

NATIONAL FUEL GAS CO
Form U-9C-3
August 24, 2001

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

**FORM U-9C-3
QUARTERLY REPORT PURSUANT TO RULE 58
For the Quarterly Period Ending June 30, 2001**

**National Fuel Gas Company
(Name of Registered Holding Company)**

**10 Lafayette Square
Buffalo, New York 14203
(Name of Principal Executive Officer)**

Inquiries concerning this Form U-9C-3 may be directed to:

**James R. Peterson
Assistant Secretary
National Fuel Gas Company
Suite 1500
10 Lafayette Square
Buffalo, New York 14203
(716) 857-7702**

ITEM 1 - ORGANIZATION CHART

Name of Reporting Co.	Energy or Gas Related	Date of Organization	State of Organization	Percentage of Voting Securities Held
National Fuel Gas Company	Holding	1902	New Jersey	Holds all voting securities of the reporting companies except as indicated below.
Seneca Independence Pipeline Company	Gas	1996	Delaware	100%
Niagara Independence Marketing Company	Holding	1997	Delaware	100%
DirectLink Gas Marketing Company	Gas	1997	Delaware	33-1/3%

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Upstate Energy Inc.	Gas	1997	New York	100%
Roystone Gas Processing Plant	Gas	1994	Pennsylvania (general partnership)	50%

NARRATIVE DESCRIPTION:

National Fuel Gas Company is not a "reporting company" but is included in this Item 1 because directly or indirectly, voting securities issued by reporting companies as indicated above.

During the quarter ended June 30, 2001, the reporting companies engaged in the following activities:

Seneca Independence Pipeline Company ("SIP") retained its 33 1/3% general partnership interest in Independence Pipeline Company ("Independence"), pursuant to approval by the SEC under the Private Securities Offering Reform Act of 2001 (17 CFR 270-9117, HCAR No. 35-26840). SIP's transactions this quarter are described in its financial statements at Item 6.

Niagara Independence Marketing Company ("NIM") retained its 33 1/3% interest in DirectLink Company ("DirectLink"). NIM's and DirectLink's transactions this quarter are described in their financial statements at Item 6.

Upstate Energy Inc. ("Upstate") engaged in gas marketing transactions this quarter.

Roystone Gas Processing Plant engaged in processing natural gas and selling natural gas liquids this quarter.

ITEM 2 - ISSUANCE OF SECURITIES AND CAPITAL CONTRIBUTIONS

Company Issuing Stock	Type of Security Issued	Principal Amount of Security	Issue or Renewal	Cost of Capital	Person to Whom Security Was Issued	Collateral Given With Security	Consideration Received Each
Seneca Independence Pipeline Company	Note	\$100,000 \$200,000	Issue* Issue*	N/A	National Fuel Gas Company	N/A	\$1 \$2
DirectLink Gas Marketing Company	no transactions this quarter						
Niagara Independence Marketing Company	no transactions this quarter						
Upstate Energy Inc.	Note	\$200,000 \$100,000 \$1,800,000 \$6,100,000 \$100,000	Issue** Issue** Issue** Issue** Issue**	N/A	National Fuel Gas Company	N/A	\$2 \$1 \$1,800,000 \$6,100,000 \$100,000

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\$200,000	Issue**	\$2
\$100,000	Issue**	\$1

Roystone Gas no transactions this quarter
Processing Plant

* Represents an increase in the daily principal balance of borrowings from the National Fuel System Money Pool as compared with balance from preceding day. For the quarter, the outstanding balance increased by \$100,000.

** Represents an increase in the daily principal balance of borrowings from the National Fuel System Money Pool as compared with the balance from the preceding day. For the quarter, the outstanding balance decreased by \$9,400,000.

Company Contributing Capital	Company Receiving Capital	Amount of Capital Contribution
National Fuel Gas Company	Upstate Energy Inc.	\$6,800,000

ITEM 3 -ASSOCIATE TRANSACTIONS

PART 1 - TRANSACTIONS PERFORMED BY REPORTING COMPANY ON BEHALF OF ASSOCIATE COMPANIES

Reporting Co. Rendering Services	Associate Co. Receiving Services	Types of Services Rendered	Direct Costs Charged	Indirect Costs Charged	Cost of Capital	Total Amount Billed
Roystone Gas Processing Plant	National Fuel Gas Supply Corporation	Natural gas processing	\$75,070*	-0-	-0-	\$75,070

* Represents payments made by National Fuel Gas Supply Corporation to Roystone Gas Processing Plant ("Roystone") pursuant to an agreement predating Upstate Energy Inc.'s investment in Roystone.

PART 2 - TRANSACTIONS PERFORMED BY ASSOCIATE COMPANIES ON BEHALF OF REPORTING COMPANY

Associate Co. Rendering Services	Reporting Co. Receiving Services	Types of Services Rendered	Direct Costs Charged	Indirect Costs Charged	Cost of Capital	Total Amount Billed
National Fuel Gas Supply Corporation	Seneca Independence Pipeline Company	Managerial, financial, legal, and other similar services.	-0-	-0-	-0-	-0-
Seneca Resources Corporation	Upstate Energy Inc.	Managerial, financial and other similar services.	-0-	-0-	-0-	-0-
National Fuel Resources, Inc.	Upstate Energy Inc.	Managerial services.	-0-	-0-	-0-	-0-

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Upstate Energy Inc. also may have purchased regulated interstate natural gas transportation and storage services from its associate, National Fuel Gas Supply Corporation ("Supply"), pursuant to Supply's FERC gas tariff, but such services are "exempted transactions" pursuant to Rule 81 under the Public Utility Holding Company Act (17 CFR Sec. 250.81).

ITEM 4 - SUMMARY OF AGGREGATE INVESTMENT

Investment in Energy-Related Companies:

Not applicable; all the Reporting Companies are gas-related companies.

Investments in Gas-Related Companies:

Confidential Treatment requested pursuant to Rule 104(b)

ITEM 5 - OTHER INVESTMENTS

Major Line of Energy-Related Business	Other Investment in last U-9C-3 Report	Other Investment in This U-9C-3 Report	Reason For Difference in Other Investment
NONE			

ITEM 6- FINANCIAL STATEMENTS AND EXHIBITS

A. FINANCIAL STATEMENTS:

Balance Sheet for Seneca Independence Pipeline Company ("Seneca")	Confidential treatment
Income Statement for Seneca	Confidential treatment
Balance Sheet for Niagara Independence Marketing Company ("Niagara")	Confidential treatment
Income Statement of Niagara	Confidential treatment
Balance Sheet for DirectLink Gas Marketing Company ("DirectLink")	Confidential treatment
Income Statement for DirectLink	Confidential treatment
Balance Sheet for Upstate Energy Inc. ("Upstate")	Confidential treatment
Income Statement for Upstate	Confidential treatment
Balance Sheet for Roystone Gas Processing Plant ("Roystone")	Confidential treatment
Income Statement for Roystone	Confidential treatment

B. EXHIBITS:

1. Copies of contracts required to be provided by Item 3: NOT APPLICABLE
2. Certificate stating that a copy of the report for the previous quarter has been filed interested state commissions: EXHIBIT A

SIGNATURES

Pursuant to the requirements of the Public Utility Holding Company Act of 1935, National has duly caused this report to be signed and authorized on its behalf by the undersigned.

Dated: August 24, 2001

NATIONAL FUEL GAS COMPANY

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By /s/ James R. Peterson

James R. Peterson
Assistant Secretary