

PSC NO: 8 GAS  
COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 9/1/2014

STATEMENT TYPE: RCC  
STATEMENT NO: 167

Page 1 of 2

RESERVE CAPACITY COST ADJUSTMENT STATEMENT  
AND  
RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing September 1, 2014  
Applicable to Usage Under Service Classification Nos. 1, 2, 3, 5, 7, 8, 9 and Non-Large Industrial 13M and 13D  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
P.S.C. No. 8 - GAS

|  | Total NY<br>Monthly<br>Capacity<br><u>Dth</u><br>(A) | Total NY<br>Annual<br>Capacity<br><u>Dth</u><br>(B) | Demand<br>Rate<br><u>Dth</u><br>(C) | Total<br>Demand<br>Cost<br>(D=BxC) |
|--|--|---|-------------------------------------|------------------------------------|
| <u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>      |  |   |                                     |                                    |
| NFGSC EFT Capacity Temperature Swing                               | 149,092.0  | 1,789,104.0   | 3.9652                              | \$7,094,155                        |
| NFGSC ESS Delivery Temperature Swing                               | 135,672.0  | 1,628,064.0   | 2.5959                              | \$4,226,291                        |
| NFGSC ESS Capacity Temperature Swing                               | 949,704.0  | 11,396,448.0  | 0.0404                              | \$460,416                          |
| NFGSC FSS Delivery Temperature Swing                               | 13,420.0   | 161,040.0   | 2.4826                              | \$399,798                          |
| NFGSC FSS Capacity Temperature Swing                               | 468,700.0  | 5,624,400.0   | 0.0381                              | \$214,290                          |
| NFGSC FSS Delivery Temperature Swing                               | 0.0  | 0.0   | 0.0000                              | \$0                                |
| NFGSC FSS Capacity Temperature Swing                               | 0.0  | 0.0   | 0.0000                              | \$0                                |
| Subtotal Daily Temperature Swing/Peaking Reserve Capacity Costs    |  |   |                                     | \$12,394,950                       |
| <u>Contingency Capacity</u>  |  |   |                                     |                                    |
| NFGSC EFT Capacity   | 31,664.0   | 379,968.0   | 3.9652                              | \$1,506,649                        |
| System Upstream Capacity   | 32,310.0   | 387,720.0   | 9.8419                              | \$3,815,901                        |
| Subtotal Contingency Capacity Costs                                |  |   |                                     | \$5,322,550                        |
| <b>Grand Total Reserve Capacity Costs</b>                          |  |   |                                     | <b>\$17,717,500</b>                |
| Peaking to classes other than TC 4.0 - %                           |  |   |                                     | 97.8043%                           |
| Peaking to classes other than TC 4.0 - \$                          |  |   |                                     | \$17,328,477                       |
| Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)  |  |   |                                     | 77,124,156                         |
| Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf     |  |   |                                     | \$0.22468                          |
| Base Reserve Capacity Charge                                       |  |   |                                     | \$0.18730                          |
| <b>Reserve Capacity Cost Adjustment (\$/Mcf) (0.22468-0.1873)</b>  |  |   |                                     | <b>\$0.03738</b>                   |
| <b>(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M)</b> |  |   |                                     |                                    |
| DMT Factor   |  |   |                                     | 9.5784%                            |
| <b>Non-Large Industrial SC 13D</b>                                 |  |   |                                     | <b>\$0.00358</b>                   |

Date: August 28, 2014

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

Page 2 of 2

RESERVE CAPACITY COST ADJUSTMENT STATEMENT  
AND  
RESERVE CAPACITY COST STATEMENTEffective With Usage During Billing Period Commencing September 1, 2014  
Applicable to Usage Under Service Classification Nos. 13M and 13D TC 4.0  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
P.S.C. No. 8 - GAS

|   | Total NY<br>Monthly<br>Capacity<br><u>Dth</u><br>(A) | Total NY<br>Annual<br>Capacity<br><u>Dth</u><br>(B) | Demand<br>Rate<br><u>Dth</u><br>(C) | Total<br>Demand<br>Cost<br>(D=BxC) |
|---|--|---|-------------------------------------|------------------------------------|
| <u>Daily Temperature Swing/Peaking Reserve Capacity Costs</u>   |  |   |                                     |                                    |
| NFGSC EFT Capacity Temperature Swing  | 149,092.0  | 1,789,104.0   | 3.9652                              | \$7,094,155                        |
| NFGSC ESS Delivery Temperature Swing  | 135,672.0  | 1,628,064.0   | 2.5959                              | \$4,226,291                        |
| NFGSC ESS Capacity Temperature Swing  | 949,704.0  | 11,396,448.0  | 0.0404                              | \$460,416                          |
| NFGSC FSS Delivery Temperature Swing  | 13,420.0   | 161,040.0   | 2.4826                              | \$399,798                          |
| NFGSC FSS Capacity Temperature Swing  | 468,700.0  | 5,624,400.0   | 0.0381                              | \$214,290                          |
| Subtotal Daily Temperature Swing/Peaking Reserve Capacity Costs   |  |   |                                     | \$12,394,950                       |
| <u>Contingency Capacity</u>   |  |   |                                     |                                    |
| NFGSC EFT Capacity  | 31,664.0   | 379,968.0   | 3.9652                              | \$1,506,649                        |
| System Upstream Capacity  | 32,310.0   | 387,720.0   | 9.8419                              | \$3,815,901                        |
| Subtotal Contingency Capacity Costs   |  |   |                                     | \$5,322,550                        |
| <b>Grand Total Reserve Capacity Costs</b>   |  |   |                                     | <b>\$17,717,500</b>                |
| Peaking to TC 4.0 - %   |  |   |                                     | 2.1957%                            |
| Peaking to TC 4.0 - \$  |  |   |                                     | \$389,023                          |
| Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)   |  |   |                                     | 9,546,743                          |
| Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf  |  |   |                                     | \$0.04075                          |
| Base Reserve Capacity Charge  |  |   |                                     | \$0.03419                          |
| <b>Reserve Capacity Cost Adjustment (\$/Mcf) (0.04075-0.03419)</b><br><b>(applicable to SC13M TC 4.0)</b> |  |   |                                     | <b>\$0.00656</b>                   |
| DMT Factor  |  |   |                                     | 24.8258%                           |
| <b>SC 13D TC 4.0</b>  |  |   |                                     | <b>\$0.00163</b>                   |

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