

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

October 27, 2017

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. 7 applicable to Service Classification Nos. 1, 2, 3, 9, and 10, and Delivery Adjustment Charge Statement No. 7 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. 7 and the Delivery Adjustment Charge Statement No. 7 will be effective commencing with gas used on or after November 1, 2017.

The estimated amount related to surcharges and credits included in NGS & DAC Statements No. 7 is \$568,000 based on estimated sales of 36,710,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is an increase of \$1,679,200 on a monthly basis.

The surcharge calculation for November 2017 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 November 1, 2017 through November 30, 2017.

The surcharge calculation for November 2017 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 November 1, 2017 through November 30, 2017.

The Company's Off-System Sales/Capacity Release/Service Class 11 Margin Filing pursuant to General Leaf No. 68 and 69 of P.S.C. No. 9 - Gas is enclosed and will be refunded during the period November 1, 2017 through March 31, 2018. The unit refund is \$0.3443/Mcf.

Pursuant to Staff's recommendation that the Company should explore third party operation of its NGV filling stations approved by the Commission on August 19, 2013 in Case 13-G-0017, the Company has entered into an agreement, effective in October 2017, with a third party operator for its existing NGV filling facility. NGV Statement No. 7 includes a footnote that on or about November 8, 2017, the Company will no longer operate a Company Owned NGV filling station.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 7, Demand Transfer Recovery Rate Statement No. 7, Gas Transportation Statement No. 7, Natural Gas Vehicle Statement

No. 7, Standby Sales Service Rate Statement No. 7, Transportation Sales Service Rate Statement No. 7, Reserve Capacity Cost Statement No. 7, Weather Normalization Clause Multipliers Statement No. 7, Distributed Generation Statement No. 7, Merchant Function Charge Statement No. 7, Incremental Monthly Gas Supply Charge Statement No. 7, Low Income Customer Affordability Assistance Program Statement No. 7, Mandatory Upstream Transmission Capacity ("MUTC") Statement No. 7, Temporary State Assessment Charge ("TSA") Statement No. 7, Conservation Incentive Programs Cost Recovery ("CIPs") Statement No. 7, and Regulatory Tracking Charge (RTC) Statement No. 7.

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,

Eric H. Meini
General Manager
Rates & Regulatory Affairs

Encl.