

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 07-G-0141- Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of National Fuel Gas Distribution Corporation for Gas Service - Remand.

NOTICE OF FILING DEADLINES ON REMAND

(Issued May 14, 2013)

By an Order Establishing Rates for Gas Service, issued December 21, 2007 (2007 Rate Order), the Commission established rates for National Fuel Gas Distribution Corporation (National Fuel or the Company). In that Order, the Commission imputed some \$3.7 million (net of tax) in insurance proceeds and used this imputed amount to reduce deferred Site Investigation Remediation (SIR) costs in rate base.¹ That imputation was subsequently reversed by the New York State courts.² In response to staff interrogatories in Case 13-G-0136,³ the Company has quantified the additional annual revenue requirement due to National Fuel from the reversal of the Commission's rate base adjustment at approximately \$401,175. This amount provides the required return on the increase to rate base at the authorized overall rate of return established in the 2007 Order.

The recovery of the deferred amounts owed the Company as a result of the New York State court litigation will be done in this remand phase of the above-captioned case. This phase will identify what additional amounts should be booked in the

¹ 2007 Rate Order, Appendix 1, pg 7 of 8.

² Matter of National Fuel Gas Distribution Corp. v. Public Service Commission of the State of New York, 71 A.D.3d 62, 67 (3d Dept 2009), affirmed, 16 N.Y.2d 360, 371 (2011).

³ Case 13-G-0136, National Fuel - Rates, Order Instituting Proceeding and to Show Cause (issued April 19, 2013)(2013 Instituting Order).

deferred SIR regulatory asset as a result of the New York State Court decisions, and determine the additional carrying charges that will accrue currently and until the Commission recognizes these deferred amounts in the Company's rate base. The order in this remand portion of the case will implement the above-described deferral, following the conclusion of the opportunity to file comments pursuant to provisions of the New York State Administrative Procedure Act (SAPA).

To further this process, the Company should supply, within thirty days of this notice, supporting information, including proposed journal entries, for recording the deferral, the concomitant increase in rate base and the booking of carrying charges in amounts to be identified by National Fuel. Thereafter, any person desiring to comment on National Fuel's filing pursuant to SAPA should do so within the later of sixty days after this notice or the deadline for comments in the applicable SAPA notice.

Any filing may be submitted electronically by e-filing through the Department's Document Matter and Management System (DMM)⁴ or to the Secretary at Secretary@dps.ny.gov. Those unable to submit electronically may mail or deliver their comments to the Hon. Jeffrey C. Cohen, Acting Secretary, Three Empire State Plaza, Albany, New York 12223-1350. All comments submitted to the Secretary will be posted on the Commission's website and become part of the official case record.

(SIGNED)

JEFFREY C. COHEN
Acting Secretary

⁴ Why Register with DMM, http://www.dps.ny.gov/DMM_Registration.html
How to Register with DMM, <http://www.dps.ny.gov/e-file/registraion.html>