

April 24, 2020

Honorable Michelle L. Phillips Secretary New York State Public Service Commission Three Empire State Plaza Albany, NY 12223-1350

Re: <u>Proposed Tariff Revisions – General Housekeeping</u>

Case 20-G-0153

Dear Secretary Phillips,

In accordance with Staff's request, National Fuel Gas Distribution Corporation ("Company") is refiling its general housekeeping tariff revisions in the above-referenced docket to include modifications requested to Leaf 120.1.

If you have any questions regarding the Company's tariff filing, please contact the undersigned at (716) 857-7237 or Caitlin DiGiore at (716) 857-7177 at your convenience.

Respectfully submitted,

of C. Di

Randy C. Rucinski

General Manager & Deputy General Counsel

Rates & Regulatory Affairs

Attachment

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 23

INITIAL EFFECTIVE DATE: 065/01/202017 SUPERSEDING REVISION: 42

ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 16-G-0257 DATED 04/20/17

GENERAL INFORMATION (Cont'd)

II.33. LOW INCOME SERVICE TRACKER

The Company shall reconcile actual low income service discounts, arrearage forgiveness and administrative cost with those imputed in its base rate case at 16-G-0257. The annual imputed costs supporting low income customer programs is \$13,430,000.

The annual reconciliation period shall be the 12 months ended March 31 of each year. Over and under recovery of low income programs costs shall be refunded or surcharged to residential service customers for a 12 month period beginning each July 1 after the reconciliation period. The reconciliation rate shall be charged to all residential customers based on forecasted annual volumes for the recovery period on an equal per Mcf unit basis.

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 42

INITIAL EFFECTIVE DATE: 065/01/202019 SUPERSEDING REVISION: 91

ISSUED IN COMPLIANCE WITH ORDER IN CASE NOS. 18-G-0553, 16-G-0257 AND 13-G-0136 DATED 04/24/2019

GENERAL INFORMATION (Cont'd)

II.34. - Cont'd

C. Recovery of Qualified Costs:

Qualified costs shall be recovered via a volumetric surcharge by firm service class determined by allocating the total annual qualified costs by each firm service class's delivery revenues. While qualified costs are determined on a rate year by rate year basis, the applicable surcharge rate shall be in effect for the following July 1 through June 30 period. Interest shall be applied to surcharge account balances at the Company's pre-tax rate of return, and any surcharge account balances shall be fully reconcilable, including any over/under collections.

D. System Modernization Tracker Mechanics:

In accordance with the Order issued April 24, 2019 in Case 18-G-0553 and consistent with PSL §66.12(c), the Company cannot collect more than 2.5% of aggregate revenue, or \$13,795,375 million per year, from the System Modernization Tracker. \$13,795,375 is derived by multiplying 2.5% by Total Operating Revenues, as established in Case 16-G-0257 (Appendix 2, Schedule 1 of the Order issued April 20, 2017 in Case 16-G-0257). Any cost recovery due to the Company in excess of \$13,795,375 shall be held in a deferral account as a regulatory asset for future Commission disposition. While property taxes are permitted for recovery on a lagged basis under the System Modernization Tracker, property tax impacts will only be included in the deferral account, and not the surcharge mechanism (property taxes are only applicable for mile 106 and beyond). Interest shall be applied to deferral account balances at the Company's pre-tax rate of return, and any deferral balance shall be fully reconcilable. Qualified LPP costs incurred through March 31, 2021 shall be recovered through The System Modernization Tracker will be available for recovery of qualified LPP costs incurred through March 31, 2021, or until extended or modified by the Commission.

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 34

INITIAL EFFECTIVE DATE: <u>0642</u>/01/20<u>2048</u> SUPERSEDING REVISION: <u>23</u>

ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 14-M-0565 DATED 02/17/17

GENERAL INFORMATION (Cont'd)

II.38.A. - Cont'd

Economic Development Zone and SC 3 Excelsior Program Rate

	Years:	(1)	(2)	(3)	(4 <u>-6</u>)	(<u>7-10</u> 5)
Per C.C.F. for all qualified						
incremental consumption		0.063	0.063	0.063	0.037	0.013

SC 4

Fixed Cost Charge per Mcfd	\$ 8.7684
Commodity Cost of Gas Adder per Mcf	\$ 0.9911

SC 5

Demand Margin per B.D.U.	\$ 0.3031
Base Commodity per Mcf	\$ 0.1248

SC8

First	400 cu. ft. or less	\$32.02
All Over	400 cu. ft. per 100 cu. ft.	\$ 0.102612

SC 13

Monthly Mi	nimum Charge				
MC-1.1	Customers with a maximum annual capability of burning	\$ 322.88			
	between 5,000 and 25,000 Mcf				
MC-2.0	Customers with a maximum annual capability of burning	\$ 707.85			
	between 25,000 and 55,000 Mcf				
MC-3.0	Customers with a maximum annual capability of burning	\$1,680.93			
	between 55,000 and 150,000 Mcf				
MC-4.0	Industrial Customers with a maximum annual capability of	\$3,482.46			
	burning greater than 150,000 Mcf				
MC-4.1	Non-Industrial Customers with a maximum annual capability	\$3,703.61			
of burning greater than 150,000					
Billing Cha	Billing Charge – as set forth in General Information Sections 48 and 38.B.(3).				

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: 23

INITIAL EFFECTIVE DATE: 065/01/202047 SUPERSEDING REVISION: 42

ISSUED IN COMPLIANCE WITH ORDER IN CASE NO. 16-G-0257 DATED 04/20/17

GENERAL INFORMATION (Cont'd)

II.38.A. - Cont'd

SC 13

Default Tra	Default Transportation Charge				
TC-1.1	Customers with a maximum annual capability of burning	\$1.26530			
	between 5,000 and 25,000 Mcf				
TC-2.0	Customers with a maximum annual capability of burning	\$0.92588			
	between 25,000 and 55,000 Mcf				
TC-3.0	Customers with a maximum annual capability of burning	\$0.61572			
	between 55,000 and 150,000 Mcf				
TC-4.0	Industrial Customers with a maximum annual capability of	\$0.27739			
	burning greater than 150,000 Mcf				
TC-4.1	Non-Industrial Customers with a maximum annual capability	\$0.37044			
of burning greater than 150,000 Mcf					
Purchased gas cost recovery per Mcf included in rate for TC-1.1, TC-2.0, \$0.01291					
TC-3.0, or TC-4.1					
Purchased	gas cost recovery per Mcf included in rate for TC-4.0	\$0.00611			

SC 13

Business Development Rate Discount

	Years:	(1)	(2)	(3)	(4)	(5)
Per Mcf for all	TC-1.1	\$0.50	\$0.37	\$0.25	\$0.12	\$0.06
qualified incremental	TC-2	\$0.47	\$0.35	\$0.23	\$0.12	\$0.06
consumption	TC-3	\$0.24	\$0.18	\$0.12	\$0.06	\$0.03
	TC-4	\$0.11	\$0.09	\$0.06	\$0.03	\$0.01
	TC-4.1	\$0.14	\$0.10	\$0.08	\$0.04	\$0.02

SC 13

Economic Development and Excelsior Program Rate Discount

<u> </u>						
	Years:	(1)	(2)	(3)	(4 <u>-6</u>)	(<u>7-10</u> 5)
Per Mcf for all	TC-1.1	\$0.63	\$0.63	\$0.63	\$0.37	\$0.12
qualified incremental	TC-2	\$0.58	\$0.58	\$0.58	\$0.35	\$0.12
consumption	TC-3	\$0.30	\$0.30	\$0.30	\$0.18	\$0.06
	TC-4	\$0.13	\$0.13	\$0.13	\$0.09	\$0.03
	TC-4.1	\$0.18	\$0.18	\$0.18	\$0.10	\$0.04

SC 15

Volumetric Rate Structure for Customers with DG units less than one (1) megawatt:		
First 1,000 cu. ft. or less	27.82	
For all consumption over 1,000 cu. ft. per 100 cu. ft. during the months of November through March	\$ 0.076487	
For all consumption over 1,000 cu. ft. per 100 cu. ft. during the months of April through October	\$ 0.086305	

NATIONAL FUEL GAS DISTRIBUTION CORPORATION REVISION: <u>56</u>

INITIAL EFFECTIVE DATE: 036/01/202019 SUPERSEDING REVISION: 45

GENERAL INFORMATION (Cont'd)

II.38.A. - Cont'd

SC 18 Business Development Rate Discount

	Years:	(1)	(2)	(3)	(4)	(5)
Per Mcf for all	TC-1.1	\$0.50	\$0.37	\$0.25	\$0.12	\$0.06
qualified incremental	TC-2	\$0.47	\$0.35	\$0.23	\$0.12	\$0.06
consumption	TC-3	\$0.24	\$0.18	\$0.12	\$0.06	\$0.03
	TC-4	\$0.11	\$0.09	\$0.06	\$0.03	\$0.01
	TC-4 1	\$0.14	\$0.10	\$0.08	\$0.04	\$0.02

Economic Development and Excelsior Program Rate Discount

SC 18

	Years:	(1)	(2)	(3)	(4 <u>-6</u>)	(<u>7-10</u> 5)
Per Mcf for all	TC-1.1	\$0.63	\$0.63	\$0.63	\$0.37	\$0.12
qualified incremental	TC-2	\$0.58	\$0.58	\$0.58	\$0.35	\$0.12
consumption	TC-3	\$0.30	\$0.30	\$0.30	\$0.18	\$0.06
	TC-4	\$0.13	\$0.13	\$0.13	\$0.09	\$0.03
	TC-4.1	\$0.18	\$0.18	\$0.18	\$0.10	\$0.04

- B. Miscellaneous Surcharges, Refunds or Adjustments
- (1) For the Service Classifications designated in the table below, as set forth in the referenced General Information Sections, the rates for service rendered shall reflect the following elements:

	General	
	Information	
Adjustment Item	Section	Designated Service Classifications

Average Cost of Reserve Capacity	19.B.(1).a.ii	SC 1, SC 2, SC 3, SC 5, SC 6, SC 7, SC 8, SC 10, SC13, SC 15 and SC 18.
90/10 Symmetrical Sharing Mechanism	19.1.(4)	SC 1, SC 2, SC 3, SC 4, SC 5, SC 6, SC 7, SC 8, SC 13 (TC-1.1, TC-2.0, TC-3.1, TC-4.0 & TC-4.1), SC 15 and SC 18 (TC-1.1, TC-2.0, TC-3.0, TC-4.0 and TC-4.1). For SC 13 and SC 18, exclusive of negotiated contracts.
PSC Audits and Assessment Charge	32	SC 1, SC 2, SC 3, SC 4, SC 5, SC 6, SC 7, SC 8, SC 10, SC 13, SC 15, SC 18 and SC 20
Low Income Service Tracker	33	SC 1, SC 2, and SC 3.
System Modernization Tracker	34	SC 1, SC 2, SC 3, SC 4, SC 5, SC 6, SC 7, SC 8, SC 10, SC 13, SC 15 and SC 18.
Weather Normalization Adjustment	36	SC 1, SC 2, SC 3, SC 4, and SC 5.
System Performance Adjustment Mechanism	40	SC1, SC 2, SC 3, SC 4, SC 5, SC 6, SC 7, SC 8, SC 10, SC 13, SC 15 and SC 18.