

PSC NO: 9 GAS  
NATIONAL FUEL GAS DISTRIBUTION CORPORATION  
INITIAL EFFECTIVE DATE: 05/31/2016

SECTION: 0 LEAF: 63  
REVISION: 0  
SUPERSEDING REVISION:

### GENERAL INFORMATION (Cont'd)

#### II.19.B. - Cont'd

- e. Calculation of the Demand and Commodity Cost of Gas included in SC 15 Rates for Customers with DG Units greater than five (5) and less than 50 megawatts

The Commodity Cost of Gas shall equal the Average Monthly Commodity Cost of Gas as calculated in General Information Section 19.B.(1).b.i. The Monthly Natural Gas Supply Demand cost of gas, recovered through a charge to the Customer based on peak daily purchased gas demand as defined under SC 15, shall equal the average demand cost of gas calculated in General Information Section 19.B.(1).b.ii. multiplied by 10.61962.

- f. Calculation of the 50% Load Factor Cost of Gas Included in SC 8 Rates.

The 50% load factor cost of gas included in SC 8 rates shall be the sum of the Commodity Cost of Gas and the 50% load factor demand cost of gas. The Commodity Cost of Gas shall equal the Average Monthly Commodity Cost of Gas as calculated in General Information Section 19.B(1).b.i. The 50% load factor demand cost of gas shall equal the average demand cost of gas as calculated in General Information Section 19.B.(1).b.ii. multiplied by 48.7776%.

#### C. MHP Settlement Costs and Risk Management Costs

MHP Settlement Costs and Risk Management Costs that are incurred by the Company associated with the purchase of gas supplies will be included as gas costs to be recovered through rates as described in General Information Sections 19.B.(1).b.i., 19.B.(1).b.ii., and 19.F.(1).

#### D. Statement of Monthly Gas Cost Supply Charge

The Monthly Gas Cost Supply Charge and the Delivery Adjustment Charge computed as herein provided, shall be effective commencing with gas used on and after the first day of the month following the computation date and shall continue in effect until changed.

Not less than three (3) days prior to any change in the Monthly Gas Supply Charge and the Delivery Adjustment Charge resulting from this provision for adjustment of rates according to changes in the monthly gas cost, a statement showing the Average Monthly Gas Supply Charge and the Delivery Adjustment Charge, the date at which and the period for which the average was determined and the amount of adjustment per 100 cubic feet together with the period such rate adjustment per 100 cubic feet will remain in effect will be duly filed with the Public Service Commission apart from this Rate Schedule. Such statement will be available to the public at Company offices at which application for service may be made.

The Company at its discretion will file a revised Monthly Gas Supply Charge Statement within five (5) calendar days of the first of the month of the initial filed Monthly Gas Supply Charge Statement when the replacement of estimated prices with actual prices results in a change in gas cost of more than 5%.

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