



National Fuel

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

July 27, 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. 16 applicable to Service Classification Nos. 1, 2, 3, 9, and 10, and Delivery Adjustment Charge Statement No. 16 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. 16 and the Delivery Adjustment Charge Statement No. 16 will be effective commencing with gas used on or after August 1, 2018.

The estimated amount related to surcharges and credits included in NGS & DAC Statements No. 16 is \$396,000 based on estimated sales of 9,580,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is a decrease of \$68,600 on a monthly basis.

The surcharge calculation for August 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 \$0.00010/Mcf is applicable for August 1, 2018 through August 31, 2018.

The surcharge calculation for August 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 August 1, 2018 through August 31, 2018.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 16, Demand Transfer Recovery Rate Statement No. 16, Gas Transportation Statement No. 16, Natural Gas Vehicle Statement No. 16, Standby Sales Service Rate Statement No. 16, Transportation Sales Service Rate Statement No. 16, Reserve Capacity Cost Statement No. 16, Weather Normalization Clause Multipliers Statement No. 16, Distributed Generation Statement No. 16, Merchant Function Charge Statement No. 16, Incremental Monthly Gas Supply Charge Statement No. 16, Low Income Customer Affordability Assistance Program Statement No. 16, Mandatory Upstream Transmission Capacity ("MUTC") Statement No. 16, and Conservation Incentive Programs Cost Recovery ("CIPs") Statement No. 16.

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. Meini". The signature is fluid and cursive, with the first name "Eric" and last name "Meini" clearly distinguishable.

Eric H. Meini
General Manager
Rates & Regulatory Affairs