

which explains the requested decrease and the reasons for it. A copy of this material is kept at each of National Fuel's Consumer Assistance Centers. Upon request, the Company will send you the statement of reasons for Tariff Gas Pa. P.U.C. No. 9, explaining why the rate decrease has been requested.

The state agency which approves rates for public utilities is the PUC. The PUC will examine the requested rate decrease and can prevent existing rates from changing until it investigates and/or holds hearings on the request. The Company must prove that the requested rates are reasonable. After examining the evidence, the PUC may grant all, some, or none of the request or may reduce existing rates.

The PUC may change the amount of the rate increase or decrease requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate requested by the Company and shown above.

There are three ways to challenge a Company's request to change its rates:

1. You can file a formal complaint. If you want a hearing before a judge, you must file a formal complaint. By filing a formal complaint, you assure yourself the opportunity to take part in hearings about the rate decrease request. All complaints should be filed with the PUC as soon as possible. If no formal complaints are filed, the Commission may grant all, some or none of the request without holding a hearing before a judge.

2. You can send the PUC a letter telling why you object to the requested rate decrease. Sometimes there is information in these letters that makes the PUC aware of problems with the Company's service or management. This information can be helpful when the PUC investigates the rate request.

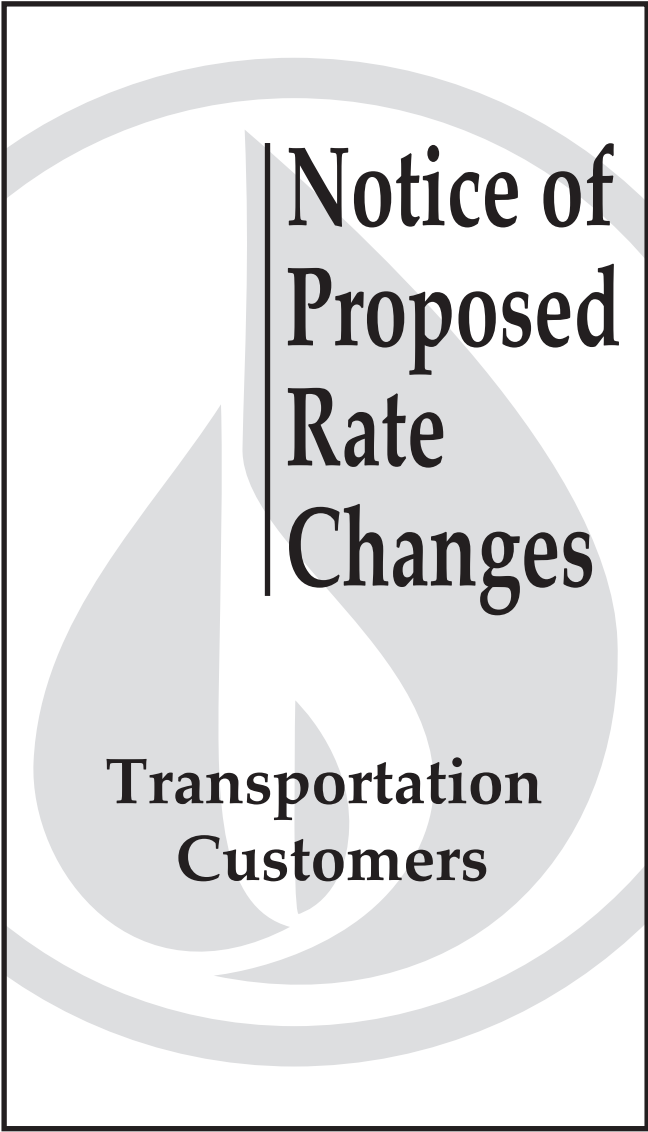
Send your letter or request for a formal complaint form to the Pennsylvania Public Utility Commission, Post Office Box 3265, Harrisburg, PA 17105-3265.

3. You can be a witness at a public input hearing. Public input hearings are held if the Commission opens an investigation of the Company's rate decrease request and if there is a large number of customers interested in the case. At these hearings you have the opportunity to present your views in person to the PUC judge hearing the case and the Company representatives. All testimony given "under oath" becomes part of the official rate case record. These hearings are held in the service area of the Company.

For more information call the PUC at 1-800-782-1110. You may leave your name and address so you can be notified of any public input hearings that may be scheduled in this case.

*To request this brochure in Spanish please call 1-800-365-3234.
Por favor llame al 1-800-365-3234 para pedir este folleto en español.*

TRANS-202001PA



Notice of Proposed Rate Changes

Transportation Customers

National Fuel Proposes Decrease in Transportation Rates

Dear Customer:

Each January, National Fuel is required by law to file a forecast with the Pennsylvania Public Utility Commission (PUC) of the projected gas cost rates for August 1st through July 31st of the next year. This filing will be reviewed by the PUC over the next several months. If you are a Monthly Metered Transportation Service (MMT) customer, a portion of your transportation rate is related to gas costs (storage and pipeline capacity) and may be impacted by this filing. If you are a Daily Metered Transportation Service (DMT) customer, your transportation rate does not include storage or pipeline capacity-related gas costs.

This notice outlines the projected change to gas costs related to transportation service rates for the period August 1, 2021 through July 31, 2022. At this time, the company is proposing a decrease in the gas cost component of the MMT rate. The final gas cost component of the MMT rate will be determined during the course of the proceeding. The final gas cost component of the MMT rate may result in an increase or decrease depending on the Commission's final order in this proceeding, expected in July 2021. The filing also contains information, and may propose changes to, other provisions or rates related to gas costs that may impact transportation service customers (I.E. Standby Service, Priority Standby Service, overdelivery charges, the retainage rate for line loss, etc.).



National Fuel®

Notice of Proposed Rate Changes

To Our Customers:

National Fuel Gas Distribution Corporation ("National Fuel" or the "Company") is filing a request with the Pennsylvania Public Utility Commission (PUC) to change rates for recovery of purchased gas costs as of August 1, 2021. The Company is proposing to decrease the purchased gas component of your rates from \$0.032 per Ccf to \$0.031 per Ccf for natural gas monthly metered transportation service. While the Company is proposing to decrease your transportation service rates, other parties in the case may also propose either increases or decreases to your rates. The Company also proposes no change in the retainage (shrinkage) rates that it currently charges transportation customers. Other parties in the case may propose either increases or decreases in the retainage rate. The appropriate level of purchased gas costs to initially be included in transportation rates as well as the appropriate level of retainage to charge transportation customers for the 12 months ended July 31, 2022 will be determined in this rate proceeding. This notice describes the Company's rate request, the PUC's role, and what actions you can take to challenge the Company's proposal.

The Company has requested an overall decrease of \$110,728 per year for monthly metered transportation service. If the Company's entire request is approved, the total bill for transportation service for a large volume industrial monthly metered transportation customer using 898,000 Ccf annually would decrease from \$9,478.08 to \$9,403.51 per month, a decrease of 0.79%.

The total bill for transportation service for a monthly metered intermediate volume industrial customer using 104,000 Ccf annually would decrease from \$1,432.74 to \$1,424.11 per month, a decrease of 0.60%.

The total bill for transportation service for a monthly metered large commercial/public authority customer using 22,000 Ccf annually would decrease from \$450.56 to \$448.74 per month, a decrease of 0.41%.

Pursuant to the PUC's regulations, the Company makes quarterly filings 3 months, 6 months, 9 months, and 12 months after the effective date of this proposed change (August 1, 2021). Each quarterly filing contains a recalculated rate based on actual gas costs and sales for a three-month period ended one month prior to the filing date. If the recalculated rate is more than 2% different from the rate effective at that time and a quarterly filing is made, the recalculated rate will become effective. Quarterly rate adjustments will be investigated by the PUC with the next annual filing.

To find out your customer class or how the requested decrease may affect your gas bill, contact National Fuel at 1-800-551-5991. The rates requested by the Company may be found in Tariff Gas Pa. P.U.C. No. 9. You may examine the material filed with the PUC