

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

January 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. 186 applicable to Service Classification Nos. 1, 2, and 3, and Delivery Adjustment Charge Statement No. 180 applicable to Service Classification Nos. 1, 2, 3, 5, 7, 8, and 9 of our Rate Schedule P.S.C. No. 8 – Gas. The Monthly Gas Supply Charge Statement No. 186 and the Delivery Adjustment Charge Statement No. 180 will be effective commencing with gas used on or after February 1, 2017.

The estimated amount related to surcharges and credits included in Statements No. 180 & 186 is \$3,064,000 based on estimated sales of 79,060,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is an increase of \$4,673,000 on a monthly basis.

The surcharge calculation for February 2017 Intermediate Pipeline Stranded Capacity Surcharge pursuant to General Leaf No. 148.2 of P.S.C. No 8 – Gas results in a unit surcharge of \$0.00000/Mcf is applicable for February 1, 2017 through February 28, 2017.

The surcharge calculation for February 2017 Upstream Pipeline Stranded Capacity Surcharge pursuant to General Leaf No. 148.1 of P.S.C. No 8 – Gas results in a unit surcharge of \$0.00000/Mcf is applicable for February 1, 2017 through February 28, 2017.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 237, Demand Transfer Recovery Rate Statement No. 231, Gas Transportation Statement No. 231, Natural Gas Vehicle Statement No. 237, Standby Sales Service Rate Statement No. 237, Transportation Sales Service Rate Statement No. 239, Reserve Capacity Cost Statement No. 196, Weather Normalization Clause Multipliers Statement No. 179, Distributed Generation Statement No. 165, LICAAP Minimum Charge Statement No. 31, Merchant Function Charge Statement No. 146, Incremental Monthly Gas Supply Charge Statement No. 142, Low Income Customer Affordability Assistance Program Statement No. 131, State Income Tax Credits Statement No. 111, Mandatory Upstream Transmission Capacity (“MUTC”) Statement No. 94, Temporary State Assessment Charge (“TSA”) Statement No. 92 and Conservation Incentive Programs Cost Recovery (“CIPs”) Statement No. 83.

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. Meinel  
General Manager  
Rates & Regulatory Affairs

Encl.