National Fuel Gas Supply Corporation Announces Open Season and Plans for Appalachian Pipeline Project

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(August 5, 2008) Williamsville, New York: National Fuel Gas Supply Corporation ("Supply"), the Pipeline and Storage segment of National Fuel Gas Company (NYSE: NFG) ("National Fuel"), has announced that it is conducting an Open Season for capacity in the Appalachian corridor in southwestern and central Pennsylvania that will provide transportation and storage services to key northeast market interconnects including Ellisburg, Leidy and Corning.

The Open Season features a newly proposed pipeline system, the "Appalachian Lateral," to provide much-needed new interstate pipeline infrastructure to move gas supplies produced from the Marcellus Shale and other Appalachian producing horizons to growing northeast markets. This Open Season will also provide shippers the opportunity to access incremental storage capacity of 8.5 billion cubic feet via Supply's planned expansion of certain of its existing underground natural gas storage fields. This storage capacity will be offered in a complementary Open Season in the near future.

The scope and size of the Appalachian Lateral will be determined after the close of the Open Season. The Appalachian Lateral may serve as a complement to Supply's previously announced West-to-East project, which is designed to move Rockies Express gas supply from Ohio to the Northeast. Results from a 2007 Open Season for the West-to-East project were robust and market interest remains strong for new facilities to be built in this region where exploration and production activity, particularly in the Marcellus Shale, is rapidly increasing.

"Many of our pipeline and storage assets are located in the heart of the Appalachian region and provide ready and flexible opportunities for new storage and transportation services to accommodate new production from this region, as well as growing demand in the Northeast. We recognize the need for new facilities to serve growing gas markets and are confident that we can develop this project in an orderly and timely fashion. It will provide Appalachian Basin producers with access to diverse markets, and offer gas distributors and marketers the storage and transportation services they need to serve their customers," said Ronald J. Tanski, President, National Fuel Gas Supply Corporation.

Additional information about the transportation and storage services offered in the Open Season can be obtained at www.nationalfuelgas.com, or by calling National Fuel's Interstate Marketing Department at (716) 857-7740. The Open Season will close at 11:00 a.m. (Eastern time) on Friday, September 12, 2008.

The Pipeline and Storage segment operations of National Fuel Gas Company are carried out by National Fuel Gas Supply Corporation and Empire State Pipeline. These companies provide natural gas transportation and storage services to affiliated and non-affiliated companies through an integrated system of nearly 3,000 miles of pipelines and 31 underground natural gas storage fields in western New York and western Pennsylvania.

National Fuel Gas Company is an integrated energy company with $4.2 billion in assets comprised of the following five operating segments: Exploration and Production, Pipeline and Storage, Utility, Energy Marketing, and Timber. Additional information about National Fuel is available on its web site: www.nationalfuelgas.com or through its investor information service at 1-800-334-2188.

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