



National Fuel

September 30, 2022

Rosemary Chiavetta, Secretary
Pennsylvania Public Utility Commission
Room B-20, North Office Building
Harrisburg, Pennsylvania 17120

Re: National Fuel Gas Distribution Corporation Supplement No. 245 to Tariff Gas - Pa.
P.U.C. No. 9 - Docket No. R-2021-3027406

Dear Secretary Chiavetta:

Enclosed for filing on behalf of National Fuel Gas Distribution Corporation is the Annual RIDER I OPEB Temporary Surcredit update. This filing includes rate updates based upon annual forecasted volume projections. This filing is being electronically filed. No paper copies will be filed.

Please direct any questions concerning this filing to the undersigned at (716) 857-7568 or Donald Koch at (716) 857-7954.

Respectfully submitted,

Sheila Suarez
Asst. General Manager
Rate and Regulatory Affairs

Enclosure

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true copy of the foregoing document upon the participants listed below in the manner indicated, in accordance with the requirements of §1.54 (relating to service by a participant).

VIA E-MAIL

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Dated this 30th day of September 2022



Sheila Suarez
Asst. General Manager
Rates and Regulatory Affairs

**NATIONAL FUEL GAS DISTRIBUTION CORPORATION
BUFFALO, NEW YORK
RATES, RULES AND REGULATIONS
GOVERNING THE FURNISHING
OF
NATURAL GAS SERVICE
IN
TERRITORY DESCRIBED HEREIN**

Issued: September 30, 2022

Effective: October 1, 2022

D. L. DeCAROLIS, PRESIDENT
BUFFALO, NEW YORK

This Supplement includes decreases and increases to existing rates.

See page 2.

LIST OF CHANGES MADE BY THIS TARIFF

DECREASE:

1. Rider I for Residential, Smaall Commercial and Public Authority, Small Volume Industrial, Intermediate Volume Industrial, and Large Volume Industrial Classes decrease.
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INCREASE:

2. Rider I for Residential Transportation, Large Commercial and Public Authority, Small Volume Industrial Transportation, and Large Industrial Classes decrease.
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RIDER I OPEB TEMPORARY SURCREDIT

Effective October 1, 2021, a one-time bill credit will be applied and a surcredit will be included in the rates subject to this Rider to provide for the pass back of funds collected previously for Other Post Retirement Benefits ("OPEB") expenses that have been deferred for the benefit of ratepayers as a regulatory liability in accordance with the settlement order in Docket # R-00061493.

\$25,000,000 of the OPEB regulatory liability has been reserved to pass back to customers as a one-time bill credit. The bill credit will be applied to customers' bills for active accounts as of October 1, 2021 and in the following amounts per class:

Residential	\$100
C/PA	\$250
Industrial	\$1,500

An additional \$29,000,000 of the OPEB regulatory liability has been reserved to pass back via a surcredit over 5-years (\$5,800,000 per year). The surcredit will apply as a credit to all customer bills at a set allocation percentage equal to the allocation percentage of the Company's base rate increase in Docket # R-00061493 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 surcredit will be applied on a per Mcf basis, by service class, as indicated in the table below. The surcredit will continue for a period of 5 years without reconciliation. Interest is not applicable to the OPEB balance. The OPEB Temporary Surcredit will be filed with the Commission by October 1 of each year and will be recalculated annually during the 5-year period.

Service Class	Refund Rate Effective 10/1/22	
Sales & SATC		
Residential (RSS & LIRA)	(\$0.21054)	(D)
Small Comm./Public Authority < 250	(\$0.10607)	(D)
Small Comm./Public Authority > 250	(\$0.11915)	(D)
Large Comm./Public Authority	(\$0.09118)	(I)
Small Volume Industrial Service	(\$0.06873)	(D)
Intermediate Vol. Industrial Service	(\$0.13281)	(D)
MMT & DMT		
Residential	(\$0.12704)	(I)
Small Comm./Public Authority < 250	(\$0.08691)	(I)
Small Comm./Public Authority > 250	(\$0.11348)	(D)
Large Comm./Public Authority	(\$0.11376)	(D)
Small Volume Industrial Service	(\$0.02399)	(I)
Intermediate Vol. Industrial Service	(\$0.06678)	(D)
Large Volume Industrial Service	(\$0.06846)	(D)
Large Industrial Service	(\$0.01794)	(I)

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National Fuel Gas Distribution Corporation
 Pennsylvania Division
 OPEB Rider Rate Calculation

Total OPEB Liability to passback	\$ 54,000,000
One time bill credit (estimated)	\$ 25,000,000
Remaining liability to passback	<u>\$ 29,000,000</u>
Amortization period (years)	5
Annual amount to passback	<u>\$ 5,837,500</u>
Total Non-Gas Revenues	<u>\$ 118,574,545</u>

<u>Service Class</u>	(1) <u>Settlement</u> <u>Allocation</u> <u>Factor</u>	(2) <u>Allocation of</u> <u>Revenue Excess</u>	(3) <u>Normalized</u> <u>Volumes (Mcf)</u>	(4) = (2) / (3) <u>Surcredit</u> <u>Rate (\$/Mcf)</u>
RESIDENTIAL			17,190,847	
LIRA			768,200	
RESIDENTIAL SATC			<u>1,691,527</u>	
	70.9%	\$ 4,137,176	<u>19,650,574</u>	\$ 0.21054
SMALL CPA LE 250			950,667	
SMALL CPA LE 250 SATC			<u>111,491</u>	
	1.9%	\$ 112,658	<u>1,062,158</u>	\$ 0.10607
SMALL CPA GT 250			1,323,994	
SMALL CPA GT 250 SATC			<u>149,959</u>	
	3.0%	\$ 175,622	<u>1,473,953</u>	\$ 0.11915
LARGE CPA			907,161	
LARGE CPA SATC			<u>52,807</u>	
	1.5%	\$ 87,531	<u>959,968</u>	\$ 0.09118
SVIS			52,020	
SVIS SATC			<u>8,388</u>	
	0.1%	\$ 4,152	<u>60,408</u>	\$ 0.06873
IVIS			185,244	
IVIS SATC			<u>2,584</u>	
	0.4%	\$ 24,946	<u>187,828</u>	\$ 0.13281
RESIDENTIAL TRANS	0.2%	\$ 12,824	100,941	\$ 0.12704
SMALL CPA LE 250 TRANS	0.2%	\$ 14,342	165,013	\$ 0.08691
SMALL CPA GT 250 TRANS	1.4%	\$ 84,378	743,518	\$ 0.11348
LARGE CPA TRANS	11.3%	\$ 662,469	5,823,622	\$ 0.11376
SVIS TRANS	0.0%	\$ 848	35,364	\$ 0.02399
IVIS TRANS	3.3%	\$ 195,054	2,920,886	\$ 0.06678
LVIS TRANS	2.7%	\$ 160,000	2,337,212	\$ 0.06846
LIS TRANS	2.8%	\$ 165,500	9,224,899	\$ 0.01794
TOTAL	<u>100.0%</u>	<u>\$ 5,837,500</u>	<u>44,746,344</u>	