

GENERAL SERVICE PROVISION (continued)

21. GAS SUPPLY REALIGNMENT ADJUSTMENT

I. GAS SUPPLY REALIGNMENT ADJUSTMENT PROVISION

The monthly Distribution Charge billed under the Company's Rate Schedule Nos. 1, 1A, 2, 2A and 6, shall be subject to an adjustment which is called the Gas Supply Realignment Adjustment (GSRA).

II. APPLICATION

- A. The GSRA surcharge shall be comprised of (a) a current factor which shall be effective during the billing months of December through November each year, and (b) a reconciliation factor applicable to the previous twelve month determination period, which reconciles the amount of realignment costs recovered through the GSRA surcharge with the actual GSRA costs incurred.
- B. The GSRA surcharge, comprised of the sum of the current factor as determined in III.A.I. below and the reconciliation factor as determined in III.B. below, shall be applied to monthly bills.
- C. The GSRA surcharge shall be added to the Distribution Charge, as appropriate, by designated customer class and applied to customers' bills. The Company shall furnish Commission Staff sufficient workpapers for the review and audit of the GSRA surcharge.

ISSUED: April 27, 2009

Effective for meter readings on and after August 31, 2009

Adrian Chapman - Vice President, Operations, Regulatory Affairs & Energy Acquisition

GENERAL SERVICE PROVISIONS
(continued)

III. COMPUTATION

A. Current Factor

1. The current factor, calculated to the nearest .01¢ per therm, shall be computed each quarter for Rate Schedule Nos. 1 and 1A, i.e., Residential Service, and Rate Schedule Nos. 2, 2A and 6, i.e., Firm Service Other Than Residential, by dividing the respective total amount allocated (as hereinafter defined) by the applicable estimated therm sales and delivery volumes for the applicable rate schedules.

The amount to be recovered is computed as described below:

- (a) Projected GSRA costs shall be calculated by multiplying the D-Therms of pipeline capacity either assigned or opted for by suppliers on behalf of customers by schedule shifting from firm sales service rate schedules to firm delivery service rate schedules without utilizing capacity assignment under the Capacity Assignment Option, and which the Company has elected not to retain for continued use by firm sales customers, times the average embedded cost of capacity that the Company pays the pipeline, net of the revenues received through the sale of such released capacity. Such capacity costs, if released for sale, are excluded from the calculation of the Purchased Gas Charge (PGC) as provided for in General Service Provision No. 16.
- (b) Such costs as determined in A.1.(a) above shall be divided by the estimated therm sales and delivery volumes by customer schedule to develop the GSRA current factor. The current factor shall be calculated to the nearest .01¢ per therm.

B. Reconciliation Factor

A reconciliation of surcharge collections shall be determined by subtracting surcharge collections from actual gas supply realignment costs incurred for the twelve-month period ended August, consistent with the filing of the ACA. The over- or under-collection shall be credited to or collected from customers over a twelve month period commencing in December utilizing projected twelve month therm sales and deliveries for the applicable rate schedules in a manner identical to that used in the collection of the surcharge.

IV. FILING

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

ISSUED: March 27, 2001

Effective for meter readings on and after April 1, 2001

Adrian P. Chapman - Vice President, Regulatory Affairs & Energy Acquisition