



National Fuel®

NOTICE OF PROPOSED DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

To Our Customers:

National Fuel Gas Distribution Corporation (National Fuel or Company) has filed a request with the Pennsylvania Public Utility Commission (PUC) to implement a Distribution System Improvement Charge (DSIC) to recover reasonable costs incurred by the Company to accelerate the improvement and replacement of infrastructure that the Company uses to deliver natural gas to its customers. This notice describes the Company's request, the PUC's role, and what actions you can take.

A DSIC allows natural gas, electric, water and wastewater utilities to accelerate the replacement of aging facilities and infrastructure. DSIC charges can reduce the frequency and associated costs of base rate cases and include customer protections. DSIC charges are designed to provide customers with improved service quality, greater rate stability and greater system safety and reliability.

The state agency which approves rate changes requested by public utilities is the PUC. The PUC will examine the request and can hold the DSIC in abeyance until it investigates and/or holds hearings on the request. The Company must prove that the request is reasonable. After examining the evidence, the PUC may grant all, some, or none of the request. You may examine the material filed with the PUC, which explains the requested DSIC and the reasons for it.

The proposed effective date for the initial DSIC is October 1, 2024. The actual effective date for the DSIC will depend on when the DSIC is approved by the PUC and certain conditions are met by the Company.

(CONTINUED ON REVERSE SIDE)

If the PUC approves the DSIC, it must be updated on a quarterly basis to reflect eligible infrastructure and other DSIC eligible costs placed into service. The DSIC charge is limited to 5 percent of billed distribution revenues.

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

1. You can file a formal complaint which would allow you a hearing before a judge. 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 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 explaining why you object to the requested DSIC. Sometimes there is information in these letters that can be helpful when the PUC investigates the DSIC 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 DSIC request and if there are 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 Company representatives. All testimony given "under oath" becomes part of the official record. These hearings are held in the service area of the Company.

For more information, call the PUC at 1-800-692-7380. You may leave your name and address so you can be notified of any public input hearings that may be scheduled in this case.



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