



COMMONWEALTH OF PENNSYLVANIA  
PENNSYLVANIA PUBLIC UTILITY COMMISSION  
COMMONWEALTH KEYSTONE BUILDING  
400 NORTH STREET  
HARRISBURG, PENNSYLVANIA 17120  
March 3, 2026

Docket No. G-2018-3002838  
Utility Code: 121850

JAMES BAETZOLD ASSOCIATE GENERAL COUNSEL  
NATIONAL FUEL GAS DISTRIBUTION CORP  
6363 MAIN ST  
WILLIAMSVILLE NY 14221

Re: Amended Affiliated Interest Agreement – National Fuel Gas Distribution Corporation – Service Agreement with National Fuel Gas Company and Subsidiary Companies

Dear Mr. Baetzhold:

On September 29, 2025, National Fuel Gas Distribution Corporation (NFG Distribution) filed with the Pennsylvania Public Utility Commission (Commission), pursuant to 66 Pa. C.S. §§ 2102, *et seq.*, the above-referenced Amendment to its Affiliated Interest Agreement (Agreement or AIA). By Secretarial Letter dated October 22, 2025, the Commission extended the statutory consideration period for this Agreement until further action of the Commission.

NFG Distribution's currently existing Service Agreement was approved by the Commission on September 21, 2018. NFG Distribution is seeking the Commission's approval to make two changes to the Service Agreement, first, an update to the Service Agreement to include a description of permitted transfers of assets, and second, a revision of the Service Agreement to add details and terms consistent with National Fuel Gas Company's (National) Cost Assignment and Allocation Manual (Manual).

National is a New Jersey holding company that owns, directly or indirectly, voting securities of the subsidiary companies. NFG Distribution is the utility business segment of National and sells or transports natural gas to consumers through a local distribution system located in western New York and northwestern Pennsylvania.

The proposed Amendment includes a description of permitted transfers of assets in the Service Agreement to include a provision for emergency and non-emergency transfers of assets between affiliates, where the amount of consideration involved is not in excess of \$10,000. The proposed Amendment also: amends the AIA's Service Agreement by replacing the description of services found in Exhibit B with the description found in Section II of the Manual; adds a new Exhibit C, entitled Other Allocation Methods, which sets forth factors and methodologies used for the allocation of indirect costs; expands the terms governing assigned costs, billing practices,

and addresses convenience payments; and provides that the Company shall refile the Agreement with the Commission when subsidiaries are added as parties.

This Agreement will continue indefinitely, unless earlier terminated in whole or part by the parties per the relevant sections of the Agreement. Any party may terminate their respective interest by providing ninety (90) days' written notice of such termination to the other parties.

Upon review of the filing, it does not appear that this Agreement is unreasonable or contrary to the public interest. Therefore, this filing is hereby approved. This approval will apply only to the agreement, services, matters, and parties specifically and clearly defined under this instant proceeding as well as under any associated and previously filed filings. However, approval of this filing does not constitute a determination that the associated costs or expenses are reasonable or prudent for the purpose of determining just and reasonable rates. Furthermore, the Commission's approval is contingent upon the possibility that subsequent audits, reviews and inquiries in any Commission proceeding may be conducted, pursuant to 66 Pa. C.S. §§ 2102-2107.

Sincerely,

A handwritten signature in cursive script that reads "Matthew L. Homsher". The signature is written in black ink and is positioned above the printed name and title.

Matthew L. Homsher  
Secretary