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NATIONAL FUEL'S 2018-19 WINTER HEATING SEASON FORECAST: SLIGHT UPTICK COMPARED TO LAST YEAR IF A "NORMAL" WINTER PATTERN RETURNS

And according to industry information, National Fuel is ranked the most affordable natural gas utility in NYS

(October 11, 2018) WILLIAMSVILLE, N.Y. – Depending on which weather source is deemed most reliable, the upcoming 2018-19 winter is predicted to feature either “teeth-chattering” cold or have milder-than-average temperatures with above-normal precipitation levels of rain and snow. The fluctuating weather forecast is a challenge for National Fuel Gas Distribution Company (referred to as “National Fuel” or the “Utility”) as it attempts to determine the average cost of keeping warm for its residential customers during the winter heating season. Without question, homes across Western New York will need to be heated regardless of which weather pattern does in fact arrive. With that in mind, National Fuel estimates that its customers will experience a slight uptick in their natural gas bill from last winter by approximately \$5.23 a month.

On average, residential heating customers should expect their five-month winter heating season bill, encompassing the months of November through March, to total \$585.84, provided the weather is more typical of a Western New York winter. In comparison, last winter's five-month tally was \$559.68 with weather that tracked pretty close to normal despite abnormal weather in December (12.8 percent colder-than-normal), February (15.3 percent warmer-than-normal) and March (7.6 percent colder-than-normal). Overall, the winter of 2017-18 was 1.5 percent colder-than-normal.

“While no customer likes to see increases in any of their bills, natural gas bills continue to remain historically low when compared to even 10 years ago when the average winter heating season bill was \$1,068.13,” said Karen L. Merkel, spokesperson for National Fuel.

Because of National Fuel's geographic proximity to pipeline capacity and local natural gas production of Marcellus and Utica shale and its prudent gas acquisition efforts, it is able to provide a distinct and unprecedented economic advantage over other utilities at the state level and across the country.

According to average customer billing information provided by the U.S. Energy Information Administration (EIA), National Fuel is ranked number one in the state for affordability, and fourth in the nation when compared against its peers.

“Marcellus and Utica Shale production is positively impacting the Utility's New York customers by keeping natural gas costs low while providing a reliable supply of domestic natural gas,” Merkel explained.

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Merkel continued, “Virtually 100 percent of the natural gas used currently by National Fuel’s customers is produced in the northeast, with more than 90 percent coming from neighboring states and transported to customers via interstate pipelines. The company’s careful gas procurement plan and geographic proximity to pipeline capacity and natural gas production provide an advantage to its customers.”

Nearly half of the natural gas that customers will use this winter was purchased during the summer months when the prices on the New York Mercantile Exchange ranged from \$2.66 to \$3.27. All of those summer natural gas purchases were sourced from Pennsylvania, Ohio, and West Virginia – all shale producing regions – generally selling at a discount of greater than \$.40 below the NYMEX summer prices, equivalent to an approximate average of \$2.50. The current winter NYMEX strip is trading at \$3.25. Natural gas commodity prices have been increasing in the past two years after record lows.

Throughout the winter season, it is important for natural gas customers to pay attention to outdoor gas meters as well as furnaces and associated vents. Snow, ice, and extremely cold temperatures can pose a variety of safety and performance issues for heating systems. Natural gas furnaces and fireplaces each have a vent pipe or flue that sends exhaust and gaseous byproducts outdoors through a chimney or pipe. Furnace exhaust vents can become easily clogged by debris, ice, or snow, causing the furnace to shut off or operate inefficiently. Blocked vents also can lead to a buildup of carbon monoxide gas inside a residence.

National Fuel does realize that there are customers who may need some help when it comes to heating costs. Numerous programs are available to help individuals who struggle to make their payments, and the Utility encourages its customers to contact a customer assistance representative to discuss their personal situation. For customers who want to have level, predictable monthly gas payments this winter, National Fuel suggests budget plan billing as a way to stabilize monthly heating bills. Information is available on the Utility’s website at www.nationalfuel.com.

The federally-funded **Home Energy Assistance Program (HEAP)** provides payment-challenged families and individuals with financial assistance on a first-come, first-served basis, based on income guidelines. HEAP will open across New York state in mid-November. Visit www.HEAPhelps.com or contact 1-877-443-2743 to check eligibility.

A quick call to customer service can provide information on the following programs: **Neighbor For Neighbor Heat Fund** is open year round and helps qualified customers, aged 55 years or older, or have a certified medical condition, or are disabled, or are currently receiving unemployment benefits or are a veteran, to prevent an energy emergency; a **Deferred Payment Agreement** allows the potential to negotiate a repayment plan in the event of a problem or special circumstance; **Special Protections** is applicable for households where all residents are aged 62 years or older, 18 years or younger, blind or disabled. Customer assistance is available each weekday from 7 a.m. to 6 p.m. by contacting 1-800-365-3234.

National Fuel Gas Distribution Corporation is the Utility segment of National Fuel Gas Company, a diversified energy company that is engaged in a number of natural gas-related activities. The Utility provides natural gas service to approximately 740,000 customers in Western New York and northwestern Pennsylvania.