

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

September 28, 2016

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. 182 applicable to Service Classification Nos. 1, 2, and 3, and Delivery Adjustment Charge Statement No. 176 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. 182 and the Delivery Adjustment Charge Statement No. 176 will be effective commencing with gas used on or after October 1, 2016.

The estimated amount related to surcharges and credits included in Statements No. 176 & 182 is \$353,000 based on estimated sales of 19,230,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is a decrease of \$160,900 on a monthly basis.

The surcharge calculation for October 2016 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 October 1, 2016 through October 31, 2016.

The surcharge calculation for October 2016 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 October 1, 2016 through October 31, 2016.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 233, Demand Transfer Recovery Rate Statement No. 227, Gas Transportation Statement No. 227, Natural Gas Vehicle Statement No. 233, Standby Sales Service Rate Statement No. 233, Transportation Sales Service Rate Statement No. 235, Reserve Capacity Cost Statement No. 192, Weather Normalization Clause Multipliers Statement No. 175, Distributed Generation Statement No. 161, LICAAP Minimum Charge Statement No. 27, Merchant Function Charge Statement No. 142, Incremental Monthly Gas Supply Charge Statement No. 138, Low Income Customer Affordability Assistance Program Statement No. 127, State Income Tax Credits Statement No. 107, Mandatory Upstream Transmission Capacity (“MUTC”) Statement No. 90, Temporary State Assessment Charge (“TSA”) Statement No. 88 and Conservation Incentive Programs Cost Recovery (“CIPs”) Statement No. 79.

During September 2016, we determined the TC 4.0 TSA rate in our billing system was incorrect due to a rounding error for rates effective July 1, August 1 and September 1, 2016. This resulted in less refunds totaling approximately \$150 to our TC 4.0 customers for July, August and September. The amount is minor and the correct rate will be used starting on October 1, 2016. The difference will be included in the next TSA reconciliation filing.

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.