

GENERAL SERVICE PROVISIONS (Continued)

30. REVENUE NORMALIZATION ADJUSTMENT

I. PROVISION FOR ADJUSTMENT

The monthly Distribution Charges billed under the Company's Rate Schedule Nos. 1, 1A, 2, 2A, 3 and 3A shall be subject to an adjustment which is called a Revenue Normalization Adjustment (RNA).

II. APPLICATION

A. The RNA shall be computed monthly and comprised of: (a) a "current factor", as determined in III. A. below, and (b) a "reconciliation factor", as determined in III. B. below. The RNA charge or credit shall be applied to monthly bills beginning with the billing month of December, 2005.

B. The RNA shall be combined with the Distribution Charge as appropriate by designated rate schedule and applied to customer bills. The Company shall furnish Commission Staff sufficient workpapers for the review and audit of the RNA.

III. COMPUTATION

A. Current Factor

The current factor, calculated to the nearest .01¢ per therm, shall be computed and filed monthly, by dividing the respective total amount allocated (as hereinafter defined) by the estimated total firm throughput for the applicable period by firm rate schedule.

The amount to be charged or credited to each customer shall be determined as follows:

1. Test year firm non-gas revenue shall be utilized from the latest base rate proceeding.
2. Such revenues shall be adjusted to reflect the change in the number of customers by rate class from test year levels (on a monthly basis).
3. The current System Charge from each rate schedule shall be multiplied by the net change in customers from the test year for each rate class to arrive at a customer growth adjustment to System Charge revenue for the test year.

ISSUED: September 1, 2005

EFFECTIVE: For meter readings on and after October 1, 2005

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4. Test year average use per customer (on a monthly basis) shall be multiplied by the net change in the number of customers from the test year to produce a change in therms. Such therms shall be multiplied by the weighted average Distribution Charge per therm for each rate class to develop a customer growth adjustment to Distribution Charge revenue for the test year.
5. Actual non-gas revenue collected on a monthly basis shall be compared to the restated test year non-gas revenues (calculated in 1-4 above) to establish the amount of the required revenue adjustment.
6. The required revenue adjustment determined in III.A.5.above shall be divided by the estimated firm throughput for the second succeeding month to develop a rate per therm adjustment to the Distribution Charge.
7. The amount of the adjustment factor for any rate schedule may not exceed 5¢ in any month. Any excess amount above the cap shall be collected in a subsequent month.

B. Reconciliation Factor

A reconciliation shall be computed monthly by comparing actual collections or credits with the calculated RNA amount and any applicable reconciling amount as filed. The calculated under-or-over collection shall be included in the RNA factor in the second succeeding month.

IV. FILING

The Company shall file monthly with the Commission a copy of the computation of the RNA current factors and/or reconciliation factors at least ten days prior to application on customers' bills.

ISSUED: September 1, 2005

EFFECTIVE: For meter readings on and after October 1, 2005

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