PSC NO: 9 GASSECTION: 0 LEAF:147NATIONAL FUEL GAS DISTRIBUTION CORPORATIONREVISION:3INITIAL EFFECTIVE DATE:12/01/2018SUPERSEDING REVISION:2ISSUED IN COMPLIANCE WITH ORDER IN CASE NO.14-M-0565 DATED 02/17/17

GENERAL INFORMATION (Cont'd)

II.47.C – Cont'd

C. Revenue Decoupling Mechanism ("RDM")

Included in the Statement of Delivery Adjustment Charge shall be a credit or surcharge associated with the RDM approved in Case 16-G-0257. RDM credits or surcharges for the 6 month period from October 1, 2016 through March 31, 2017 associated with the RDM approved in Case 16-G-0257 shall be calculated on a prorated basis. The RDM costs to be recovered or refunded shall be determined as the change in margin associated with changes in weather normalized average consumption of the following customer classes. The margin per account shall be determined by calculating the change in Service Classifications identified in General Information Section 38.B.(1). (excluding NGV pilot program usage and incremental Excelsior Program usage not included in the RDM) normal usage per account for the 12-month period ending March 31 compared to imputed normal usage per account multiplied by the appropriate rate category margin. This change in margin per account will then be multiplied by the number of accounts in each rate category to determine total change in margin. Imputed normalized usage per account and rate category margin shall be as follows:

Service Classification	Benchmark Annual Imputed Usage per Account	Rate Category Margin
Residential SC 1 & SC 2	108.636/Mcf	\$0.83451/Mcf
SC 3	450.236/Mcf	\$1.86528/Mcf

The RDM charge or credit shall be calculated to recover total margin for the most recent 12 months ended March 31 time period divided by projected weather normalized annual delivery volumes for the Service Classifications identified in General Information Section 38.B.(1). Excelsior customers will be exempted from the RDM charge.

The benchmark annual usage per account shall be updated in base rate proceedings.

Issued by <u>C. M. Carlotti, President, 6363 Main Street, Williamsville, NY</u> 14221 (Name of Officer, Title, Address)