PSC NO: 9 GAS COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION INITIAL EFFECTIVE DATE: 6/1/2017

STATEMENT TYPE: RCC STATEMENT NO: 2

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT AND RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing June 1, 2017 Applicable to Usage Under Service Classification Nos. 1, 2, 3, 5, 7 and Non-Large Industrial 13 and 18 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 9 - GAS

	Total NY Monthly Capacity	Total NY Annual Capacity	Demand Rate	Total Demand
Daily Temperature Swing/Peaking Reserve	Dth	Dth	<u>Dth</u>	<u>Cost</u>
Capacity Costs	(A)	(B)	(C)	(D=BxC)
NFGSC EFT Capacity Temperature Swing	175,606	2,107,272	3.8067	\$8,021,752
NFGSC ESS Delivery Temperature Swing	160,186	1,922,232	2.4921	\$4,790,394
NFGSC ESS Capacity Temperature Swing	7,477,162	89,725,944	0.0388	\$3,481,367
NFGSC FSS Delivery Temperature Swing	15,420	185,040	2.3833	\$441,006
NFGSC FSS Capacity Temperature Swing	588,700	7,064,400	0.0366	\$258,557
NFGSC FSS Delivery Temperature Swing	0	0	0.0000	\$0
NFGSC FSS Capacity Temperature Swing	0	0	0.0000	\$0
Subtotal Daily Temperature Swing/Peaking	0	0	0.0000	\$0
Reserve Capacity Costs				\$16,993,076
Dealing to share a threather TO 4.0. W				07 00 400/
Peaking to classes other than TC 4.0 - %				97.2843%
Peaking to classes other than TC 4.0 - \$				\$16,531,595
Total Annual Normalized Throughput Volume (Mcf)				84,190,574
Daily Temperature Swing/Peaking Reserve				
Capacity Costs per Mcf				\$0.19636
Base Reserve Capacity Charge				\$0.18730
Reserve Capacity Cost Adjustment (\$/Mcf) (0.196				\$0.00906
(applicable to SC-1, 2, 3, 5, 7, 9 and Non-Large I	ndustrial SC-1	8)		
DMT Factor				12.4595%
Non-Large Industrial SC 13				\$0.02447
Base Reserve Capacity Charge				\$0.01291
Reserve Capacity Cost Adjustment (\$/Mcf) (0.02447-0.0 (applicable to Non-Large Industrial SC-13)	01291)			\$0.01156

Date: May 26, 2017

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

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT AND RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing June 1, 2017 Applicable to Usage Under Service Classification Nos. 13 and 18 (TC-4.0) NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 9 - GAS

Daily Temperature Swing/Peaking Reserve Capacity Costs	Total NY Monthly Capacity <u>Dth</u> (A)	Total NY Annual Capacity <u>Dth</u> (B)	Demand Rate <u>Dth</u> (C)	Total Demand <u>Cost</u> (D=BxC)
NFGSC EFT Capacity Temperature Swing	175,606	2,107,272	3.8067	\$8,021,752
NFGSC ESS Delivery Temperature Swing	160,186	1,922,232	2.4921	\$4,790,394
NFGSC ESS Capacity Temperature Swing	7,477,162	89,725,944	0.0388	\$3,481,367
NFGSC FSS Delivery Temperature Swing	15,420	185,040	2.3833	\$441,006
NFGSC FSS Capacity Temperature Swing	588,700	7,064,400	0.0366	\$258,557
Subtotal Daily Temperature Swing/Peaking	0	0	0.0000	\$0
Reserve Capacity Costs				\$16,993,076
Peaking to TC 4.0 - %				2.7157%
Peaking to TC 4.0 - \$				\$461,481
Total Annual Normalized Throughput Volume (Mcf)				11,868,982
Daily Temperature Swing/Peaking Reserve				
Capacity Costs per Mcf				\$0.03888
Base Reserve Capacity Charge				\$0.03419
Reserve Capacity Cost Adjustment (\$/Mcf) (0.03	888-0.03419)			\$0.00469
(applicable to SC 18 TC 4.0)	-			
DMT Factor				27.5802%
Large Industrial SC 13				\$0.01072
Base Reserve Capacity Charge	072 0 00644)		•	\$0.00611
Reserve Capacity Cost Adjustment (\$/Mcf) (0.01 (applicable to SC 13 TC 4.0)	u <i>r 2</i> -0.00011)			\$0.00461

Date: May 26, 2017

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