



NOTICE OF DISTRIBUTION SYSTEM IMPROVEMENT CHARGE

To Our Customers:

On April 10, 2024, National Fuel Gas Distribution Corporation (National Fuel or Company) filed a request with the Pennsylvania Public Utility Commission (PUC) to Implement a Distribution System Improvement Charge (DSIC) to recover reasonable costs incurred for the Company to accelerate the improvement and replacement of infrastructure that the Company uses to deliver natural gas to its customers. The PUC approved the request and issued a final order on December 5, 2024 at Docket No. P-2022-3034957. This notice describes the approved DSIC.

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 rates and requests for public utilities is the PUC. The PUC will examine the request and can hold the request 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 approved DSIC and the reasons for it.

The effective date for the initial DSIC is January 1, 2025.

The DSIC 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.

For more information, call the PUC at 1-800-692-7380.