

STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

CASE 23-G-0627 - Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of National Fuel Gas Distribution Corporation for Gas Service.

NOTICE OF JOINT PROPOSAL AND SOLICITING PUBLIC COMMENT

(Issued September 20, 2024)

PLEASE TAKE NOTICE that comments are sought concerning a Joint Proposal filed in the above-captioned proceeding on September 9, 2024. The Joint Proposal would establish a new rate plan for National Fuel Gas Distribution Corporation (NFG or the Company) for three years beginning October 1, 2024, with Rate Year 1 (RY1), Rate Year 2 (RY2), and Rate Year 3 (RY3) defined as the 12 months ending September 30, 2025, September 30, 2026, and September 30, 2027, respectively. The signatories to the Joint Proposal are NFG, trial staff of the Department of Public Service, Multiple Intervenors, the International Brotherhood of Electrical Workers (IBEW) Local Union 2199, and IBEW Local Union 2154.

The Joint Proposal would provide for increases in revenues for the Company's gas delivery services. As levelized to moderate impacts on customers, the RY1 increase would be approximately \$37.1 million (4.42% increase in total revenues), the RY2 increase would be approximately \$35.7 million (4.42% increase in total revenues), and the RY3 increase would be approximately \$36.4 million (4.42% increase in total revenues). The actual bill impacts of the proposed changes would vary based on revenue allocation and rate design.

The proposed revenue requirements reflect a common equity ratio of 48% for the Company, and a return on equity of

9.70%. The Joint Proposal includes earnings sharing mechanisms by which customers would share annual earnings that exceed 10.20%. Among other things, the Joint Proposal also continues the Company's Energy Affordability Program, modifies the Company's Economic Development Programs, and includes various provisions intended to further the objectives of the Climate Leadership and Community Protection Act.

The full text of the Joint Proposal, a summary of its key provisions (prepared by NFG), and other filings in this proceeding may be reviewed online at the Department of Public Service web page by going to www.dps.ny.gov, clicking on "File Search" (located under the heading "Commission Files") and entering "23-G-0627" in the "Search by Case Number" field.

The Public Service Commission (Commission) may adopt, adopt with changes, or reject, in whole or in part, any of the terms proposed in the Joint Proposal. The Commission may also adopt terms other than those proposed.

Comments on the Joint Proposal are requested by November 6, 2024. Comments should refer to "Case 23-G-0627 (NFG gas rates)."

Internet or Mail: Go to www.dps.ny.gov, click on "File Search" (located under the heading "Commission Files"), enter "23-G-0627" in the box labelled "Search by Case Number," and then click on "Post Comments" located at the top right of the page.

Alternatively, comments may be mailed to the Hon. Michelle L. Phillips, Secretary, Public Service Commission, Three Empire State Plaza, Albany, New York 12223-1350. All written comments will become part of the record considered by the Commission and may be accessed on the Department of Public Service website by searching the case number, as described above, and clicking on the "Public Comments" tab.

Toll-Free Opinion Line: Individuals may choose to submit comments by calling the Commission's Opinion Line at 1-800-335-2120. This number is set up to receive in-State calls 24-hours a day. These calls are not transcribed verbatim, but a summary is provided to the Commission.

(SIGNED)

MICHELLE L. PHILLIPS
Secretary