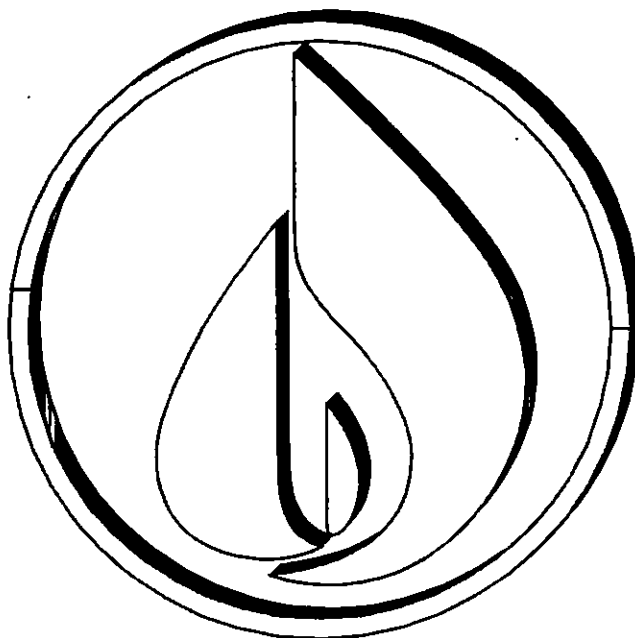


# *National Fuel Gas Company*



## **Presentation Book**

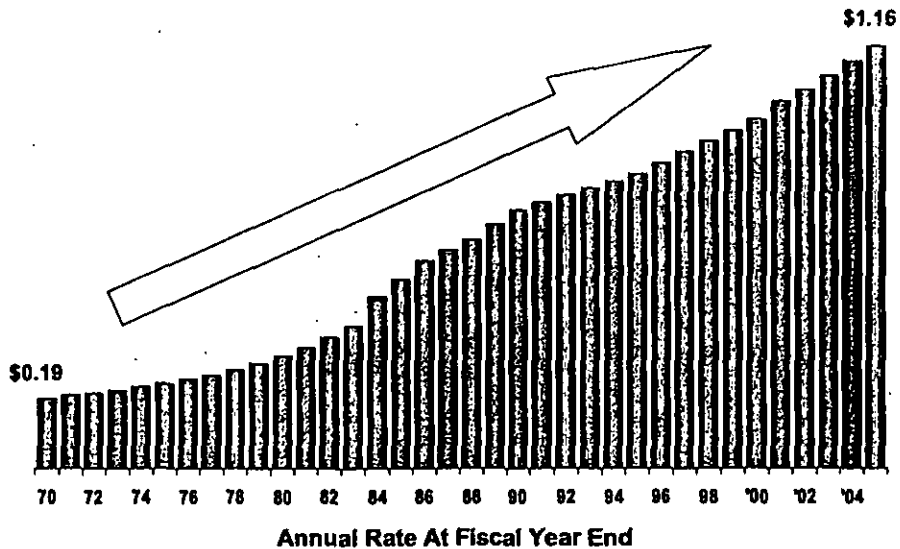
**August 2005**

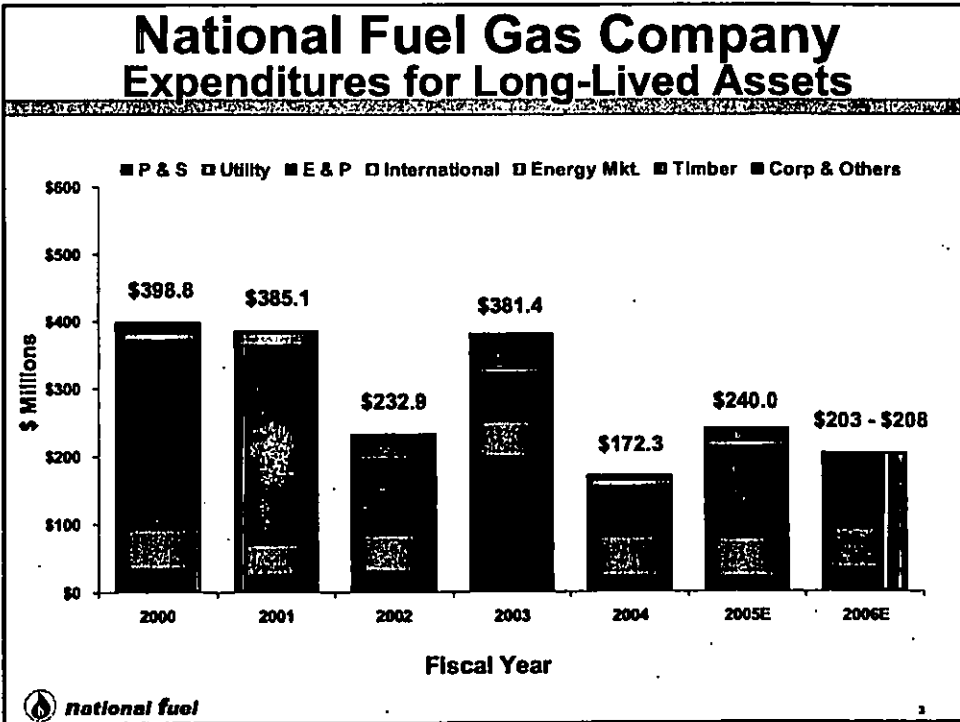
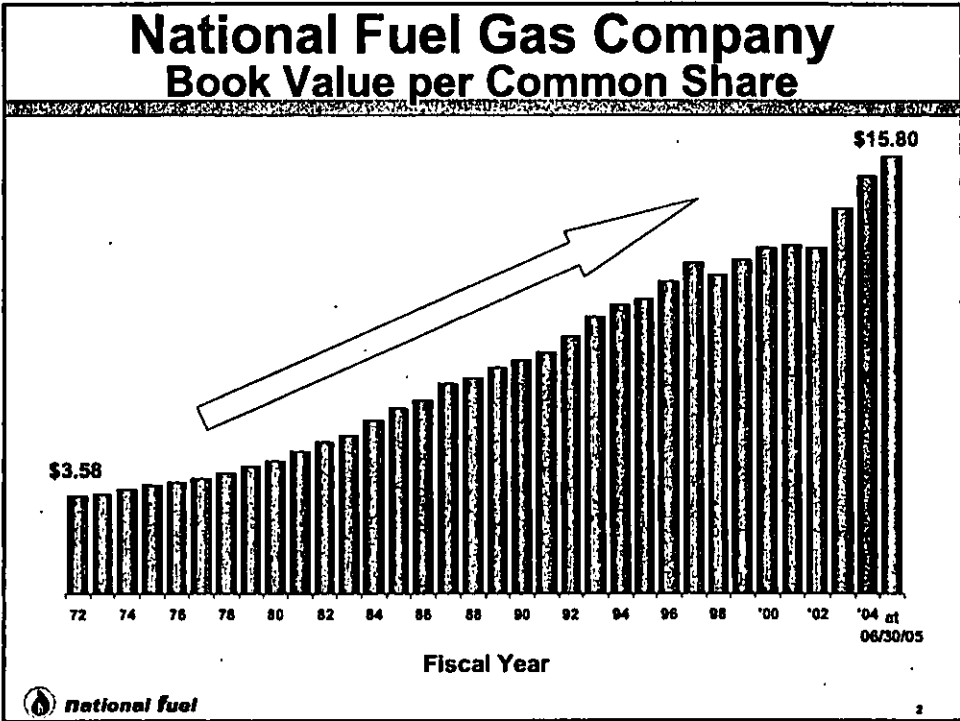
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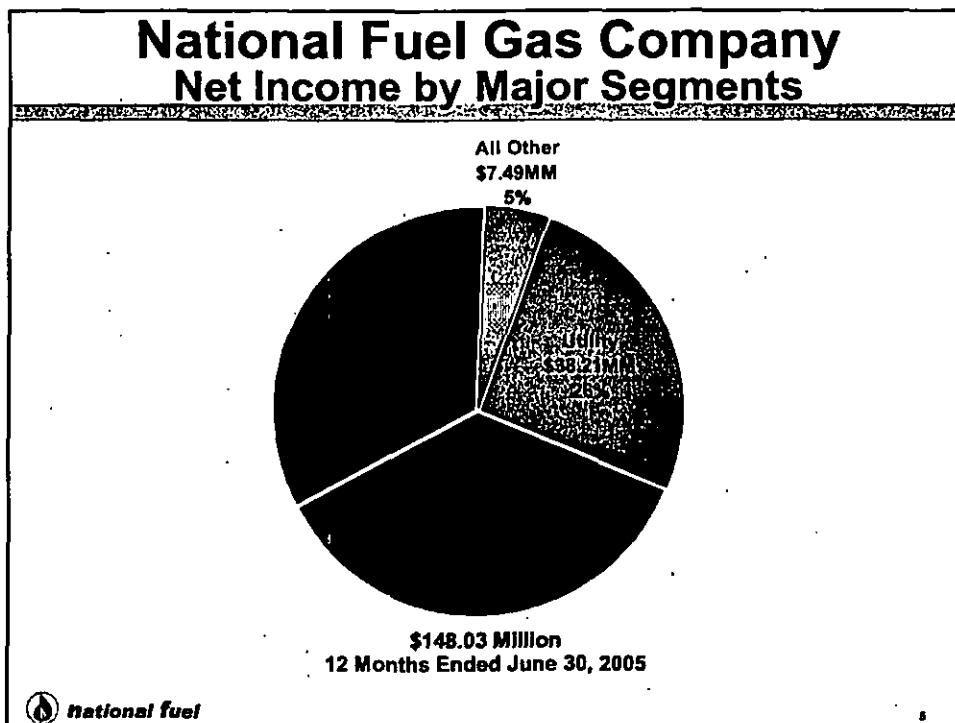
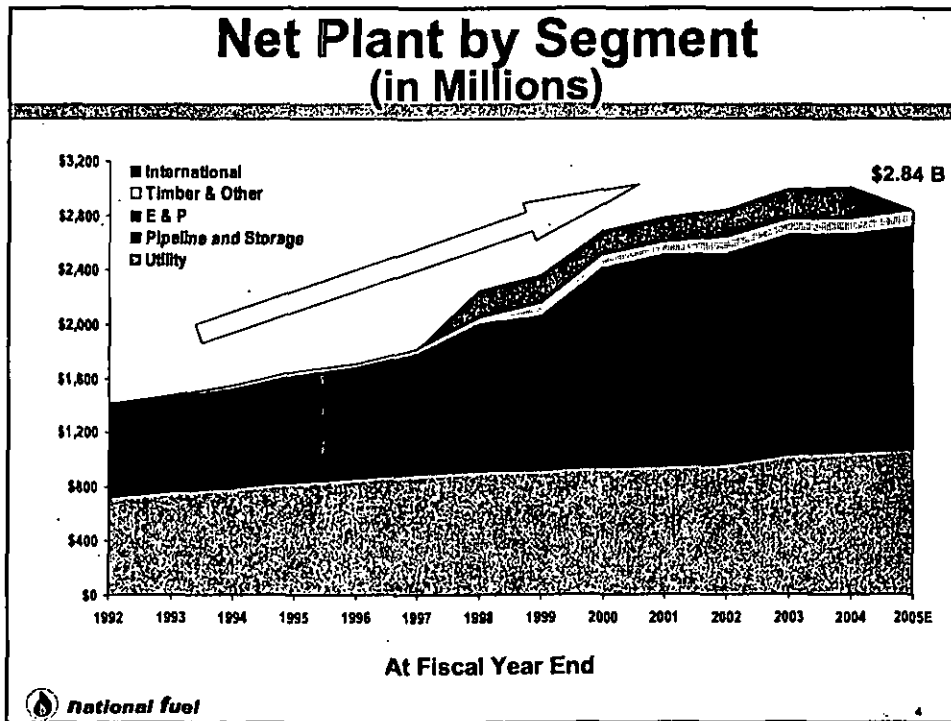
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## National Fuel Gas Company Dividend Growth









## Utility Rate Case Settlements

	<u>New York</u>	<u>Pennsylvania</u>
Approximate Rate Base	\$640-\$650 MM	\$270 MM
Approximate Rate Base Revenue Increase	\$21 MM	\$12 MM
Effective Date	08/01/2005	04/12/2005

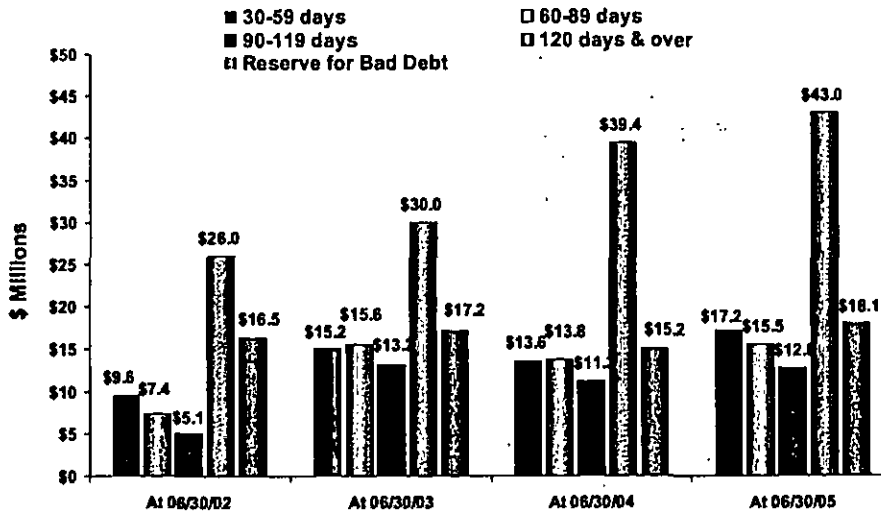
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Long-term Debt	45%
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Short-term Debt	5%
Cost Component	3.5% - 4.5%
Equity Component	50%
Return on Equity	10% - 11%
Utility Segment Earnings Per Share Guidance for Fiscal 2006:	\$0.58 - \$0.64

\* Black-box settlement in both states.



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## **Pipeline & Storage Storage Operating Statistics**

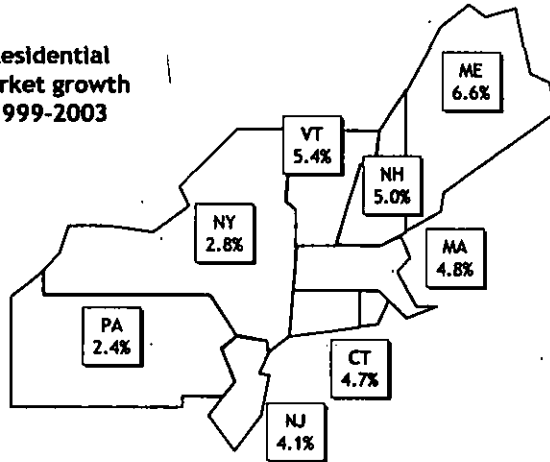
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# Northeast LDC Market Growth

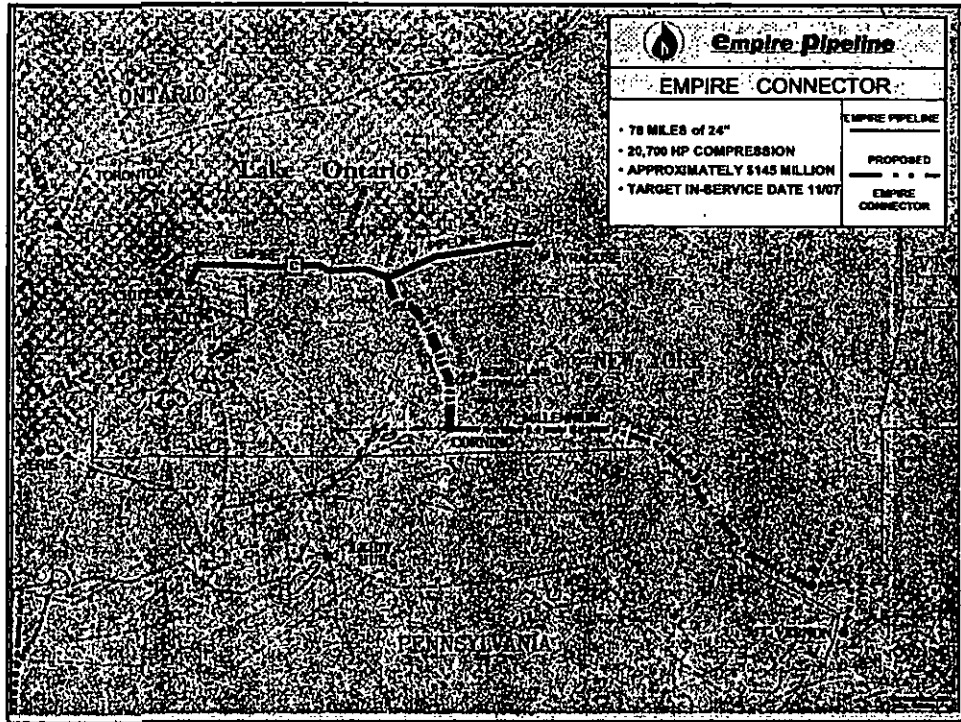
Residential  
market growth  
1999-2003



Source: Energy Information Administration (EIA)



14

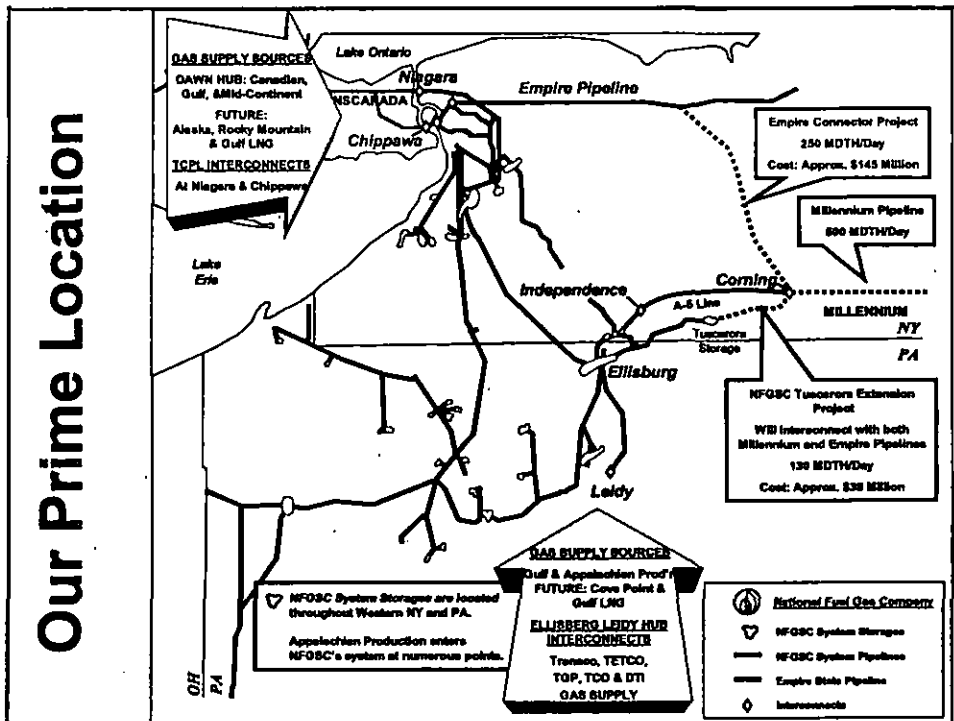


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- ❖ Initial Capacity 250,000 Dth/d – KeySpan 150,000 Dth/d
- ❖ Target In-Service Date November 2007
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16



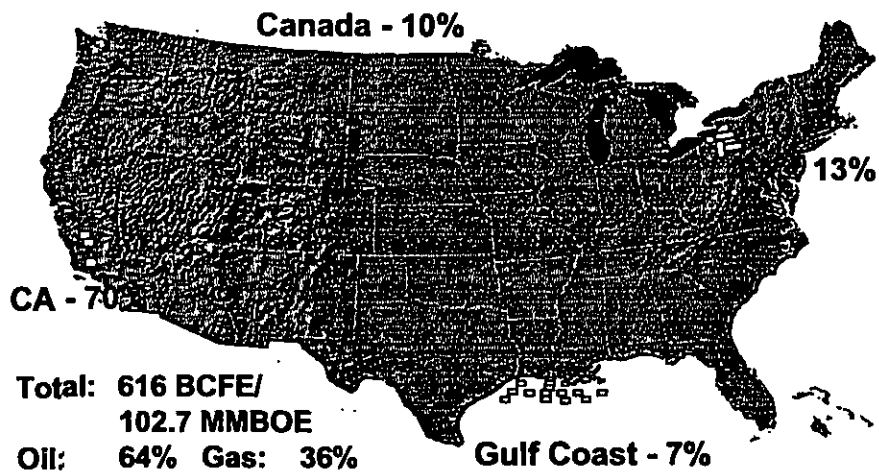
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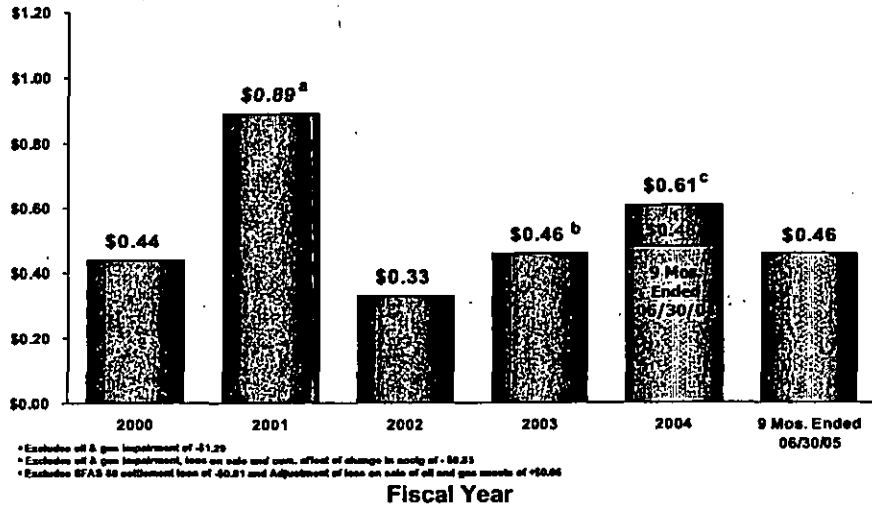
18

## E&P's Reserves by Region (at 09/30/04)



19

## Exploration & Production Diluted Earnings per Share



national fuel

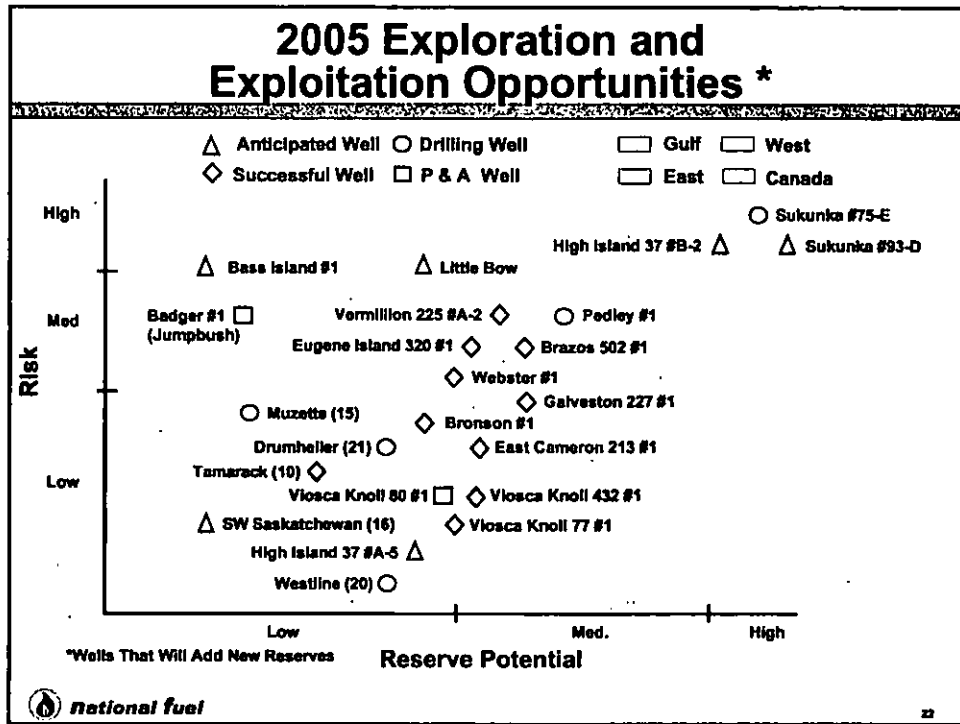
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❖ Production:	13.4 BCFE	
❖ Number of Gross Wells Drilled:	53	
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❖ Net Income	\$13.8 MM	
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national fuel

21

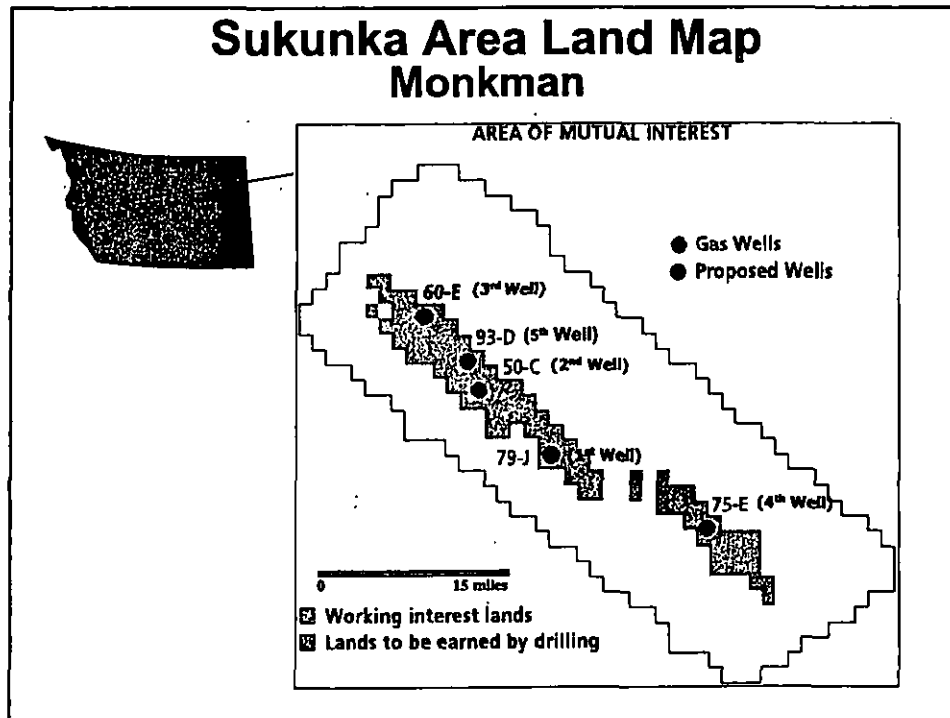


### Impact Wells for Seneca's Production & Reserves

<u>Fiscal 2005</u>	<u>Status</u>	<u>Working Interest</u>	<u>Impact</u>
Sukunka 60-E	On Production	20%	Production*
High Island A-345	On Production	100%	Production
Vermillion 225 #A-2	On Production	100%	Production & Reserves
West Cameron 77/96 #1	On Production	11.25%	Production*
High Island 37 #B-2	Continuing Evaluation	25%	Production & Reserves
<b><u>Fiscal 2006</u></b>			
High Island 37 #A-5	Rig Contracted	78%	Production & Reserves
Galveston 227	Waiting on Platform	30%	Production* & Reserves
Sukunka #75E (Well #4)	Currently Drilling	20%	Production & Reserves
Sukunka #93D (Well #5)	Waiting on Rig	20%	Production & Reserves
Eugene Island 320 #1	Waiting on Platform	100%	Production*
East Cameron 213 #1	Waiting on Platform	100%	Production* & Reserves
Viosca Knoll 77	Waiting on Platform	47%	Production & Reserves
Viosca Knoll 432	Waiting on Platform	47%	Production & Reserves
Brazos 502	Waiting on Partner Approval	65%	Production & Reserves

\* Already included in Forecast

**national fuel**



## Exploration & Production Sukunka Wells

- ❖ Seneca has 20% Working Interest in This Area
- ❖ Sukunka b-60-E Production Commenced on December 13, 2004
  - Average Sales Rate up to 60 MMcf/d
- ❖ Fourth Sukunka Well b-75-E Currently Drilling
- ❖ Offset to b-60-E is b-93-D to be Drilled Later This Year

## E&P's Forecast Data for Fiscal 2006

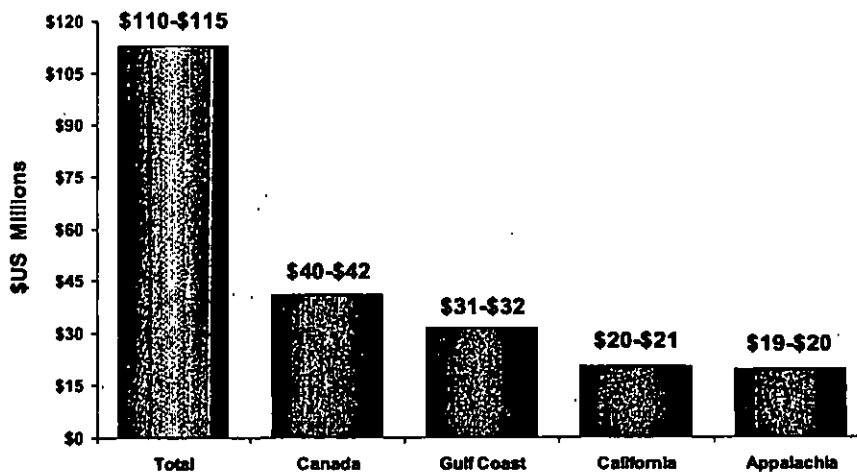
❖ Production:	50 - 55 BCFE
❖ Number of Wells to be Drilled:	216 - 248
❖ <u>Expenses/Mcfe</u>	<u>Estimated Range</u>
LOE	\$0.90 - \$1.00
DD&A	\$1.70 - \$1.80
Other Taxes	\$0.07 - \$0.10
❖ Other Operating Expenses	\$6.0 MM - \$8.0 MM
❖ General and Administrative	\$ 22 MM - \$24 MM
❖ Capital Investment	\$110 MM - \$115 MM
❖ Earnings Per Share *	\$ 0.75 - \$0.81

\*Assumes absence of any potential special items



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## Seneca's Estimated Capital Expenditures - 2006



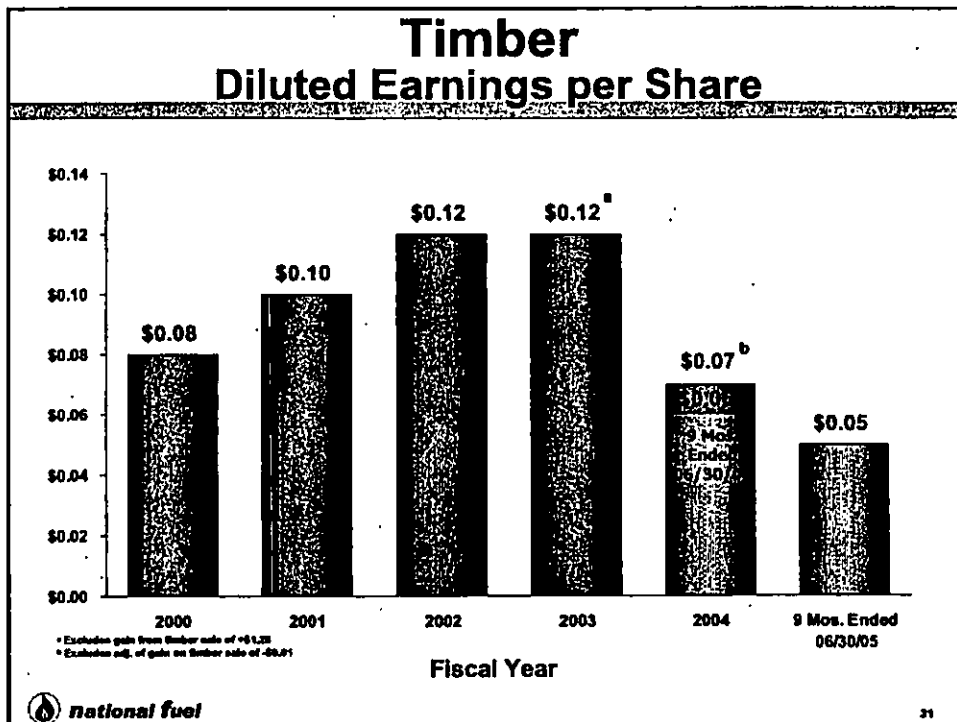
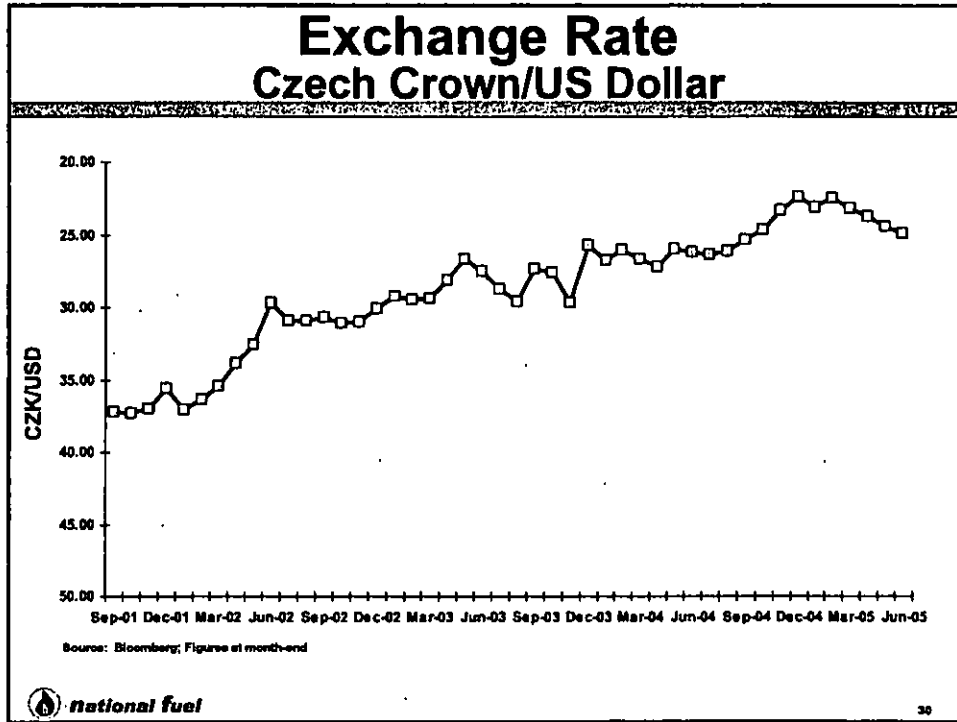
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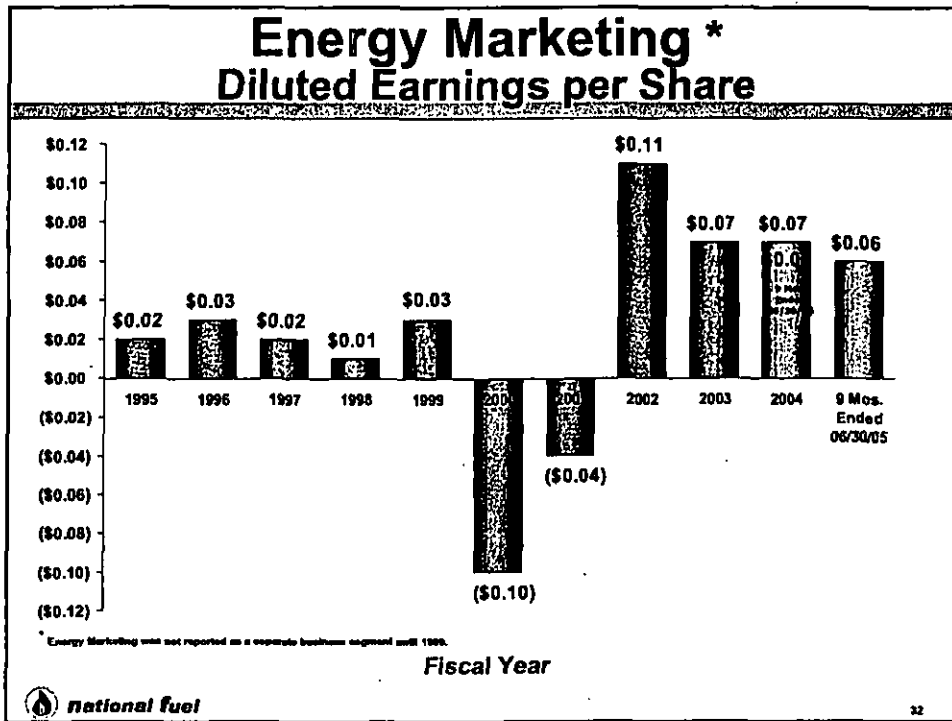
## Czech Republic

- ❖ American Jobs Creation Act of 2004
- ❖ Tax Rate on Repatriated Foreign Earnings Reduced From 35 Percent to 5.25 Percent
- ❖ Remitted Dividend of \$73.5 MM (USD)

## Czech Republic

- ❖ Completed Sale of 85.16% Interest in United Energy, a.s. on July 18, 2005
- ❖ Purchaser is Czech Energy Holding, a.s.
- ❖ Sale Price Approximately \$116.3 MM (USD)
- ❖ Net Gain Approximately \$25 MM (USD)
- ❖ No Major Regulatory Approvals Required

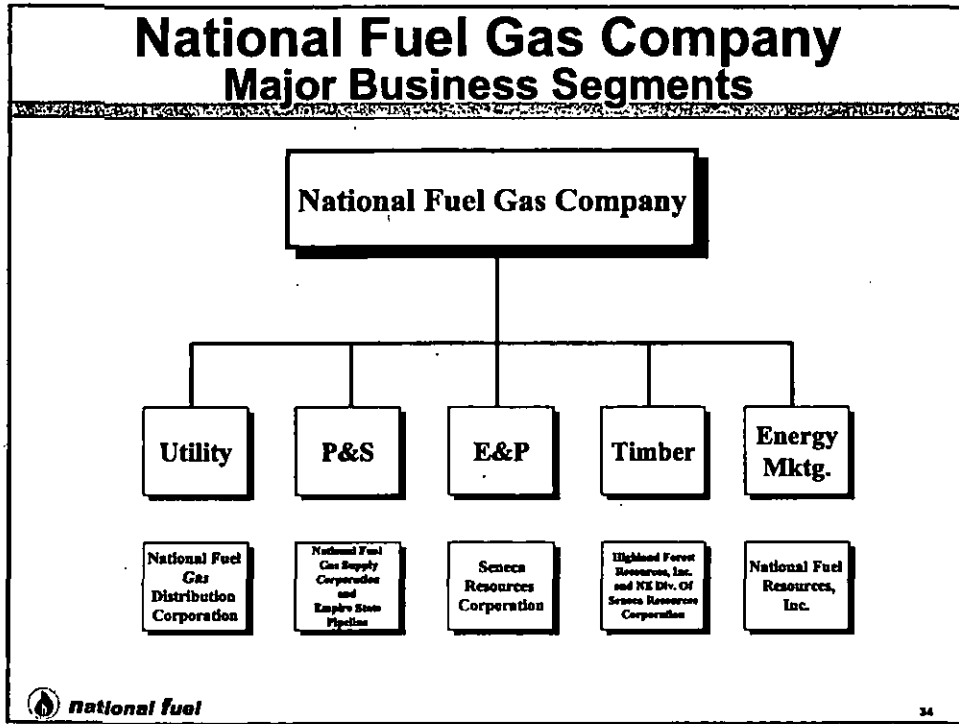




# APPENDIX


national fuel

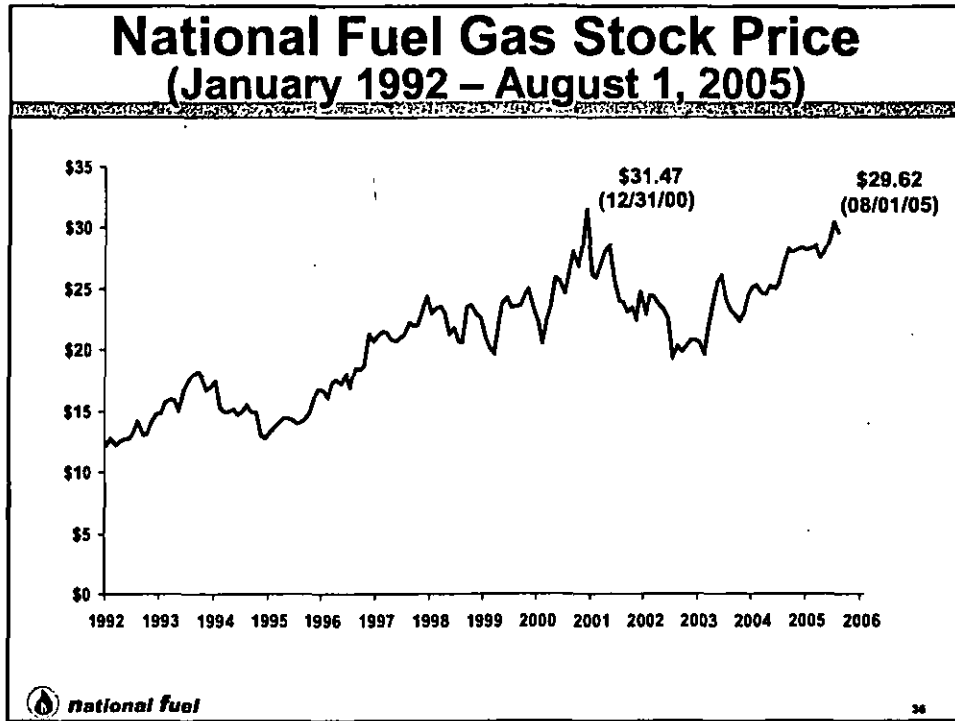
33



## National Fuel Gas Company

<b>New York Stock Exchange</b>	<b>NFG</b>
<b>Fiscal Year End</b>	<b>September</b>
<b>Shares Outstanding (Approx.)</b> <i>(As of 06/30/05)</i>	<b>83.9 Million</b>
<b>Average Daily Trading Volume</b> <i>(12 Months Ended 07/31/05)</i>	<b>289,656</b>
<b>Market Capitalization (Approx.)</b> <i>(As of 08/01/05)</i>	<b>\$2.49 Billion</b>
<b>Annual Dividend Rate</b>	<b>\$1.16</b>

 35



### NFG Debt Ratings

	Standard & Poor's	Moody's	Fitch, Inc.
<b>Long-Term Debt</b>	<b>BBB+</b>	<b>Baa1</b>	<b>A-</b>
<b>Outlook</b>	<b>Stable</b>	<b>Stable</b>	<b>Stable</b>
<b>Commercial Paper</b>	<b>A-2</b>	<b>P-2</b>	<b>F-2</b>

**national fuel** 37

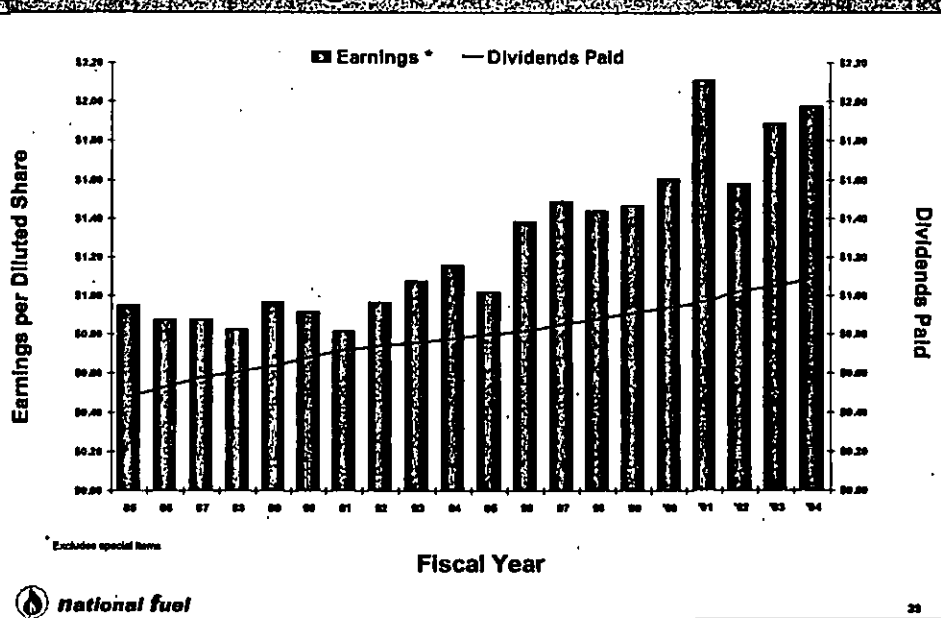
## National Fuel Gas Company Capital Resources

- ❖ **Commercial Paper Program And Bilateral Credit Facilities - Aggregate Of \$600 MM**
  - \$0 MM borrowed at August 3, 2005
  
- ❖ **\$220.0 MM Committed Credit Facility Through September 2005 (Renewal Activities are Underway)**
  - \$0 borrowed
  
- ❖ **Universal Shelf Registration on File - Additional \$550 MM Can Be Issued As Debt Or Equity Securities**
  - Any offer and sale of such securities will be made only by means of a prospectus meeting requirements of securities laws



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## National Fuel Gas Company Earnings vs. Dividends Paid



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### Seneca's Drilling Activity for 1<sup>st</sup> 9 Months Fiscal 2005

	<u>Exploratory</u>	<u>Development</u>	<u>Dry</u>
East	2	39	1
West	-	91	-
Gulf	7	2	1
Canada	17	-	2
<b>Total</b>	<b>26</b>	<b>132</b>	<b>4</b>

### Seneca's Operating Results for 1<sup>st</sup> 9 Months Fiscal 2005

❖ Production:	39.7 BCFE	
❖ Number of Wells Drilled:	162	
❖ Operating Revenue	\$219.5 MM	
❖ Net Income	\$39.0 MM	
❖ Diluted Earnings per Share	\$0.46	
❖ <u>Expenses</u>	<u>Actual Amount</u>	<u>\$/Mcf</u>
LOE	\$37,256,000	\$0.94
DD&A	\$67,544,000	\$1.70
General and Administrative	\$16,888,000	\$0.43

## Exploration & Production Hedging Summary at 06/30/05

### Remainder of Fiscal 2005

Swaps	Volume	Average Hedge Price	
Oil	0.7 MMBBL	\$30.44 / BBL	
Gas	2.9 BCF	\$5.70 /MCF	
No-cost Collars	Volume	Floor Price	Ceiling Price
Gas	1.2 BCF	\$5.14 / MCF	\$7.14 / MCF

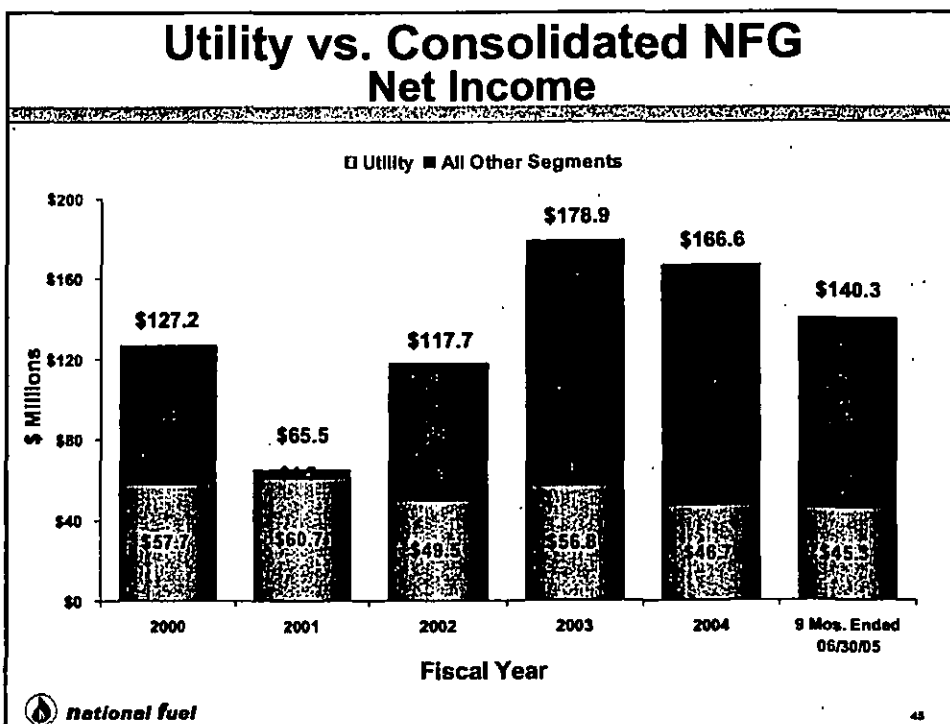
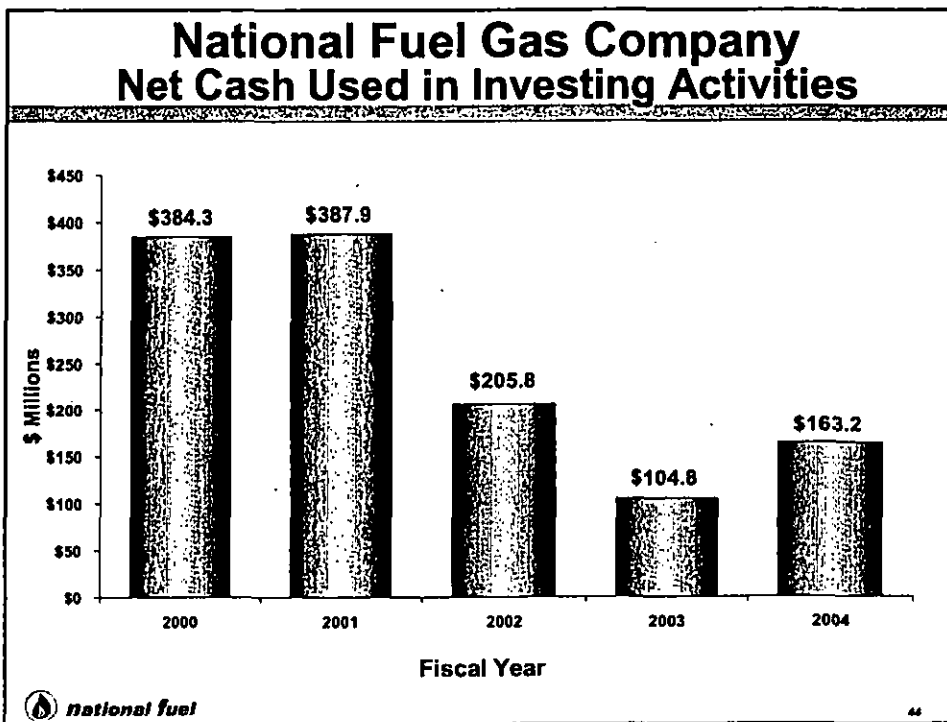
### Fiscal 2006

Swaps	Volume	Average Hedge Price	
Oil	1.9 MMBBL	\$34.14 / BBL	
Gas	9.2 BCF	\$6.17 /MCF	
No-cost Collars	Volume	Floor Price	Ceiling Price
Gas	3.3 BCF	\$6.49 / MCF	\$8.55 / MCF

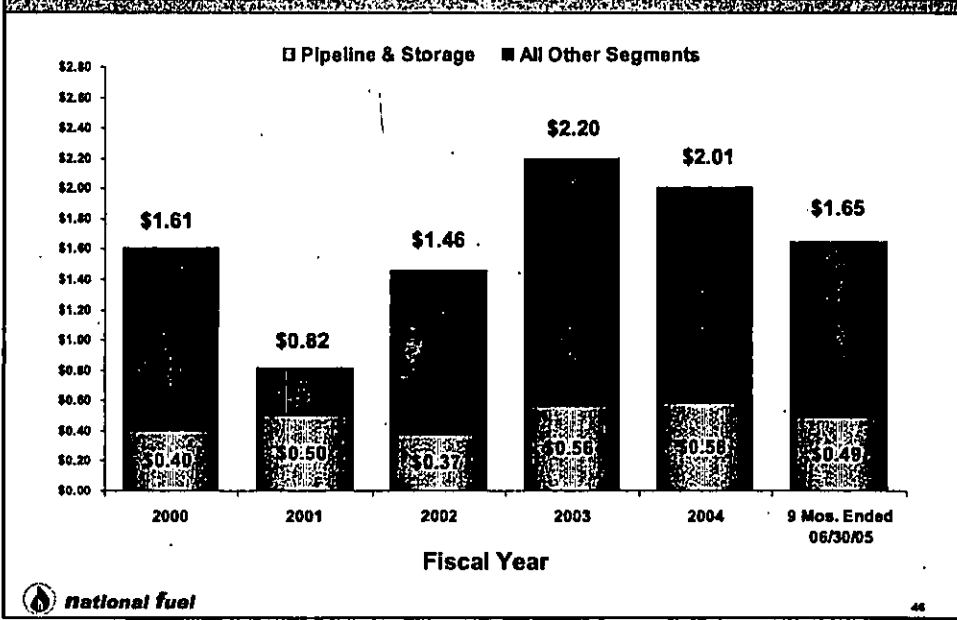
### Fiscal 2007

Swaps	Volume	Average Hedge Price	
Oil	0.9 MMBBL	\$37.03 / BBL	
Gas	0.7 BCF	\$5.84 /MCF	

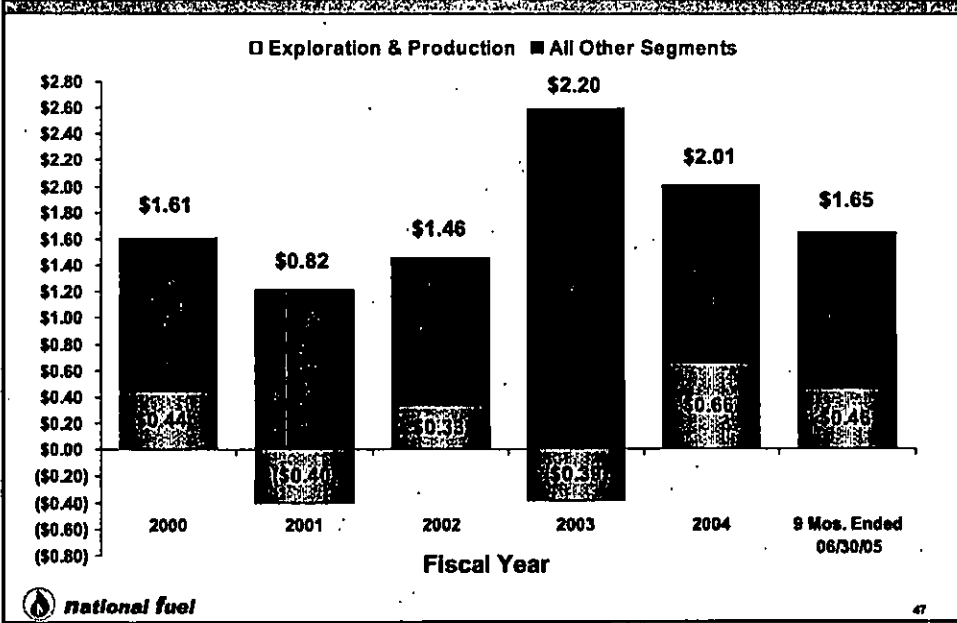
## Comparable GAAP Financial Measure Slides And Reconciliations

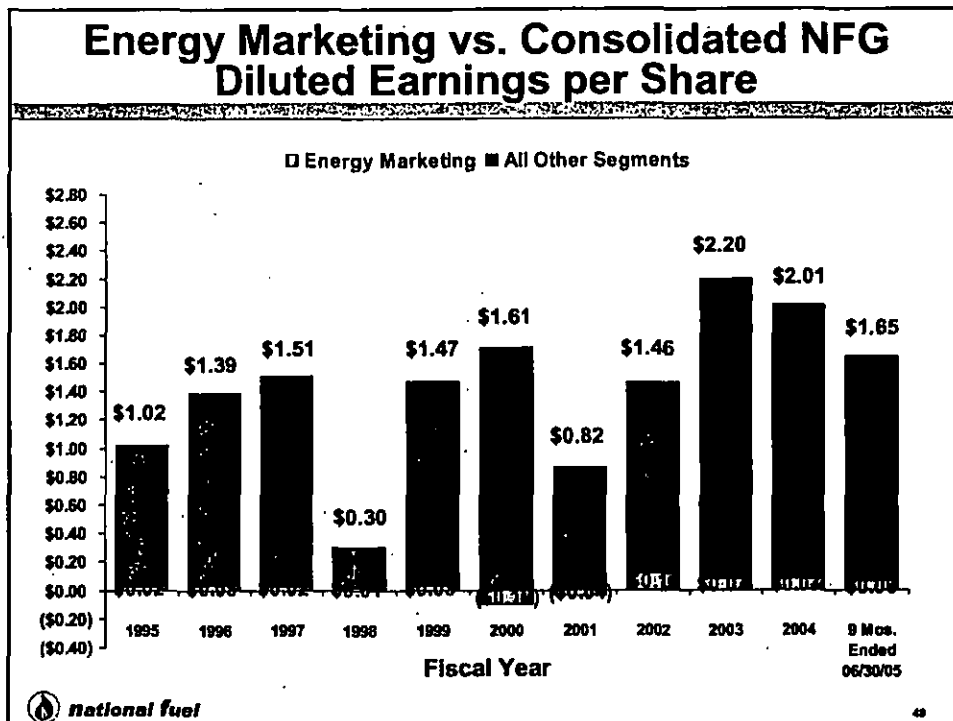
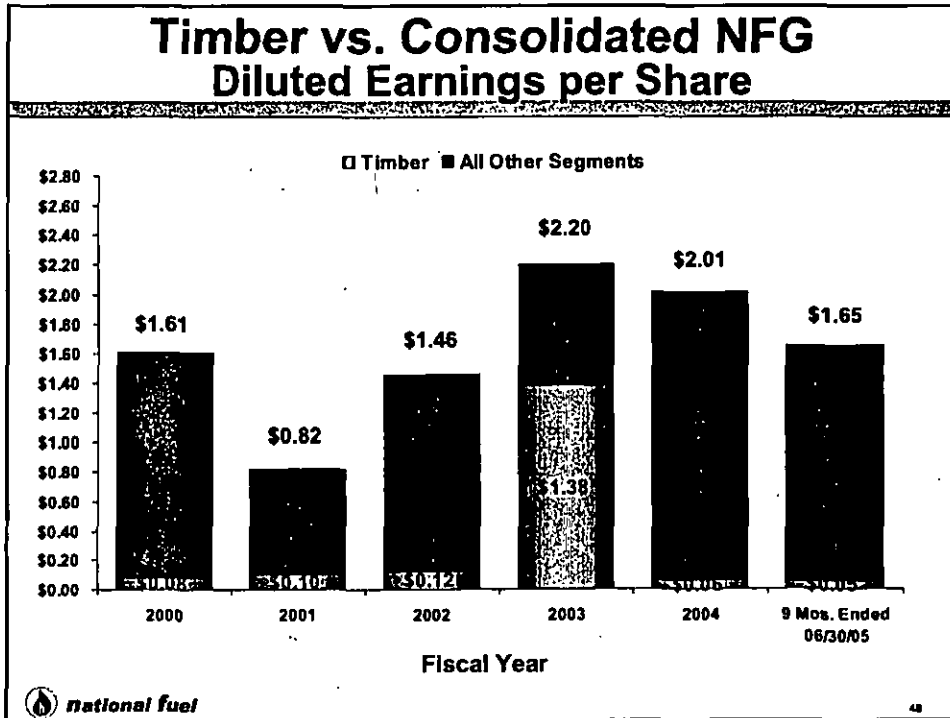


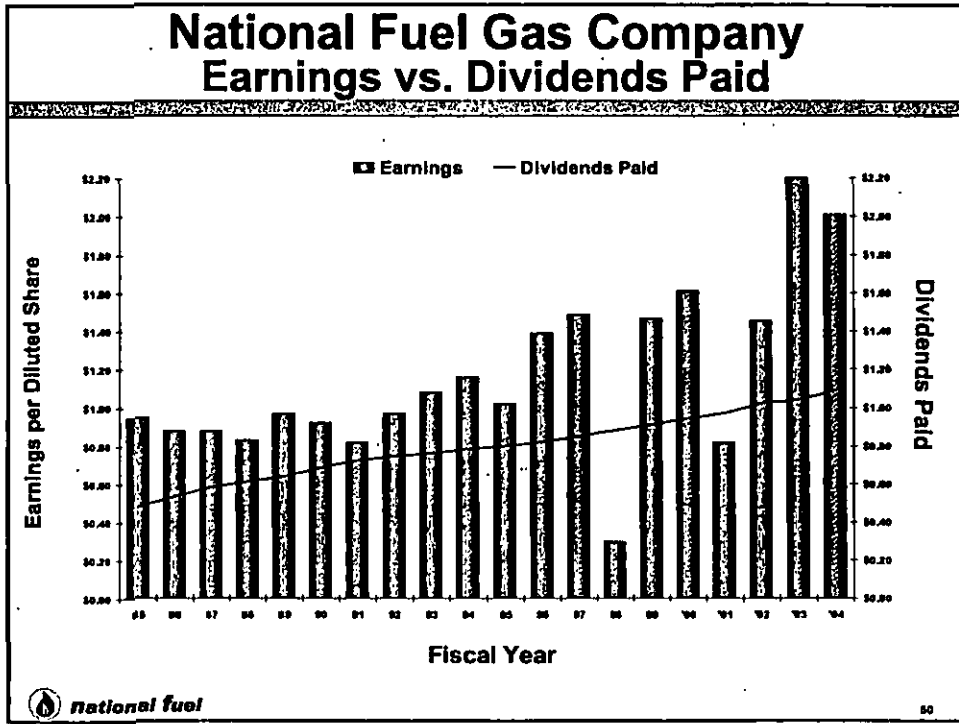
### Pipeline & Storage vs. Consolidated NFG Diluted Earnings per Share



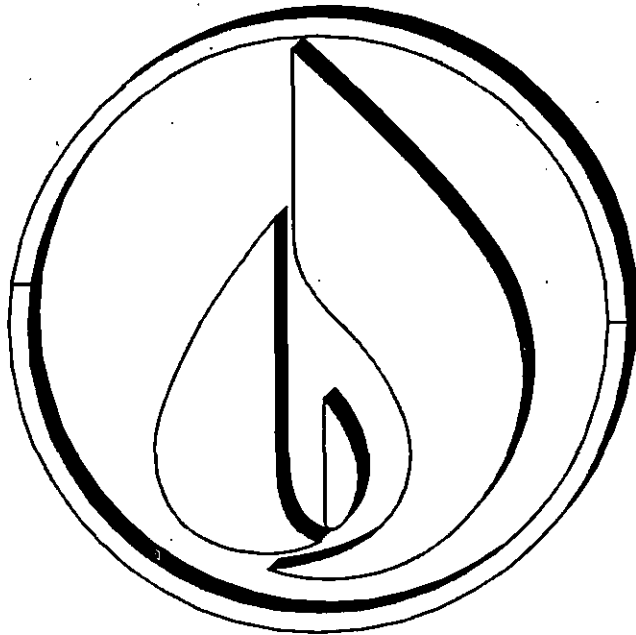
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# ***National Fuel Gas Company***



## **Presentation Book**

**September 2005**

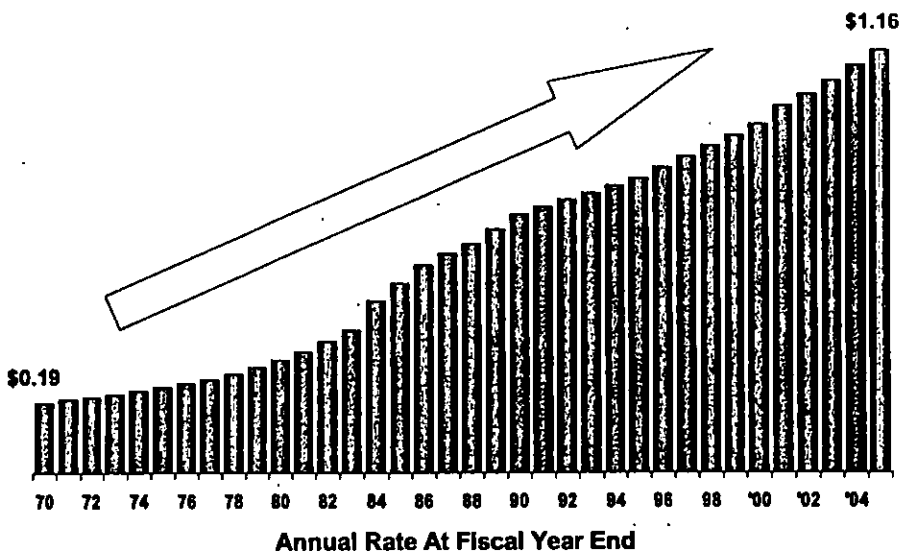
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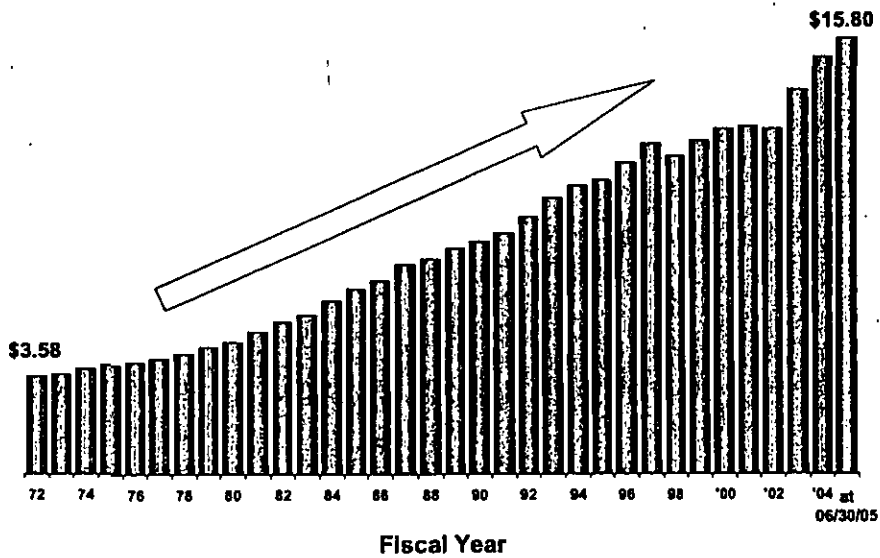
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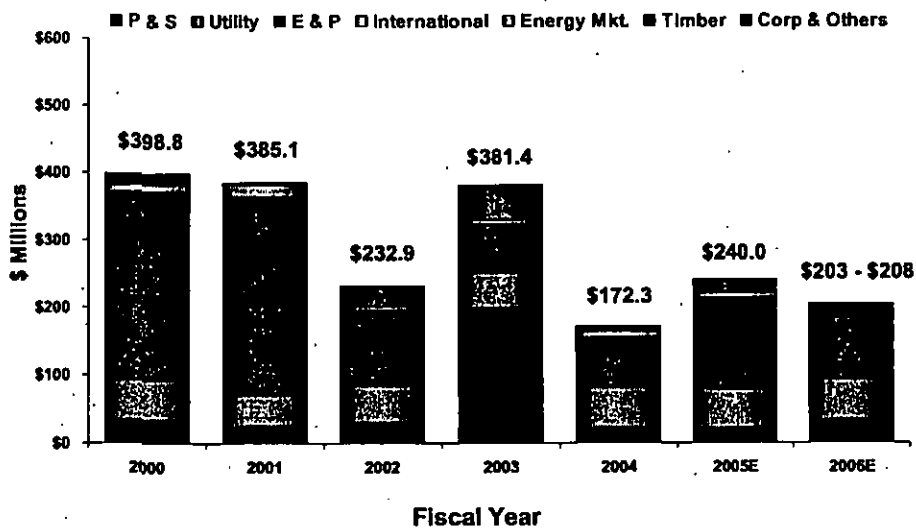
## National Fuel Gas Company Dividend Growth



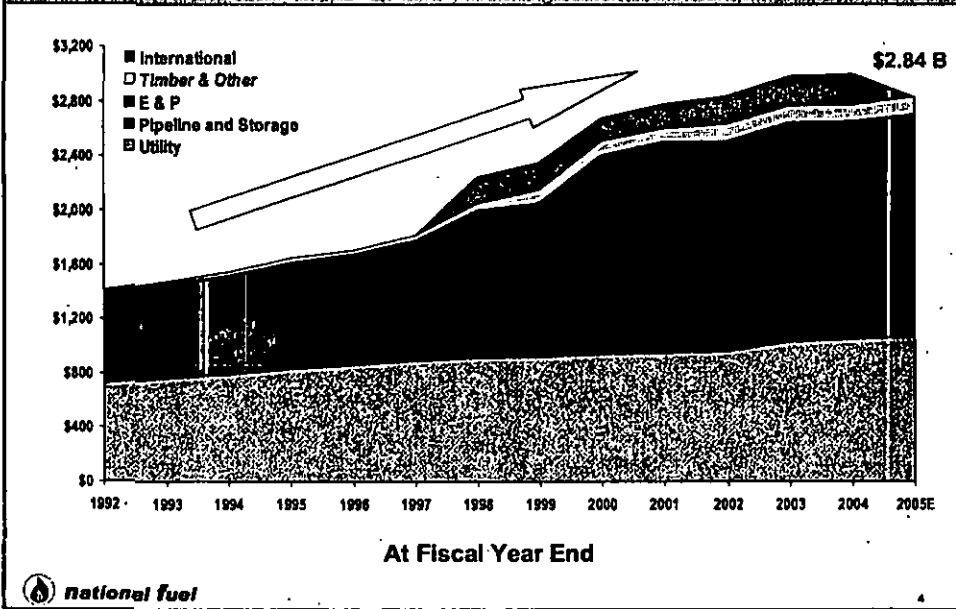
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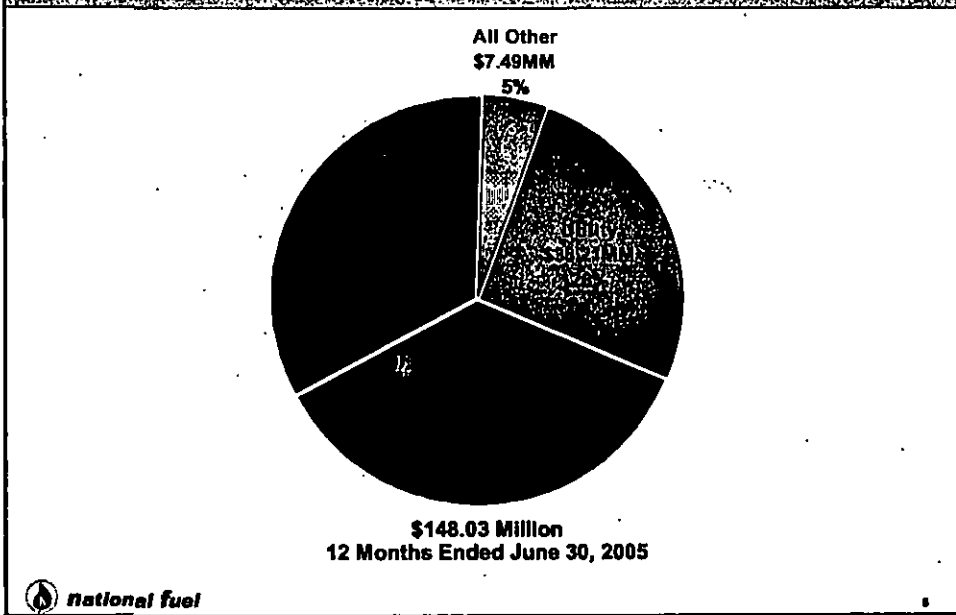
## National Fuel Gas Company Expenditures for Long-Lived Assets

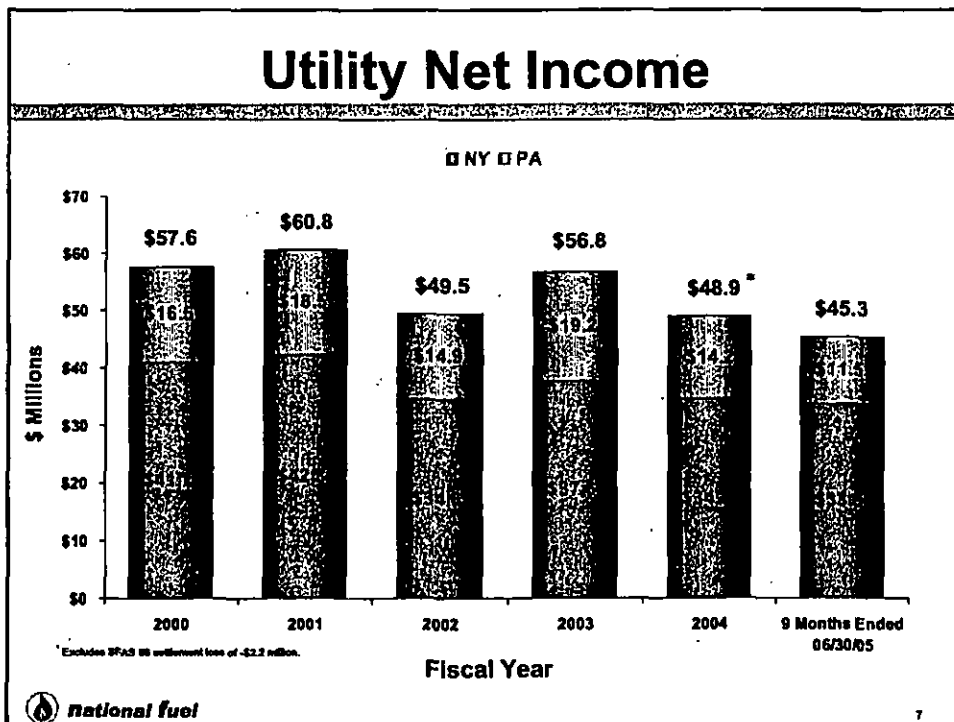
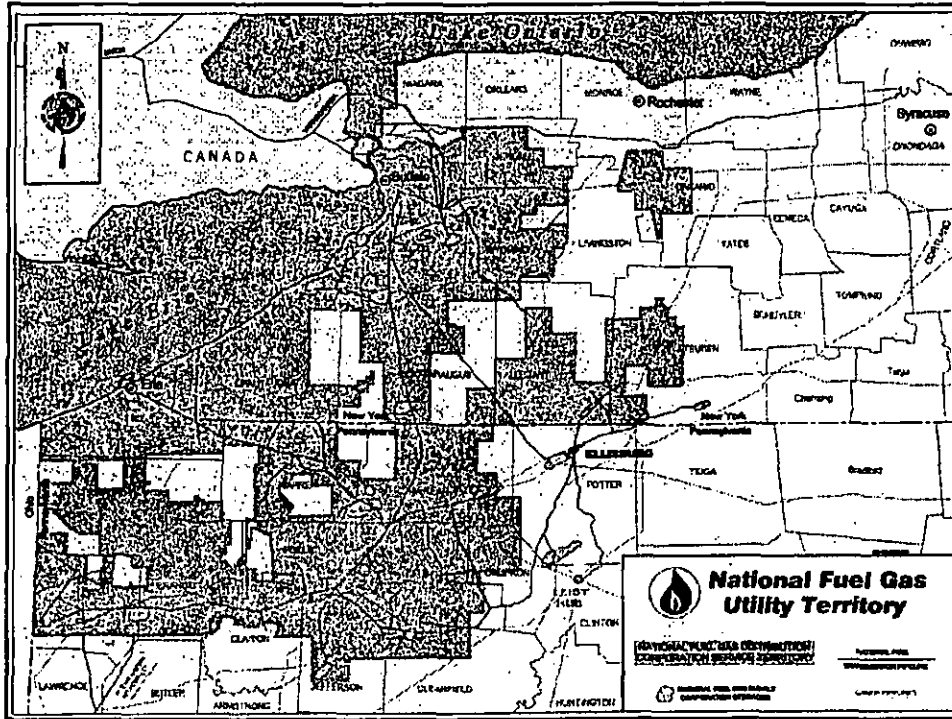


## Net Plant by Segment (in Millions)



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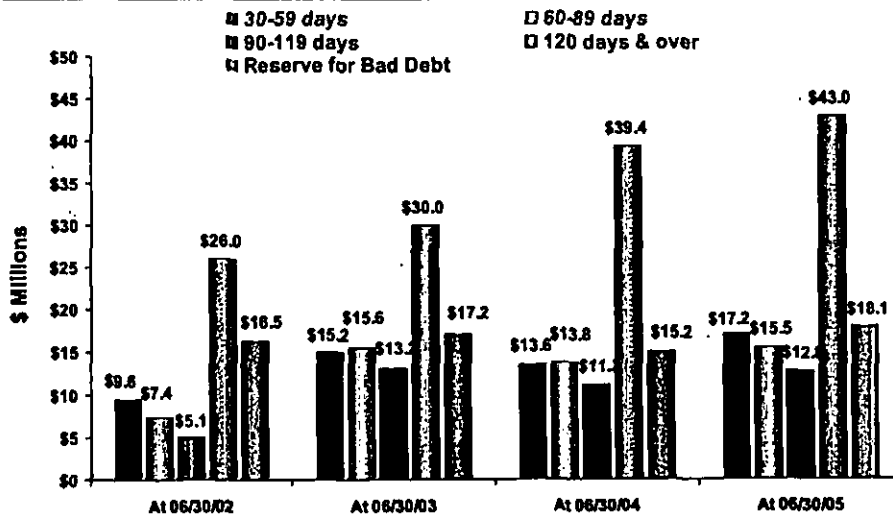
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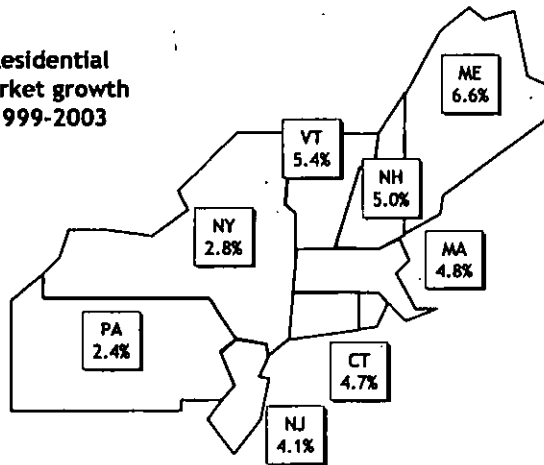
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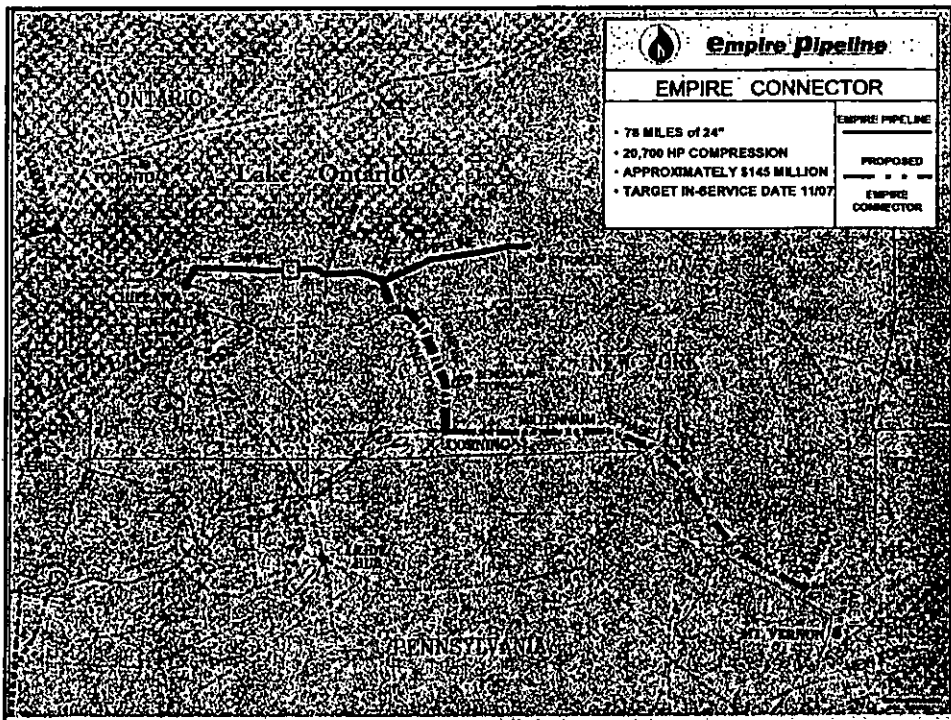
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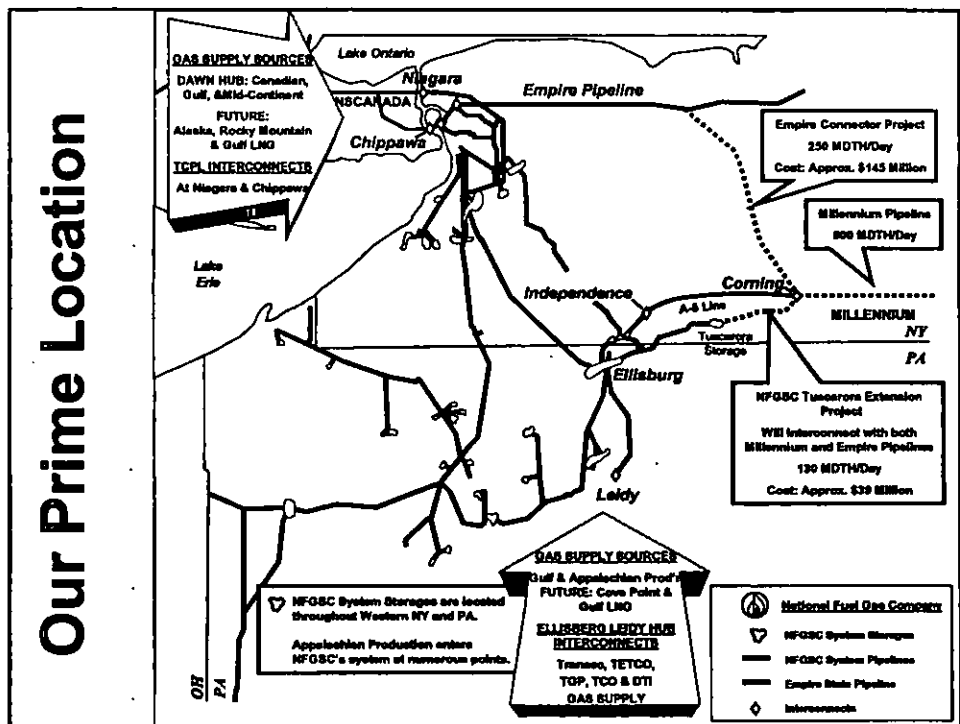


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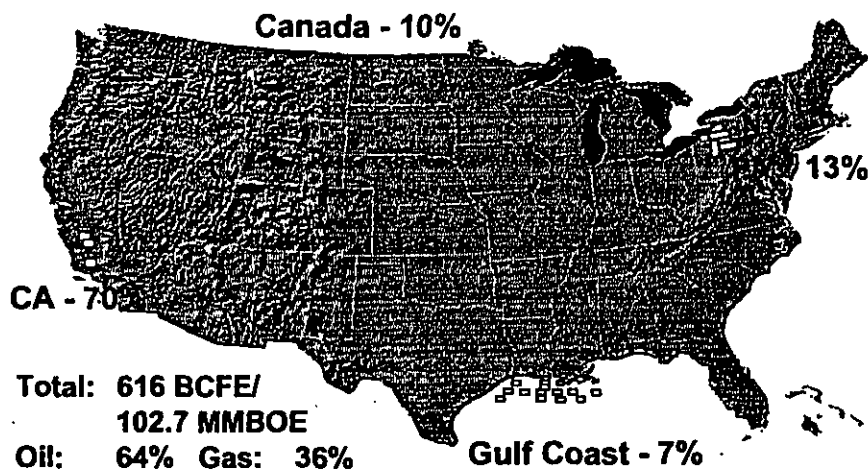
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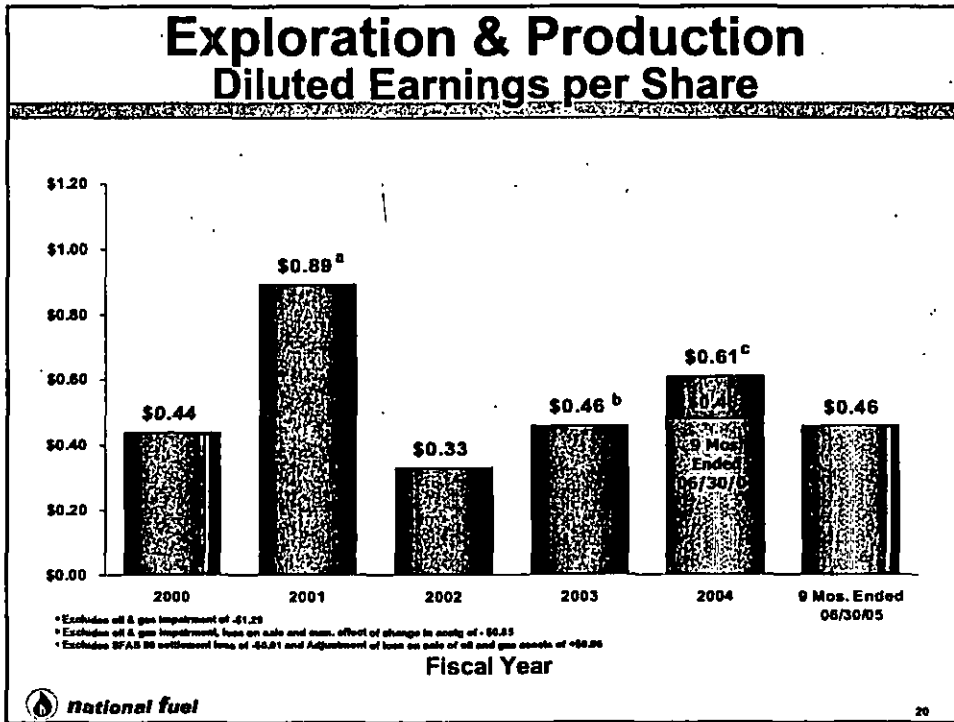


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national fuel 21