

NATIONAL FUEL GAS CO
 Form 35-CERT
 August 29, 2003

UNITED STATES OF AMERICA

Before the

SECURITIES AND EXCHANGE COMMISSION

In the Matter of

NATIONAL FUEL GAS COMPANY
 NATIONAL FUEL GAS DISTRIBUTION CORPORATION
 NATIONAL FUEL GAS SUPPLY CORPORATION
 HORIZON ENERGY DEVELOPMENT, INC.

SECOND
 CERTIFICATE
 PURSUANT TO
 RULE 24

AND ITS SUBSIDIARIES
 HIGHLAND FOREST RESOURCES, INC.
 LEIDY HUB, INC.
 DATA-TRACK ACCOUNT SERVICES, INC.
 SENECA INDEPENDENCE PIPELINE COMPANY
 SENECA RESOURCES CORPORATION

AND ITS SUBSIDIARIES
 UPSTATE ENERGY INC.
 NIAGARA INDEPENDENCE MARKETING COMPANY
 NATIONAL FUEL RESOURCES, INC.
 HORIZON POWER, INC.

File No. 70-10074

(Public Utility Holding Company Act of 1935)

THIS IS TO CERTIFY, pursuant to Rule 24, that certain transactions proposed by National Fuel Gas Company (National) and its subsidiaries, National Fuel Gas Distribution Corporation (Distribution Corporation), National Fuel Gas Supply Corporation (Supply Corporation), Horizon Energy Development, Inc. (Horizon Energy) and its subsidiaries, Highland Forest Resources, Inc. (Highland), Leidy Hub, Inc. (Leidy), Data-Track Account Services, Inc. (Data-Track), Seneca Independence Pipeline Company (SIP), Seneca Resources Corporation (Seneca) and its subsidiaries, Upstate Energy Inc. (Upstate), Niagara Independence Marketing Company (NIM), National Fuel Resources, Inc. (NFR) and Horizon Power, Inc. (Power) (collectively, the Subsidiaries), in their Application-Declaration on Form U-1, as amended (Application-Declaration), in SEC File No. 70-10074, have been carried out in accordance with the terms and conditions of, and for the purposes as represented by, said Application-Declaration and the Order of the Securities and Exchange Commission (Commission) (HCAR No. 35-27600, dated November 12, 2002) with respect thereto.

1. EXTERNAL FINANCING BY NATIONAL

a. Common Stock

During the quarter ended June 30, 2003 (the "Quarter"), National issued the following shares of common stock through the following plans:

Name Of Plan	Number of Newly Issued Shares	Number of Shares Purchased in Open Market	Number of Share Consideration F
Direct Stock Purchase and Dividend Reinvestment Plan	86,458	-0-	

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Tax Deferred Savings Plans (401(k))	76,087	-0-
Employee Stock Ownership Plan	-0-	2,583
Thrift Plan	-0-	8,976
1997 Award & Option Plan	35,304	-0-
1993 Award & Option Plan	340,879	-0-
1984 Stock Plan	92,740	-0-
1983 Incentive Stock Option Plan	38,088	-0-
Retainer Policy for Outside Directors	2,400	-0-
Total	671,956	11,559
Net New Shares	601,960	

Aggregate gross consideration received upon issuance of 601,960 shares: \$12,221,649.73.

Other than as set forth above, National did not sell any common stock during the Quarter. National did not issue any common stock as consideration in connection with any acquisition during the Quarter.

On June 5, 2003, the Compensation Committee of the Board of Directors of National awarded 108,500 stock options pursuant to the National Fuel Gas Company 1997 Award and Option Plan. The Compensation Committee of the Board of Directors of National Fuel did not award any shares of restricted stock, performance units, performance share or other common stock-based awards.

b. Preferred Securities

National has no preferred securities outstanding.

c. Long-Term Debt

During the Quarter, National redeemed \$238,000 principal amount of its \$97,000,000 - 6.50% Notes due 2022 at a price of 100%, plus accrued interest in accordance with the "death put" provisions of those Notes.

d. Stock Purchase Contracts and Stock Purchase Units

National did not issue any stock purchase contracts or stock purchase units during the Quarter.

e. Short-term Debt

(1) Short-term Notes

National issued short-term notes (in all cases having maturities of no more than 270 days) to banks or other financial institutions during the Quarter. The maximum amount of such notes outstanding at any time during the Quarter was \$175,300,000.

(2) Commercial Paper

National sold commercial paper during the Quarter through Merrill Lynch Money Markets, Inc., J.P. Morgan Securities Inc. and/or Goldman, Sachs & Co. The maximum amount of commercial paper outstanding at any time during the Quarter was \$194,300,000.

(3) Total Short-term Debt

The maximum aggregate amount of short-term debt securities of National outstanding at any time during the Quarter was \$325,000,000.

2. FINANCING SUBSIDIARIES AND SPECIAL PURPOSE SUBSIDIARIES

National did not organize any new Financing Subsidiaries or Special Purpose Subsidiaries during the Quarter. National's Financing Subsidiaries and Special Purpose Subsidiaries are as follows:

	Seneca Player Corp.	3062782 Nova Scotia Co.	3062783 Nova Scotia Co.	S
Balance sheet account where investment and cost booked	fully consolidated into National	fully consolidated into National	fully consolidated into National	L
Form of organization	corporation	unlimited liability company	unlimited liability company	1
Percentage owned by National or a Nonutility Subsidiary	100%	100%	100%	1
Identification of other owners if not 100% owned	N/A	N/A	N/A	N
Purpose of investment in subsidiary	increase tax efficiencies	increase tax efficiencies	increase tax efficiencies	i e
Securities authorized to be issued	1,000 shares of common stock	1,000,000 shares, in such classes, and with such rights and conditions, as directors may determine	1,000,000 shares, in such classes, and with such rights and conditions, as directors may determine	l u

Information regarding National's investments in these subsidiaries is filed confidentially pursuant to Rule 104(b).

3. FINANCING BY SUBSIDIARIES

Distribution Corporation issued short-term debt securities through the system money pool (Money Pool) as set forth below under Section 4. The Nonutility Subsidiaries did not engage in financing transactions other than exempt

transactions.

4. MONEY POOL

During the Quarter, National coordinated the borrowing requirements of certain Subsidiaries through the money pool. For each participant in the Money Pool, the following table lists the maximum amount of borrowings through, and the maximum amount of investments made in, the Money Pool during the Quarter:

	Maximum Borrowings Through Money Pool (\$)	Maximum Investments in Money Pool (\$)
National	n/a	40,300,000
Distribution Corporation	34,200,000	50,500,000
Supply Corporation	26,400,000	0
Horizon Energy	n/a	1,400,000
Highland	205,200,000	0
Leidy	0	800,000
Data-Track	0	500,000
SIP	14,400,000	0
Seneca	90,200,000	0
Upstate	48,100,000	300,000
NIM	0	0
NFR	0	67,400,000
Power	0	0

The interest rates applied to Money Pool borrowings and investments during the Quarter are set forth in Exhibit 1 hereto, which is incorporated herein by reference.

5. GUARANTEES

During the Quarter, National issued six guarantees on behalf of NFR, in the following amounts: \$1,000,000, \$5,000,000, \$800,000, \$3,000,000, \$6,000,000 and \$10,000,000.

National issued one guarantee on behalf of Seneca Resources Corporation in the amount of \$7,600,000. National also issued one guarantee on behalf of NFEEx and Player Resources in the amount of CDN\$50,000,000 (which at the end of the Quarter was equivalent to US\$37,128,000).

The maximum amount of guarantees and credit support that National had outstanding on behalf of its Subsidiaries at any time during the Quarter was \$571,400,753. The guarantees and credit support relate primarily to:

(i) obligations under derivative financial instruments, which are included on the consolidated balance sheet in accordance with Statement of Financial Accounting Standards No. 133; (ii) Distribution Corporation obligations to purchase gas to be resold in its regulated business in accordance with established regulatory mechanisms to pass through the cost of that gas to its retail customers; (iii) NFR or Upstate obligations to purchase gas or to purchase gas transportation/storage services where the amounts due on those obligations each month are included on National's consolidated balance sheet as a current liability; and (iv) other obligations which are reflected on National's consolidated balance sheet. National believes that the likelihood it would be required to make payments under the guarantees is remote.

6. HEDGING TRANSACTIONS

7. CHANGES IN CAPITAL STRUCTURE OF MAJORITY-OWNED NONUTILITY SUBSIDIARIES

8. NONUTILITY SUBSIDIARY REORGANIZATIONS

9. OTHER ITEMS

National filed a Form U-6B-2 on May 30, 2003.

National's consolidated balance sheet as of June 30, 2003 is included in National's Form 10-Q filed with the Commission on August 14, 2003 and incorporated herein by reference.

Distribution Corporation's balance sheet as of June 30, 2003 is set forth in Exhibit 2 hereto, which is incorporated herein by reference and filed confidentially pursuant to Rule 104(b).

SIGNATURES

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, the undersigned companies have duly caused this Second Certificate Pursuant to Rule 24 to be signed on their behalf by the undersigned thereunto duly authorized.

NATIONAL FUEL GAS COMPANY

By: /s/ P. C. Ackerman
P. C. Ackerman
Chairman, President & CEO

NATIONAL FUEL GAS DISTRIBUTION CORPORATION

By: /s/ D. F. Smith
D. F. Smith
President

NATIONAL FUEL GAS SUPPLY CORPORATION

By: /s/ D. J. Seeley
D. J. Seeley
President

HORIZON ENERGY DEVELOPMENT, INC.

By: /s/ P. C. Ackerman
P. C. Ackerman
President

HIGHLAND FOREST RESOURCES, INC.

By: /s/ J. A. Beck
J. A. Beck
President

LEIDY HUB, INC.

By: /s/ W. E. DeForest
W. E. DeForest
President

DATA-TRACK ACCOUNT SERVICES, INC.

By: /s/ P. C. Ackerman
P. C. Ackerman
President

SENECA INDEPENDENCE PIPELINE COMPANY

By: /s/ W. E. DeForest
W. E. DeForest
President, Secretary & Treasurer

SENECA RESOURCES CORPORATION

By: /s/ J. A. Beck
J. A. Beck
President

UPSTATE ENERGY INC.

By: /s/ B. H. Hale
B. H. Hale
President

NIAGARA INDEPENDENCE MARKETING COMPANY

By: /s/ T. L. Atkins
T. L. Atkins
Treasurer

NATIONAL FUEL RESOURCES, INC.

By: /s/ D. L. DeCarolis
D. L. DeCarolis
Vice President and Secretary
HORIZON POWER, INC.

By: /s/ B. H. Hale
B. H. Hale
President

Dated: August 28, 2003