

COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION
INITIAL EFFECTIVE DATE: 7/1/2013STATEMENT TYPE: CIP
STATEMENT NO: 40

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STATEMENT OF CONSERVATION INCENTIVE PROGRAMS COST RECOVERY

Effective With Usage During Billing Period Commencing July 1, 2013
Applicable to Usage Under Service Classification Nos. 1, 2, 2A, 2B, 3, 5, 7, 8, 9, 13D, 13M, 23 and 24
NATIONAL FUEL GAS DISTRIBUTION CORPORATION
P.S.C. No. 8 - GAS

Pursuant to Tariff Leaf No. 148.9 PSC No. 8 GAS the following rates will be in effect to recover cost associated with the Company's Conservation Incentive Programs ("CIPs")

1. Monthly surcharge recovered in the Delivery Adjustment Charge of SC 1, SC 2, SC 2A, SC 2B, SC 3, SC 5, SC 7, SC 8, SC 9, SC 23 and SC 24

a.) To recover annual amount of \$10,040,000	\$0.016069	per Ccf
Reconciliation for TME 12/31/12 applicable 3/1/13 - 2/28/14	(\$0.000200)	per Ccf
b.) To recover \$280,287 of CIP costs through 12/31/13 associated with the commercial and industrial new construction program	\$0.000330	per Ccf
Reconciliation for TME 12/31/12 applicable 3/1/13 - 2/28/14	\$0.000000	per Ccf
c.) To recover cost through 12/31/13 associated with the following programs as approved by Commission in Cases 07-M-0548, 09-G-0363 and 10-M-0457.		
Home Performance with Energy Star Program	\$429,962	\$0.000688 per Ccf
New York Energy Star Homes	\$316,814	\$0.000507 per Ccf
Assisted Home Performance with Energy Star Program	\$125,887	\$0.000201 per Ccf
EmPower New York	\$414,948	\$0.000664 per Ccf
Low Income Single Family Home Performance (New & Existing)	\$515,636	\$0.000825 per Ccf

Grand Total recovered in Delivery Adjustment Charge \$0.019084 per Ccf

2. Monthly surcharge recovered from SC 13M and SC 13D

<u>Costs through 12/31/13</u>	TC 1.1 \$/Mcf	TC 2.0 \$/Mcf	TC 3.0 \$/Mcf	TC 4.0 \$/Mcf	TC 4.1 \$/Mcf
Multi Family annual - \$987,195	\$0.060860	\$0.060860	\$0.060860	\$0.000000	\$0.060860
Existing Facilities annual - \$300,292	\$0.013720	\$0.013720	\$0.013720	\$0.013720	\$0.013720
Commer. & Indus. New Construction annual - \$280,287	\$0.003300	\$0.003300	\$0.003300	\$0.003300	\$0.003300
Agriculture Energy Efficiency annual - \$10,153	\$0.000460	\$0.000460	\$0.000460	\$0.000460	\$0.000460
Industrial & Process Efficiency annual - \$288,578	\$0.013190	\$0.013190	\$0.013190	\$0.013190	\$0.013190
Flex Tech annual - \$79,686	\$0.003650	\$0.003650	\$0.003650	\$0.003650	\$0.003650

Reconciliation for TME 12/31/12 effective 3/1/13 - 2/28/14

TC 1.1 - 4.1	(\$0.001500)	(\$0.001500)	(\$0.001500)	(\$0.001500)	(\$0.001500)
TC 1.1 - 4.1 less TC 4.0	\$0.001100	\$0.001100	\$0.001100	\$0.000000	\$0.001100
Throughput	\$0.000000	\$0.000000	\$0.000000	\$0.000000	\$0.000000

Grand Total recovered in SC 13M & SC 13D rates \$0.094780 \$0.094780 \$0.094780 \$0.032820 \$0.094780

Date: June 28, 2013

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