

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

June 28, 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. 15 applicable to Service Classification Nos. 1, 2, 3, 9, and 10, and Delivery Adjustment Charge Statement No. 15 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. 15 and the Delivery Adjustment Charge Statement No. 15 will be effective commencing with gas used on or after July 1, 2018.

The estimated amount related to surcharges and credits included in NGS & DAC Statements No. 15 is \$444,000 based on estimated sales of 10,760,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is an increase of \$191,800 on a monthly basis.

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

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

The Company's Low Income Service Tracker filing pursuant to General Information Section 0, Leaf No. 119 is included. The reconciliation for the twelve months ended March 31, 2018 results in a refund of \$0.1008/Mcf, applicable to residential customers during the period July 1, 2018 through June 30, 2019.

The Company's 90/10 Symmetrical Sharing filing for the twelve months ended March 31, 2018 is included. The calculation results in a surcharge of \$0.0407/Mcf to be recovered during the period July 1, 2018 through June 30, 2019.

Also included is a unit surcharge of \$0.0234/Mcf for the Revenue Decoupling Mechanism applicable for the period July 1, 2018 through June 30, 2019. The reconciliation period is for the twelve months ended March 31, 2018 pursuant to Case 16-G-0257.

Included as workpapers are the reconciliation filings associated with the Merchant Function Charge for Procurement, Records and Collection, Purchase of Receivables, and Storage Inventory. The reconciliation period is the twelve months ended 3/31/18, to be applicable for the period July 1, 2018 through June 30, 2019.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 15, Demand Transfer Recovery Rate Statement No. 15, Gas Transportation Statement No. 15, Natural Gas Vehicle Statement No. 15, Standby Sales Service Rate Statement No. 15, Transportation Sales Service Rate Statement No. 15, Reserve Capacity Cost Statement No. 15, Weather Normalization Clause Multipliers Statement No. 15, Distributed Generation Statement No. 15, Merchant Function Charge Statement No. 15, Incremental Monthly Gas Supply Charge Statement No. 15, Low Income Customer Affordability Assistance Program Statement No. 15, Mandatory Upstream Transmission Capacity ("MUTC") Statement No. 15, and Conservation Incentive Programs Cost Recovery ("CIPs") Statement No. 15.

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,

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Eric H. Meinl General Manager Rates & Regulatory Affairs