arrangements (File No. 70-8297, Release No. 35-25964 dated December 29, 1993). However, this Application-Declaration requests additional authority to enter into Swaps and Derivative Transactions in connection with National's long-term debt, as described in Strategy 1 and Strategy 2 below. National has not engaged in any swap transactions pursuant to the December 29, 1993 order (File No. 70-8297) as of the date of this Application - Declaration. All Swap and Derivative Transactions will be directly related to then outstanding long or short-term debt. Additionally, should the notional amount of any Swap and Derivative Transaction exceed by more than $25,000,000 the notional or outstanding principal amount of the underlying instrument, National will within 90 days following such event either (a) reduce, restructure or terminate such Swap and Derivative Transaction or (b) issue a new instrument or restructure the underlying instrument such that the notional amount of such Swap and Derivative Transaction will not exceed by more than $25,000,000 the notional or outstanding principal amount of the underlying instrument.

National proposes to use two different swap strategies. Under one swap strategy ("Strategy 1"), National would agree to make payments of interest to a counterparty, payable periodically. The interest would be payable at a variable or floating rate index and would be calculated on a notional (i.e., principal) amount. In return, the counterparty would agree to make payments to National based upon the same notional amount and at an agreed upon fixed interest rate. This would be a "floating-to-fixed swap" on National's part. Under another swap strategy ("Strategy 2"), National and the counterparty may exchange roles. National would pay a fixed interest rate and receive a variable interest rate on a notional amount. This would be a "fixed-to-floating swap" on National's part.

Currently, most swap counterparties are banks, which generally act as dealers (principals) rather than brokers (agents). The counterparties themselves sometimes represent all or part of the opposite side of a swap transaction. Otherwise, the counterparties enter into one or more transactions with other entities, to create the opposite side of a swap transaction, generally intending to make a profit on the spread. National will enter into Swap and Derivative Transactions only with counterparties whose deposits or long-term debt have, at the time the Swap and Derivative Transaction is entered into, no lower than an "A" rating from Moody's Investors Service, Inc. ("Moody's"), or an equivalent rating from Standard & Poor's Corporation, Fitch Investors Service or Duff & Phelps (each an "Alternate Rating Agency"); provided, however, National may enter into a Swap and Derivative Transaction with a counterparty whose deposits or long-term debt have, at the time the Swap and Derivative Transaction is entered into, a "Baa" rating from Moody's (or an equivalent rating from an Alternate Rating Agency) if National has at the time outstanding debt similarly rated. Additionally, National will enter into only those interest rate swap agreements whose governing law provides generally for the enforcement of the netting provisions of such agreements upon the default of the counterparty with National.

Strategy 1

National proposes to enter into Strategy 1 swaps from time to time (i) in order to reduce the interest costs of existing high cost debt and/or (ii) in order to reduce the interest cost of new long-term debt issuances for part or all of their terms. A reduction in interest cost may occur because, by using a Strategy 1 swap, National functionally converts some or all of the fixed interest rate payments on long-term debt to floating rate payments that vary in relation to a short-term debt index. A Strategy 1 swap would reduce National's interest costs of the debentures or medium-term notes associated with the swap for the term of such a swap as long as the short-term index used in the swap to determine the floating rate paid by National remains the same, decreases, or rises modestly. If the short- term index rises during the term of the swap, the interest costs saved by National would decrease until the short-term index is equal to the fixed rate received by National. If the short-term index rises above the fixed rate received by National, debt costs to National, going forward, would be higher than they would be without using a Strategy 1 swap (but only as long as this situation exists at subsequent reset dates).

Each time National issues debentures or medium-term notes, the proceeds are lent to one or more of its subsidiaries at an all-in cost that is equal to the coupon on the debt plus
(i) the amortization of the underwriters' or agents' fees and
(ii) an allocation of the other recoverable costs associated with the long-term debt financing program (estimated to be an additional 5 basis points per issue). The loans are documented by intercompany notes from the subsidiaries to National. All the costs of both long-term and short-term debt are borne by the subsidiaries. Furthermore, the gains and the losses of doing Swap and Derivative Transactions will be assumed by the underlying subsidiary. National would enter into a swap in connection with an underlying subsidiary note only after determining it to be in the best interest of the subsidiary at the time of consummation of the swap. Subsidiaries that could receive the Strategy 1 allocations from National include Distribution, Supply, Seneca, NFR and Utility Constructors. The subsidiary that would receive the cost allocations related to a Strategy 1 swap would be obligated to execute an unsecured note or an agreement with National to make the interest payments (and receive the fixed rate interest) at each reset date of the floating rate index.

A Strategy 1 swap is used to convert the existing fixed payments made by the subsidiary of National to floating payments for part or all of the term of the debt. National would decide which subsidiary's debt to match against a swap under Strategy 1 based on the current cost of the debt, the term remaining for the debt, whether the debt is redeemable, availability of all regulatory approvals to do the swap against the underlying debt and the individual needs of the subsidiary. The effective net interest payments or receipts realized by National will be passed along to the subsidiaries of National that issued the underlying debt. None of the payments or receipts will be retained by National. No principal payments are made by either party either upon initiation or termination of a Strategy 1 swap.

Each Strategy 1 swap would be associated with one or more specific fixed rate debenture(s) or medium-term note(s). More than one Strategy 1 swap could be associated with one specific debenture or medium-term note, but the aggregate notional amount of swaps (Strategy 1 and Strategy 2 and swaps authorized under the Money Pool) would not exceed $350,000,000 at any one time outstanding. Furthermore, the aggregate notional amount of Strategy 1 swaps will not exceed, at the time any swap contract is entered into, the aggregate principal amount of National's long-term debt then outstanding. Each Strategy 1 swap would have a term (which may range from 1 month to 40 years) that is less than or equal to the remaining maturity of the debenture or medium-term note it is associated with. National may from time to time enter into a Strategy 1 swap or swaps with a counterparty whereby National would pay a floating interest rate based on one of the following indices: LIBOR (the "London Interbank Deposit Offered Rate"); the Federal Funds rate; certificate of deposit indices; or commercial paper indices (H.15 CP index or any other commercial paper index). National would in return receive a fixed interest rate. The fixed interest rate would be the Treasury yield for the corresponding term of the swap plus a swap spread that is based on the "forward curve" which is a market expectation of the movement of the floating rate index used in the swap in the future relative to the United States Treasury Securities rates. There will be no maximum interest rate respecting payments that National may make under the Strategy 1 swaps unless National purchases an interest rate cap.

In no event, under a Strategy 1 swap, will National enter into a swap contract in which the floating interest rate paid by National, inclusive of any intermediary fee, would exceed by more than 200 basis points, at each reset period, the index used for such Strategy 1 swap.

National's effective net interest payments or receipts under a Strategy 1 swap will be allocated to the subsidiary of National that issued the unsecured subsidiary note that corresponds to the debenture or medium-term note associated with the Strategy 1 swap. If more than one subsidiary issued unsecured notes that correspond to the specific debenture or medium-term note, the net interest payments and receipts of the Strategy 1 swap will be allocated in proportion to the amounts of unsecured notes outstanding for each subsidiary, provided all subsidiaries have the necessary legal authority to make and receive such payments. (If a subsidiary lacks such authority, the notional amount of the swap will not exceed the principal amount of the note or notes issued by the subsidiaries that have the necessary legal authority, and the payments and receipts will only be allocated to those subsidiaries.) Thus, the subsidiaries realize all the savings (costs) associated with the Strategy 1 swap. The allocation of the net interest payments or receipts of the Strategy 1 swap to the subsidiary will be made at each reset date of the respective floating rate index. The subsidiary that issued the unsecured note that corresponds to the debenture or medium-term note associated with the Strategy 1 swap would be obligated to execute an unsecured note or an agreement with National to make the floating rate payments (and receive the fixed rate receipts) at each reset date of the floating rate index.

The hypothetical example below, based upon quoted market rates and indices at December 7, 1994, illustrates the savings that National and hence its subsidiaries could achieve by using a Strategy 1 swap.

Assume National has the following existing debenture or medium- term note:

Principal	$50,000,000
Interest	8.5%
Remaining term	30 years

Proceeds were lent to Supply

Strategy 1 Swap

Notional amount	$50,000,000
Term	2 years (4 reset periods, first one beginning today)
National pays	Floating rate equal to 6-month LIBOR (6.75%)

National receives fixed rate equal to 7.93% (market quote).

Savings realized by National at first reset (pay 6.75%, receive 7.93%)	$ 295,000
Savings realized by National for the term of the swap1 (four payments)	$ 1,180,000

The pre-tax savings would be allocated in their entirety to Supply, which issued the subsidiary note corresponding to the underlying debenture.

Therefore, the effective interest cost on the 30-year issue would be 7.32% (versus 8.50% without the swap) for 2 years of its term, assuming that 6-month LIBOR remains unchanged.

In this example, National would realize a pre-tax savings of $295,000 at the first reset date of the swap. Reset

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1. Assuming that the 6-month LIBOR is constant over the 2-year period of the swap. The amount of savings calculated in this example is undiscounted.

dates sometimes begin on the date on which the swap is entered into, or a later date, and then follow at agreed upon intervals.

For Strategy 1 swaps, pre-tax savings or costs at reset dates will depend upon how the floating rate index changes, and therefore upon how the floating rate of interest paid by National changes. Thus, for example, if 6-month LIBOR increases to 7.0% at the time of the second reset in this example, the pre-tax savings realized would be reduced to $232,500. $232,500 = (7.93% - 7.0%) X ($50,000,000 divided by 2). Should 6-month LIBOR be higher than 7.93% at the time of such reset, National would incur an additional cost. For example, if 6-month LIBOR instead increased to 8.5% at the time of the second reset, National (and hence Supply) would incur a pre-tax cost of $142,500.

The accounting entries on National's and Supply's books for the Strategy 1 swap transaction described in the above example (at the first reset date only and assuming flat interest rates) will be as follows, for a one-month period:

National Fuel Gas Company and Subsidiaries

Accounting Entries
Strategy 1 Swap
National Fuel Gas Company

Entry No. 1		
Accrued Interest Expense	$354,167	
Interest Payable		$354,167

To record accrued interest expense on $50,000,000 8.5% debentures for the month of January 1995.

Entry No. 2		
Interest Receivable	$49,167	
Accrued Interest Expense		$49,167

To record the net proceeds on $50,000,000 swap (pay 6.75%, receive 7.93%) for the month of January 1995.

Entry No. 3		
Accounts Receivable Associated Companies	$305,000	
Interest Income		$305,000

To charge subsidiary company with net interest cost on $50,000,000 unsecured subsidiary note minus net swap savings (cost) for the month of January 1995.

Subsidiary Company

Entry No. 4		
Accrued Interest Expense	$305,000	
Accounts Payable Associated Companies		$305,000

To record interest expense on $50,000,000 unsecured subsidiary note plus net swap savings (cost) for the month of January 1995.

Entry No. 5		
Accrued Income Taxes Payable	$106,750	
Federal Income Tax Expense		$106,750

To record the federal income tax benefit for the month of January 1995.

National Fuel Gas Company and Subsidiaries

Elimination Entries

Entry No. 6		
Interest Income	$305,000	
Interest Expense		$305,000

To record elimination entries for the month of January 1995.

A Strategy 1 swap transaction, if material, would be disclosed in a note to the consolidated financial statements of National in accordance with the Generally Accepted Accounting Principles. The Strategy 1 swap position will not be recorded on the balance sheet of National.

National will not enter into a Strategy 1 swap unless the estimated savings at the time of initiation of the swap (derived from the net difference between the interest to be paid by National and the interest to be received by National under the Strategy 1 swap using then current market rates) are, on an after-tax basis, greater than the transaction and ancillary costs of the Strategy 1 swap.

National may also use other derivative strategies from time to time in conjunction with a Strategy 1 swap or the issuance of a floating rate medium-term note or debenture. Such derivative strategies may include interest rate caps, interest rate floors and interest rate collars.2 Depending on how low the interest rate cap is set or how high the interest rate floor is set, National may pay or receive an upfront fee, and/or share with the counterparty a portion of the savings realized on the spread between the capped rate and the floating rate. The

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2. An interest rate collar occurs when National buys a cap and sells a floor.

notional amount of interest rate caps, interest rate floors and interest rate collars to be entered into in conjunction with a Strategy 1 swap or the issuance of floating rate medium-term notes or debentures will not exceed, at the time such derivative strategies are entered into, the sum of (a) the aggregate notional amount of Strategy 1 swaps then outstanding and (b) the aggregate principal amount of floating rate medium-term notes or debentures then outstanding.

For example, National may decide to use a cap to limit its exposure to interest rate increases that it would be exposed to by entering into a Strategy 1 swap or issuing floating rate medium-term notes or debentures. National may purchase a cap for a notional amount that is less than or equal to the then outstanding notional amount of Strategy 1 swaps or principal amount of floating rate medium-term notes or debentures , at an interest rate that may be higher than the floating rate of interest at the time of entering into the cap. National would therefore receive any interest costs above the level of the cap for the notional amount for which the cap was purchased.

National may also decide to buy a collar, where it would sell a floor in addition to buying a cap. By selling a floor at the time the cap would be purchased, National would receive a fee that would defray some or all the fee paid for purchasing the cap. National may also sell the floor independent of the cap. National would be obligated to pay the interest costs on the notional amount if the floating rate falls below the floor rate. The interest rate at which the floor would be sold would depend on the floating rate that would have to be paid for the Strategy 1 swap or floating rate medium-term notes or debentures and National's view on interest rates at that time and in the future.

Caps, collars and floors would enable National to manage the interest rate risks associated with floating rate payment obligations.

National would determine whether to use caps, floors or collars at the time that National enters into a Strategy 1 swap or issues floating rate medium-term notes or debentures or at any time during the term of the swap or floating rate medium-term notes or debentures. The decision on whether to use any of the derivatives listed above would depend on National's view of the expected interest rate movements during the term of the swap or floating rate medium-term notes or debentures, the expected risks of loss, and the cost of buying a cap, floor or collar.

The payments or receipts associated with a cap, collar or floor will be allocated to the subsidiary that issued the underlying obligation.

It is anticipated that each Strategy 1 swap would provide that each party may terminate or "unwind" the agreement with the other party's consent, by making early termination payments and/or as may otherwise be set forth in an agreement as described below. Termination payments would be determined in accordance with the formula provided in the agreement between the parties, such as the one provided in the International Swap Dealers Association Master Agreement filed as Exhibit B-4 to this Application/Declaration, unless the parties negotiated different payment arrangements. Termination payments are dependent upon market conditions and could be substantial at times. Termination payments or the costs to "unwind" a swap would depend on the movement of the interest rates for the short term index used in the swap after the swap is consummated. If National enters into a Strategy 1 swap where National pays a floating rate and receives a fixed rate, the fixed rate of the swap is calculated as the rate of interest that sets the net present value of the forward curve for the short-term index to zero, plus the bid/ask spread. The bid/ask spread for a swap can vary from 1 to 10 basis points depending on the market demand for the swap at that time.

If the interest rates had moved exactly as the forward curve had predicted, during the term of the swap, the termination or "unwind" cost for the swap would be zero. If the interest rates move higher than predicted by the forward curve, National would incur a cost to "unwind". This cost would be equal to the present value of the forward curve (at the time the termination takes place) for the short-term index for the remaining term of the swap, discounted at the interest rate of the Treasury zero- coupon bond having the same term as the remaining term of the swap. Here again a bid/ask spread based on market conditions would be added/subtracted from the "unwind" cost. If the interest rates had moved lower than the forward curve had predicted, National would receive the "unwind" cost, calculated as described above.

It would be very difficult to determine a dollar figure for such a termination since the calculations depend entirely on the movement of interest rates and the implied forward curve at the time of termination. However, termination or "unwind" costs (or receipts) are not expected to exceed 10% of the notional amount in most cases. Termination payments (or receipts) associated with Strategy 1 swaps would be allocated to the subsidiary that executed the note or agreement to National regarding the payment obligations of the terminated swap.

Strategy 2

National could, from time to time, combine new or existing floating rate debt (such as the floating rate short-term debt issued from time to time pursuant to National's short-term borrowing and system Money Pool arrangements (File No. 70-8297, Release No. 35-25964 dated December 29, 1993)) with a fixed-to-floating interest rate swap (Strategy 2 swap). National would enter into a Strategy 2 swap with a counterparty whereby National would pay a fixed interest rate based on the forward curve. National would in return receive a floating interest rate based on such indices as LIBOR, the Federal Funds rate, certificate of deposit indices or commercial paper indices (H.15 CP index or any other commercial paper index). No principal payments are made or received by either counterparty upon either the initiation or termination of an interest rate swap, including a Strategy 2 swap.

The hypothetical example below, based upon quoted market rates and indices at December 7, 1994, illustrates the nature of a Strategy 2 swap and the savings that might be associated with using it.

Amount of short-term debt	$50,000,000
Interest paid on short-term debt (using the H.15 CP index (6.02%) plus credit spread of National- estimated at .13%)	$256,250 per month
Strategy 2 Swap	
Notional amount of swap	$50,000,000
Term of swap	5 years (60 resets)
At each reset, (every month) National pays a fixed rate @8.02% (market quote)	$334,167 per month
National receives H.15 CP index at 6.02%	$250,833 per month
Total cost of using a swap ($334,167 + 256,250 - 250,833)	$339,584
At the next reset, if the H.15 CP index increases to 7.0%:	
Interest paid on short-term debt of $50,000,000 (using the H.15 CP index (7.0%) plus the credit spread of National estimated at .13%)	$297,083 per month
Fixed rate on the swap @ 8.02%	$334,167 per month
National receives H.15 CP index at 7.0%	$291,667 per month
Total cost of using the swap for the second reset would be	$339,583 per month

As long as National's credit spread does not widen during the 5 years when the swap would be effective, the total interest rate to National for the 5 years would be 8.15% (($339,583 x 12)/$50,000,000).

National would enter into a Strategy 2 swap, and not reduce its short-term debt, as opposed to issuing a 5-year medium-term note or debenture and reducing short-term debt, only if the estimated costs associated with the swap, including transaction and other costs3, were less than the costs of issuing the long-term debt and any costs associated with reducing short- term debt.

For example, if National issued a medium-term note having the same term as the above swap (5 years) with the following terms:

Principal amount of debt issued	$50,000,000
Effective all-in interest cost4	8.25%
Monthly interest cost5	$343,750
The net savings to National by using a swap for each reset are ($343,750 - 339,583)	$4,167
Total net savings to National by using the swap over the 5-year period (undiscounted and pre-tax)6	$250,020

National would save 10 basis points7 in interest cost calculated on a semi-annual bond basis by using the above swap

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3. These costs may include any intermediary fees, credit spreads, and legal and other costs associated with using a Strategy 2 swap versus a debenture or medium-term note. These other costs could include (i) slightly higher long-term debt costs that occur because National's debt rating did not increase as a result of higher short-term debt levels, and/or (ii) increased bank fees (e.g., costs of committed credit facilities)

occasioned by the existence of higher short-term debt levels.

4. Effective all-in interest cost means the coupon rate of interest for the medium-term note plus the agent/underwriter fee allocated over the life of the medium-term note.

5. Monthly interest is used to compare the cost of the medium- term note to the swap because the swap resets monthly.

6. Assuming that the H.15 CP index and National's short-term debt costs move in unison for the term of the swap.

7. The savings do not include transaction and other costs. Please see footnote 3 for more details concerning these costs.

and retaining short-term debt instead of issuing the above medium-term note.

In the example above, the subsidiary of National which is allocated the cost of the swap will save $4,167 per month (each reset), for a total of $250,020 over a period of 5 years (undiscounted), by keeping the short-term debt levels constant and using the above swap to fix a particular interest rate for the long-term, instead of issuing the above medium-term note, as long as the H.15 CP index and National's short-term debt costs move in unison.

In the above example, if the interest cost of National's short-term debt does not move in unison with H.15 CP index, National may incur additional costs or it may save more, depending on how the two interest rates change in relation to one another.

For example, if the short-term interest cost for National increased to 7.10% at the time of a subsequent reset, and the H.15 CP index increased to 7%, the savings to National would be calculated as follows:

Interest paid on short-term debt @ 7.10%	$295,833 per month
Strategy 2 Swap	
National pays a fixed rate @ 8.02%	$334,167 per month
National receives H.15 CP index @ 7%	$291,667 per month
Total cost of using a swap ($334,167 + 295,833 - 291,667)	$338,333
Net savings to National for this reset ($343,750 - 338,333)	$5,417

National saved $5,417 for this reset versus $4,167 for the previous reset because National's short-term borrowing rates did not increase as much as the H.15 CP index did.

This savings can also decrease, or National may incur an additional cost, if at the time of a subsequent reset the difference between National's short-term interest costs and the H.15 CP index increases. For example, if National's short-term interest rate is then 7.20% and the H.15 CP index is then 7%, the net monthly savings of the Strategy 2 swap versus issuing additional debt at 8.25% declines from $4,167 to $1,250. $343,750 (avoided long-term debt interest) - $334,167 (swap payment) + $291,667 (swap receipt) - $300,000 (short-term interest payment) = $1,250.

National does not expect the relative differences between short-term borrowing rates and the H.15 CP index to vary substantially over time (i.e., by more than 10 basis points in either direction), unless National is downgraded by the bond rating agencies. There is a possibility that such a downgrade may erase the savings for the rest of the term of the swap or until National is upgraded by the bond rating agencies.

The accounting entries for the Strategy 2 swap transaction will be as follows on the books of National and the affected subsidiary, using the first Strategy 2 example above, for a one-month period:

National Fuel Gas Company and Subsidiaries

Accounting Entries
Strategy 2 Swap
National Fuel Gas Company

Entry No. 1		
Accrued Interest Expense	$256,250	
Interest Payable		$256,250

To accrue interest on $50,000,000 short-term debt at 6.15% for the month of January 1995.

```
Entry No. 2
     Accrued Interest Expense          $83,334
          Interest Payable                        $83,334
```

To record net interest expense on $50,000,000 swap (pay 8.02%, receive 6.02%) for the month of January 1995.

```
Entry No. 3
     Accounts Receivable
     Associated Companies              $339,584
          Interest Income                         $339,584
```

To charge subsidiary company with net interest on $50,000,000 short-term subsidiary note for the month of January 1995.

```
                                   Subsidiary Company
                                   ------------------

    Entry No. 4
         Accrued Interest Expense          $339,584
              Accounts Payable

              Associated Companies          $339,584
```

To record interest expense on $50,000,000 short-term debt for the month of January 1995.

```
Entry No. 5
     Accrued Income Taxes Payable      $118,854
          Federal Income Tax Expense              $118,854
```

To record the federal income tax benefit for the month of January 1995.

National Fuel Gas Company and Subsidiaries

```
                         Elimination Entries
                         -------------------

Entry No. 6
     Interest Income                   $339,584
          Interest Expense                        $339,584
```

To record elimination entries for the month of January 1995.

The Strategy 2 swap, if material, would be disclosed in a note to the consolidated financial statements of National in accordance with the Generally Accepted Accounting Principles. The Strategy 2 swap position will not be recorded on National's balance sheet.

In no event, under any Strategy 2 swap, will National enter into a swap contract in which the effective fixed rate of interest paid by National, inclusive of any intermediary fee, would exceed by more than 2.0% per annum, at the time of entering into any Strategy 2 swap contract, the yield on direct obligations of the United States Government as published by the Federal Reserve (i.e., Treasury Bonds, Notes and Bills) with maturities comparable to the maturity of such Strategy 2 swap contract.

The aggregate notional amount of Strategy 2 swaps will not, at any one time, exceed the difference between a) $350,000,000 and b) the aggregate principal amount of New Debentures and New MTNs then outstanding. Furthermore, the aggregate notional amount of Strategy 2 swaps will not exceed, at the time the swap contract is entered into, the amount of short- term debt then outstanding pursuant to National's system Money Pool arrangements (File No. 70-8297). The term for any Strategy 2 swaps will range from 9 months to 40 years.

Each time National issues debentures or medium-term notes, the proceeds are lent to one or more of its subsidiaries at an all in cost that is equal to the coupon on the debt plus
(i) the amortization of the underwriters' or agents' fees and
(ii) an allocation of the other recoverable costs associated with the long-term debt financing program (calculated to be an additional 5 basis points per issue). The loans are documented by intercompany notes from the subsidiaries to National. All the costs of both long-term and short-term debt are borne by the subsidiaries. Furthermore, the gains and the losses of doing a swap and one or more derivative instruments will be assumed by the underlying subsidiary. National would enter into a swap in connection with an underlying subsidiary only after determining it to be in the best interest of the subsidiary at the time of consummation of the swap.

Since a Strategy 2 swap would be used in lieu of issuing New MTNs or New Debentures under this file, the subsidiary that would have received the proceeds of issuing long- term debt would be the one which would bear the costs (savings) of the swap. The costs associated with the short-term debt that is not repaid as a result of using this swap strategy would be allocated to the subsidiary that would have paid interest

associated with the New MTNs or New Debentures that would otherwise have been issued. The fixed rate payments and the floating rate receipts of the Strategy 2 swap would be allocated to the same subsidiary to which the costs associated with the short-term debt are assigned. Only those subsidiaries which would require the use of a certain principal amount of debt for the life of a proposed strategy 2 swap would be allocated the costs (savings) of the swap. Subsidiaries that could receive the Strategy 2 allocations from National include Distribution, Supply, Seneca, NFR and Utility Constructors. The subsidiary that would receive the cost allocations related to a Strategy 2 swap (short-term debt principal and interest payments, fixed rate payments under the swap and floating rate receipts under the swap) would be obligated to execute an unsecured note or an agreement with National to make the interest payments (and receive the floating rate interest) at each reset date of the floating rate index.

It is anticipated that each Strategy 2 swap would provide that each party may terminate or "unwind" the agreement with the other party's consent, by making early termination payments and/or as may otherwise be set forth in an agreement. Termination payments would be determined in accordance with the formula provided in the agreement between the parties, such as the one provided in the International Swap Dealers Association Master Agreement filed as Exhibit B-4 to this Application/ Declaration, unless the parties negotiated different payment arrangements. Termination payments are dependent upon market conditions and could be substantial at times. The methodology for calculating the cost of "unwinding" a Strategy 2 swap would be the same as that used for a Strategy 1 swap. Termination payments for a Strategy 2 swap could be functionally compared to a premium that is paid to the bondholders, for redeeming or discharging high cost debt. Termination or "unwind" costs (or receipts) are not expected to exceed 10% of the notional amount in most cases. Termination payments (or receipts) for Strategy 2 swaps would be allocated to the subsidiary that executed the note or agreement to National regarding the payment obligations of the terminated swap.

National may also use interest rate caps from time to time in conjunction with a Strategy 2 swap. The payments or receipts associated with a cap will be allocated to the same subsidiary to which the costs associated with the underlying strategy 2 swap are assigned.

General

Since a swap is essentially an exchange of interest payment obligations of National and a counterparty, National will neither receive nor pay any proceeds (i.e., principal) from any swaps.

None of the Swap and Derivative Transactions will be "leveraged." This means that changes in interest payments (receipts) under any Swap and Derivative Transaction due to changes in the floating rate index used in such instrument will not exceed the product of the change in such index and the notional amount of such instrument.

Reporting Requirements

Within thirty days following the trade date of any Swap and Derivative Transaction, National will submit a report to the Commission disclosing the following information with respect to such Swap and Derivative Transaction: the trade date; the type of Swap and Derivative Transaction traded; the notional principal amount; a description of the index and margin in the case of a swap or the underlying index and strike rate in the case of a cap or a floor; the termination date; the name of the counterparty; the material terms of the underlying instrument (including the interest rate (or index and margin) and the maturity or termination date of such instrument), and the name of the subsidiary to which the cash inflows and outflows under the Swap and Derivative Transaction will be allocated.

Within forty-five days following the close of each fiscal quarter, National will submit a report to the Commission disclosing the net cash outflow or inflow for each swap, and the net cash outflow for each floor, that has been open at any time during such quarter. With respect to swaps, the net outflow refers to the difference between the interest flow received by National versus the interest flow paid by National during such quarter for that swap. With respect to any floor, the cash outflow refers to the sum of payments made by National during such quarter under any floor sold by National.

National will additionally disclose, also within forty- five days following the close of each fiscal quarter, the market value for each Swap and Derivative Transaction that is outstanding at the close of such quarter, as of that closing date. National will also disclose any gains or losses realized from the liquidation during such quarter of any position in a Swap and Derivative Transaction, together with the proceeds and sale price constituting such gain or loss, and its carrying value, if any.

Further, National will disclose, also within forty-five days following the close of each fiscal quarter, certain information if the notional principal amount of any Swap and Derivative Transaction during that quarter exceeds the outstanding or notional principal amount of the underlying instrument. Specifically, National will disclose the date and reason for such condition. In addition, National will disclose the date (a) the related Swap and Derivative Transaction was terminated or the notional principal amount of such instrument was reduced or (b) a new instrument related to the open Swap and Derivative Transaction was entered into. If National enters into a new underlying instrument for that Swap and Derivative Transaction, it will also disclose the terms of the new underlying instrument.

Item 2. Fees, Commissions and Expenses.

The estimated fees and expenses to be incurred by National in connection with the transactions proposed are set forth in Exhibit I-1 hereto.

Item 3. Applicable Statutory Provisions.

(A) Sections 6(a), 7, 9(a), 10 and 12(b) of the Holding Company Act and Rules 23, 24 and 45 under the Holding Company Act are applicable to the transactions. To the extent any other Sections of the Holding Company Act may be applicable to the proposed transactions, the Company hereby requests appropriate orders thereunder.

Item 4. Regulatory Approval.

No Federal regulatory authority, other than the

Commission, has jurisdiction over the proposed transaction.

No State regulatory authority has jurisdiction over the proposed transactions except that the Public Service Commission of New York and the Pennsylvania Public Utility Commission have jurisdiction over the issuance and sale of the notes to be issued by Distribution and the allocation of costs and benefits to Distribution, and Applications or Petitions (Exhibits D-1 and D-3) will be filed by Distribution requesting the approval of such commissions.

Item 5. Procedure.

In light of the sensitivity of the proposed transactions to market interest rates and the substantial cost savings associated with the potential redemption by National of certain series of its Debentures, National respectfully requests that the Commission's action with respect to the transactions proposed in this Application or Declaration be taken on or before February 10, 1995.

National currently has $220,000,000 principal amount of New Debentures and/or New MTNs registered under the Securities Act of 1933. National will file, if needed, a Registration Statement on Form S-3 under the Securities Act of 1933 covering the remaining $130,000,000 principal amount of New Debentures and/or New MTNs. Until such Registration Statement is filed with the Commission, National requests that the Commission reserve jurisdiction over the issuance of $130,000,000 principal amount of New Debentures and/or New MTN's.

National respectfully requests that the Commission's order herein be entered pursuant to the provisions of Rule 23. If a hearing be ordered, National waives a recommended decision by a Hearing Officer, or any other responsible officer of the Commission, agrees that the Office of Public Utility Regulation may assist in the preparation of the Commission decision and requests that there be no waiting period between the issuance of the Commission's order and the date on which it becomes effective.

Item 6. Exhibits and Financial Statements.

The following exhibits are made a part of this

statement:

(A) Exhibits

A-1 Indenture, dated as of October 15, 1974, between National and The Bank of New York

(formerly Irving Trust Company)

(Exhibit 2(b), File No. 2-51796).

A-2 Ninth Supplemental Indenture, dated as of January 1, 1990 (Exhibit 4.4, Form 10-K for fiscal year ended September 30, 1992); Tenth Supplemental Indenture, dated as of February 1, 1992 (Exhibit 4(a), Form 8-K dated February 14, 1992, in File No. 1-3880); Twelfth Supplemental Indenture, dated as of June 1, 1992 (Exhibit 4(c), Form 8-K dated June 18, 1992, in File No. 1-3880); Thirteenth Supplemental Indenture, dated as of March 1, 1993 (Exhibit 4(a)(14), File No. 33-49401); and Fourteenth Supplemental Indenture, dated as of July 1, 1993 (Exhibit 4.1, Form 10-K for fiscal year ended September 30, 1993).

A-3 Proposed form of Supplemental Indenture for

New Debentures and/or New MTNs. File No. 70-8143

A-4 Form of New Debenture. File No. 70-8143

A-5 Forms of New MTN. File No. 70-8143

B-1 Form of Proposal and Purchase Agreement for New Debentures. File No. 70-8143

B-2 Form of Sales Agency and/or Distribution Agreement for MTNs. File No. 70-8143

B-3 Form of Underwriting Agreement for New Debentures. File No. 70-8143

B-4 Form of Proposed Swap Agreement. File No. 70-8143

C-1 Form S-3 Registration Statement of National under the Securities Act of 1933 relating to sale of $220,000,000 aggregate principal amount of the New Debentures and/or MTNs (File No. 33-49401).

C-2 Form T-1 Statement of Eligibility under the Trust Indenture Act of 1939 of the Bank of New York, as Trustee under the Indenture (Exhibit 26, File No. 33-49401).

D-1 Copy of Petition of Distribution to the Public Service Commission of New York.*

D-2 Copy of Order of the Public Service Commission of New York in Case No. _____.*

D-3 Copy of Securities Certificate Application of Distribution filed with the Pennsylvania Public Utility Commission.*

D-4 Copy of Pennsylvania Public Utility Commission's Securities Certificates No. S-_____ and G-_____.*

F-1 Opinion of Reid & Priest, Counsel for National.*

F-2 Opinion of Stryker, Tams & Dill, New Jersey Counsel for National.*

F-3 Opinion of Richard M. DiValerio, Counsel for Distribution, Supply, Seneca, NFR and Utility Constructors.*

G Financial Data Schedules.*

H-1 Suggested form of notice of proposed transactions.

I-1 Schedule of Estimated Fees and Expenses.*

(B) Financial Statements

S-1 Pro Forma Consolidated Statement of Income and Earnings Reinvested in the Business for the twelve months ended September 30, 1994, Pro Forma Consolidated Balance Sheet at September 30, 1994 and Pro Forma Adjusting Entries.

S-2 National Fuel Gas Company Pro Forma Statement of Income and Earnings Reinvested in the Business for the twelve months ended September 30, 1994, Pro Forma Balance Sheet at September 30, 1994 and Pro Forma Adjusting Entries.

S-3 National Fuel Gas Distribution Corporation Pro Forma Statement of Income and Earnings Reinvested in the Business for the twelve months ended September 30, 1994, Pro Forma Balance Sheet at September 30, 1994 and Pro Forma Adjusting Entries.

S-4 National Fuel Gas Supply Corporation Pro Forma Statement of Income and Earnings Reinvested in the Business for the twelve months ended September 30, 1994, Pro Forma Balance Sheet at September 30, 1994 and Pro Forma Adjusting Entries.

S-5 Seneca Resources Corporation Pro Forma Statement of Income and Earnings Reinvested in the Business for the twelve months ended September 30, 1994, Pro Forma Balance Sheet at September 30, 1994 and Pro Forma Adjusting Entries.

S-6 Utility Constructors, Inc. Pro Forma Statement of Income and Earnings Reinvested in the Business for the twelve months ended September 30, 1994, Pro Forma Balance Sheet at September 30, 1994 and Pro Forma Adjusting Entries.

S-7 National Fuel Resources, Inc. Pro Forma Statement of Income and Earnings Reinvested in the Business for the twelve months ended September 30, 1994, Pro Forma Balance Sheet at September 30, 1994 and Pro Forma Adjusting Entries.

S-8 Notes to Financial Statements.

S-9 Computation of the income test as of September 30, 1994, required for the issuance of additional Funded Debt, as required by National Fuel Gas Company's Indenture.

S-10 Projected Statement of Cash Flows by Subsidiary for Calendar Years 1995, 1996 and 1997.

There have been no material changes not in the ordinary course of business since September 30, 1994.

FOOTNOTES

*To be supplied by amendment.

Item 7. Information as to Environmental Effects

The proposed transactions outlined herein concern financing arrangements contemplated by National, Distribution, Supply, Seneca, NFR and Utility Constructors and involve no major action which will significantly affect the quality of the environment.

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

SIGNATURES

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned companies have duly caused this statement to be signed on their behalf by the undersigned thereunto duly authorized.

NATIONAL FUEL GAS COMPANY

By /s/ Gerald T. Wehrlin
_____
Gerald T. Wehrlin
Controller

NATIONAL FUEL GAS DISTRIBUTION CORPORATION

By /s/ Gerald T. Wehrlin
_____
Gerald T. Wehrlin
Senior Vice President, Controller

SENECA RESOURCES CORPORATION

By /s/ Gerald T. Wehrlin
_____
Gerald T. Wehrlin
Secretary, Treasurer and Controller

NATIONAL FUEL GAS SUPPLY CORPORATION

By /s/ Joseph P. Pawlowski
_____
Joseph P. Pawlowski
Treasurer

NATIONAL FUEL RESOURCES, INC.

By /s/ David F. Smith
_____
David F. Smith
President

UTILITY CONSTRUCTORS, INC.

By /s/ Joseph P. Pawlowski
_____
Joseph P. Pawlowski
Treasurer

DATED: December 29, 1994

New York, New York
December 29, 1994

Securities and Exchange Commission 450 Fifth Street, N.W.

Washington, D.C. 20549

Re: National Fuel Gas Company
National Fuel Gas Distribution Corporation
National Fuel Gas Supply Corporation
Seneca Resources Corporation
National Fuel Resources, Inc.
Utility Constructors, Inc.

Ladies and Gentlemen:

Transmitted for filing with the Securities and Exchange Commission pursuant to the Public Utility Holding Company Act of 1935, please find a copy of the joint Application or Declaration on Form U-1 of National Fuel Gas Company ("National"), National Fuel Gas Distribution Corporation, National Fuel Gas Supply Corporation, Seneca Resources Corporation, National Fuel Resources, Inc. and Utility Constructors, Inc.

We would be grateful if you would send copies of any communications which may be addressed to National in connection with the filing to the undersigned.

Very truly yours,

REID & PRIEST, Counsel for
NATIONAL FUEL GAS COMPANY

/s/ Robert J. Reger, Jr.
_____

By: Robert J. Reger, Jr.

cc: Harry Eisenstein

End of Filing