



national fuel

December 20, 2024

VIA ELECTRONIC FILING

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

Re: National Fuel Gas Distribution Corporation (“NFGDC”) Initial Distribution System Improvement Charge (“DSIC”) and Compliance Filing
Docket No. _____ ; Supplement No. 279 to Tariff Gas Pa. P.U.C. No. 9

Dear Secretary Chiavetta:

Enclosed, for filing, is Supplement No. 279 to National Fuel Gas Distribution’s Tariff Gas - Pa. P.U.C. No. 9, in compliance with the Pennsylvania Public Utility Commission’s Opinion and Order entered December 5, 2024 at Docket No. P-2022-3034957 (“DSIC Order”). Supplement No. 279 has an issue date of December 20, 2024 and an effective date of January 1, 2025.

Supplement No. 279 establishes a DSIC rate of 0.41% effective with bills rendered on and after January 1, 2025. Also included for filing is a verified statement that NFGDC has exceeded its Plant in Service target established in its base rate proceeding Docket No. R-2022-3035730 of \$781.3MM.

Finally, per ordering paragraph No. 3 of the DSIC order, NFGDC shall provide an estimated number of new jobs created for its replacement projects. NFGDC estimates the number of anticipated new jobs to be created for specific replacement projects with its revised initial DSIC tariff to be 45. This includes 10 National Fuel Gas Distribution Corporation employees, and 35 National Fuel Gas Distribution Corporation approved contractor employees.

As shown on the enclosed certificate of service, copies have been served on parties in the manner indicated.

Please direct any questions concerning this filing to the undersigned at (716) 857-6945 or wardj@natfuel.com or Don Koch at (716) 857-7954 or kochd@natfuel.com.

Respectfully submitted,

A handwritten signature in blue ink that reads "J. Ward".

Janine Ward
Assistant General Manager
Rates 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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Harrisburg, PA 17105-3265

Dated this 20th day of December 2024.

J. Ward

Janine Ward
Assistant 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: December 20, 2024

Effective: January 1, 2025

D. L. DeCAROLIS, PRESIDENT
BUFFALO, NEW YORK

This Supplement implements the Distribution System Improvement Charge ("DSIC")
See page 2.

LIST OF CHANGES MADE BY THIS TARIFF

Change:

1. Distribution System Improvement Charge ("DSIC") is being implemented.
Page 172, 173, 174 and 175.
2. Conforming changes to implement the DSIC.
Page 36A, 41, 41A, 42, 51, 53, 55, 63, 66, 74, 76A, 81, 84, 102, 113,
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RESIDENTIAL SERVICE RATE SCHEDULE (cont.)

| | | |
|---------------------------|--------------------|---|
| Natural Gas Supply Charge | | |
| 44.732¢ | per 100 cubic feet | Purchased Gas Cost Component (Rider A) |
| 0.807¢ | per 100 cubic feet | Merchant Function Charge (Rider G) |
| <u>1.149¢</u> | per 100 cubic feet | Gas Procurement Charge (Rider H) |
| 46.688¢ | per 100 cubic feet | Total Natural Gas Supply Charge |

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 1.8032% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223. The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge. Residential rate classes shall be subject to Rider F - CAP Discount Charge as set forth in this tariff. (C)

RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

COMMERCIAL AND PUBLIC AUTHORITY SERVICE RATE SCHEDULE (cont.)

APPLICABILITY

Applicable in all areas served under this tariff.

MONTHLY RATE

For "Small" Commercial/Public Authority Customers using not more than 250,000 cubic feet per year:

| | | |
|---------------------------|--------------------|--|
| Basic Service Charge | | |
| \$27.00 | per Month | |
| Distribution Charges | | |
| 26.670¢ | per 100 cubic feet | |
| Gas Adjustment Charge | | |
| (6.413)¢ | per 100 cubic feet | Purchased Gas Cost Component (Rider A) |
| <u>(0.022)¢</u> | per 100 cubic feet | Merchant Function Charge (Rider G) |
| (6.435)¢ | per 100 cubic feet | Total Gas Adjustment Charge |
| Natural Gas Supply Charge | | |
| 44.732¢ | per 100 cubic feet | Purchased Gas Cost Component (Rider A) |
| 0.152¢ | per 100 cubic feet | Merchant Function Charge (Rider G) |
| <u>1.149¢</u> | per 100 cubic feet | Gas Procurement Charge (Ride H) |
| 46.033¢ | per 100 cubic feet | Total Natural Gas Supply Charge |

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff. (C)

(D) Indicates Decrease

(I) Indicates Increase

COMMERCIAL AND PUBLIC AUTHORITY SERVICE RATE SCHEDULE (Cont'd)

For "Small" Commercial/Public Authority Customers using greater than 250,000 cubic feet but not more than 1,000,000 cubic feet per year:

| | | |
|---------------------------|--------------------|--|
| Basic Service Charge | | |
| \$37.00 | per Month | |
| Distribution Charges | | |
| 24.231¢ | per 100 cubic feet | |
| Gas Adjustment Charge | | |
| (6.413)¢ | per 100 cubic feet | Purchased Gas Cost Component (Rider A) |
| <u>(0.022)¢</u> | per 100 cubic feet | Merchant Function Charge (Rider G) |
| (6.435)¢ | per 100 cubic feet | Total Gas Adjustment Charge |
| Natural Gas Supply Charge | | |
| 44.732¢ | per 100 cubic feet | Purchased Gas Cost Component (Rider A) |
| 0.152¢ | per 100 cubic feet | Merchant Function Charge (Rider G) |
| <u>1.149¢</u> | per 100 cubic feet | Gas Procurement Charge (Rider H) |
| 46.033¢ | per 100 cubic feet | Total Natural Gas Supply Charge |

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff. (c)

(D) Indicates Decrease

(I) Indicates Increase

Commercial and Public Authority Service Rate Schedule (Cont'd)

For "Large" Commercial/Public Authority Customers:

Basic Service Charge

\$151.00 per Month

Distribution Charges

20.298¢ per 100 cubic feet

Gas Adjustment Charge

(6.413)¢ per 100 cubic feet

(0.022)¢ per 100 cubic feet

(6.435)¢ per 100 cubic feet

Purchased Gas Cost Component
(Rider A)

Merchant Function Charge
(Rider G)

Total Gas Adjustment Charge

Natural Gas Supply Charge

44.732¢ per 100 cubic feet

0.152¢ per 100 cubic feet

1.149¢ per 100 cubic feet

46.033¢ per 100 cubic feet

Purchased Gas Cost Component
(Rider A)

Merchant Function Charge
(Rider G)

Gas Procurement Charge
(Rider H)

Total Natural Gas Supply Charge

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff.

(C)

APPLICATION PERIOD

The Application Period shall be the twelve months beginning March 1 of each year.

RULES AND REGULATIONS

The Rules and Regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

V. SURCHARGE

The non-purchased gas cost Demand Charges and the non-purchased gas cost Commodity Charge for Sales Service and the non-purchased gas cost Commodity Charge for Transportation Service shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge. (C)

VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be included as revenues for recovery of gas costs for purposes of computing Factor "E" of Company's 1307(f) rate in accordance with procedures set forth in Rider "A" - Section 1307(f) Purchased Gas Costs.

VII. SPECIAL PROVISIONS

Monthly metered Special Provisions A through J contained in the Company's Rate Schedule for Transportation Service shall apply to transportation service under this rate schedule.

VIII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

SVIS
Small Volume Industrial Service Rate Schedule (Cont'd)

MONTHLY RATE

Basic Service Charge
\$82.00 per Month

Distribution Charges
24.398¢ per 100 cubic feet

Gas Adjustment Charge
(6.413)¢ per 100 cubic feet Purchased Gas Cost Component
(Rider A)
(0.022)¢ per 100 cubic feet Merchant Function Charge
(Rider G)
(6.435)¢ per 100 cubic feet Total Gas Adjustment Charge

Natural Gas Supply Charge
44.732¢ per 100 cubic feet Purchased Gas Cost Component
(Rider A)
0.152¢ per 100 cubic feet Merchant Function Charge
(Rider G)
1.149¢ per 100 cubic feet Gas Procurement Charge
(Rider H)
46.033¢ per 100 cubic feet Total Natural Gas Supply Charge

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge. (C)

APPLICATION PERIOD

The Application Period shall be the twelve months beginning March 1 of each year.

RULES AND REGULATIONS

The Rules and Regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

IVIS
INTERMEDIATE VOLUME INDUSTRIAL SERVICE RATE SCHEDULE (Cont'd)
MONTHLY RATE

Basic Service Charge
\$252.00 per Month

Distribution Charges
17.023¢ per 100 cubic feet

| | | |
|-----------------------|--------------------|---|
| Gas Adjustment Charge | | |
| (6.413)¢ | per 100 cubic feet | Purchased Gas Cost Component (Rider A) |
| <u>(0.022)¢</u> | per 100 cubic feet | Merchant Function Charge (Rider G) |
| (6.435)¢ | per 100 cubic feet | Total Gas Adjustment Charge |

| | | |
|---------------------------|--------------------|---|
| Natural Gas Supply Charge | | |
| 44.732¢ | per 100 cubic feet | Purchased Gas Cost Component (Rider A) |
| 0.152¢ | per 100 cubic feet | Merchant Function Charge (Rider G) |
| <u>1.149¢</u> | per 100 cubic feet | Gas Procurement Charge (Rider H) |
| 46.033¢ | per 100 cubic feet | Total Natural Gas Supply Charge |

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff. (C)

APPLICATION PERIOD

The Application Period shall be the twelve months beginning March 1 of each year.

RULES AND REGULATIONS

(D) Indicates Decrease

(I) Indicates Increase

2. The amount of \$0.3808 per Mcf for recovery of non-gas costs.

Each time there is a change in the provision for recovery of purchased gas costs pursuant to Rider "A" of this tariff, a recomputation shall be made of the commodity component of purchased gas costs (Item 1, above) and the rate per Mcf shall be changed accordingly. The component included in the rate for recovery of non-gas costs shall remain constant until changed in accordance with a procedure, other than a proceeding pursuant to Section 1307(f) of the Public Utility Code, 66 Pa.C.S. Section 1307(f).

2. Commodity Charge for Transportation Service

The monthly Commodity Charge for Transportation Service shall be the product of multiplying the rate per Mcf, determined as provided below, by the volume of gas transported by the Company to the Customer's load balancing facilities.

The rate per Mcf for transportation of gas under this rate schedule shall be \$0.8508 per Mcf, which includes \$0.3808 for recovery of non-gas costs and \$0.4700 for recovery of purchased gas.

V. SURCHARGE

The non-purchased gas cost Demand Charges and the non-purchased gas cost Commodity Charge for Sales Service and the non-purchased gas cost Commodity Charge for Transportation Service shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge. (C)

VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be included as revenues for recovery of gas costs for purposes of computing Factor "E" of Company's 1307(f) rate in accordance with procedures set forth in Rider "A" - Section 1307(f) Purchased Gas Costs.

VII. SPECIAL PROVISIONS

Monthly metered Special Provisions A through J contained in the Company's Rate Schedule for Transportation Service shall apply to transportation service under this rate schedule.

VIII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

LVIS
Large Volume Industrial Service (Cont'd)

| | | | |
|---------------------------|--------------------|------------------------------|------------------|
| Natural Gas Supply Charge | | | |
| 44.732¢ | per 100 cubic feet | Purchased Gas Cost Component | (Rider A) |
| 0.152¢ | per 100 cubic feet | Merchant Function Charge | (Rider G) |
| <u>1.149¢</u> | per 100 cubic feet | Gas Procurement | Charge (Rider H) |
| 46.033¢ | per 100 cubic feet | Total Natural Gas Supply | Charge |

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge. (C)

RULES AND REGULATIONS

The Rules and Regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

APPLICABLE PERIOD

The Application Period shall be the twelve months beginning March 1 of each year.

(D) Indicates Decrease

(I) Indicates Increase

2. The amount of \$0.2473 per Mcf for recovery of non-gas costs.

Each time there is a change in the provision for recovery of purchased gas costs pursuant to Rider "A" of this tariff, a recomputation shall be made of the commodity component of purchased gas costs (Item 1, above) and the rate per Mcf shall be changed accordingly. The component included in the rate for recovery of non-gas costs shall remain constant until changed in accordance with a procedure, other than a proceeding pursuant to Section 1307(f) of the Public Utility Code, 66 Pa.C.S. Section 1307(f).

2. Commodity Charge for Transportation Service

The monthly Commodity Charge for Transportation Service shall be the product of multiplying the rate per Mcf, determined as provided below, by the volume of gas transported by the Company to the Customer's load balancing facilities.

The rate per Mcf for transportation of gas under this rate schedule shall be \$0.7173 per Mcf, which includes \$0.2473 for recovery of non-gas costs and \$0.4700 for recovery of purchased gas.

V. SURCHARGE

The non-purchased gas cost Demand Charges and the non-purchased gas cost Commodity Charge for Sales Service and the non-purchased gas cost Commodity Charge for Transportation Service shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff. (C)

VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be included as revenues for recovery of gas costs for purposes of computing Factor "E" of Company's 1307(f) rate in accordance with procedures set forth in Rider "A" - Section 1307(f) Purchased Gas Costs.

VII. SPECIAL PROVISIONS

Monthly metered Special Provisions A through J contained in the Company's Rate Schedule for Transportation Service shall apply to transportation service under this rate schedule.

VIII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

LIS
Large Industrial Service (Cont'd)

| | | |
|----------------------------------|--|--|
| Natural Gas Supply Charge | | |
| 44.732¢ per 100 cubic feet | | Purchased Gas Cost Component (Rider A) |
| 0.152¢ per 100 cubic feet | | Merchant Function Charge (Rider G) |
| <u>1.149¢</u> per 100 cubic feet | | Gas Procurement Charge (Rider H) |
| 46.033¢ per 100 cubic feet | | Total Natural Gas Supply Charge |

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge. (C)

GAS SHORTAGE CURTAILMENT

Service under this schedule to an LIS Industrial Customer is subject to curtailment and excess consumption penalty as set forth in Rule 26 of this tariff.

RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

1. The net amount per Mcf for recovery of the commodity component of purchased gas costs and for recovery or refund of "E" factor amounts, the "PGCC", as determined in Rider "A" - Section 1307(f) Purchased Gas Costs of this tariff; plus

2. The amount of \$.1924 per Mcf for recovery of non-gas costs.

Each time there is a change in the provision for recovery of purchased gas costs pursuant to Rider "A" of this tariff, a recomputation shall be made of the commodity component of purchased gas costs (Item 1, above) and the rate per Mcf shall be changed accordingly. The component included in the rate for recovery of non-gas costs shall remain constant until changed in accordance with a procedure, other than a proceeding pursuant to Section 1307(f) of the Public Utility Code, 66 Pa.C.S. Section 1307(f).

2. Commodity Charge for Transportation Service

The monthly Commodity Charge for Transportation Service shall be the product of multiplying the rate per Mcf, determined as provided below, by the volume of gas transported by the Company to the Customer's load balancing facilities.

The rate per Mcf for transportation of gas under this rate schedule shall be \$0.6624 per Mcf, which includes \$0.1924 for recovery of non-gas costs and \$0.4700 for recovery of purchased gas.

V. SURCHARGE

The non-purchased gas cost Demand Charges and the non-purchased gas cost Commodity Charge for Sales Service and the non-purchased gas cost Commodity Charge for Transportation Service shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff. (C)

VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be included as revenues for recovery of gas costs for purposes of computing Factor "E" of Company's 1307(f) rate in accordance with procedures set forth in Rider "A" - Section 1307(f) Purchased Gas Costs.

VII. SPECIAL PROVISIONS

Monthly metered Special Provisions A through J contained in the Company's Rate Schedule for Transportation Service shall apply to transportation service under this rate schedule.

VIII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

The current components of the maximum NGV(2) rate are as follows:

| | |
|---|-----------------|
| Tailblock rate of the Commercial and Public Authority | |
| Service Rate schedule: | \$0.59896/Ccf |
| State Tax Adjustment Surcharge | \$(0.00054)/Ccf |

V. SURCHARGE

All non-purchased gas cost charges under this rate schedule will be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff. (C)

VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be included as revenues for recovery of gas costs for purposes of computing Factor "E" of Company's 1307(f) rate in accordance with procedures set forth in Rider "A" - section 1307(f) Purchased Gas Costs. Purchased gas cost revenues recovered under this rate schedule shall be the 100% load factor base cost of gas as defined above.

VII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

RATE SCHEDULE FOR MONTHLY METERED TRANSPORTATION SERVICE (cont.)

- (b) Volumes of gas that would be transported by the Company would be displaced by an alternate fuel or an alternative source of gas unless the Company reduces its transportation rate;
- (c) The Company will not reduce the rate for transportation service below the level necessary to transport gas; and
- (d) In the Company's judgment the MMT Customer has taken all reasonable steps to minimize the cost of gas supplies delivered to the Company's system in order to help meet competition.

Where the above criteria are met, the Company may, in its discretion enter into an agreement setting either: (1) a fixed transportation rate or (2) the basis for determining the transportation rate, for the period of the Service Agreement, which will specify which portion of the rate is being reduced.

If an MMT Customer is a member of a buyer group, bills for each member of a buyer group will be determined individually. Volumes of transportation service in a billing period will be allocated among members of a buyer group pursuant to the Service Agreement.

Volumes delivered as transportation service pursuant to this rate schedule shall be subject to State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge

(C)

Residential rates shall be subject to surcharges in accordance with Rider F - CAP Discount Charge as set forth in this tariff.

CHARGES FOR TRANSPORTATION BY OTHERS

If furnishing service, pursuant to this Rate Schedule, requires the use of a transportation service provided other than by the Company, any cost incurred by the Company, with regard thereto, shall be billed to MMT Customer by the Company.

CHARGES UNDER OTHER RATE SCHEDULES

The MMT Customer receiving gas transported by the Company under this Rate Schedule shall pay all charges under all other applicable rate schedules and riders, irrespective of whether such MMT Customer, in any billing period receives only gas transported by the Company, and such MMT Customer shall pay rates under all other applicable rate schedules for any service furnished to the MMT Customer in addition to transportation service under this Rate Schedule.

(C) Indicates Change

RATE SCHEDULE FOR DAILY METERED TRANSPORTATION SERVICE (cont.)

- (b) Volumes of gas that would be transported by the Company would be displaced by an alternate fuel or an alternative source of gas unless the Company reduces its transportation rate;
- (c) The Company will not reduce the rate for transportation service below the level necessary to transport gas; and
- (d) In the Company's judgment the DMT Service Customer has taken all reasonable steps to minimize the cost of gas supplies delivered to the Company's system in order to help meet competition.

Where the above criteria are met, the Company may, in its discretion enter into an agreement setting either: (1) a fixed transportation rate or (2) the basis for determining the transportation rate, for the period of the Service Agreement, which will specify which portion of the rate is being reduced.

If a Gas Service Customer is a member of a buyer group, bills for each member of a buyer group will be determined individually. Volumes of transportation service in a billing period will be allocated among members of a buyer group pursuant to the Service Agreement.

Volumes delivered as transportation service pursuant to this rate schedule shall be subject to State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge. (C)

Residential rates shall be subject to surcharges in accordance with Rider F - CAP Discount Charge as set forth in this tariff.

CHARGES FOR TRANSPORTATION BY OTHERS

If furnishing service, pursuant to this Rate Schedule, requires the use of a transportation service provided other than by the Company, any cost incurred by the Company, with regard thereto, shall be billed to DMT Service Customer by the Company.

CHARGES UNDER OTHER RATE SCHEDULES

The Gas Service Customer receiving gas transported by the Company under this rate schedule shall pay all charges under all other applicable rate schedules and riders, irrespective of whether such Customer, in any billing period, receives only gas transported by the Company, and such Customer shall pay rates under all other applicable rate schedules for any service furnished to the Customer in addition to transportation service under this Rate Schedule.

(C) Indicates Change

RATE SCHEDULE SATC
SMALL AGGREGATION TRANSPORTATION CUSTOMER SERVICE (Cont.)

3. Small Volume Industrial Service Transportation Rates

SATC Customers that meet the qualifications under the Small Volume Industrial Service Rate Schedule classification:

Rates per Small Volume Industrial Service SATC Customer per Month:

\$82.00 Basic Service Charge
\$0.24398 per 100 cubic feet

4. Intermediate Volume Industrial Service Transportation Rates

SATC Customers that meet the qualifications under the Intermediate Volume Industrial Service Rate Schedule classification:

Rates per Intermediate Volume Industrial Service SATC Customer per Month:

\$252.00 Basic Service Charge
\$0.17023 per 100 cubic feet

B. Miscellaneous Customer Surcharges

1. Residential rate classes shall be subject to surcharges in accordance with Rider F - CAP Discount Charge as set forth in this tariff.

2. The above non-purchased gas cost SATC rates shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge.

(C)

(C) Indicates Change

(D) Indicates Decrease

(I) Indicates Increase

RATE SCHEDULE FOR DAILY METERED LARGE MANUFACTURING TRANSPORTATION SERVICE
(cont'd)
MONTHLY RATES

For transportation of gas to Large Industrial Manufacturing Customers,
the monthly rate for transportation shall be:

\$0.5993 per Mcf.

Provided, however, that the Company, in its sole discretion, may reduce by contract the portion of the above rates applicable to the Customer that is for recovery of gas costs or the portion of the rate for recovery of non-gas costs of service if it is reasonably necessary to do so to meet competition from another supplier of energy including gas from another supplier of gas that has constructed, or could construct, facilities to deliver supplies of gas to a Gas Service Customer of the Company without use of the Company's facilities or another transportation of gas. The Company will reduce the applicable rate only if:

- (a) Either (1) the Customer has facilities in place and operable to use an alternative fuel or obtain gas from an alternative supplier or (2) in the Company's judgment, such facilities would be constructed;
- (b) Volumes of gas that would be transported by the Company would be displaced by an alternate fuel or an alternative source of gas unless the Company reduces its transportation rate;
- (c) The Company will not reduce the rate for transportation service below the level necessary to transport gas; and
- (d) In the Company's judgment the DMLMT Service Customer has taken all reasonable steps to minimize the cost of gas supplies delivered to the Company's system in order to help meet competition.

Where the above criteria are met, the Company may, in its discretion enter into an agreement setting either: (1) a fixed transportation rate or (2) the basis for determining the transportation rate, for the period of the Service Agreement, which will specify which portion of the rate is being reduced.

Volumes delivered as transportation service pursuant to this rate schedule shall be subject to State Tax Adjustment Surcharge and DSIC - (C)
Distribution System Improvement Charge

CHARGES FOR TRANSPORTATION BY OTHERS

If furnishing service, pursuant to this Rate Schedule, requires the use of a transportation service provided other than by the Company, any cost incurred by the Company, with regard thereto, shall be billed to DMLMT Service Customer by the Company.

(D) Indicates Decrease
(I) Indicates Increase

(C) Indicates Change

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to the net charges provided for in this Tariff, a charge of 0.41% will apply consistent with the Commission Order dated December 5, 2024 at Docket No. P-2022-3034957, approving the DSIC.

1. General Description

A. Purpose: To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Utility with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

B. Eligible Property: The DSIC-eligible property will consist of the following:

- Piping (accounts 365, 367, 374, 376);
- Couplings (account 376);
- Gas services lines (account 380) and insulated and non-insulated fittings (account 378);
- Valves (account 376);
- Excess flow valves (account 376);
- Risers (account 376);
- Meter bars (account 382);
- Meters (account 381);
- Measuring and Regulator Stations (accounts 334, 366, 369, 375, 378, 381, 384)
- Industrial and Farm Tap Measuring and Regulating Equipment (account 385)
- Unreimbursed costs related to highway relocation projects where a natural gas distribution company or city natural gas distribution operation must relocate its facilities; and
- Other related capitalized costs (misc accounts)

C. Effective Date: The DSIC will become effective January 1, 2025.

2. Computation of the DSIC

A. Calculation: The initial DSIC, effective January 1, 2025 shall be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Utility's rates or rate base and will have been placed in service between October 1 to November 30, 2024.

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Thereafter, the DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three-month periods ending one month prior to the effective date of each DSIC update. Thus, changes in the DSIC rate will occur as follows:

| <u>Effective Date of Change</u> | <u>Date to which DSIC-Eligible Plant Additions Reflected</u> |
|---------------------------------|--|
| April 1 | December 1 through February 28 |
| July 1 | March 1 through May 31 |
| October 1 | June 1 through August 31 |
| January 1 | September 1 through November 30 |

B. Determination of Fixed Costs: The fixed costs of eligible distribution system improvements projects will consist of depreciation and pre-tax return, calculated as follows:

1. Depreciation: The depreciation expense shall be calculated by applying the annual accrual rates employed in the Utility's most recent base rate case for the plant accounts in which each retirement unit of DSIC-eligible property is recorded to the original cost of DSIC-eligible property.

2. Pre-tax return: The pre-tax return shall be calculated using the statutory state and federal income tax rates, the Utility's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day for the three-month period ending one month prior to the effective date of the DSIC and subsequent updates. The cost of equity will be the equity return rate approved in the Utility's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the DSIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission in the most recent Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

C. Application of DSIC: The DSIC will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for distribution service under the otherwise applicable rates and charges, excluding amounts billed for the State Tax Adjustment Surcharge (STAS). To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by the projected revenue for distribution service (including all applicable clauses and riders) for the quarterly period during which the charge will be collected, exclusive of STAS.

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

D. Formula: The formula for calculation of the DSIC is as follows:

$$\text{DSIC} = \frac{(\text{DSI} * \text{PTRR} + \text{STFT} + \text{Dep} + e)}{\text{PQR}}$$

Where:

- DSI = Original cost of eligible distribution system improvement projects net of accrued depreciation and associated accumulated deferred income taxes pertaining to property-related book/tax depreciation timing differences resulting from the use of accelerated depreciation per Internal Revenue Code, 26 U.S. Code § 168.
- PTRR = Pre-tax return rate applicable to DSIC-eligible property.
- STFT = (State Tax Flow Through) Pre-tax flow through calculated on book-tax timing differences between accelerated tax depreciation and book depreciation net of federal tax.
- Dep = Depreciation expense related to DSIC-eligible property.
- e = Amount calculated (+/-) under the annual reconciliation feature or Commission audit, as described below.
- PQR = Projected quarterly revenues for distribution service (including all applicable clauses and riders) including any revenue from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period.

Revenues will be determined as one-fourth of projected annual revenue.

3. Quarterly Updates: Supporting data for each quarterly update will be filed with the Commission and served upon the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the update.

4. Customer Safeguards:

- A. Cap:** The DSIC is capped at 5.0% of the amount billed to customers for distribution service (including all applicable clauses and riders) as determined on an annualized basis.
- B. Audit/Reconciliation:** The DSIC is subject to audit at intervals determined by the Commission. Any cost determined by the Commission not to comply with any provision of 66 Pa C.S. §§ 1350, *et seq.*, shall be credited to customer accounts. The DSIC is subject to annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year or the utility may elect to subject the DSIC to quarterly reconciliation but only upon request and approval by the Commission. The revenue received under the DSIC

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

for the reconciliation period will be compared to the Company's eligible costs for that period. The difference between revenue and costs will be recouped or refunded, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on April 1 of each year, or in the next quarter if permitted by the Commission. If DSIC revenues exceed DSIC-eligible costs, such over-collections will be refunded with interest. Interest on over-collections and credits will be calculated at the residential mortgage lending specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101, et seq.) and will be refunded in the same manner as an over-collection. The utility is not permitted to accrue interest on under collections.

C. New Base Rates: The DSIC will be reset at zero upon application of new base rates to customer billings that provide for prospective recovery of the annual costs that had previously been recovered under the DSIC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in the Utility's rates or rate base will be reflected in the quarterly updates of the DSIC.

D. Customer Notice: Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.

E. All Customer Classes: The DSIC shall be applied equally to all customer classes, except that the Company may reduce or eliminate the DSIC to any customer with competitive alternatives who are paying flexed or discounted rates and customers having negotiated contracts with the Company.

F. Earnings Reports: The DSIC will also be reset at zero if, in any quarter, data filed with the Commission in the Utility's then most recent Annual or Quarterly Earnings reports show that the Utility would earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the DSIC as described in the pre-tax return section. The utility shall file a tariff supplement implementing the reset to zero due to overearning on one- days' notice and such supplement shall be filed simultaneously with the filing of the most recent Annual or Quarterly Earnings reports indicating that the Utility has earned a rate of return that would exceed the allowable rate of return used to calculate its fixed costs.

G. Residual E-Factor Recovery Upon Reset to Zero: The utility shall file with the Commission interim rate revisions to resolve the residual over/under collection or E-factor amount after the DSIC rate has been reset to zero. The utility can collect or credit the residual over/under collection balance when the DSIC rate is reset to zero. The utility shall refund any overcollection to customers and is entitled to recover any under collections as set forth in Section 4.B. Once the utility determines the specific amount of the residual over or under collection amount after the DSIC rate is reset to zero, the utility shall file a tariff supplement with supporting data to address that residual amount. The tariff supplement shall be served upon the Commission's Bureau of Investigation and Enforcement, the Bureau of Audits, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the supplement.

REDLINED VERSION

NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
Fifty-~~Eighth~~ Revised Page No. 36A
Canceling Fifty-~~Seventh~~ Revised Page No. 36A

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RESIDENTIAL SERVICE RATE SCHEDULE (cont.)

| | | |
|---------------------------|--------------------|---|
| Natural Gas Supply Charge | | |
| 44.732¢ | per 100 cubic feet | Purchased Gas Cost Component (Rider A) |
| 0.807¢ | per 100 cubic feet | Merchant Function Charge (Rider G) |
| 1.149¢ | per 100 cubic feet | Gas Procurement Charge (Rider H) |
| 46.688¢ | per 100 cubic feet | Total Natural Gas Supply Charge |

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The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 1.8032% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223. The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge (C). Residential rate classes shall be subject to Rider F - CAP Discount Charge as set forth in this tariff.

RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

Issued: ~~December 20, 2024~~

Effective: ~~January 1, 2025~~

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
One-Hundred-Twenty-~~Second~~, Revised Page No. 41
Canceling One-Hundred-~~Twenty-First~~, Revised Page No. 41

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COMMERCIAL AND PUBLIC AUTHORITY SERVICE RATE SCHEDULE (cont.)

APPLICABILITY

Applicable in all areas served under this tariff.

MONTHLY RATE

For "Small" Commercial/Public Authority Customers using not more than
250,000 cubic feet per year:

Basic Service Charge
\$27.00 per Month

Distribution Charges
26.670¢ per 100 cubic feet

| | | | |
|-----------------------|--------------------|------------------------------|-----------|
| Gas Adjustment Charge | | | |
| (6.413)¢ | per 100 cubic feet | Purchased Gas Cost Component | (Rider A) |
| (0.022)¢ | per 100 cubic feet | Merchant Function Charge | (Rider G) |
| (6.435)¢ | per 100 cubic feet | Total Gas Adjustment Charge | |

| | | | |
|---------------------------|--------------------|---------------------------------|-----------|
| Natural Gas Supply Charge | | | |
| 44.732¢ | per 100 cubic feet | Purchased Gas Cost Component | (Rider A) |
| 0.152¢ | per 100 cubic feet | Merchant Function Charge | (Rider G) |
| 1.149¢ | per 100 cubic feet | Gas Procurement Charge (Ride H) | |
| 46.033¢ | per 100 cubic feet | Total Natural Gas Supply Charge | |

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff. (C)

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(D) Indicates Decrease

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Issued: December 20, 2024

Effective: January 1, 2025

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
Seventy-Sixth Revised Page No. 41A
Canceling Seventy-Fifth Revised Page No. 41A

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COMMERCIAL AND PUBLIC AUTHORITY SERVICE RATE SCHEDULE (Cont'd)

For "Small" Commercial/Public Authority Customers using greater than 250,000 cubic feet but not more than 1,000,000 cubic feet per year:

Basic Service Charge
\$37.00 per Month

Distribution Charges
24.231¢ per 100 cubic feet

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Gas Adjustment Charge
(6.413)¢ per 100 cubic feet
(0.022)¢ per 100 cubic feet
(6.435)¢ per 100 cubic feet

Purchased Gas Cost Component (Rider A)
Merchant Function Charge (Rider G)
Total Gas Adjustment Charge

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Natural Gas Supply Charge
44.732¢ per 100 cubic feet
0.152¢ per 100 cubic feet
1.149¢ per 100 cubic feet
46.033¢ per 100 cubic feet

Purchased Gas Cost Component (Rider A)
Merchant Function Charge (Rider G)
Gas Procurement Charge (Rider H)
Total Natural Gas Supply Charge

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The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff. (C)

(D) Indicates Decrease

(I) Indicates Increase

Issued: December 20, 2024

Effective: January 1, 2025

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 279 to
Gas - Pa. P.U.C. No. 9
One-Hundred-Twenty-Second Revised Page No. 42
Canceling One-Hundred-Twenty-First Revised Page No. 42

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Commercial and Public Authority Service Rate Schedule (Cont'd)

For "Large" Commercial/Public Authority Customers:

Basic Service Charge
\$151.00 per Month

Distribution Charges
20.298¢ per 100 cubic feet

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Gas Adjustment Charge
(6.413)¢ per 100 cubic feet Purchased Gas Cost Component
(Rider A)
(0.022)¢ per 100 cubic feet Merchant Function Charge
(Rider G)
(6.435)¢ per 100 cubic feet Total Gas Adjustment Charge

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Natural Gas Supply Charge
44.732¢ per 100 cubic feet Purchased Gas Cost Component
(Rider A)
0.152¢ per 100 cubic feet Merchant Function Charge
(Rider G)
1.149¢ per 100 cubic feet Gas Procurement Charge
(Rider H)
46.033¢ per 100 cubic feet Total Natural Gas Supply Charge

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The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge and (C) as set forth in this tariff.

APPLICATION PERIOD

The Application Period shall be the twelve months beginning March 1 of each year.

RULES AND REGULATIONS

The Rules and Regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

Issued: December 20, 2024

Effective: January 1, 2025

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. ~~279~~ to
Gas - Pa. P.U.C. No. 9
~~Sixth~~ Revised Page No. 51
Canceling ~~Fifth~~ Revised Page No. 51

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V. SURCHARGE

The non-purchased gas cost Demand Charges and the non-purchased gas cost Commodity Charge for Sales Service and the non-purchased gas cost Commodity Charge for Transportation Service shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - ~~(C)~~ Distribution System Improvement Charge.

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VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be included as revenues for recovery of gas costs for purposes of computing Factor "E" of Company's 1307(f) rate in accordance with procedures set forth in Rider "A" - Section 1307(f) Purchased Gas Costs.

VII. SPECIAL PROVISIONS

Monthly metered Special Provisions A through J contained in the Company's Rate Schedule for Transportation Service shall apply to transportation service under this rate schedule.

VIII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

Issued: ~~December 20, 2024~~

Effective: ~~January 1, 2025~~

Deleted: July 26, 2023

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 279 to
Gas - Pa. P.U.C. No. 9
One-Hundred-Nineteenth Revised Page No. 53
Canceling One-Hundred-Eighteenth Revised Page No. 53

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SVIS
Small Volume Industrial Service Rate Schedule (Cont'd)

MONTHLY RATE

Basic Service Charge
\$82.00 per Month

Distribution Charges
24.398¢ per 100 cubic feet

Gas Adjustment Charge
(6.413)¢ per 100 cubic feet Purchased Gas Cost Component (Rider A)
(0.022)¢ per 100 cubic feet Merchant Function Charge (Rider G)
(6.435)¢ per 100 cubic feet Total Gas Adjustment Charge

Natural Gas Supply Charge
44.732¢ per 100 cubic feet Purchased Gas Cost Component (Rider A)
0.152¢ per 100 cubic feet Merchant Function Charge (Rider G)
1.149¢ per 100 cubic feet Gas Procurement Charge (Rider H)
46.033¢ per 100 cubic feet Total Natural Gas Supply Charge

The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge.

(C)

APPLICATION PERIOD

The Application Period shall be the twelve months beginning March 1 of each year.

RULES AND REGULATIONS

The Rules and Regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

Issued: December 20, 2024

Effective: January 1, 2025

Deleted: October 31

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
One-Hundred-~~Nineteenth~~ Revised Page No. 55
Canceling One-Hundred-~~Eighteenth~~ Revised Page No. 55

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IVIS

INTERMEDIATE VOLUME INDUSTRIAL SERVICE RATE SCHEDULE (Cont'd)
MONTHLY RATE

Basic Service Charge
\$252.00 per Month

Distribution Charges
17.023¢ per 100 cubic feet

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Gas Adjustment Charge
(6.413)¢ per 100 cubic feet Purchased Gas Cost Component
(Rider A)
(0.022)¢ per 100 cubic feet Merchant Function Charge
(Rider G)
(6.435)¢ per 100 cubic feet Total Gas Adjustment Charge

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Natural Gas Supply Charge
44.732¢ per 100 cubic feet Purchased Gas Cost Component
(Rider A)
0.152¢ per 100 cubic feet Merchant Function Charge
(Rider G)
1.149¢ per 100 cubic feet Gas Procurement Charge (Rider H)
46.033¢ per 100 cubic feet Total Natural Gas Supply Charge

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The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with the provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff.

(C)

APPLICATION PERIOD

The Application Period shall be the twelve months beginning March 1 of each year.

RULES AND REGULATIONS

(D) Indicates Decrease

(I) Indicates Increase

Issued: ~~December 20,~~ 2024

Effective: ~~January 1,~~ 2025

Deleted: October 31

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
Forty-Six~~th~~ Revised Page No. 63
Canceling Forty Fifth~~th~~ Revised Page No. 63

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2. The amount of \$0.3808 per Mcf for recovery of non-gas costs.

Each time there is a change in the provision for recovery of purchased gas costs pursuant to Rider "A" of this tariff, a recomputation shall be made of the commodity component of purchased gas costs (Item 1, above) and the rate per Mcf shall be changed accordingly. The component included in the rate for recovery of non-gas costs shall remain constant until changed in accordance with a procedure, other than a proceeding pursuant to Section 1307(f) of the Public Utility Code, 66 Pa.C.S. Section 1307(f).

2. Commodity Charge for Transportation Service

The monthly Commodity Charge for Transportation Service shall be the product of multiplying the rate per Mcf, determined as provided below, by the volume of gas transported by the Company to the Customer's load balancing facilities.

The rate per Mcf for transportation of gas under this rate schedule shall be \$0.8508 per Mcf, which includes \$0.3808 for recovery of non-gas costs and \$0.4700 for recovery of purchased gas.

V. SURCHARGE

The non-purchased gas cost Demand Charges and the non-purchased gas cost Commodity Charge for Sales Service and the non-purchased gas cost Commodity Charge for Transportation Service shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - (C) Distribution System Improvement Charge.

VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be included as revenues for recovery of gas costs for purposes of computing Factor "E" of Company's 1307(f) rate in accordance with procedures set forth in Rider "A" - Section 1307(f) Purchased Gas Costs.

VII. SPECIAL PROVISIONS

Monthly metered Special Provisions A through J contained in the Company's Rate Schedule for Transportation Service shall apply to transportation service under this rate schedule.

VIII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

Issued: December 20, 2024

Effective: January 1, 2025

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
Seventy-~~Third~~ Revised Page No. 66
Canceling Seventy-~~Second~~ Revised Page No. 66

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LVIS
Large Volume Industrial Service (Cont'd)

| | | | |
|---------------------------|--------------------|---|---|
| Natural Gas Supply Charge | | | |
| 44.732¢ | per 100 cubic feet | Purchased Gas Cost Component (Rider A) | ▼ |
| 0.152¢ | per 100 cubic feet | Merchant Function Charge (Rider G) | ▼ |
| 1.149¢ | per 100 cubic feet | Gas Procurement Charge (Rider H) | |
| 46.033¢ | per 100 cubic feet | Total Natural Gas Supply Charge | ▼ |

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The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge.

(C)

RULES AND REGULATIONS

The Rules and Regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

APPLICABLE PERIOD

The Application Period shall be the twelve months beginning March 1 of each year.

(D) Indicates Decrease

(I) Indicates Increase

Issued: December 20, 2024

Effective: January 1, 2025

Deleted: October 31

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
Forty-~~Sixth~~ Revised Page No. 74
Canceling Forty-~~Fifth~~ Revised Page No. 74

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2. The amount of \$0.2473 per Mcf for recovery of non-gas costs.

Each time there is a change in the provision for recovery of purchased gas costs pursuant to Rider "A" of this tariff, a recomputation shall be made of the commodity component of purchased gas costs (Item 1, above) and the rate per Mcf shall be changed accordingly. The component included in the rate for recovery of non-gas costs shall remain constant until changed in accordance with a procedure, other than a proceeding pursuant to Section 1307(f) of the Public Utility Code, 66 Pa.C.S. Section 1307(f).

2. Commodity Charge for Transportation Service

The monthly Commodity Charge for Transportation Service shall be the product of multiplying the rate per Mcf, determined as provided below, by the volume of gas transported by the Company to the Customer's load balancing facilities.

The rate per Mcf for transportation of gas under this rate schedule shall be \$0.7173 per Mcf, which includes \$0.2473 for recovery of non-gas costs and \$0.4700 for recovery of purchased gas.

V. SURCHARGE

The non-purchased gas cost Demand Charges and the non-purchased gas cost Commodity Charge for Sales Service and the non-purchased gas cost Commodity Charge for Transportation Service shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - (C) Distribution System Improvement Charge as set forth in this tariff.

VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be included as revenues for recovery of gas costs for purposes of computing Factor "E" of Company's 1307(f) rate in accordance with procedures set forth in Rider "A" - Section 1307(f) Purchased Gas Costs.

VII. SPECIAL PROVISIONS

Monthly metered Special Provisions A through J contained in the Company's Rate Schedule for Transportation Service shall apply to transportation service under this rate schedule.

VIII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

Issued: ~~December 20,~~ 2024

Effective: ~~January 1,~~ 2025

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
Fifty-~~Eighth~~, Revised Page No. 76A
Canceling Fifty-~~Seventh~~, Revised Page No. 76A

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LIS
Large Industrial Service (Cont'd)

| | | |
|----------------------------|---|--|
| Natural Gas Supply Charge | | |
| 44.732¢ per 100 cubic feet | Purchased Gas Cost Component (Rider A) | |
| 0.152¢ per 100 cubic feet | Merchant Function Charge (Rider G) | |
| 1.149¢ per 100 cubic feet | Gas Procurement Charge (Rider H) | |
| 46.033¢ per 100 cubic feet | Total Natural Gas Supply Charge | |

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The Natural Gas Supply Charge shall include a Merchant Function Charge (Rider G) to recover uncollectible costs associated with purchase gas costs of 0.3398% and the Gas Procurement Charge (Rider H) to recover costs of procuring natural gas pursuant to 52 Pa. Code §62.223.

The above non-purchased gas cost rates shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and (C) DSIC - Distribution System Improvement Charge.

GAS SHORTAGE CURTAILMENT

Service under this schedule to an LIS Industrial Customer is subject to curtailment and excess consumption penalty as set forth in Rule 26 of this tariff.

RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

Issued: ~~December 20,~~ 2024

Effective: ~~January 1,~~ 2025

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
Forty-~~Seventh~~ Revised Page No. 81
Canceling Forty-~~Sixth~~ Revised Page No. 81

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1. The net amount per Mcf for recovery of the commodity component of purchased gas costs and for recovery or refund of "E" factor amounts, the "PGCC", as determined in Rider "A" - Section 1307(f) Purchased Gas Costs of this tariff; plus

2. The amount of \$.1924 per Mcf for recovery of non-gas costs.

Each time there is a change in the provision for recovery of purchased gas costs pursuant to Rider "A" of this tariff, a recomputation shall be made of the commodity component of purchased gas costs (Item 1, above) and the rate per Mcf shall be changed accordingly. The component included in the rate for recovery of non-gas costs shall remain constant until changed in accordance with a procedure, other than a proceeding pursuant to Section 1307(f) of the Public Utility Code, 66 Pa.C.S. Section 1307(f).

2. Commodity Charge for Transportation Service

The monthly Commodity Charge for Transportation Service shall be the product of multiplying the rate per Mcf, determined as provided below, by the volume of gas transported by the Company to the Customer's load balancing facilities.

The rate per Mcf for transportation of gas under this rate schedule shall be \$0.6624 per Mcf, which includes \$0.1924 for recovery of non-gas costs and \$0.4700 for recovery of purchased gas.

V. SURCHARGE

The non-purchased gas cost Demand Charges and the non-purchased gas cost Commodity Charge for Sales Service and the non-purchased gas cost Commodity Charge for Transportation Service shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set forth in this tariff. (C)

VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be included as revenues for recovery of gas costs for purposes of computing Factor "E" of Company's 1307(f) rate in accordance with procedures set forth in Rider "A" - Section 1307(f) Purchased Gas Costs.

VII. SPECIAL PROVISIONS

Monthly metered Special Provisions A through J contained in the Company's Rate Schedule for Transportation Service shall apply to transportation service under this rate schedule.

VIII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

Issued: ~~December 20,~~ 2024

Effective: ~~January 1,~~ 2025

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
One-Hundred-Twenty-Fifth Revised Page No. 84
Canceling One-Hundred-Twenty-Fourth Revised Page No. 84

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The current components of the maximum NGV(2) rate are
as follows:

| | |
|---|-----------------|
| Tailblock rate of the Commercial and Public Authority Service Rate schedule: | \$0.59896/Ccf |
| State Tax Adjustment Surcharge | \$(0.00054)/Ccf |

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V. SURCHARGE

All non-purchased gas cost charges under this rate schedule will be
subject to surcharges in accordance with provisions of Rider B - State Tax
Adjustment Surcharge and DSIC - Distribution System Improvement Charge as set (C)
forth in this tariff.

VI. AMOUNTS TO BE INCLUDED IN OVER/UNDERCOLLECTION OF GAS COSTS

Purchased gas cost revenues billed under this rate schedule shall be
included as revenues for recovery of gas costs for purposes of computing
Factor "E" of Company's 1307(f) rate in accordance with procedures set forth
in Rider "A" - section 1307(f) Purchased Gas Costs. Purchased gas cost
revenues recovered under this rate schedule shall be the 100% load factor base
cost of gas as defined above.

VII. RULES AND REGULATIONS

The rules and regulations set forth in this tariff shall govern, where
applicable, the supply of gas service under this rate schedule.

(D) Indicates Decrease

(I) Indicates Increase

Issued: December 20, 2024

Effective: January 1, 2025

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Deleted: November

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
~~Twelfth~~, Revised Page No. 102
Canceling ~~Eleventh~~, Revised Page No. 102

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RATE SCHEDULE FOR MONTHLY METERED TRANSPORTATION SERVICE (cont.)

- (b) Volumes of gas that would be transported by the Company would be displaced by an alternate fuel or an alternative source of gas unless the Company reduces its transportation rate;
- (c) The Company will not reduce the rate for transportation service below the level necessary to transport gas; and
- (d) In the Company's judgment the MMT Customer has taken all reasonable steps to minimize the cost of gas supplies delivered to the Company's system in order to help meet competition.

Where the above criteria are met, the Company may, in its discretion enter into an agreement setting either: (1) a fixed transportation rate or (2) the basis for determining the transportation rate, for the period of the Service Agreement, which will specify which portion of the rate is being reduced.

If an MMT Customer is a member of a buyer group, bills for each member of a buyer group will be determined individually. Volumes of transportation service in a billing period will be allocated among members of a buyer group pursuant to the Service Agreement.

Volumes delivered as transportation service pursuant to this rate schedule shall be subject to State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge (C)

Residential rates shall be subject to surcharges in accordance with Rider F - CAP Discount Charge as set forth in this tariff.

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CHARGES FOR TRANSPORTATION BY OTHERS

If furnishing service, pursuant to this Rate Schedule, requires the use of a transportation service provided other than by the Company, any cost incurred by the Company, with regard thereto, shall be billed to MMT Customer by the Company.

CHARGES UNDER OTHER RATE SCHEDULES

The MMT Customer receiving gas transported by the Company under this Rate Schedule shall pay all charges under all other applicable rate schedules and riders, irrespective of whether such MMT Customer, in any billing period receives only gas transported by the Company, and such MMT Customer shall pay rates under all other applicable rate schedules for any service furnished to the MMT Customer in addition to transportation service under this Rate Schedule.

(C) Indicates Change

Issued: ~~December 20, 2024~~

Effective: ~~January 1, 2025~~

Deleted: April 18

Deleted: April 22, 2024

NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 27~~9~~ to
Gas - Pa. P.U.C. No. 9
~~Eighth~~, Revised Page No. 113
Canceling ~~Seventh~~, Revised Page No. 113

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RATE SCHEDULE FOR DAILY METERED TRANSPORTATION SERVICE (cont.)

- (b) Volumes of gas that would be transported by the Company would be displaced by an alternate fuel or an alternative source of gas unless the Company reduces its transportation rate;
- (c) The Company will not reduce the rate for transportation service below the level necessary to transport gas; and
- (d) In the Company's judgment the DMT Service Customer has taken all reasonable steps to minimize the cost of gas supplies delivered to the Company's system in order to help meet competition.

Where the above criteria are met, the Company may, in its discretion enter into an agreement setting either: (1) a fixed transportation rate or (2) the basis for determining the transportation rate, for the period of the Service Agreement, which will specify which portion of the rate is being reduced.

If a Gas Service Customer is a member of a buyer group, bills for each member of a buyer group will be determined individually. Volumes of transportation service in a billing period will be allocated among members of a buyer group pursuant to the Service Agreement.

Volumes delivered as transportation service pursuant to this rate schedule shall be subject to State Tax Adjustment Surcharge and DSIC - (C)
Distribution System Improvement Charge.

Residential rates shall be subject to surcharges in accordance with Rider F - CAP Discount Charge as set forth in this tariff.

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CHARGES FOR TRANSPORTATION BY OTHERS

If furnishing service, pursuant to this Rate Schedule, requires the use of a transportation service provided other than by the Company, any cost incurred by the Company, with regard thereto, shall be billed to DMT Service Customer by the Company.

CHARGES UNDER OTHER RATE SCHEDULES

The Gas Service Customer receiving gas transported by the Company under this rate schedule shall pay all charges under all other applicable rate schedules and riders, irrespective of whether such Customer, in any billing period, receives only gas transported by the Company, and such Customer shall pay rates under all other applicable rate schedules for any service furnished to the Customer in addition to transportation service under this Rate Schedule.

(C) Indicates Change

Issued: ~~December 20, 2024~~

Effective: ~~January 1, 2025~~

Deleted: April 18

Deleted: April 22, 2024

NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 279 to
Gas - Pa. P.U.C. No. 9
One-Hundred-Twenty-Fourth Revised Page No. 121
Canceling One-Hundred-Twenty-Third Revised Page No. 121

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RATE SCHEDULE SATC
SMALL AGGREGATION TRANSPORTATION CUSTOMER SERVICE (Cont.)

3. Small Volume Industrial Service Transportation Rates

SATC Customers that meet the qualifications under the Small Volume Industrial Service Rate Schedule classification:

Rates per Small Volume Industrial Service SATC Customer per Month:

\$82.00 Basic Service Charge
\$0.24398 per 100 cubic feet

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4. Intermediate Volume Industrial Service Transportation Rates

SATC Customers that meet the qualifications under the Intermediate Volume Industrial Service Rate Schedule classification:

Rates per Intermediate Volume Industrial Service SATC Customer per Month:

\$252.00 Basic Service Charge
\$0.17023 per 100 cubic feet

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B. Miscellaneous Customer Surcharges

1. Residential rate classes shall be subject to surcharges in accordance with Rider F - CAP Discount Charge as set forth in this tariff.

2. The above non-purchased gas cost SATC rates shall be subject to surcharges in accordance with provisions of Rider B - State Tax Adjustment Surcharge and DSIC - Distribution System Improvement Charge.

(C)

(C) Indicates Change (D) Indicates Decrease (I) Indicates Increase

Issued: December 20, 2024 Effective: January 1, 2025

Deleted: October 31

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NATIONAL FUEL GAS
DISTRIBUTION CORPORATION

Supplement No. 279 to
Gas - Pa. P.U.C. No. 9
Sixth Revised Page No. 146C
Canceling Fifth Revised Page No. 146C

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RATE SCHEDULE FOR DAILY METERED LARGE MANUFACTURING TRANSPORTATION SERVICE
(cont'd)
MONTHLY RATES

For transportation of gas to Large Industrial Manufacturing Customers,
the monthly rate for transportation shall be:

\$0.5993 per Mcf.

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Provided, however, that the Company, in its sole discretion, may reduce
by contract the portion of the above rates applicable to the Customer that is
for recovery of gas costs or the portion of the rate for recovery of non-gas
costs of service if it is reasonably necessary to do so to meet competition
from another supplier of energy including gas from another supplier of gas
that has constructed, or could construct, facilities to deliver supplies of
gas to a Gas Service Customer of the Company without use of the Company's
facilities or another transportation of gas. The Company will reduce the
applicable rate only if:

- (a) Either (1) the Customer has facilities in place and operable to
use an alternative fuel or obtain gas from an alternative supplier
or (2) in the Company's judgment, such facilities would be
constructed;
- (b) Volumes of gas that would be transported by the Company would be
displaced by an alternate fuel or an alternative source of gas
unless the Company reduces its transportation rate;
- (c) The Company will not reduce the rate for transportation service
below the level necessary to transport gas; and
- (d) In the Company's judgment the DMLMT Service Customer has taken all
reasonable steps to minimize the cost of gas supplies delivered to
the Company's system in order to help meet competition.

Where the above criteria are met, the Company may, in its discretion enter
into an agreement setting either: (1) a fixed transportation rate or (2) the
basis for determining the transportation rate, for the period of the Service
Agreement, which will specify which portion of the rate is being reduced.

Volumes delivered as transportation service pursuant to this rate
schedule shall be subject to State Tax Adjustment Surcharge and DSIC - (C)
Distribution System Improvement Charge

CHARGES FOR TRANSPORTATION BY OTHERS

If furnishing service, pursuant to this Rate Schedule, requires the use
of a transportation service provided other than by the Company, any cost
incurred by the Company, with regard thereto, shall be billed to DMLMT Service
Customer by the Company.

(D) Indicates Decrease

(C) Indicates Change

(I) Indicates Increase

Issued: December 20, 2024

Effective: January 1, 2025

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Deleted: August 1, 2023

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

In addition to the net charges provided for in this Tariff, a charge of 0.41% will apply consistent with the Commission Order dated December 5, 2024 at Docket No. P-2022-3034957, approving the DSIC.

1. General Description

A. Purpose: To recover the reasonable and prudent costs incurred to repair, improve, or replace eligible property which is completed and placed in service and recorded in the individual accounts, as noted below, between base rate cases and to provide the Utility with the resources to accelerate the replacement of aging infrastructure, to comply with evolving regulatory requirements and to develop and implement solutions to regional supply problems.

The costs of extending facilities to serve new customers are not recoverable through the DSIC.

B. Eligible Property: The DSIC-eligible property will consist of the following:

- Piping (accounts 365, 367, 374, 376);
- Couplings (account 376);
- Gas services lines (account 380) and insulated and non-insulated fittings (account 378);
- Valves (account 376);
- Excess flow valves (account 376);
- Risers (account 376);
- Meter bars (account 382);
- Meters (account 381);
- Measuring and Regulator Stations (accounts 334, 366, 369, 375, 378, 381, 384)
- Industrial and Farm Tap Measuring and Regulating Equipment (account 385)
- Unreimbursed costs related to highway relocation projects where a natural gas distribution company or city natural gas distribution operation must relocate its facilities; and
- Other related capitalized costs (misc accounts)

C. Effective Date: The DSIC will become effective January 1, 2025.

2. Computation of the DSIC

A. Calculation: The initial DSIC, effective January 1, 2025 shall be calculated to recover the fixed costs of eligible plant additions that have not previously been reflected in the Utility's rates or rate base and will have been placed in service between October 1 to November 30, 2024.

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

Thereafter, the DSIC will be updated on a quarterly basis to reflect eligible plant additions placed in service during the three-month periods ending one month prior to the effective date of each DSIC update. Thus, changes in the DSIC rate will occur as follows:

| <u>Effective Date of Change</u> | <u>Date to which DSIC-Eligible Plant Additions Reflected</u> |
|---------------------------------|--|
| April 1 | December 1 through February 28 |
| July 1 | March 1 through May 31 |
| October 1 | June 1 through August 31 |
| January 1 | September 1 through November 30 |

B. Determination of Fixed Costs: The fixed costs of eligible distribution system improvements projects will consist of depreciation and pre-tax return, calculated as follows:

1. Depreciation: The depreciation expense shall be calculated by applying the annual accrual rates employed in the Utility's most recent base rate case for the plant accounts in which each retirement unit of DSIC-eligible property is recorded to the original cost of DSIC-eligible property.

2. Pre-tax return: The pre-tax return shall be calculated using the statutory state and federal income tax rates, the Utility's actual capital structure and actual cost rates for long-term debt and preferred stock as of the last day for the three-month period ending one month prior to the effective date of the DSIC and subsequent updates. The cost of equity will be the equity return rate approved in the Utility's last fully litigated base rate proceeding for which a final order was entered not more than two years prior to the effective date of the DSIC. If more than two years shall have elapsed between the entry of such a final order and the effective date of the DSIC, then the equity return rate used in the calculation will be the equity return rate calculated by the Commission in the most recent Quarterly Report on the Earnings of Jurisdictional Utilities released by the Commission.

C. Application of DSIC: The DSIC will be expressed as a percentage carried to two decimal places and will be applied to the total amount billed to each customer for distribution service under the otherwise applicable rates and charges, excluding amounts billed for the State Tax Adjustment Surcharge (STAS). To calculate the DSIC, one-fourth of the annual fixed costs associated with all property eligible for cost recovery under the DSIC will be divided by the projected revenue for distribution service (including all applicable clauses and riders) for the quarterly period during which the charge will be collected, exclusive of STAS.

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

D. Formula: The formula for calculation of the DSIC is as follows:

$$\text{DSIC} = \frac{(\text{DSI} * \text{PTRR} + \text{STFT} + \text{Dep} + e)}{\text{PQR}}$$

Where:

- DSI = Original cost of eligible distribution system improvement projects net of accrued depreciation and associated accumulated deferred income taxes pertaining to property-related book/tax depreciation timing differences resulting from the use of accelerated depreciation per Internal Revenue Code, 26 U.S. Code § 168.
- PTRR = Pre-tax return rate applicable to DSIC-eligible property.
- STFT = (State Tax Flow Through) Pre-tax flow through calculated on book-tax timing differences between accelerated tax depreciation and book depreciation net of federal tax.
- Dep = Depreciation expense related to DSIC-eligible property.
- e = Amount calculated (+/-) under the annual reconciliation feature or Commission audit, as described below.
- PQR = Projected quarterly revenues for distribution service (including all applicable clauses and riders) including any revenue from existing customers plus netted revenue from any customers which will be gained or lost by the beginning of the applicable service period.

Revenues will be determined as one-fourth of projected annual revenue.

3. Quarterly Updates: Supporting data for each quarterly update will be filed with the Commission and served upon the Commission's Bureau of Investigation and Enforcement, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the update.

4. Customer Safeguards:

- A. Cap:** The DSIC is capped at 5.0% of the amount billed to customers for distribution service (including all applicable clauses and riders) as determined on an annualized basis.
- B. Audit/Reconciliation:** The DSIC is subject to audit at intervals determined by the Commission. Any cost determined by the Commission not to comply with any provision of 66 Pa C.S. §§ 1350, *et seq.*, shall be credited to customer accounts. The DSIC is subject to annual reconciliation based on a reconciliation period consisting of the twelve months ending December 31 of each year or the utility may elect to subject the DSIC to quarterly reconciliation but only upon request and approval by the Commission. The revenue received under the DSIC

DISTRIBUTION SYSTEM IMPROVEMENT CHARGE (DSIC)

for the reconciliation period will be compared to the Company's eligible costs for that period. The difference between revenue and costs will be recouped or refunded, as appropriate, in accordance with Section 1307(e), over a one-year period commencing on April 1 of each year, or in the next quarter if permitted by the Commission. If DSIC revenues exceed DSIC-eligible costs, such over-collections will be refunded with interest. Interest on over-collections and credits will be calculated at the residential mortgage lending specified by the Secretary of Banking in accordance with the Loan Interest and Protection Law (41 P.S. §§ 101, et seq.) and will be refunded in the same manner as an over-collection. The utility is not permitted to accrue interest on under collections.

C. New Base Rates: The DSIC will be reset at zero upon application of new base rates to customer billings that provide for prospective recovery of the annual costs that had previously been recovered under the DSIC. Thereafter, only the fixed costs of new eligible plant additions that have not previously been reflected in the Utility's rates or rate base will be reflected in the quarterly updates of the DSIC.

D. Customer Notice: Customers shall be notified of changes in the DSIC by including appropriate information on the first bill they receive following any change. An explanatory bill insert shall also be included with the first billing.

E. All Customer Classes: The DSIC shall be applied equally to all customer classes, except that the Company may reduce or eliminate the DSIC to any customer with competitive alternatives who are paying flexed or discounted rates and customers having negotiated contracts with the Company.

F. Earnings Reports: The DSIC will also be reset at zero if, in any quarter, data filed with the Commission in the Utility's then most recent Annual or Quarterly Earnings reports show that the Utility would earn a rate of return that would exceed the allowable rate of return used to calculate its fixed costs under the DSIC as described in the pre-tax return section. The utility shall file a tariff supplement implementing the reset to zero due to overearning on one- days' notice and such supplement shall be filed simultaneously with the filing of the most recent Annual or Quarterly Earnings reports indicating that the Utility has earned a rate of return that would exceed the allowable rate of return used to calculate its fixed costs.

G. Residual E-Factor Recovery Upon Reset to Zero: The utility shall file with the Commission interim rate revisions to resolve the residual over/under collection or E-factor amount after the DSIC rate has been reset to zero. The utility can collect or credit the residual over/under collection balance when the DSIC rate is reset to zero. The utility shall refund any overcollection to customers and is entitled to recover any under collections as set forth in Section 4.B. Once the utility determines the specific amount of the residual over or under collection amount after the DSIC rate is reset to zero, the utility shall file a tariff supplement with supporting data to address that residual amount. The tariff supplement shall be served upon the Commission's Bureau of Investigation and Enforcement, the Bureau of Audits, the Office of Consumer Advocate, and the Office of Small Business Advocate at least ten (10) days prior to the effective date of the supplement.

National Fuel Gas Distribution Corporation
 Pennsylvania Division
 DSIC Computation - Quarterly Update
 Rates to be Effective January 1, 2025

DSIC Calculation

| | | Annual | Quarterly | Reference | |
|-------------------------------|---|-------------------|--|-----------------|--|
| DSIC = | <u>(DSI x PTRR) + STFT + Dep + e</u> PQR | | | | |
| | DSIC Eligible Costs | | \$ 4,523,288 | Schedule 2 | |
| | Less ADIT | | (\$27,037) | Schedule 3 | |
| | Less Accumulated Depreciation | | <u>(\$20,231)</u> | Schedule 2 | |
| DSI | Net DSIC Eligible Costs | | <u>\$ 4,476,020</u> | | |
| PTRR | Annual Pretax Rate of Return | 10.46% | | Schedule 1 | |
| | Quarterly Pretax Rate of Return | | 2.62% | | |
| DSI x PTRR | Quarterly Capital Cost Recovery | \$ 468,192 | \$ 117,272 | | |
| STFT | State Tax Flow Through | \$ (9,053) | \$ (2,263) | Schedule 3 | |
| Dep | Depreciation Expense | \$ 80,925 | \$ 20,231 | Schedule 2 | |
| (DSI x PTRR) + STFT + Dep | Current Quarter Recoverable Costs | | <u>\$ 135,240</u> | | |
| e | (over)/Under Collection ("E" factor amount) | | <u> </u> | | |
| (DSI x PTRR) + STFT + Dep + e | Total DSIC Revenue Requirement | <u>\$ 540,064</u> | <u>\$ 135,240</u> | | |
| PQR | Projected Quarterly Revenue ¹ | | <u>\$ 32,923,812</u> | Company Records | |
| DSIC | DSIC Surcharge Rate | | <table border="1" style="display: inline-table; vertical-align: middle;"><tr><td style="text-align: center;">0.41%</td></tr></table> | 0.41% | |
| 0.41% | | | | | |

¹ excludes projected revenue from negotiated rate customers

| | Ratios | Rates | Weighted After-Tax | Gross-up | Weighted Pre-Tax |
|----------------|---------------|---------------|-------------------------------|-----------------|-------------------------|
| Long-Term Debt | 40.90% | 5.28% | 2.16% | | 2.16% |
| Common Equity | 59.10% | 10.15% | 6.00% | 72.29% | 8.30% |
| Total | | | 8.16% | | 10.46% |
| | | | | QTR | 2.62% |

| Tax Gross Up | Fed Rate | State Rate | Combined | NOI Factor | Gross Rev Conversion | State Rate Net of Fed Benefit |
|--------------|----------|------------|----------------|------------|----------------------|-------------------------------|
| | 21% | 8.49% | 27.707% | 72.29% | 1.383262 | 6.707% |

Return on Common Equity based on PUC earnings report DSIC rate
 Ratios and Long Term Debt per actuals of 9/30/2024 - See Schedule 1, Page 2

National Fuel Gas Distribution Corporation
Calculation of the Composite Interest Rate of Total Debt
at Sep 30, 2024

| <u>Type</u> | <u>Amount Outstanding</u> | <u>Effective Cost Rate</u> | <u>Annualized Cost</u> | <u>Composit e Cost Rate</u> |
|--------------------------------|-------------------------------|------------------------------------|----------------------------|-------------------------------------|
| Medium-Term Notes | | | | |
| 7.375% Due 2025 | \$ 50,000,000 | 7.52% | \$ 3,759,438 | |
| 3.95% Due 2027 | 100,000,000 | 4.15% | 4,151,632 | |
| 4.75% Due 2028 | 125,000,000 | 4.97% | 6,207,024 | |
| 2.95% Due 2031 | 50,000,000 | 3.06% | 1,531,929 | |
| 5.5% Due 2026 | 150,000,000 | 5.80% | 8,694,275 | |
| <hr/> | | | | |
| Total Medium-Term Notes | \$ 475,000,000 | | \$ 24,344,298 | 5.13% |
| Committed Line of Credit Fee | | | 755,326 | |
| <hr/> | | | | |
| Total Long-Term Debt | \$ 475,000,000 | | \$ 25,099,624 | 5.28% |
| | | | | |
| LTD | \$ 475,000,000 | 41% | | |
| STD | - | | | |
| Common Equity | 686,423,951 | 59% | | |
| Total | \$ 1,161,423,951 | | | |

DSIC Eligible Plant Spend - Additions

| Plant Account | 9/30/2024 | 10/31/2024 | 11/30/2024 | 12/31/2024 | 1/31/2025 | 2/28/2025 | 3/31/2025 | 4/30/2025 | 5/31/2025 | 6/30/2025 | 7/31/2025 | 8/31/2025 | Total |
|-----------------------------------|-------------|---------------------|---------------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|--------------|---------------------|
| Transmission lines 367 | \$ - | \$ 704,932 | \$ 5,601 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 710,533 |
| M&R Station Equipment - Trans 369 | \$ - | \$ 7,210 | \$ 4,700 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 11,910 |
| Structures and Improvements 375 | \$ - | \$ 1,385 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 1,385 |
| Distribution lines 376 | \$ - | \$ 2,197,103 | \$ 981,746 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 3,178,849 |
| M&R Station Equipment - Dist 378 | \$ - | \$ 306,822 | \$ 235,468 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 542,290 |
| Services 380 | \$ - | \$ - | \$ 77,312 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 77,312 |
| Meters 381 | \$ - | \$ - | \$ 270 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 270 |
| House Regulator 384 | \$ - | \$ - | \$ 100 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 100 |
| M&R Station Equipment - Ind 385 | \$ - | \$ - | \$ 639 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 639 |
| Total | \$ - | \$ 3,217,453 | \$ 1,305,835 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ 4,523,288 |
| Accumulated Total | \$ - | \$ 3,217,453 | \$ 4,523,288 | \$ 4,523,288 | \$ 4,523,288 | \$ 4,523,288 | \$ 4,523,288 | \$ 4,523,288 | \$ 4,523,288 | \$ 4,523,288 | \$ 4,523,288 | \$ 4,523,288 | |

| Depreciation Expense | Annual Rate | Annual Depreciation | Quarterly Depreciation | Avg Rate |
|------------------------------------|-------------|---------------------|------------------------|---------------|
| Transmission lines 367 | 1.50% | \$ 10,574 | \$ 84 | 2,664 |
| M&R Station Equipment - Trans 369 | 1.84% | \$ 133 | \$ 86 | 55 |
| Structures and Improvements 375 | 3.40% | \$ 47 | \$ - | 12 |
| Distribution lines 376 | 1.70% | \$ 37,351 | \$ 16,690 | 13,510 |
| M&R Station Equipment - Dist 378 | 2.65% | \$ 8,131 | \$ 6,240 | 3,593 |
| Services 380 | 2.03% | \$ - | \$ 1,569 | 392 |
| Meters 381 | 2.84% | \$ - | \$ 8 | 2 |
| House Regulator 384 | 1.64% | \$ - | \$ 2 | 0 |
| M&R Station Equipment - Ind 385 | 1.72% | \$ - | \$ 11 | 3 |
| Monthly Total | | \$ 56,235 | \$ 24,690 | 80,925 |
| Quarterly Accumulated Total | | | \$ 20,231 | 1.79% |

Note: Per Order in Docket # P-2022- 3034957 Initial Annual Depreciation expense is equal to 1/4 annual total
 Each subsequent quarter, the additional 1/4 expense will be added to the previous quarter's accumulated total

| Total ADIT | | | | | | |
|--------------|----------------------------|-------------------|--------------------|--------------------|--------------------|--------------------|
| | DSIC YR 1 (9.24 - 8.25) | DSIC YR 2 | DSIC YR 3 | DSIC YR 4 | DSIC YR 5 | DSIC YR 6 |
| DSIC YR 1 | (\$27,037) | (\$99,579) | (\$164,525) | (\$222,516) | (\$274,089) | (\$319,763) |
| DSIC YR 2 | | \$0 | \$0 | \$0 | \$0 | \$0 |
| DSIC YR 3 | | | \$0 | \$0 | \$0 | \$0 |
| DSIC YR 4 | | | | \$0 | \$0 | \$0 |
| DSIC YR 5 | | | | | \$0 | \$0 |
| DSIC YR 6 | | | | | | \$0 |
| Total | (\$27,037) | (\$99,579) | (\$164,525) | (\$222,516) | (\$274,089) | (\$319,763) |

STFT Calculation

| | |
|------------------------------|------------------|
| QTRLY Book vs Tax Difference | (\$24,395) |
| State Tax FT Rate | 6.71% |
| | <u>(\$1,636)</u> |
| Gross Up | 138.33% |
| State Tax Benefit | <u>(\$2,263)</u> |

(1)

| Tax Depreciation | | | | | | |
|------------------|----------------------------|------------|------------|------------|------------|------------|
| | DSIC YR 1 (9.24 - 8.25) | DSIC YR 2 | DSIC YR 3 | DSIC YR 4 | DSIC YR 5 | DSIC YR 6 |
| | \$ 4,523,288 | \$ - | \$ - | \$ - | \$ - | \$0 |
| | 178,505 | | | | | |
| | 342,743 | | | | | |
| | 315,328 | | | | | |
| | 290,225 | | | | | |
| | 267,063 | | | | | |
| | 245,770 | | | | | |
| | 228,289 | | | | | |
| | 214,334 | | | | | |
| | 212,118 | | | | | |
| | 212,008 | | | | | |
| | 212,118 | | | | | |
| | 212,008 | | | | | |
| | 212,118 | | | | | |
| | 212,008 | | | | | |
| | 212,118 | | | | | |
| | 191,048 | | | | | |
| | 170,125 | | | | | |
| | 170,087 | | | | | |
| | 170,125 | | | | | |
| | 170,087 | | | | | |
| | 85,063 | | | | | |
| Total | \$4,523,288 | \$0 | \$0 | \$0 | \$0 | \$0 |

See MACRS Tax Depreciation Schedule 4

(2)

| Book Depreciation | | | | | | |
|-------------------|----------------------------|-----------|-----------|-----------|-----------|-----------|
| | DSIC YR 1 (9.24 - 8.25) | DSIC YR 2 | DSIC YR 3 | DSIC YR 4 | DSIC YR 5 | DSIC YR 6 |
| | \$4,523,288 | - | - | - | - | - |
| Year 1 | \$80,925 | - | - | - | - | - |
| Year 2 | \$80,925 | - | - | - | - | - |
| Year 3 | \$80,925 | - | - | - | - | - |
| Year 4 | \$80,925 | - | - | - | - | - |
| Year 5 | \$80,925 | - | - | - | - | - |
| Year 6 | \$80,925 | - | - | - | - | - |
| Year 7 | \$80,925 | - | - | - | - | - |
| Year 8 | \$80,925 | - | - | - | - | - |
| Year 9 | \$80,925 | - | - | - | - | - |
| Year 10 | \$80,925 | - | - | - | - | - |
| Year 11 | \$80,925 | - | - | - | - | - |
| Year 12 | \$80,925 | - | - | - | - | - |
| Year 13 | \$80,925 | - | - | - | - | - |
| Year 14 | \$80,925 | - | - | - | - | - |
| Year 15 | \$80,925 | - | - | - | - | - |
| Year 16 | \$80,925 | - | - | - | - | - |
| Year 17 | \$80,925 | - | - | - | - | - |
| Year 18 | \$80,925 | - | - | - | - | - |
| Year 19 | \$80,925 | - | - | - | - | - |
| Year 20 | \$80,925 | - | - | - | - | - |
| Year 21 | \$80,925 | - | - | - | - | - |

See Depreciation Expense Schedule 2

(3) = (2) - (1)

| Book vs. Tax Difference | | | | | | |
|-------------------------|---------------|-----------|-----------|-----------|-----------|-----------|
| | DSIC YR 1 | DSIC YR 2 | DSIC YR 3 | DSIC YR 4 | DSIC YR 5 | DSIC YR 6 |
| | (9.24 - 8.25) | | | | | |
| Year 1 | (\$97,580) | - | - | - | - | - |
| Year 2 | (\$261,818) | - | - | - | - | - |
| Year 3 | (\$234,403) | - | - | - | - | - |
| Year 4 | (\$209,300) | - | - | - | - | - |
| Year 5 | (\$186,138) | - | - | - | - | - |
| Year 6 | (\$164,845) | - | - | - | - | - |
| Year 7 | (\$147,364) | - | - | - | - | - |
| Year 8 | (\$133,409) | - | - | - | - | - |
| Year 9 | (\$131,193) | - | - | - | - | - |
| Year 10 | (\$131,083) | - | - | - | - | - |
| Year 11 | (\$131,193) | - | - | - | - | - |
| Year 12 | (\$131,083) | - | - | - | - | - |
| Year 13 | (\$131,193) | - | - | - | - | - |
| Year 14 | (\$131,083) | - | - | - | - | - |
| Year 15 | (\$131,193) | - | - | - | - | - |
| Year 16 | (\$110,123) | - | - | - | - | - |
| Year 17 | (\$89,200) | - | - | - | - | - |
| Year 18 | (\$89,162) | - | - | - | - | - |
| Year 19 | (\$89,200) | - | - | - | - | - |
| Year 20 | (\$89,162) | - | - | - | - | - |
| Year 21 | (\$4,137) | - | - | - | - | - |

(4) = (3) * Cost of Capital Schedule 1

| Deferred Income Taxes | | | | | | |
|-----------------------|---------------|-----------|-----------|-----------|-----------|-----------|
| | DSIC YR 1 | DSIC YR 2 | DSIC YR 3 | DSIC YR 4 | DSIC YR 5 | DSIC YR 6 |
| | (9.24 - 8.25) | | | | | |
| Year 1 | (\$27,037) | - | - | - | - | - |
| Year 2 | (\$72,542) | - | - | - | - | - |
| Year 3 | (\$64,946) | - | - | - | - | - |
| Year 4 | (\$57,991) | - | - | - | - | - |
| Year 5 | (\$51,573) | - | - | - | - | - |
| Year 6 | (\$45,674) | - | - | - | - | - |
| Year 7 | (\$40,830) | - | - | - | - | - |
| Year 8 | (\$36,964) | - | - | - | - | - |
| Year 9 | (\$36,350) | - | - | - | - | - |
| Year 10 | (\$36,319) | - | - | - | - | - |
| Year 11 | (\$36,350) | - | - | - | - | - |
| Year 12 | (\$36,319) | - | - | - | - | - |
| Year 13 | (\$36,350) | - | - | - | - | - |
| Year 14 | (\$36,319) | - | - | - | - | - |
| Year 15 | (\$36,350) | - | - | - | - | - |
| Year 16 | (\$30,512) | - | - | - | - | - |
| Year 17 | (\$24,715) | - | - | - | - | - |
| Year 18 | (\$24,704) | - | - | - | - | - |
| Year 19 | (\$24,715) | - | - | - | - | - |
| Year 20 | (\$24,704) | - | - | - | - | - |
| Year 21 | (\$1,146) | - | - | - | - | - |

(5) = (4) Accumulative

| ADIT | | | | | | |
|---------|---------------|-----------|-----------|-----------|-----------|-----------|
| | DSIC YR 1 | DSIC YR 2 | DSIC YR 3 | DSIC YR 4 | DSIC YR 5 | DSIC YR 6 |
| | (9.24 - 8.25) | | | | | |
| Year 1 | (\$27,037) | - | - | - | - | - |
| Year 2 | (\$99,579) | - | - | - | - | - |
| Year 3 | (\$164,525) | - | - | - | - | - |
| Year 4 | (\$222,516) | - | - | - | - | - |
| Year 5 | (\$274,089) | - | - | - | - | - |
| Year 6 | (\$319,763) | - | - | - | - | - |
| Year 7 | (\$360,593) | - | - | - | - | - |
| Year 8 | (\$397,557) | - | - | - | - | - |
| Year 9 | (\$433,907) | - | - | - | - | - |
| Year 10 | (\$470,226) | - | - | - | - | - |
| Year 11 | (\$506,576) | - | - | - | - | - |
| Year 12 | (\$542,895) | - | - | - | - | - |
| Year 13 | (\$579,245) | - | - | - | - | - |
| Year 14 | (\$615,564) | - | - | - | - | - |
| Year 15 | (\$651,914) | - | - | - | - | - |
| Year 16 | (\$682,426) | - | - | - | - | - |
| Year 17 | (\$707,141) | - | - | - | - | - |
| Year 18 | (\$731,845) | - | - | - | - | - |
| Year 19 | (\$756,559) | - | - | - | - | - |
| Year 20 | (\$781,264) | - | - | - | - | - |
| Year 21 | (\$782,410) | - | - | - | - | - |

National Fuel Gas Distribution Corporation
 Pennsylvania Division
 DSIC Computation - Quarterly Update
 MACRS DEPRECIATION

Schedule 4

| | Plant Account | MACRS | DISC YR 1 Eligible Property |
|-------------------------------|---------------|--------|--------------------------------|
| Transmission lines | 367 | 15 yrs | \$ 710,533 |
| M&R Station Equipment - Trans | 369 | 20 yrs | \$ 11,910 |
| Structures and Improvements | 375 | 20 yrs | \$ 1,385 |
| Distribution lines | 376 | 20 yrs | \$ 3,178,849 |
| M&R Station Equipment - Dist | 378 | 20 yrs | \$ 542,290 |
| Services | 380 | 20 yrs | \$ 77,312 |
| Meters | 381 | 20 yrs | \$ 270 |
| House Regulator | 384 | 20 yrs | \$ 100 |
| M&R Station Equipment - Ind | 385 | 20 yrs | \$ 639 |
| | | | <u>\$ 4,523,288</u> |

| YEAR | 15 YR | Transmission Property | 20 YR | Distribution Property | DSIC YR 1 Total Depreciation |
|------|-------|--------------------------|--------|--------------------------|------------------------------------|
| 1 | 5.00% | 35,527 | 3.750% | 142,978 | 178,505 |
| 2 | 9.50% | 67,501 | 7.219% | 275,243 | 342,743 |
| 3 | 8.55% | 60,751 | 6.677% | 254,578 | 315,328 |
| 4 | 7.70% | 54,711 | 6.177% | 235,514 | 290,225 |
| 5 | 6.93% | 49,240 | 5.713% | 217,823 | 267,063 |
| 6 | 6.23% | 44,266 | 5.285% | 201,504 | 245,770 |
| 7 | 5.90% | 41,921 | 4.888% | 186,367 | 228,289 |
| 8 | 5.90% | 41,921 | 4.522% | 172,413 | 214,334 |
| 9 | 5.91% | 41,992 | 4.462% | 170,125 | 212,118 |
| 10 | 5.90% | 41,921 | 4.461% | 170,087 | 212,008 |
| 11 | 5.91% | 41,992 | 4.462% | 170,125 | 212,118 |
| 12 | 5.90% | 41,921 | 4.461% | 170,087 | 212,008 |
| 13 | 5.91% | 41,992 | 4.462% | 170,125 | 212,118 |
| 14 | 5.90% | 41,921 | 4.461% | 170,087 | 212,008 |
| 15 | 5.91% | 41,992 | 4.462% | 170,125 | 212,118 |
| 16 | 2.95% | 20,961 | 4.461% | 170,087 | 191,048 |
| 17 | | | 4.462% | 170,125 | 170,125 |
| 18 | | | 4.461% | 170,087 | 170,087 |
| 19 | | | 4.462% | 170,125 | 170,125 |
| 20 | | | 4.461% | 170,087 | 170,087 |
| 21 | | | 2.231% | 85,063 | 85,063 |
| | | | | | <u>4,523,288</u> |

Verification

I, Donald N. Koch, Assistant Manager of the Rates and Regulatory Affairs Department of National Fuel Gas Distribution Corporation (“Company”) state that the facts set forth in the foregoing Distribution System Improvement Charge Compliance Tariff Supplement filing are true and correct to the best of my knowledge, information and belief, and that I expect to be able to prove the same at a hearing held in this matter. Specifically, the Company has exceeded its Plant in Service target of \$781,263,000 as set forth in Rate Case Settlement ¶ 28(b) at the in-service closing date of September 30, 2024. This statement is made subject to the penalties of 18 Pa. C.S. § 4904 relating to unsworn falsifications to authorities.

Donald N. Koch

Donald N. Koch, Assistant Manager

This 20th day of December, 2024

National Fuel Gas Distribution Corporation
 Pennsylvania Division
 Initial DSIC
 Plant in Service Support

| Account | | 8/31/2023 | 9/30/2023 | 10/31/2023 | 11/30/2023 | 12/31/2023 | 1/31/2024 | 2/29/2024 | 3/31/2024 | 4/30/2024 | 5/31/2024 | 6/30/2024 | 7/31/2024 | 8/31/2024 | 9/30/2024 |
|---------|---------------------------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|----------------|
| 101001 | Gas Plant in Service-Intangible | \$ 24,706,830 | \$ 24,706,830 | \$ 24,706,830 | \$ 24,706,830 | \$ 24,706,830 | \$ 24,707,665 | \$ 24,446,857 | \$ 24,446,857 | \$ 24,446,857 | \$ 24,446,857 | \$ 24,446,857 | \$ 24,446,857 | \$ 24,446,857 | \$ 24,446,857 |
| 101002 | Gas Plant n Service-Production | \$ 3,580,178 | \$ 3,579,349 | \$ 3,556,665 | \$ 3,543,385 | \$ 3,559,206 | \$ 3,543,385 | \$ 3,543,385 | \$ 3,568,597 | \$ 3,542,389 | \$ 3,542,389 | \$ 3,569,526 | \$ 3,544,314 | \$ 3,544,314 | \$ 3,563,758 |
| 101004 | Gas Plant in Service - Trans | \$ 68,628,050 | \$ 69,317,125 | \$ 68,653,035 | \$ 68,652,786 | \$ 69,972,712 | \$ 68,662,164 | \$ 68,658,055 | \$ 70,028,954 | \$ 69,355,103 | \$ 69,653,214 | \$ 70,042,552 | \$ 69,661,402 | \$ 69,317,646 | \$ 74,459,505 |
| 101005 | Gas Plant Service-Distribution | \$ 590,892,289 | \$ 608,473,429 | \$ 595,106,499 | \$ 596,595,167 | \$ 617,593,452 | \$ 607,678,260 | \$ 609,058,681 | \$ 621,609,336 | \$ 614,430,937 | \$ 616,568,217 | \$ 627,361,284 | \$ 621,053,315 | \$ 623,666,198 | \$ 645,145,147 |
| 101006 | Gas Plant in Service - General | \$ 32,919,940 | \$ 31,957,124 | \$ 32,821,548 | \$ 33,296,001 | \$ 33,300,865 | \$ 33,814,241 | \$ 34,852,879 | \$ 34,809,131 | \$ 36,396,705 | \$ 37,405,106 | \$ 38,250,281 | \$ 37,695,853 | \$ 38,039,742 | \$ 37,568,115 |
| | Sub Total | \$ 720,727,287 | \$ 738,033,856 | \$ 724,844,577 | \$ 726,794,168 | \$ 749,133,065 | \$ 738,405,713 | \$ 740,559,857 | \$ 754,462,875 | \$ 748,171,991 | \$ 751,615,783 | \$ 763,670,501 | \$ 756,401,741 | \$ 759,014,758 | \$ 785,183,381 |
| | CCNC | \$ 9,181,938 | \$ 21,834,871 | \$ 22,791,065 | \$ 24,125,254 | \$ 14,682,243 | \$ 14,424,256 | \$ 14,341,006 | \$ 10,690,955 | \$ 11,119,767 | \$ 10,867,320 | \$ 11,564,712 | \$ 9,873,259 | \$ 19,277,801 | \$ 11,966,655 |
| | Total | \$ 729,909,225 | \$ 759,868,726 | \$ 747,635,641 | \$ 750,919,422 | \$ 763,815,308 | \$ 752,829,970 | \$ 754,900,863 | \$ 765,153,830 | \$ 759,291,758 | \$ 762,483,103 | \$ 775,235,213 | \$ 766,275,000 | \$ 778,292,559 | \$ 797,150,036 |

Note: NFGDC's Plant in Service projections contained an estimate of Construction Completed Not yet Classified ("CCNC") in its rate case projections. Those balances are included as a subset of its Construction Work in Progress ("CWIP") balance in gl Account 107000