

Notice of Proposed Rate Increase

To Our Customers:

National Fuel Gas Distribution Corporation (National Fuel or Company) has filed a request with the Pennsylvania Public Utility Commission (PUC) to increase your gas transportation rates as of December 27, 2022. This notice describes the Company's rate request, the PUC's role, and what actions you can take.

National Fuel's Request

The Company has requested a base rate increase of \$3.5 million for transportation service. This filing also includes a request for approval of the following alternative rate mechanisms in accordance with 66 Pa. C.S. § 1330: 1) Weather Normalization Adjustment; and 2) Energy Efficiency ("EE") pilot program for an additional \$1.2 million per year to be recovered from residential customers through a separate rider. If the Company's request is approved, total bills will increase as follows:

- For a monthly metered large commercial/public authority transportation customer using 208 Mcf per month an increase from \$491.05 to \$582.85 per month, or by 18.7%.
- For a monthly metered intermediate volume industrial customer using 717 Ccf per month an increase from \$1,227.03 to \$1,412.04 per month, or by 15.1%.
- For a large volume industrial monthly metered transportation customer using 5,857 Ccf per month an increase from \$7,653.10 to \$8,742.25 per month, or by 14.2%

To find out your customer class or how the requested increase may affect your gas bill, contact National Fuel at 1-800-551-5991. The rates we requested are in Supplement No. 248 to Tariff Gas - Pa. P.U.C. No. 9. You may examine the material filed with the PUC, which explains the requested increase 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 a statement of reasons for Supplement No. 248 explaining why the Company requested the rate increase.

The PUC's Role

The state agency which approves rates for public utilities is the PUC. The PUC will examine the requested rate increase 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 requested by the utility for each customer class. As a result, the rate charged to you may be different than the rate the Company requested.

Actions You Can Take

There are three ways to challenge a requested rate change:

- 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 increase request. All complaints should be filed with the PUC before December 27, 2022 If no formal complaints are filed, the PUC 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 increase. 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 PUC opens an investigation of the Company's rate increase 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 are scheduled in this case.

National Fuel