Received: 12/29/2014 Status: CANCELLED Effective Date: 01/01/2015

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

INITIAL EFFECTIVE DATE: 1/1/2015

STATEMENT TYPE: RCC STATEMENT NO: 171

Page 1 of 2

## RESERVE CAPACITY COST ADJUSTMENT STATEMENT AND RESERVE CAPACITY COST STATEMENT

Effective With Usage During Billing Period Commencing January 1, 2015

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	3.9653	\$7,094,334
NFGSC ESS Delivery Temperature Swing	135,672.0	1,628,064.0	2.5959	\$4,226,291
NFGSC ESS Capacity Temperature Swing	949,704.0	11,396,448.0	0.0404	\$460,416
NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.4826	\$399,798
NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0381	\$214,290
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				\$12,395,129
Contingency Capacity				
NFGSC EFT Capacity	31,664.0	379,968.0	3.9653	\$1,506,687
System Upstream Capacity	32,310.0	387,720.0	10.0046	\$3,878,984
Subtotal Contigencey Capacity Costs				\$5,385,671
Grand Total Reserve Capacity Costs				\$17,780,800
Peaking to classes other than TC 4.0 - %				97.8043%
Peaking to classes other than TC 4.0 - \$				\$17,390,387
· ·				
Total Annual Normalized Sales and Total				
Aggregation Volumes (Mcf)				80,720,469
Daily Temperature Swing/Peaking Reserve				
Capacity Costs per Mcf				\$0.21544
Base Reserve Capacity Charge				\$0.18730
Reserve Capacity Cost Adjustment (\$/Mcf) (0.21544-0.1873)				\$0.02814
(applicable to SC1,2,3,5,7, 9 and Non-Large Industrial 13M) DMT Factor				9.5784%
Non-Large Industrial SC 13D				\$0.00270
Tion-Large industrial be 13D				φυ.υυ2/0

Date: December 29, 2014

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

Received: 12/29/2014 Status: CANCELLED Effective Date: 01/01/2015

Page 2 of 2

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

Effective With Usage During Billing Period Commencing January 1, 2015 Applicable to Usage Under Service Classification Nos. 13M and 13D TC 4.0 NATIONAL FUEL GAS DISTRIBUTION CORPORATION P.S.C. No. 8 - GAS

NFGSC EFT Capacity Temperature Swing         149,092.0         1,789,104.0         3,9653         \$7,094,324           NFGSC ESS Delivery Temperature Swing         135,672.0         1,628,064.0         2,5959         \$4,226,291           NFGSC ESS Capacity Temperature Swing         949,704.0         11,396,448.0         0,0404         \$460,416           NFGSC FSS Capacity Temperature Swing         13,420.0         161,040.0         2,4826         \$399,798           NFGSC FSS Delivery Temperature Swing         468,700.0         5,624,400.0         0,0381         \$214,290           Subtotal Daily Temperature Swing/Peaking         8         5,624,400.0         0,0381         \$214,290           Contingency Capacity         31,664.0         379,968.0         3,9653         \$1,506,687           NFGSC EFT Capacity         31,664.0         379,968.0         3,9653         \$1,506,687           System Upstream Capacity         32,310.0         387,720.0         10,0046         \$3,878,984           Subtotal Contigencey Capacity Costs         \$1,780,800         \$379,968.0         3,9653         \$1,506,687           Feaking to TC 4.0 - %         \$2,1957%         \$390,013         \$377,780,800         \$390,013           Total Annual Normalized Sales and Total         \$0,004,000         \$0,004,000         \$0,	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 ESS Capacity Temperature Swing       949,704.0       11,396,448.0       0.0404       \$460,416         NFGSC FSS Delivery Temperature Swing       13,420.0       161,040.0       2.4826       \$399,798         NFGSC FSS Capacity Temperature Swing       468,700.0       5,624,400.0       0.0381       \$214,290         Subtotal Daily Temperature Swing/Peaking       \$12,395,129       \$12,395,129         Contingency Capacity       31,664.0       379,968.0       3.9653       \$1,506,687         System Upstream Capacity       32,310.0       387,720.0       10.0046       \$3,878,984         Subtotal Contigencey Capacity Costs       \$17,780,800         Peaking to TC 4.0 - %       \$17,780,800         Peaking to TC 4.0 - %       \$390,413         Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)       \$708,218         Daily Temperature Swing/Peaking Reserve       \$0,004483         Capacity Costs per Mcf       \$0,004483         Base Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)       \$0,00464         (applicable to SC13M TC 4.0)       \$24,8258%		,			
NFGSC FSS Capacity Temperature Swing         468,700.0         5,624,400.0         0.0381         \$214,290           Subtotal Daily Temperature Swing/Peaking         \$12,395,129         \$12,395,129           Contingency Capacity         \$12,395,129         \$12,395,129           NFGSC EFT Capacity         \$1,664.0         \$379,968.0         \$3,9653         \$1,506,687           System Upstream Capacity         \$32,310.0         \$87,720.0         \$10.0046         \$3,878,984           Subtotal Contigencey Capacity Costs         \$17,780,800         \$5,385,671           Grand Total Reserve Capacity Costs         \$17,780,800           Peaking to TC 4.0 - %         \$390,413           Total Annual Normalized Sales and Total         \$390,413           Total Annual Normalized Sales and Total         \$8,708,218           Daily Temperature Swing/Peaking Reserve         \$0,04483           Capacity Costs per Mcf         \$0,04483           Base Reserve Capacity Charge         \$0,03419           Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)         \$0,01064           (applicable to SC13M TC 4.0)         \$24,8258%		,	, ,		. , ,
Subtotal Daily Temperature Swing/Peaking Reserve Capacity Costs \$12,395,129  Contingency Capacity  NFGSC EFT Capacity 31,664.0 379,968.0 3.9653 \$1,506.687 System Upstream Capacity 32,310.0 387,720.0 10.0046 \$3.878,984 Subtotal Contigencey Capacity Costs \$17,780,800  Grand Total Reserve Capacity Costs \$17,780,800  Peaking to TC 4.0 - % Peaking to TC 4.0 - \$ \$1,957% Peaking to TC 4.0 - \$ \$390,413  Total Annual Normalized Sales and Total Aggregation Volumes (Mcf) \$8,708,218  Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf \$0.04483 Base Reserve Capacity Charge \$0.03419 Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419) (applicable to SC13M TC 4.0)  DMT Factor \$24,8258%	NFGSC FSS Delivery Temperature Swing	13,420.0	161,040.0	2.4826	\$399,798
Reserve Capacity Costs   \$12,395,129	NFGSC FSS Capacity Temperature Swing	468,700.0	5,624,400.0	0.0381	\$214,290
Contingency Capacity   31,664.0   379,968.0   3.9653   \$1,506,687   \$1,506,687   \$2,310.0   \$3,87,20.0   \$1,0046   \$3,878,984   \$3,2310.0   \$3,720.0   \$1,0046   \$3,878,984   \$1,506,687   \$3,2310.0   \$3,87,20.0   \$1,0046   \$3,878,984   \$3,878,984   \$3,2310.0   \$3,87,20.0   \$1,0046   \$3,878,984   \$3,878,984   \$3,870,201   \$3,877,20.0	Subtotal Daily Temperature Swing/Peaking				
NFGSC EFT Capacity       31,664.0       379,968.0       3.9653       \$1,506,687         System Upstream Capacity       32,310.0       387,720.0       10.0046       \$3,878,984         Subtotal Contigencey Capacity Costs       \$5,385,671         Grand Total Reserve Capacity Costs       \$17,780,800         Peaking to TC 4.0 - %       2.1957%         Peaking to TC 4.0 - \$       \$390,413         Total Annual Normalized Sales and Total       8,708,218         Aggregation Volumes (Mcf)       8,708,218         Daily Temperature Swing/Peaking Reserve       \$0.04483         Capacity Costs per Mcf       \$0.03419         Base Reserve Capacity Charge       \$0.03419         Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)       \$0.01064         (applicable to SC13M TC 4.0)       24.8258%	Reserve Capacity Costs				\$12,395,129
NFGSC EFT Capacity       31,664.0       379,968.0       3,9653       \$1,506,687         System Upstream Capacity       32,310.0       387,720.0       10.0046       \$3,878,984         Subtotal Contigencey Capacity Costs       \$5,385,671         Grand Total Reserve Capacity Costs       \$17,780,800         Peaking to TC 4.0 - %       2.1957%         Peaking to TC 4.0 - \$       \$390,413         Total Annual Normalized Sales and Total       8,708,218         Aggregation Volumes (Mcf)       8,708,218         Daily Temperature Swing/Peaking Reserve       \$0.04483         Capacity Costs per Mcf       \$0.03419         Base Reserve Capacity Charge       \$0.03419         Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)       \$0.01064         (applicable to SC13M TC 4.0)       24.8258%					
System Upstream Capacity   32,310.0   387,720.0   10.0046   \$3,878,984	Contingency Capacity				
Subtotal Contigencey Capacity Costs         \$5,385,671           Grand Total Reserve Capacity Costs         \$17,780,800           Peaking to TC 4.0 - %         2.1957%           Peaking to TC 4.0 - \$         \$390,413           Total Annual Normalized Sales and Total         \$708,218           Daily Temperature Swing/Peaking Reserve         \$0.04483           Capacity Costs per Mcf         \$0.04483           Base Reserve Capacity Charge         \$0.03419           Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)         \$0.01064           (applicable to SC13M TC 4.0)         24.8258%	NFGSC EFT Capacity	31,664.0	379,968.0	3.9653	\$1,506,687
Grand Total Reserve Capacity Costs  Peaking to TC 4.0 - % Peaking to TC 4.0 - \$  Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)  Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf Base Reserve Capacity Charge Reserve Capacity Charge Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419) (applicable to SC13M TC 4.0)  DMT Factor  \$17,780,800  2.1957% Peaking to TC 4.0 - \$  2.1957% Peaking to TC 4.0	System Upstream Capacity	32,310.0	387,720.0	10.0046	\$3,878,984
Peaking to TC 4.0 - % Peaking to TC 4.0 - \$  Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)  Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf Base Reserve Capacity Charge Reserve Capacity Charge Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419) (applicable to SC13M TC 4.0)  DMT Factor  2.1957% \$390,413  2.708,218	Subtotal Contigencey Capacity Costs				\$5,385,671
Peaking to TC 4.0 - \$  Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)  Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf Base Reserve Capacity Charge Reserve Capacity Charge Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419) (applicable to SC13M TC 4.0)  DMT Factor  \$390,413  \$,708,218	Grand Total Reserve Capacity Costs				\$17,780,800
Peaking to TC 4.0 - \$  Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)  Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf  Base Reserve Capacity Charge Reserve Capacity Charge Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419) (applicable to SC13M TC 4.0)  DMT Factor  \$390,413  \$,708,218	Peaking to TC 4.0 - %				2.1957%
Total Annual Normalized Sales and Total Aggregation Volumes (Mcf)  Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf Base Reserve Capacity Charge Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419) (applicable to SC13M TC 4.0)  DMT Factor  \$ 0.04483-0.03419 24.8258%	5				
Aggregation Volumes (Mcf)  Daily Temperature Swing/Peaking Reserve  Capacity Costs per Mcf  Base Reserve Capacity Charge  Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)  (applicable to SC13M TC 4.0)  DMT Factor  8,708,218  \$0.04483  \$0.04483  \$0.04483  \$0.01064  (applicable to SC13M TC 4.0)	2				40,0,00
Daily Temperature Swing/Peaking Reserve Capacity Costs per Mcf  Base Reserve Capacity Charge Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419) (applicable to SC13M TC 4.0)  DMT Factor  \$0.04483 \$0.03419 \$0.01064	Total Annual Normalized Sales and Total				
Capacity Costs per Mcf       \$0.04483         Base Reserve Capacity Charge       \$0.03419         Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)       \$0.01064         (applicable to SC13M TC 4.0)       24.8258%	Aggregation Volumes (Mcf)				8,708,218
Capacity Costs per Mcf       \$0.04483         Base Reserve Capacity Charge       \$0.03419         Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)       \$0.01064         (applicable to SC13M TC 4.0)       24.8258%					
Capacity Costs per Mcf       \$0.04483         Base Reserve Capacity Charge       \$0.03419         Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)       \$0.01064         (applicable to SC13M TC 4.0)       24.8258%	Daily Temperature Swing/Peaking Reserve				
Reserve Capacity Cost Adjustment (\$/Mcf) (0.04483-0.03419)       \$0.01064         (applicable to SC13M TC 4.0)       24.8258%					\$0.04483
(applicable to SC13M TC 4.0) DMT Factor 24.8258%	Base Reserve Capacity Charge				\$0.03419
DMT Factor 24.8258%					\$0.01064
DMT Factor 24.8258%	(applicable to SC13M TC 4.0)				
SC 13D TC 4.0 \$0.00264	· ••				24.8258%
SC 13D TC 4.0 \$0.00264					
	SC 13D TC 4.0				\$0.00264

Date: December 29, 2014

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