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File #: 173191

May 17, 2021

***VIA ELECTRONIC FILING***

Rosemary Chiavetta, Secretary  
Pennsylvania Public Utility Commission  
Commonwealth Keystone Building  
400 North Street, 2nd Floor North  
P.O. Box 3265  
Harrisburg, PA 17105-3265

**Re: Petition of National Fuel Gas Distribution Corporation To Establish A Mechanism To Distribute The Tax Savings Associated With Tax Cuts and Jobs Act of 2017 For The Period Between October 1, 2017, and June 30, 2018  
Docket No. P-2021**

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Dear Secretary Chiavetta:

Enclosed for filing is the Petition of National Fuel Gas Distribution Corporation (“Distribution” or the “Company”) in the above-referenced proceeding.

As explained in the Petition, Distribution respectfully requests that the Pennsylvania Public Utility Commission (“Commission”) approve the proposed distribution of tax savings associated with the Tax Cuts and Jobs Act of 2017 (“TCJA”) for the October 1, 2017 through June 30, 2018 period, including accrued interest, at or before its public meeting scheduled for August 26, 2021. Pursuant to its existing tariff, the Company makes its annual TCJA filing on or before September 1 of each year to become effective on October 1. Distribution seeks Commission approval of this filing before September 1, 2021 so that the Company can implement the proposals set forth in the Petition in its September 1, 2021 filing to become effective October 1, 2021.

Copies will be provided as indicated on the Certificate of Service.

Rosemary Chiavetta, Secretary  
May 17, 2021  
Page 2

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Garrett P. Lent". The signature is written in a cursive style with a large initial 'G' and a long horizontal stroke at the end.

Garrett P. Lent

GPL/jl  
Enclosures

cc: Certificate of Service

## CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing has been served upon the following persons, in the manner indicated, in accordance with the requirements of 52 Pa. Code § 1.54 (relating to service by a participant).

### VIA E-MAIL

Steven C. Gray, Esquire  
Office of Small Business Advocate  
555 Walnut Street  
Forum Place, 1<sup>st</sup> Floor  
Harrisburg, PA 17101  
[sgray@pa.gov](mailto:sgray@pa.gov)

Tanya J. McCloskey, Esquire  
Office of Consumer Advocate  
555 Walnut Street  
Forum Place, 5<sup>th</sup> Floor  
Harrisburg, PA 17101  
[tmccloskey@paoca.org](mailto:tmccloskey@paoca.org)

Richard A. Kanaskie, Esquire  
Bureau of Investigation & Enforcement  
Commonwealth Keystone Building  
400 North Street, 2<sup>nd</sup> Floor West  
P.O. Box 3265  
Harrisburg, PA 17105-3265  
[rkanaskie@pa.gov](mailto:rkanaskie@pa.gov)



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Garrett P. Lent

Date: May 17, 2021

**BEFORE THE  
PENNSYLVANIA PUBLIC UTILITY COMMISSION**

Petition of National Fuel Gas Distribution :  
Corporation To Establish A Mechanism To :           Docket No. P-2021-\_\_\_\_\_  
Distribute The Tax Savings Associated With :  
Tax Cuts and Jobs Act of 2017 For The Period :  
Between October 1, 2017, and June 30, 2018 :

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**PETITION OF NATIONAL FUEL GAS DISTRIBUTION CORPORATION**

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TO THE PENNSYLVANIA PUBLIC UTILITY COMMISSION:

**I.     INTRODUCTION**

National Fuel Gas Distribution Corporation (“Distribution” or the “Company”) hereby petitions the Pennsylvania Public Utility Commission (“Commission”), pursuant to 52 Pa. Code § 5.541, and the Commission’s directive in the Order entered on May 17, 2018, at Docket No. R-2018-3000527 (the “*National Fuel Gas Distribution Compliance Order*”), to approve the distribution of the tax savings associated with the Tax Cuts and Jobs Act of 2017 (“TCJA”) for the “stub period” of October 1, 2017 through June 30, 2018 (“2018 Stub Period”).

Consistent with the Commission’s prior order, National Fuel is required to file a petition to refund to customers the tax savings associated with the TCJA for the October 1, 2017 through June 30, 2018 time period on or before May 17, 2021. Consistent with this direction, Distribution proposes herein to begin to distribute the savings associated with the period on October 1, 2021. As explained herein, Distribution proposes to revise its existing TCJA surcharge mechanism to provide for the distribution of these savings from October 1, 2021 through September 30, 2022.

In support of this Petition, Distribution represents as follows:

## II. BACKGROUND

1. Distribution is a public utility corporation duly organized and existing under the laws of the State of New York. In compliance with the requirements of the Pennsylvania Business Corporation Law (Act of May 5, 1933, P.L. 364, as amended), Distribution has secured from the Commonwealth of Pennsylvania authority to do business within the Commonwealth of Pennsylvania as a foreign corporation.

2. Distribution owns property in Pennsylvania for the transmission and distribution of natural gas and presently renders natural gas service to the public in various communities in the counties of Armstrong, Butler, Cameron, Clarion, Clearfield, Crawford, Elk, Erie, Forest, Jefferson, McKean, Mercer, Venango and Warren, Pennsylvania, which territory is more fully described in its Tariff Gas-Pa. P.U.C. No. 9, Pages 8 and 9.

3. The names and addresses of Distribution's attorneys for the purpose of this filing are as follows:

Anthony D. Kanagy (PA ID #85522)  
Garrett P. Lent (PA ID #321566)  
Post & Schell, P.C.  
17 North Second Street, 12th Floor  
Harrisburg, PA 17101-1601  
Phone: (717) 731-1970  
Fax: (717) 731-1985  
E-mail: akanagy@postschell.com  
E-mail: glent@postschell.com

Distribution's attorneys are authorized to receive all notices and communications regarding this Petition.

4. By Secretarial Letter dated February 12, 2018, at Docket Number M-2018-2641242, the Commission directed Distribution and other major jurisdictional utilities to file certain data concerning the effects of the TCJA.

5. On March 9, 2018, Distribution filed the required information and completed Attachment C of the Secretarial Letter, reflecting a calculation of a negative surcharge to be applied to customer bills in accordance with the formula set forth in Attachment C. This filing by Distribution indicated a negative surcharge of -2.20%. Attached hereto as **Appendix A** are pages 1 and 2 of the originally-filed Attachment C.

6. Based on this data, the Commission issued the *National Fuel Gas Distribution Compliance Order* on May 17, 2018.

7. With regard to the information supporting the -2.20% surcharge set forth in Attachment C, Distribution notes that the data used to calculate the surcharge was for the period ending September 30, 2017. See **Appendix A**, p. 1-2. The *National Fuel Gas Distribution Compliance Order* further noted that “the tax savings from TCJA commenced on October 1, 2017” and directed Distribution “to record on its books the tax savings associated with the TCJA for the October 1, 2017 through June 30, 2018 time period.” *National Fuel Gas Distribution Compliance Order*, p. 4. The Commission further explained that this account shall also accrue interest at the residential mortgage lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law, 41. P.S. §§ 101, et seq. *National Fuel Gas Distribution Compliance Order*, p. 4.

8. In addition, the National Fuel Gas Distribution Compliance Order stated that:

The rate treatment of this amount plus accrued interest shall be addressed in the Respondent’s next base rate case. In that future proceeding, the Respondent and parties can address the appropriate negative surcharge, amortization or other disposition of this deferred regulatory liability, including any legal issues. If Respondent is required to establish deferred regulatory liability and has not filed, within three (3) years of the date this order is entered, a Section 1308(d) general base rate case, Respondent must file a petition to propose how to distribute the funds in the regulatory liability account.

National Fuel Gas Distribution Compliance Order, p. 4 (emphasis added).

9. Consistent with the *National Fuel Gas Distribution Compliance Order*, Distribution recorded in a “deferred regulatory liability account” the tax savings associated with the TCJA for the 2018 Stub Period”). As of the date of this filing, the amount recorded for the 2018 Period is \$3,563,310.82 including accrued interest.

10. The *National Fuel Gas Distribution Compliance Order* requires Distribution to “file a petition to propose how to distribute the funds” associated with the 2018 Stub Period if Distribution has not filed a general base rate case pursuant to Section 1308(d) of the Code, 66 Pa.C.S. § 1308(d), on or before May 17, 2021. Distribution has not filed and does not intend to file a general base rate case pursuant to Section 1308(d) of the Code on or before May 17, 2021. Therefore, Distribution proposes herein to establish a mechanism to begin to distribute the funds associated with the 2018 Stub Period on October 1, 2021.

### **III. PROPOSAL TO DISTRIBUTE 2018 STUB PERIOD FUNDS**

11. As noted above, Distribution established a deferred regulatory liability account on its books, *i.e.* “2017 TCJA PAD 9ME 6/18 “, and recorded the tax savings associated with the 2018 Stub Period to that account. Attached hereto as **Appendix B** is a true and accurate copy of Distribution’s books associated with that account.

12. Distribution recorded actual tax savings of \$3,129,413.36, as reflected in **Appendix B and Appendix D**, which shows how this amount was calculated.

13. In addition, consistent with the *National Fuel Gas Distribution Compliance Order*, Distribution has to date reflected accrued interest at the residential mortgage lending rate, in the amount of \$433,897.46. **Appendix B** shows this interest amount included on Distribution’s books, and **Appendix D** shows how the interest amount was calculated.

14. Distribution proposes to implement this approach because it will allow Distribution to distribute the tax savings for the 2018 period, in accordance with the *National Fuel Gas Distribution Compliance Order*, using an existing surcharge mechanism within its tariff. Distribution further submits that this approach is consistent with or similar to the approaches used by other utilities to refund tax savings including accrued interest for the 2018 Stub Period, where such utilities did not file a base rate proceeding on or before May 17, 2021. *See, e.g., Petition of PPL Electric Utilities Corporation To Establish a Mechanism to Distribute the Tax Savings Associated with the TCJA for the Period Between January 1, 2018, and June 30, 2018*, Docket No. P-2019-3013366 (Order entered Nov. 14, 2016) (approving a proposal to distribute the tax savings associated with the 2018 Period utilizing the utility's existing TCJA temporary surcharge mechanism).

15. Accordingly, Distribution proposes to refund tax savings including accrued interest for the 2018 Stub Period beginning on October 1, 2021 through the current TCJA mechanism. Currently, the TCJA Temporary Surcharge provides for a negative surcharge of 2.20%, which applies as a credit for intrastate service on all customer bills. The additional amount refunded through this mechanism would be \$3,563,310.82, which reflects the actual tax savings associated with the 2018 Stub Period plus applicable interest accrued as shown in **Appendix B and Appendix E**.

16. In order to implement the distribution of these savings, Distribution further proposes to update the existing TCJA tariff supplement as reflected in **Appendix C**, such updates to be effective October 1, 2021.

17. For the reasons more fully explained herein, Distribution respectfully requests that the Commission approve the mechanism to distribute tax savings associated with the 2018 Period.



#### **IV. REQUEST FOR EXPEDITED RELIEF**

18. Distribution respectfully requests that the Commission approve the distribution of tax savings associated with the 2018 Stub Period including accrued interest at or before its public meeting scheduled for August 26, 2021. Pursuant to its existing tariff, the Company makes its annual TCJA filing on or before September 1 of each year to become effective on October 1. Distribution seeks Commission approval of this filing before September 1, 2021 so that the Company can include the refund for the 2018 Stub Period in the September 1, 2021 filing to become effective October 1, 2021. Therefore, expedited review and approval of this Petition is necessary and appropriate.

19. However, if the Commission does not approve this Petition on or before August 26, 2021, the Company requests permission to supplement its September 1, 2021 filing if approval occurs before the October 1, 2021 effective date. If Commission approval is not received prior to October 1, 2021 the Company requests permission to implement an interim rate to be effective from the first of the month that occurs at least ten (10) days after Commission approval. Such interim rate will reflect the refund of the same amounts described above, but will adjust the amount of interest included in such refund as appropriate.

#### **V. NOTICE**

20. Consistent with Section 5.41(b) of the Commission's regulations, 52 Pa. Code § 5.41(b), Distribution has served a copy of this Petition on those parties set forth on the service list attached to the transmittal letter that accompanies this Petition.

21. In addition, Distribution respectfully requests that notice of the instant Petition be published in the next available edition of the *Pennsylvania Bulletin*. The Company also requests that the Commission establish a 20-day deadline for answers, petitions to intervene, and comments on the instant Petition, as measured from the date of publication in the *Pennsylvania Bulletin*.

22. Distribution will also provide such additional forms of notice as the Commission may hereafter direct.

**VI. CONCLUSION**

WHEREFORE, National Fuel Gas Distribution Corporation respectfully requests that the Commission approve the proposed mechanism to distribute the savings associated with the TCJA for the time period of October 1, 2017 – June 30, 2018, and approve the tariff supplement to establish this mechanism attached as **Appendix C** to this Petition to be filed upon one day's notice.

Respectfully submitted,



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Anthony D. Kanagy (PA ID #85522)  
Garrett P. Lent (PA ID #321566)  
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Of Counsel:

Post & Schell, P.C.

Date: May 17, 2021

*Counsel for National Fuel Gas Distribution Corporation*

# **Appendix “A”**

## National Fuel Gas Distribution Corporation

## Pennsylvania Division

## Calculation of State and Federal Income Taxes

Line No.	DESCRIPTION	Last Commission Approved		Actual Results 9/30/17	Ratemaking Adjustments	Proposed Adjusted 9/30/17	
		Rate Case					
1	Operating Revenues			\$ 197,689,908		\$ 197,689,908	
2	Less: O&M Expenses			147,448,946		\$ 147,448,946	
3	Book Depreciation			13,994,542		\$ 13,994,542	
4	Interest Expense			8,137,046	(291,387)	\$ 7,845,659	
5	Other Taxes			1,569,377		\$ 1,569,377	
	Operating Income before Taxes Total	\$ -	\$ -	\$ 26,539,997	\$ 291,387	\$ 26,831,384	
6	Add: Premature Property Losses/ Amortizations						
7	Depr- Straight Line- Remaining Life (Incl COR)			\$ 13,994,542		\$ 13,994,542	
8	Taxable Meals & Entertainment			\$ 32,000		\$ 32,000	
9	Total	\$ -	\$ -	\$ 14,026,542	\$ -	\$ 14,026,542	
	Deduct						
10	Tax Depreciation			11,769,766		\$ 11,769,766	
11	MACRS On Post 1986 Assets					\$ -	
12	Cost of Removal					\$ -	
12 a	Repair & Maintenance			8,000,000		\$ 8,000,000	
12 b	Non Ratemaking Adjustments			2,854,551	(2,854,551)	\$ -	
13	Total	\$ -	\$ -	\$ 22,624,317	\$ (2,854,551)	\$ 19,769,766	
14	State Taxable Income	\$ -	\$ -	\$ 17,942,222	\$ 3,145,938	\$ 21,088,160	
15	State Income At:						
16	Historic, Future and Fully Projected At 9.99%	\$ -	\$ -	\$ 1,792,428	\$ 314,279	\$ 2,106,707	
17	Taxable Income after State Income Tax			16,149,794	2,831,659	18,981,453	
18	Add: Cost Of Removal Non Adr Property					\$ -	
19	ACRS On Post 1980 Assets			-	-	\$ -	
20	MACRS On Post 1980 Assets- State					\$ -	
20 a	Additional Depreciation Fed			5,414,678		\$ 5,414,678	
20 b	Additional Non-Ratemaking Adjustments			5,100,996	(5,100,996)	\$ -	
21	Deduct: SLRL On Post 1980 Assets & Amortization						
22	Income Subject To Federal Income Tax	\$ -	\$ -	\$ 5,634,120	\$ 7,932,655	\$ 13,566,775	
23	Federal Income Tax at 35%	\$ -	\$ -	\$ 1,971,942	\$ 2,776,429	\$ 4,748,371	
24	Federal Income Tax at 24.5%	\$ -	\$ -	\$ 1,380,359	\$ 1,943,500	\$ 3,323,860	

**National Fuel Gas Distribution Corporation**  
**Pennsylvania Division**

Effect of Tax Cuts and Jobs Act (TCJA) on Rates

<u>Pre TCJA Taxes</u>	<u>Net Tax Effect</u>
Federal- Current (Page 1, Column 4, Line 23)	\$ 4,748,371
Federal- Deferred	\$ 2,516,466
	<u>\$ 7,264,837</u>
<u>Less: Post TCJA Taxes</u>	
Federal- Current (Page 1, Column 4, Line 24)	\$ 3,323,860
Federal- Deferred	\$ 885,526
	<u>\$ 4,209,386</u>
Effect of TCJA On Income (A)	\$ 3,055,451
Change in ADIT	\$ 1,630,940
Comission Approved Rate of Return <sup>Note 1</sup>	7.32%
Effect of ADIT Change on Income (B)	\$ 119,385
Earnings Excess (Line A - Line B)	\$ 2,936,066
Complement of Tax Rate	0.679576
Revenue Excess	\$ 4,320,442
Commission Allowed Revenues <sup>Note 2</sup>	\$ 196,092,244
Percent Decrease Per Bill	-2.2033%

Note 1: National Fuel Gas Distribution Corporation's last PA PUC approved rate case was a black box settlement. The rate of return used in the above calculation is based on the DSIC ROE for gas utilities (9.85%) and current debt rates at 9/30/17.

Note 2: Excludes Other Operating Revenues

## **Appendix “B”**



**Business Unit: NFG Distribution Co - PA**  
**Report Number: GL3301**

**Trial\_Balance**  
**For The Period Ended April 30, 2021**

<b>Liabilities:</b>	<u>Account</u> <u>Description</u>	<u>Fiscal Year-To-Date</u>
	242254 2017 TCJA PAD 9ME 6/18	-3,129,413.36
	242255 Int - 2017 TCJA PAD 9ME 6/18	-433,897.46



## **Appendix “C”**

TCJA TEMPORARY SURCHARGE

To implement the effects of the Tax Cuts and Jobs Act (TCJA), on March 15, 2018 the Pennsylvania Public Utility Commission (Commission) issued a Temporary Rates Order at Docket No. M-2018-2641242 directing the utility to file its current base rates and riders as temporary rates, pursuant to Section 1310(d) of the Public Utility Code. 66 Pa. C.S. § 1310(d). Subsequently, on May 17, 2018, the Commission entered Orders in the above case and at Docket No. R-2018-3000527 superseding the March 15, 2018 Temporary Rates Order directing the utility to establish temporary rates as follows:

A negative surcharge will apply as a credit to all customer bills at an equal percentage of non-gas revenue among the various customer classes, exclusive of STAS and automatic adjustment clause revenues, for bills rendered for intrastate service on and after October 1, 2021. The credit will be applied on a per Mcf basis, by service class, as indicated in the table below. The total credits provided to customers through this negative surcharge will be reconciled with actual differences in federal income tax expense of a pre- and post-TCJA basis and will remain in place until the Company files and the Commission approves new base rates for the utility pursuant to Section 1308(d) that include the effects of the TCJA tax rate changes. Interest on over or under collections shall be computed monthly at the residential mortgage lending rate specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101, et seq.) from the month that the over or under collection occurs to the mid-point of the recovery period. Upon determination that the negative surcharge, if left unchanged, would result in a material over or under collection, the Company may file with the Commission, on at least 10 days' notice, for an interim revision of the TCJA Temporary Surcharge. The TCJA Temporary Surcharge will be filed with the Commission by September 1 of each year to become effective the following October 1, reflecting estimated TCJA savings for the fiscal year. The stub period 9ME June 2018 refund rate will expire September 30, 2022.

Service Class	Refund Rate Effective 10/1/20	12ME 9/2020 Recon. Rate Effective 10/1/21	<u>9ME 6/2018 Refund Rate Effective 10/1/21</u>	Total Rate
Sales & SATC	\$/Mcf			
Residential (RSS & LIRA)	(\$0.14764)	\$0.05089	(\$0.12444)	(\$0.22119)
Small Comm./Public Authority < 250	(\$0.17013)	\$0.05864	(\$0.14340)	(\$0.25489)
Small Comm./Public Authority > 250	(\$0.09442)	\$0.03254	(\$0.07959)	(\$0.14147)
Large Comm./Public Authority	(\$0.08830)	\$0.03043	(\$0.07443)	(\$0.13230)
Small Volume Industrial Service	(\$0.18090)	\$0.06235	(\$0.15248)	(\$0.27103)
Inter. Vol. Industrial Service	(\$0.17651)	\$0.06084	(\$0.14878)	(\$0.26445)
MMT & DMT	\$/Mcf			
Residential	(\$0.11447)	\$0.03946	(\$0.09649)	(\$0.17150)
Small Comm./Public Authority < 250	(\$0.15661)	\$0.05398	(\$0.13200)	(\$0.23463)
Small Comm./Public Authority > 250	(\$0.09165)	\$0.03159	(\$0.07725)	(\$0.13731)
Large Comm./Public Authority	(\$0.06278)	\$0.02164	(\$0.05291)	(\$0.09405)
Small Volume Industrial Service	(\$0.13718)	\$0.04728	(\$0.11562)	(\$0.20552)
Inter. Vol. Industrial Service	(\$0.04932)	\$0.01700	(\$0.04157)	(\$0.07389)
Large Volume Industrial Service	(\$0.03881)	\$0.01338	(\$0.03271)	(\$0.05814)
Large Industrial Service	(\$0.01683)	\$0.00580	(\$0.01419)	(\$0.02522)

Issued:

Effective:

## **Appendix “D”**

**National Fuel Gas Distribution Corporation  
Pennsylvania Division  
Effect of Tax Cuts and Jobs Act (TCJA) on Rates  
Calculation of Over/Undercollection of Refund and Interest  
Nine Months Ended June 30, 2018**

Revenue Month	Revenue Requirement <sup>1</sup> (1)	ARAM <sup>2</sup> (2)	Current Year Amortization of Unprotected <sup>3</sup> (3)	Tax Savings (4 = 1 + 2 +3)	Amount Refunded (5)	Over/(Under) Refund (6 = 4 + 5)
October 2017	(130,370.47)	(101,043.47)	126,606.61	(104,807.33)	-	(104,807.33)
November	(255,949.27)	(101,043.47)	126,606.61	(230,386.13)	-	(230,386.13)
December	(442,566.66)	(101,043.47)	126,606.61	(417,003.52)	-	(417,003.52)
January 2018	(648,313.90)	(101,043.47)	126,606.61	(622,750.76)	-	(622,750.76)
February	(551,780.04)	(101,043.47)	126,606.61	(526,216.90)	-	(526,216.90)
March	(466,230.17)	(101,043.47)	126,606.61	(440,667.03)	-	(440,667.03)
April	(461,291.06)	(101,043.47)	126,606.61	(435,727.92)	-	(435,727.92)
May	(268,886.80)	(101,043.47)	126,606.61	(243,323.66)	-	(243,323.66)
June	(134,093.24)	(101,043.47)	126,606.61	(108,530.10)	-	(108,530.10)
<b>Amount to Defer</b>	<b>(3,359,481.61)</b>	<b>(909,391.23)</b>	<b>1,139,459.49</b>	<b>(3,129,413.36)</b>	<b>-</b>	<b>(3,129,413.36)</b>

Notes:

- 1: Revenue Requirement of (\$2,504,851), grossed up for taxes and allocated based on monthly revenues for the FY ended 9/30/18.
- 2: ARAM of (\$824,000), grossed up for taxes and allocated evenly across twelve months.
- 3: Current Year Amortization of Unprotected totaling (\$1,032,465), grossed up for taxes and allocated evenly across twelve months.

	A	G	H	I	J	K	L	M	N	O	P	Q
1	National Fuel Gas Distribution Corporation											
2	Pennsylvania Division											
3	Effect of Tax Cuts and Jobs Act (TCJA) on Rates											
4	Calculation of Over/Undercollection of Refund and Interest											
5	Nine Months Ended June 30, 2018											
6												
7	If NFG has not filed a Section 1308(d) general base rate case within three years of the 5/17/18 order (i.e. 5/17/21), the Company must file a petition to propose how to											
8	distribute the funds in the regulatory liability account established for the nine months ending June 2018. (R-2018-3000527 5/17/18 Order, Page 4, Paragraph 3)											
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164	9ME 6/30/18	(3,129,413.36)	Amount to Defer (GL 242254) per 1/18/19 Reconciliation Filing									
165	July-18	(3,129,413.36)	5.50%	/ 12	0.46%	(14,395.30)	(14,395.30)	14,395.30	2938	431314	242255	
166	August-18	(3,143,808.66)	5.50%	/ 12	0.46%	(14,461.52)	(28,856.82)	14,461.52	2938	431314	242255	
167	September-18	(3,158,270.18)	5.50%	/ 12	0.46%	(14,528.04)	(43,384.86)	14,528.04	2938	431314	242255	
168	October-18	(3,172,798.22)	5.50%	/ 12	0.46%	(14,594.87)	(57,979.73)	14,594.87	2938	431314	242255	
169	November-18	(3,187,393.09)	5.50%	/ 12	0.46%	(14,662.01)	(72,641.74)	14,662.01	2938	431314	242255	
170	December-18	(3,202,055.10)	5.75%	/ 12	0.48%	(15,369.86)	(88,011.60)	15,369.86	2938	431314	242255	
171	January-19	(3,217,424.96)	5.75%	/ 12	0.48%	(15,443.64)	(103,455.24)	15,443.64	2938	431314	242255	
172	February-19	(3,232,868.60)	5.50%	/ 12	0.46%	(14,871.20)	(118,326.44)	14,871.20	2938	431314	242255	
173	March-19	(3,247,739.80)	5.25%	/ 12	0.44%	(14,290.06)	(132,616.50)	14,290.06	2938	431314	242255	
174	April-19	(3,262,029.86)	5.25%	/ 12	0.44%	(14,352.93)	(146,969.43)	14,352.93	2938	431314	242255	
175	May-19	(3,276,382.79)	5.25%	/ 12	0.44%	(14,416.08)	(161,385.51)	14,416.08	2938	431314	242255	
176	June-19	(3,290,798.87)	5.25%	/ 12	0.44%	(14,479.52)	(175,865.03)	14,479.52	2938	431314	242255	
177	July-19	(3,305,278.39)	5.00%	/ 12	0.42%	(13,882.17)	(189,747.20)	13,882.17	2938	431314	242255	
178	August-19	(3,319,160.56)	4.75%	/ 12	0.40%	(13,276.64)	(203,023.84)	13,276.64	2938	431314	242255	
179	September-19	(3,332,437.20)	4.75%	/ 12	0.40%	(13,329.75)	(216,353.59)	13,329.75	2938	431314	242255	
180	October-19	(3,345,766.95)	4.50%	/ 12	0.38%	(12,713.91)	(229,067.50)	12,713.91	2938	431314	242255	
181	November-19	(3,358,480.86)	4.50%	/ 12	0.38%	(12,762.23)	(241,829.73)	12,762.23	2938	431314	242255	
182	December-19	(3,371,243.09)	4.50%	/ 12	0.38%	(12,810.72)	(254,640.45)	12,810.72	2938	431314	242255	
183	January-20	(3,384,053.81)	4.50%	/ 12	0.38%	(12,859.40)	(267,499.85)	12,859.40	2938	431314	242255	
184	February-20	(3,396,913.21)	4.50%	/ 12	0.38%	(12,908.27)	(280,408.12)	12,908.27	2938	431314	242255	
185	March-20	(3,409,821.48)	4.50%	/ 12	0.38%	(12,957.32)	(293,365.44)	12,957.32	2938	431314	242255	
186	April-20	(3,422,778.80)	4.25%	/ 12	0.35%	(11,979.73)	(305,345.17)	11,979.73	2938	431314	242255	
187	May-20	(3,434,758.53)	3.75%	/ 12	0.31%	(10,647.75)	(315,992.92)	10,647.75	2938	431314	242255	
188	June-20	(3,445,406.28)	3.50%	/ 12	0.29%	(9,991.68)	(325,984.60)	9,991.68	2938	431314	242255	
189	July-20	(3,455,397.96)	3.50%	/ 12	0.29%	(10,020.65)	(336,005.25)	10,020.65	2938	431314	242255	
190	August-20	(3,465,418.61)	3.75%	/ 12	0.31%	(10,742.80)	(346,748.05)	10,742.80	2938	431314	242255	
191	September-20	(3,476,161.41)	3.50%	/ 12	0.29%	(10,080.87)	(356,828.92)	10,080.87	2938	431314	242255	
192	October-20	(3,486,242.28)	3.50%	/ 12	0.29%	(10,110.10)	(366,939.02)	10,110.10	2938	431314	242255	
193	November-20	(3,496,352.38)	3.50%	/ 12	0.29%	(10,139.42)	(377,078.44)	10,139.42	2938	431314	242255	
194	December-20	(3,506,491.80)	3.75%	/ 12	0.31%	(10,870.12)	(387,948.56)	10,870.12	2938	431314	242255	
195	January-21	(3,517,361.92)	3.75%	/ 12	0.31%	(10,903.82)	(398,852.38)	10,903.82	2938	431314	242255	
196	February-21	(3,528,265.74)	3.75%	/ 12	0.31%	(10,937.62)	(409,790.00)	10,937.62	2938	431314	242255	
197	March-21	(3,539,203.36)	4.00%	/ 12	0.33%	(11,679.37)	(421,469.37)	11,679.37	2938	431314	242255	
198	April-21	(3,550,882.73)	4.25%	/ 12	0.35%	(12,428.09)	(433,897.46)	12,428.09	2938	431314	242255	

## **Appendix “E”**

National Fuel Gas Distribution Corporation  
Pennsylvania Division  
Effect of Tax Cuts and Jobs Act (TCJA) on Rates  
Nine Months Ended June 30, 2018

Over/(Under) Refund - Twelve Months Ended September 2019	\$ (3,129,413)	(Workpaper C)
Interest (Expense)/Income	\$ (433,897)	(Workpaper C)
Total Amount to Surcharge/(Refund) to Customers	\$ (3,563,311)	
Total Non-Gas Revenues	\$ 114,213,305	

Percentage of Non-Gas Revenue -3.12%

Service Class	(1)	(2)	(3)	(4)	(5) = (3) / (4)	(6) = (3) / (1)
	Non-Gas Revenues	% of Total	Allocation of Revenue Excess	Normalized Volumes (Mcf)	Surcharge Rate (\$/Mcf)	% of Non-Gas Revenues
RESIDENTIAL	\$ 65,858,906			16,406,502		
LIRA	\$ 3,375,775			896,539		
RESIDENTIAL SATC	\$ 10,449,818			2,674,253		
	\$ 79,684,499	69.77%	\$ (2,486,056)	19,977,294	\$ (0.12444)	-3.12%
SMALL CPA LE 250	\$ 3,579,953			777,007		
SMALL CPA LE 250 SATC	\$ 575,191			127,008		
	\$ 4,155,144	3.64%	\$ (129,635)	904,015	\$ (0.14340)	-3.12%
SMALL CPA GT 250	\$ 2,923,234			1,133,005		
SMALL CPA GT 250 SATC	\$ 656,392			270,223		
	\$ 3,579,626	3.13%	\$ (111,680)	1,403,228	\$ (0.07959)	-3.12%
LARGE CPA	\$ 2,009,605			839,231		
LARGE CPA SATC	\$ 210,048			91,224		
	\$ 2,219,653	1.94%	\$ (69,250)	930,455	\$ (0.07443)	-3.12%
SVIS	\$ 115,092			19,027		
SVIS SATC	\$ 39,188			12,540		
	\$ 154,280	0.14%	\$ (4,813)	31,567	\$ (0.15248)	-3.12%
IVIS	\$ 187,439			36,677		
IVIS SATC	\$ 20,829			6,997		
	\$ 208,268	0.18%	\$ (6,498)	43,674	\$ (0.14878)	-3.12%
RESIDENTIAL TRANS	\$ 302,927	0.27%	\$ (9,451)	97,948	\$ (0.09649)	-3.12%
SMALL CPA LE 250 TRANS	\$ 389,351	0.34%	\$ (12,147)	92,024	\$ (0.13200)	-3.12%
SMALL CPA GT 250 TRANS	\$ 1,395,923	1.22%	\$ (43,551)	563,747	\$ (0.07725)	-3.12%
LARGE CPA TRANS	\$ 10,632,500	9.31%	\$ (331,721)	6,269,142	\$ (0.05291)	-3.12%
SVIS TRANS	\$ 67,135	0.06%	\$ (2,095)	18,115	\$ (0.11562)	-3.12%
IVIS TRANS	\$ 4,473,186	3.92%	\$ (139,558)	3,357,008	\$ (0.04157)	-3.12%
LVIS TRANS	\$ 2,913,708	2.55%	\$ (90,904)	2,778,844	\$ (0.03271)	-3.12%
LIS TRANS	\$ 4,037,105	3.53%	\$ (125,953)	8,878,311	\$ (0.01419)	-3.12%
TOTAL	\$ 114,213,305	100.00%	\$ (3,563,311)	45,345,372		-3.12%


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**VERIFICATION**

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I, Sheila Suarez, being the Assistant General Manager in the Rates and Regulatory Affairs Department at National Fuel Gas Distribution Corporation, hereby state that the information set forth in the foregoing Petition is true and correct to the best of my knowledge, information, and belief and that I expect National Fuel Gas Distribution Corporation to be able to prove the same at a hearing held in this matter. I understand that the statements herein are made subject to the penalties of 18 Pa.C.S. § 4904 relating to unsworn falsification to authorities.

Date: May 17, 2021

  
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Sheila Suarez  
National Fuel Gas Distribution Corporation