

National Fuel Gas Distribution Corporation
6363 Main Street
Williamsville, NY 14221

January 29, 2018

Hon. Kathleen Burgess, Secretary
New York State Department of Public Service
Three Empire State Plaza
Albany, NY 12223-1350

Dear Secretary Burgess:

Enclosed is an electronic version of Monthly Gas Supply Charge Statement No. 10 applicable to Service Classification Nos. 1, 2, 3, 9, and 10, and Delivery Adjustment Charge Statement No. 10 applicable to Service Classification Nos. 1, 2, 3, 4, 5, 7, 8, 9, 10 and 15 of our Rate Schedule P.S.C. No. 9 – Gas. The Monthly Gas Supply Charge Statement No. 10 and the Delivery Adjustment Charge Statement No. 10 will be effective commencing with gas used on or after February 1, 2018.

The estimated amount related to surcharges and credits included in NGS & DAC Statements No. 10 is \$953,000 based on estimated sales of 83,280,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is an increase of \$1,679,300 on a monthly basis.

The surcharge calculation for February 2018 Intermediate Pipeline Stranded Capacity Surcharge pursuant to General Information Section 0, Leaf Nos. 138 & 139 of P.S.C. No 9 – Gas results in a unit surcharge of \$0.00000/Mcf is applicable for February 1, 2018 through February 28, 2018.

The surcharge calculation for February 2018 Upstream Pipeline Stranded Capacity Surcharge pursuant to General Information Section 0, Leaf Nos. 137 & 138 of P.S.C. No 9 – Gas results in a unit surcharge of \$0.00000/Mcf is applicable for February 1, 2018 through February 28, 2018.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 10, Demand Transfer Recovery Rate Statement No. 10, Gas Transportation Statement No. 10, Natural Gas Vehicle Statement No. 10, Standby Sales Service Rate Statement No. 10, Transportation Sales Service Rate Statement No. 10, Reserve Capacity Cost Statement No. 10, Weather Normalization Clause Multipliers Statement No. 10, Distributed Generation Statement No. 10, Merchant Function Charge Statement No. 10, Incremental Monthly Gas Supply Charge Statement No. 10, Low Income Customer Affordability Assistance Program Statement No. 10, Mandatory Upstream Transmission Capacity (“MUTC”) Statement No. 10, Conservation Incentive Programs Cost Recovery (“CIPs”) Statement No. 10, and Regulatory Tracking Charge (RTC) Statement No. 10.

In connection with this filing, the Company is also required to submit information that contains

trade secrets. Accordingly, the Company has filed the required information with the Department Records Access Officer, together with a request for trade secret protection under the Commission's regulation.

Very truly yours,

A handwritten signature in black ink, appearing to read "Eric H. Mehl". The signature is written in a cursive style with a large, stylized initial "E".

Eric H. Mehl
General Manager
Rates & Regulatory Affairs