National Fuel

January 13, 2017

Hon. Kathleen H. Burgess
Secretary
Public Service Commission
Three Empire State Plaza
Albany, New York 12223-1350

Re: Case 15-G-0185 - National Fuel Gas Distribution Corporation
Proposed Tariff Amendments

Dear Secretary Burgess:

National Fuel Gas Distribution Corporation ("Distribution" or the "Company") submits the following amendment to its tariff, P.S.C. No. 8 – GAS:

Leaf No. 3	Revision 26
Leaf No. 148.18	Revision 0

Distribution respectfully requests that the above tariff revision be approved for an effective date of January 14, 2017.

Introduction

This filing is submitted to the New York Public Service Commission ("NYPSC" or "Commission") by the Company in compliance with Ordering Clause 1 of the Commission's *Order Adopting New Communication Protocols,* issued and effective December 16, 2016 ("Order") in Case 15-G-0185 - In the Matter of Heating Fuel Oil Supply Coordination with Interruptible Gas Service Customers, February 2015 Issues – All Major Gas Companies. On December 29, 2016, Distribution requested an extension to January 13, 2017 of the filing deadline in Ordering Clause 2 to hold discussions concerning implementation of the new communications protocols with the sole customer on its system receiving service under a demand response service classification. On the same day, a ruling was issued granting the request ("Extension Ruling").

Request for Waiver

The Order requires that all LDCs commence daily communications at 20 degrees or higher[1] for more constrained distribution networks. While Distribution respects the value provided by having standard requirements, in its case a standard based upon 20 degrees may be counter to the intent of the Order. Simply put, a forecast for an average temperature of 20 degrees is unremarkable in Distribution's service territory due to the design of its distribution network and the ample gas supply situation available to all suppliers in its service territory. Distribution typically issues a System Alert[2] to suppliers serving transportation customers[3] when an average temperature of 15 degrees is forecast for an upcoming three-day period. For operational consistency, Distribution seeks waiver of the 20 degree standard and requests that the Company instead be permitted to commence daily communications at 15 degrees or higher.

Distribution is concerned that reflexive compliance with the 20 degree requirement will diminish the intended effectiveness of the communications; demand response customers would become conditioned to placing little if any operational significance upon the communication. In attached Exhibit B, based upon actual weather (and a presumption of accurate weather forecasts) Distribution provides an analysis of when communications to demand response customers would have been sent during the past two complete heating seasons and the current season to-date. The more modest number of communications based upon 15 degrees corresponds far better with instances where supply reliability is a greater concern, i.e., those dates on which Distribution issued a System Alert or Operational Flow Order.

Additionally, Distribution believes the use of 15 degrees in its territory is actually more conservative than use of 20 degrees by downstate LDCs. Attached Exhibit C shows that for the past two complete heating seasons, one extremely cold and the other extremely warm, the average differential for Distribution's territory relative to a downstate LDC was at least 8 degrees. In other words, commencing daily communications at 12 degrees in Distribution's territory is equivalent to the 20 degree standard in an LDC territory where the events[4] underlying the Order actually occurred.

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[1] Order, p. 9.
[2] System Alerts are provided to ESCOs via web posting and email – see attached Exhibit A.
[3] The sole demand response customer receives interruptible transportation service; it is not an interruptible sales customer.
[4] "Finally, the alternate fuel delivery issues were primarily experienced in the New York City and Long Island metropolitan areas, not upstate.", Order, p. 14.

Effective Date

Ordering Clause 2 provided that tariff filings be filed on not less than one day's notice to become effective on January 1, 2017, on a temporary basis, and shall not become effective on a permanent basis until approved by the Commission. With respect to the Extension Ruling, Distribution requests the instant filing become effective on January 14, 2017, on a temporary basis, not to become effective on a permanent basis until approved by the Commission.

Newspaper Publication

Ordering Clause 3 waives the requirements of Public Service Law §66(12)(b) for the instant tariff amendments.

Company Contacts

For questions related to this filing, please contact the undersigned at (716) 857-7884.

Respectfully submitted,

Michael E. Novak
Assistant General Manager,
Rates & Regulatory Affairs

National Fuel
National Fuel Gas Distribution Corporation
Building on 100 Years...Serving Customers

SYSTEM ALERT - NEW YORK DIVISION
Effective 02/11/16

Posting date 02/10/16

The following is a System Alert for the National Fuel Gas Distribution Corporation ("Distribution" or "Company") - New York service territory effective from **10:00 A.M. EST, Thursday, February 11, 2016 until further notice.** Due to anticipated cold weather conditions and the anticipated increase in demand, Distribution is requesting that all Market Pool Operators make every attempt to match deliveries to their posted Daily Delivery Quantities (DDQs). Suppliers who schedule and deliver quantities to match DDQ's may help to prevent a critical situation that could require the Company to issue an OFO.

Distribution will continue to provide periodic updates to the operational status of the system as warranted.

David D. Wolford
02/10/16

2014-2015 Winter					2015-2016 Winter					2016-2017 Winter				
	Actual Degree Days	3 Day Avg. Temperature	Email Sent			Actual Degree Days	3 Day Avg. Temperature	Email Sent			Actual Degree Days	3 Day Avg. Temperature	Email Sent	
10/31/2014		41			10/31/2015		53			10/31/2016		55		
11/1/2014	27	47			11/1/2015	12	55			11/1/2016	11	52		
11/2/2014	28	50			11/2/2015	14	60			11/2/2016	4	49		
11/3/2014	18	49			11/3/2015	10	61			11/3/2016	14	48		
11/4/2014	8	43			11/4/2015	5	57			11/4/2016	20	50		
11/5/2014	18	40			11/5/2015	0	50			11/5/2016	13	49		
11/6/2014	21	40			11/6/2015	6	45			11/6/2016	17	48		
11/7/2014	27	44			11/7/2015	18	46			11/7/2016	15	46		
11/8/2014	26	51			11/8/2015	22	47			11/8/2016	16	44		
11/9/2014	23	51			11/9/2015	19	48			11/9/2016	21	43		
11/10/2014	14	45			11/10/2015	17	47			11/10/2016	21	45		
11/11/2014	6	35			11/11/2015	18	44			11/11/2016	20	46		
11/12/2014	21	31			11/12/2015	15	43			11/12/2016	24	48		
11/13/2014	34	32			11/13/2015	20	45			11/13/2016	15	45		
11/14/2014	34	32			11/14/2015	27	49			11/14/2016	18	45		
11/15/2014	34	28			11/15/2015	18	52			11/15/2016	19	48		
11/16/2014	30	24			11/16/2015	14	53			11/16/2016	22	50		
11/17/2014	36	23			11/17/2015	17	50			11/17/2016	20	46		
11/18/2014	45	24			11/18/2015	8	45			11/18/2016	8	38		
11/19/2014	42	27			11/19/2015	10	38			11/19/2016	16	32		
11/20/2014	40	34			11/20/2015	26	35			11/20/2016	32	32		
11/21/2014	42	44			11/21/2015	24	33			11/21/2016	34	35		
11/22/2014	33	47			11/22/2015	31	36			11/22/2016	32	38		
11/23/2014	18	42			11/23/2015	35	43			11/23/2016	34	41		
11/24/2014	11	34			11/24/2015	29	48			11/24/2016	25	41		
11/25/2014	26	30			11/25/2015	24	45			11/25/2016	22	41		
11/26/2014	33	31			11/26/2015	13	39			11/26/2016	25	45		
11/27/2014	33	38			11/27/2015	15	35			11/27/2016	25	49		
11/28/2014	40	42			11/28/2015	31	39			11/28/2016	22	48		
11/29/2014	29	40			11/29/2015	32	42			11/29/2016	13	44		
11/30/2014	12	34			11/30/2015	28	42			11/30/2016	13	40		
12/1/2014	27	31			12/1/2015	19	41			12/1/2016	24	39		
12/2/2014	37	33			12/2/2015	23	39			12/2/2016	25	38		
12/3/2014	29	33			12/3/2015	26	39			12/3/2016	27	37		
12/4/2014	35	32			12/4/2015	24	37			12/4/2016	26	37		
12/5/2014	32	32			12/5/2015	27	36			12/5/2016	28	36		
12/6/2014	30	33			12/6/2015	28	40			12/6/2016	29	33		
12/7/2014	37	34			12/7/2015	29	44			12/7/2016	27	30		
12/8/2014	33	32			12/8/2015	29	49			12/8/2016	32	27		
12/9/2014	25	29			12/9/2015	18	49			12/9/2016	37	29		
12/10/2014	35	30			12/10/2015	16	50			12/10/2016	37	30		
12/11/2014	39	34			12/11/2015	13	53			12/11/2016	39	28		
12/12/2014	34	36			12/12/2015	19	52			12/12/2016	31	21		
12/13/2014	31	37			12/13/2015	14	49			12/13/2016	35	17	20	
12/14/2014	28	37			12/14/2015	4	44			12/14/2016	44	19	20	
12/15/2014	28	35			12/15/2015	21	40			12/15/2016	52	23		
12/16/2014	27	31			12/16/2015	23	36			12/16/2016	49	23		
12/17/2014	29	28			12/17/2015	20	32			12/17/2016	38	23		
12/18/2014	35	28			12/18/2015	31	37			12/18/2016	40	26		
12/19/2014	38	31			12/19/2015	37	44			12/19/2016	48	31		
12/20/2014	37	35			12/20/2015	30	51			12/20/2016	38	34		
12/21/2014	35	42			12/21/2015	18	52			12/21/2016	32	36		
12/22/2014	31	44			12/22/2015	14	49			12/22/2016	31	35		
12/23/2014	23	44			12/23/2015	11	44			12/23/2016	30	37		
12/24/2014	15	42			12/24/2015	13	41			12/24/2016	27	38		
12/25/2014	24	42			12/25/2015	23	36			12/25/2016	33	37		
12/26/2014	24	37			12/26/2015	26	36			12/26/2016	23	34		
12/27/2014	20	30			12/27/2015	24	35			12/27/2016	26	31		
12/28/2014	26	24			12/28/2015	37	36			12/28/2016	35	33		
12/29/2014	37	23			12/29/2015	27	33			12/29/2016	31	32		
12/30/2014	41	24			12/30/2015	27	31			12/30/2016	35	34		
12/31/2014	46	30			12/31/2015	32	29			12/31/2016	31	36		
1/1/2015	39	35			1/1/2016	36	24			1/1/2017	32	35		
1/2/2015	37	32			1/2/2016	35	20	20		1/2/2017	31	30		
1/3/2015	30	25			1/3/2016	37	19	20		1/3/2017	23	20	20	
1/4/2015	23	14	20	15	1/4/2016	50	25			1/4/2017	36	14	20	15
1/5/2015	46	11	20	15	1/5/2016	49	30			1/5/2017	47	13	20	15
1/6/2015	51	11	20	15	1/6/2016	38	36			1/6/2017	52	15	20	15
1/7/2015	55	12	20	15	1/7/2016	34	38			1/7/2017	54	22		
1/8/2015	55	16	20		1/8/2016	32	33			1/8/2017	51	26		
1/9/2015	51	19	20		1/9/2016	20	25			1/9/2017	45	32		
1/10/2015	53	18	20		1/10/2016	29	19	20		1/10/2017	33			
1/11/2015	42	14	20	15	1/11/2016	47	20	20						
1/12/2015	42	13	20	15	1/12/2016	43	25							
1/13/2015	56	17	20		1/13/2016	47	31							
1/14/2015	56	21	20		1/14/2016	44	31							
1/15/2015	43	26			1/15/2016	28	24							
1/16/2015	46	29			1/16/2016	29	17	20						
1/17/2015	44	28			1/17/2016	44	18	20						
1/18/2015	26	21			1/18/2016	50	20	20						
1/19/2015	37	20	20		1/19/2016	49	20	20						

2014-2015 Winter					2015-2016 Winter					2016-2017 Winter				
	Actual Degree Days	3 Day Avg. Temperature	Email Sent			Actual Degree Days	3 Day Avg. Temperature	Email Sent			Actual Degree Days	3 Day Avg. Temperature	Email Sent	
1/20/2015	47	23			1/20/2016	43	18	20						
1/21/2015	47	26			1/21/2016	44	18	20						
1/22/2015	40	26			1/22/2016	48	25							
1/23/2015	39	22			1/23/2016	48	32							
1/24/2015	37	17	20		1/24/2016	44	36							
1/25/2015	42	14	20	15	1/25/2016	29	35							
1/26/2015	49	17	20		1/26/2016	25	31							
1/27/2015	52	19	20		1/27/2016	32	31							
1/28/2015	52	20	20		1/28/2016	32	36							
1/29/2015	41	18	20		1/29/2016	38	42							
1/30/2015	46	15	20	15	1/30/2016	31	43							
1/31/2015	49	13	20	15	1/31/2016	18	44							
2/1/2015	45	15	20	15	2/1/2016	19	41							
2/2/2015	56	16	20		2/2/2016	28	39							
2/3/2015	55	18	20		2/3/2016	15	33							
2/4/2015	39	18	20		2/4/2016	29	33							
2/5/2015	52	20	20		2/5/2016	34	37							
2/6/2015	51	21	20		2/6/2016	34	38							
2/7/2015	38	18	20		2/7/2016	27	33							
2/8/2015	45	18	20		2/8/2016	23	23							
2/9/2015	50	18	20		2/9/2016	31	17	20						
2/10/2015	47	13	20	15	2/10/2016	42	12	20	15					
2/11/2015	44	10	20	15	2/11/2016	54	8	20	15					
2/12/2015	50	4	20	15	2/12/2016	47	7	20	15					
2/13/2015	61	2	20	15	2/13/2016	59	15	20	15					
2/14/2015	54	(1)	20	15	2/14/2016	65	22							
2/15/2015	69	5	20	15	2/15/2016	50	23							
2/16/2015	67	6	20	15	2/16/2016	36	24							
2/17/2015	63	5	20	15	2/17/2016	42	31							
2/18/2015	51	4	20	15	2/18/2016	48	37							
2/19/2015	62	9	20	15	2/19/2016	34	37							
2/20/2015	68	10	20	15	2/20/2016	20	31							
2/21/2015	53	9	20	15	2/21/2016	29	30							
2/22/2015	48	8	20	15	2/22/2016	36	31							
2/23/2015	63	11	20	15	2/23/2016	37	29							
2/24/2015	58	10	20	15	2/24/2016	31	29							
2/25/2015	51	9	20	15	2/25/2016	33	35							
2/26/2015	53	10	20	15	2/26/2016	43	41							
2/27/2015	60	14	20	15	2/27/2016	33	39							
2/28/2015	56	19	20		2/28/2016	14	30							
3/1/2015	49	23			2/29/2016	25	25							
3/2/2015	47	23			3/1/2016	40	25							
3/3/2015	43	19	20		3/2/2016	39	25							
3/4/2015	35	17	20		3/3/2016	42	27							
3/5/2015	49	22			3/4/2016	40	33							
3/6/2015	55	30			3/5/2016	39	42							
3/7/2015	39	34			3/6/2016	35	52							
3/8/2015	34	36			3/7/2016	22	54							
3/9/2015	32	36			3/8/2016	11	48							
3/10/2015	27	36			3/9/2016	7	42							
3/11/2015	29	37			3/10/2016	16	40							
3/12/2015	32	37			3/11/2016	27	44							
3/13/2015	27	37			3/12/2016	25	46							
3/14/2015	25	35			3/13/2016	23	48							
3/15/2015	31	34			3/14/2016	15	47							
3/16/2015	27	30			3/15/2016	20	44							
3/17/2015	31	31			3/16/2016	15	37							
3/18/2015	36	33			3/17/2016	19	32							
3/19/2015	38	31			3/18/2016	30	31							
3/20/2015	28	26			3/19/2016	34	34							
3/21/2015	31	24			3/20/2016	34	38							
3/22/2015	43	28			3/21/2016	34	41							
3/23/2015	44	34			3/22/2016	25	42							
3/24/2015	37	33			3/23/2016	22	41							
3/25/2015	29	29			3/24/2016	25	44							
3/26/2015	28	26			3/25/2016	23	46							
3/27/2015	38	29			3/26/2016	25	45							
3/28/2015	43	33			3/27/2016	15	44							
3/29/2015	36				3/28/2016	18								
3/30/2015	28				3/29/2016	27								
3/31/2015	31				3/30/2016	19								
					3/31/2016	6								
		Total Emails:	50	28			Total Emails:	15	4			Total Emails:	6	3

2014-2015 Winter					2015-2016 Winter					Two Winter Analysis			
Actual Degree Days	Buffalo	Central Park (NYC)	Difference (NYC - Buffalo)		Actual Degree Days	Buffalo	Central Park (NYC)	Difference (NYC - Buffalo)		Actual Degree Days	Buffalo	Central Park (NYC)	Difference (NYC - Buffalo)
November	809	584	(225)		November	558	364	(194)		November	1,367	948	(419)
December	968	751	(217)		December	703	434	(269)		December	1,671	1,185	(486)
January	1,373	1,080	(293)		January	1,173	940	(233)		January	2,546	2,020	(526)
February	1,509	1,143	(366)		February	1,018	785	(233)		February	2,527	1,928	(599)
March	1,102	826	(276)		March	772	498	(274)		March	1,874	1,324	(550)
Daily Average Difference			(9)		Daily Average Difference			(8)		Daily Average Difference			(9)