

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

April 28, 2017

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. 1 applicable to Service Classification Nos. 1, 2, 3, 9, and 10, and Delivery Adjustment Charge Statement No. 1 applicable to Service Classification Nos. 1, 2, 3, 5, 7, 9, and 10 of our Rate Schedule P.S.C. No. 9 – Gas. The Monthly Gas Supply Charge Statement No. 1 and the Delivery Adjustment Charge Statement No. 1 will be effective commencing with gas used on or after May 1, 2017.

The estimated amount related to surcharges and credits included in NGS & DAC Statements No. 1 is \$1,935,000 based on estimated sales of 30,590,000 Ccf. The estimated effect on revenue, exclusive of surcharges and credits, is an increase of \$790,900 on a monthly basis.

The surcharge calculation for May 2017 Intermediate Pipeline Stranded Capacity Surcharge pursuant to General Information Section 0, Leaf Nos. 138 & 139 of P.S.C. No 9 – Gas results in a unit surcharge of \$0.00000/Mcf is applicable for May 1, 2017 through May 31, 2017.

The surcharge calculation for May 2017 Upstream Pipeline Stranded Capacity Surcharge pursuant to General Information Section 0, Leaf Nos. 137 & 138 of P.S.C. No 9 – Gas results in a unit surcharge of \$0.00000/Mcf is applicable for May 1, 2017 through May 31, 2017.

In compliance with 16-G-0257, a workpaper has been included for the calculation of the Regulatory Tracking Charge (RTC). These rates are effective May 1, 2017 through March 31, 2018.

In compliance with P.S.C. No 9 pursuant to order in Case 16-G-0257, the monthly statements are being filed starting over with No. 1.

In addition, Deficiency Imbalance Sales Service Rate Statement No. 1, Demand Transfer Recovery Rate Statement No. 1, Gas Transportation Statement No. 1, Natural Gas Vehicle Statement No. 1, Standby Sales Service Rate Statement No. 1, Transportation Sales Service Rate Statement No. 1, Reserve Capacity Cost Statement No. 1, Weather Normalization Clause Multipliers Statement No. 1, Distributed Generation Statement No. 1, Merchant Function Charge Statement No. 1, Incremental Monthly Gas Supply Charge Statement No. 1, Low Income Customer Affordability

Assistance Program Statement No. 1, Mandatory Upstream Transmission Capacity ("MUTC") Statement No. 1, Temporary State Assessment Charge ("TSA") Statement No. 1, Conservation Incentive Programs Cost Recovery ("CIPs") Statement No. 1, and Regulatory Tracking Charge (RTC) Statement No. 1.

In compliance with P.S.C. No 9 pursuant to order in Case 16-G-0257, the Revenue Tax Filing Statement is being filed starting over with No. 1.

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. Meini
General Manager
Rates & Regulatory Affairs

Encl.