

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

SECTION: 0 LEAF: 141
REVISION: 0
SUPERSEDING REVISION:

GENERAL INFORMATION (Cont'd)

II.43. RESEARCH AND DEVELOPMENT SURCHARGE

Pursuant to the Commission's Order in Case 99-G-1369 issued and effective February 14, 2000, the Company shall recover a research and development cost surcharge ("R&D Surcharge") from sales and transportation Customers as follows:

A. The rates for service rendered pursuant to the Service Classifications identified in General Information Section 38.B.(1). shall be subject to a monthly R & D Surcharge computed as follows:

- (1) Surcharge factor - Each January 1, a surcharge will be calculated in compliance with the Commission's order in Case 04-G-1047 issued July 22, 2005. The Millennium Fund Surcharge will be based on a forecast of annual expenditures of \$900,000. The annual amount of \$900,000 will be divided by the Company's annual sales forecast exclusive of interruptible sales, interruptible transportation and sales and transportation services in competitive situations.

B. Annual R & D True-Up

The R & D Surcharge shall be computed as follows:

- (1) There will be an expenditure true-up each year for the variance between actual collections and actual expenditures for the period ending each August 31. The difference will be refunded/surcharged to Customers effective each January 1.

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