Received: 01/27/2017 Status: CANCELLED Effective Date: 02/01/2017

PSC NO: 8 GAS COMPANY: NATIONAL FUEL GAS DISTRIBUTION CORPORATION

INITIAL EFFECTIVE DATE: 2/1/2017

STATEMENT TYPE: RCC STATEMENT NO: 196

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT AND RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing February 1, 2017

Applicable to Usage Under Service Classification Nos. 1, 2, 3, 5, 7, 8, 9 and Non-Large Industrial 13M and 13D

NATIONAL FUEL GAS DISTRIBUTION CORPORATION

P.S.C. No. 8 - GAS

Daily Temperature Swing/Peaking Reserve Capacity Costs	Total NY Monthly Capacity <u>Dth</u> (A)	Total NY Annual Capacity <u>Dth</u> (B)	Demand Rate <u>Dth</u> (C)	Total Demand <u>Cost</u> (D=BxC)
NFGSC EFT Capacity Temperature Swing	149,092.0	1,789,104.0	3.8067	\$6,810,582
NFGSC ESS Delivery Temperature Swing	135,672.0	1,628,064.0	2.4921	\$4,057,298
NFGSC ESS Capacity Temperature Swing	949,704.0	11,396,448.0	0.0388	\$442,182
NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.3833	\$383,807
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0366	\$205,853
NFGSC FSS Delivery Temperature Swing	0.0	0.0	0.0000	\$0
NFGSC FSS Capacity Temperature Swing	0.0	0.0	0.0000	\$0
Subtotal Daily Temperature Swing/Peaking				
Reserve Capacity Costs				\$11,899,722
Contingency Capacity				
NFGSC EFT Capacity	31,664.0	379,968.0	3.8067	\$1,446,424
System Upstream Capacity	32,310.0	387,720.0	9.5030	\$3,684,503
Subtotal Contigencey Capacity Costs				\$5,130,927
Grand Total Reserve Capacity Costs				\$17,030,649
Peaking to classes other than TC 4.0 - %				97.8043%
Peaking to classes other than TC 4.0 - \$				\$16,656,707
Total Annual Normalized Sales and Total				
Aggregation Volumes (Mcf)				82,464,668
Daily Temperature Swing/Peaking Reserve				
Capacity Costs per Mcf				\$0.20199
Base Reserve Capacity Charge				\$0.18730
Reserve Capacity Cost Adjustment (\$/Mcf) (0.20199-0.1873)				\$0.01469
(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M) DMT Factor				9.5784%
Non-Large Industrial SC 13D				\$0.00141

Date: January 27, 2017

 $\label{eq:c.m.carlotti, President, 6363 Main Street, Williamsville, NY 14221 } \\ (Name of Officer, Title, Address)$

Received: 01/27/2017 Status: CANCELLED Effective Date: 02/01/2017

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RESERVE CAPACITY COST ADJUSTMENT STATEMENT ${\rm AND}$ RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing February 1, 2017 Applicable to Usage Under Service Classification Nos. 13M and 13D TC 4.0 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

Daily Temperature Swing/Peaking Reserve Capacity Costs	Total NY Monthly Capacity <u>Dth</u> (A)	Total NY Annual Capacity <u>Dth</u> (B)	Demand Rate Dth (C)	Total Demand <u>Cost</u> (D=BxC)
NFGSC EFT Capacity Temperature Swing NFGSC ESS Delivery Temperature Swing	149,092.0 135,672.0	1,789,104.0 1,628,064.0	3.8067 2.4921	\$6,810,582 \$4,057,298
NFGSC ESS Capacity Temperature Swing	949,704.0	11,396,448.0	0.0388	\$442,182
NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.3833	\$383,807
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0366	\$205,853
Subtotal Daily Temperature Swing/Peaking				
Reserve Capacity Costs				\$11,899,722
Contingency Capacity				
NFGSC EFT Capacity	31,664.0	379,968.0	3.8067	\$1,446,424
System Upstream Capacity	32,310.0	387,720.0	9.5030	\$3,684,503
Subtotal Contigencey Capacity Costs				\$5,130,927
Grand Total Reserve Capacity Costs				\$17,030,649
Peaking to TC 4.0 - %				2.1957%
Peaking to TC 4.0 - \$				\$373,942
-				
Total Annual Normalized Sales and Total				
Aggregation Volumes (Mcf)				9,046,657
Daily Temperature Swing/Peaking Reserve				
Capacity Costs per Mcf				\$0.04133
Base Reserve Capacity Charge				\$0.03419
Reserve Capacity Cost Adjustment (\$/Mcf) (0.04133-0.03419)				\$0.00714
(applicable to SC13M TC 4.0)				
DMT Factor				24.8258%

SC 13D TC 4.0				\$0.00177

Date: January 27, 2017

Issued by <u>C.M. Carlotti, President, 6363 Main Street, Williamsville, NY 14221</u> (Name of Officer, Title, Address)