

July 1, 2013

**VIA HAND DELIVERY & ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: National Grid's Gas Revenue Decoupling Adjustment Factor Filing  
For the Ten Months Ending January 31, 2013  
Docket No. \_\_\_\_\_**

Dear Ms. Massaro:

On behalf of National Grid,<sup>1</sup> enclosed is the Company's annual Revenue Decoupling Adjustment ("RDA") factor filing for the 10-month period April 1, 2012 through January 31, 2013. This filing is submitted pursuant to the provisions of the Company's Distribution Adjustment Charge ("DAC") tariff R.I.P.U.C. NG-Gas No. 101, Section 3, Schedule A, Item 3.9, which were approved by the Rhode Island Public Utilities Commission in Docket No. 4323. Those tariff provisions allow for an annual reconciliation of the target revenue per customer and the actual revenue per customer through an RDA factor to be included in the annual DAC.

This filing consists of the pre-filed testimony and attachments of Ms. Mariella Smith, providing an overview of the Company's Revenue Decoupling Mechanism ("RDM") reconciliation and describing the actual RDM results for the period April 1, 2012 through January 31, 2013. In her testimony, Ms. Smith explains that the main driver for this year's variance was the past year's warmer-than-normal weather and its impact on the Residential heating class. Formerly, revenue variances due to weather were recovered in the DAC through a Weather Normalization factor. As is described in her testimony, for the 10-month period ending January 31, 2013, there is an under collection of \$7.49 million, resulting in an RDA factor of \$0.0288 per therm for effect November 1, 2013 as part of the DAC. A revised RDA factor, updated with forecasted throughput, will be included in the Company's August 1 DAC filing.

Thank you for your attention to this transmission. If you have any questions please feel free to contact me at (401) 784-7667.

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Leo Wold, Esq.  
Steve Scialabba, Division

<sup>1</sup> The Narragansett Electric Company d/b/a National Grid ("National Grid" or the "Company").

**THE NARRAGANSETT ELECTRIC COMPANY**  
**d/b/a NATIONAL GRID**  
**R.I.P.U.C. DOCKET NO. \_\_\_\_\_**  
**GAS REVENUE DECOUPLING MECHANISM**  
**WITNESS: MARIELLA C. SMITH**  
**JULY 1, 2013**

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**DIRECT TESTIMONY**

**OF**

**MARIELLA C. SMITH**

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1 **I. Introduction and Qualifications**

2 **Q. Please state your name and business address.**

3 A. My name is Mariella C. Smith and my business address is Reservoir Woods, 40  
4 Sylvan Road, Waltham, Massachusetts 02451.

5

6 **Q. What is your position and responsibilities?**

7 A. I am a New England Pricing Lead Analyst, in the Regulation and Pricing  
8 Department of National Grid USA Service Company, Inc. (“National Grid”)  
9 supporting the gas pricing activities of The Narragansett Electric Company d/b/a  
10 National Grid (the “Company”). My responsibilities include the design,  
11 implementation, and administration of the Company’s rates and tariffs for natural  
12 gas service.

13

14 **Q. Have you previously testified before the Rhode Island Public Utilities  
15 Commission (the “Commission”)?**

16 A. Yes, I testified in the Gas Infrastructure, Safety and Reliability Plan proceeding,  
17 Docket No. 4380, earlier this year.

1 **Q. Please provide your educational background.**

2 A. I received a Bachelor of Arts in Political Science from the University of  
3 California, Los Angeles and a Master of Arts in Law and Diplomacy from the  
4 Fletcher School at Tufts University.

5

6 **Q. Please provide your professional background.**

7 A. I was first employed by KeySpan Energy in New York from September 2005  
8 through May 2007 as an analyst in the Regulatory Affairs Department. Prior to  
9 re-joining National Grid in 2012, I was an energy consultant with PA Consulting  
10 Group. In that role, I provided strategic advisory services on portfolio  
11 optimization, asset acquisition, development, and disposition activities to large  
12 utilities. I also performed strategic and operational assessments for utilities in the  
13 United States and co-authored market expert reports, white papers, and briefings  
14 on a variety of topics related to U.S. energy markets. Most recently, I worked  
15 with National Grid at the executive level to analyze its company costs and internal  
16 allocations. In 2012, I became a Lead Analyst with Regulation and Pricing, the  
17 position I hold today.

1 **II. Purpose of Testimony**

2 **Q. What is the purpose of your testimony?**

3 A. The purpose of my testimony is to present the Company's proposed Revenue  
4 Decoupling Adjustment ("RDA") factor – a product of the Company's Revenue  
5 Decoupling Mechanism ("RDM") – which will be included in the annual  
6 Distribution Adjustment Charge ("DAC"). Specifically, I provide an overview of  
7 the Company's RDM reconciliation mechanism and explain the actual RDM  
8 results for the period April 1, 2012 to January 31, 2013<sup>1</sup>. Additionally, I provide  
9 and support the calculation of the Company's RDA factor of \$0.0288 per therm  
10 proposed to be included in the DAC for effect November 1, 2013. This filing is  
11 submitted pursuant to the Company's RDM Provision, R.I.P.U.C. NG-Gas No.  
12 101, under Section 3, Schedule A, Revenue Decoupling Adjustment Factor,  
13 approved by the Commission in Docket No. 4206.

14  
15 **Q. Are you sponsoring any schedules with your testimony?**

16 A. Yes. I am sponsoring the following schedules that accompany my testimony:

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<sup>1</sup> Pursuant to RIPUC NG-Gas No. 101, Section 3, Schedule A, Sheet item 3.9, which the Commission approved in Docket No. 4323, the current RDM reconciliation period is the 10-month period ending January 31, 2013 rather than the 2013 fiscal year ending March 31, 2013.

- 1           Schedule MCS-1       Proposed RDA Factor
- 2           Schedule MCS-2       Revenue Decoupling Mechanism Reconciliation by rate
- 3                               class by month for the period April 1, 2012 through
- 4                               January 31, 2013
- 5           Schedule MCS-3       Actual vs. Normal Billing Heating Degree Day Comparison
- 6                               for April 2012 – January 2013
- 7           Schedule MCS-4       Revenue-Per-Customer (“RPC”) Targets
- 8

9   **III.   RDM Reconciliation**

10 **Q.    Please provide an overview of the Company’s RDM reconciliation.**

11 A.    In Docket No. 4206, the Commission approved an RPC RDM that provides for an

12       annual reconciliation, by customer class, of the actual RPC with the target RPC

13       based on rates approved by the Commission in its 2008 general rate case for its

14       gas distribution operations, Docket No. 3943, (“2008 Rate Case”). The

15       reconciliation is performed on a monthly basis and normally covers the period of

16       April 1 through March 31 of the following year (i.e., the Company’s fiscal year)

17       for all residential and small and medium Commercial and Industrial (“C&I”) firm

18       rate classes. Under the mechanism, customers subject to the RDM receive any

19       over-recovery of target revenue and are surcharged for any under-recovery of

20       target revenue through the RDA factor as part of the DAC effective November 1

21       each year.

1 **Q. Please describe how the Company calculated the RDM reconciliation for the**  
2 **period April 1, 2012 to January 31, 2013.**

3 A. For the RDM reconciliation, the Company is using the RPC targets approved in  
4 Docket No. 4206, which are based on monthly base revenues<sup>2</sup> and customer  
5 numbers for each month as approved in the 2008 Rate Case. For reference, these  
6 RPC figures are included as Schedule MCS-4. As specified in Docket No. 4206,  
7 the Company is using the target RPC base revenue for the non-discounted  
8 Residential Non-Heating and Residential Heating classes for the respective low-  
9 income classes.

10

11 The Company then calculates the actual RPCs each month by dividing the actual  
12 base revenues for the residential, small and medium C&I rate classes by the  
13 number of customers in each rate class. For the Low-Income Residential Non-  
14 Heating and Low-Income Residential Heating classes, the actual revenues are  
15 adjusted to reflect the equivalent non-discounted revenue. For the small and  
16 medium C&I rate class, actual revenues and customer numbers exclude any  
17 revenues and customer numbers associated with Dual-Fuel customers as these  
18 revenues are separately tracked and accounted for in the On-System Margin  
19 component of the DAC. The Company calculates the difference between the

---

<sup>2</sup> The term “base revenues” is used throughout this testimony to refer to the sum of customer charges, variable distribution charges, and demand charges from firm sales and transportation customers. It does not include revenue associated with items such as Gas Cost Recovery, Gross Earnings Tax, Energy Efficiency or the DAC.



1 allowed and actual revenue by multiplying the difference between the target RPC  
2 and the actual RPC by the actual number of customers for that rate class in each  
3 month. For each month, any monthly revenue surplus or shortfall accumulates  
4 and the balance accrues interest, which is also reflected in the final monthly  
5 balance.<sup>3</sup> At the end of January 2013, the Company totals the RPC monthly  
6 balances for all of rate classes and calculates a single RDA factor for the  
7 cumulative RPC revenue shortfall (in this case), including interest.

8

9 **IV. Results of RDM Reconciliation**

10 **Q. Please provide the results for this period's RDM reconciliation.**

11 A. For the period April 1, 2012 through January 31, 2013, the Company has  
12 calculated a net under-recovery of \$7,490,077. The breakdown per rate class is  
13 set forth in the table below.

14 **Table 3-1: April 1, 2012 - January 31, 2013 RDM Reconciliation**

Rate Class	January 31, 2013 Ending Balance
Res. Heating (inc. Low Income)	\$6,562,308
Res Non-Heating (inc. Low Income)	(\$394,563)
Small C & I	\$736,230
Medium C & I	\$586,102
<b>Total</b>	<b>\$7,490,077</b>

15

<sup>3</sup> Interest on the average monthly deferred balance is calculated at the same interest rate that is used to calculate interest on the Company's other deferred DAC balances, which is the Bank of America Prime Rate less 200 basis points.

1 The detailed accumulation of the net under-recovery by rate class is included in  
2 Schedule MCS-2.

3  
4 **Q. Please state the driver (s) for this net under-recovery.**

5 A. While every rate class except the Residential Non-Heating rate class exhibits a  
6 revenue shortfall, the Residential Heating Class represents approximately 87  
7 percent of the total net under-recovery of \$7,490,077, or \$6,562,308. The under-  
8 recovery for this rate class is mostly driven by warmer-than-normal weather.  
9 Overall, the difference between the actual billing heating degree days (“HDD”)  
10 for this reconciliation period and the normal billing heating degree days used to  
11 derive the RPC in effect accounts for 7.9 percent warmer-than-normal weather,  
12 which translates into reductions in actual revenues billed to heating customers<sup>4</sup>.As  
13 I mentioned previously, this drives the bulk of the under-recovery amount.  
14 Schedule MCS-3 reflects the HDD comparison for this reconciliation period.

15  
16 **V. Proposed RDA Factor**

17 **Q. Please describe how the RDA factor was calculated.**

18 A. As noted above, the Company accumulates the ending balances for the residential  
19 and small and medium C&I rate classes and calculates a single RDA factor for the

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<sup>4</sup> The RDM replaced the weather normalization factor that was in effect prior to April 1, 2011 and revenue variances due to weather are now collected through the RDM reconciliation.

1 cumulative under recovery of revenue. To calculate the single RDA factor, the  
2 Company uses its most recent forecasted throughput for the months of  
3 November 1, 2013 through October 31, 2014 for the residential and small and  
4 medium C&I rate classes.<sup>5</sup> The Company divides the revenue under recovery by  
5 the applicable therms to calculate an RDA factor of \$0.0288 per therm as shown  
6 in Schedule MCS-1. The Company will include in its August 1 DAC filing a  
7 revised proposed RDA factor based upon an updated throughput forecast.

8

9 **Q. Did the Company calculate bill impacts for the RDA factor?**

10 A. Not at this time. Because the RDA factor is only one of several items included in  
11 the DAC, the bill impact of the RDA factor on a stand-alone basis provides  
12 limited information as to the overall impact of the change in the DAC factors.  
13 Rather, the Company will submit bill impacts for the cumulative impact of all of  
14 its proposed DAC factors, including the RDA factor, with its September 1, 2013  
15 Supplemental DAC filing.

16

17 **Q. Does this conclude your testimony?**

18 A. Yes, it does.

---

<sup>5</sup> The forecast used in this calculation is the second year of the Company's Five Year Forecast presented in Dockets 4346 and 4339, the 2012 Gas Cost Recovery and Distribution Adjustment Clause filings, respectively. A new five-year forecast will be available before the August 1 DAC filing but not in time for inclusion in this analysis.

### Preliminary Gas Revenue Decoupling Adjustment (RDA) Factor

Line Under / (Over) Collection Based on 10 mths ended January 31, 2013  
No.

1	Residential Non-Heat (incl Low Income)	(\$394,563)
2	Residential Heat (incl Low Income)	\$6,562,308
3	Small C&I	\$736,230
4	Medium C&I	\$586,102
5	<b>Total</b>	<b>\$7,490,077</b>
6	Firm Throughput Forecast for RDM Rate Classes (Nov 2013 - Oct 2014)	<b>25,973,155 Dths</b>
7	RDA Factor per decatherm	<b>\$0.2884 per decatherm</b>
8	RDA Factor per therm	<b>\$0.0288 per therm</b>

- 1 Schedule MCS-2, Page 1, Column (K), Line 39
- 2 Schedule MCS-2, Page 2, Column (K), Line 78
- 3 Schedule MCS-2, Page 3, Column (K), Line 95
- 4 Schedule MCS-2, Page 3, Column (K), Line 112
- 5 Sum of lines 1 - 4
- 6 Firm throughput for Residential Heat and Non-Heat, Small and Medium C&I rate classes, Docket No. 4346 /4339
- 7 Line 5 / Line 6
- 8 Line 7 / 10

Line No.	RDM Reconciliation												Total per Rate Class
	April 1, 2012 - January 31, 2013												
	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13	Class		
	30	31	30	31	31	30	31	30	31	31	(i)	(k)	

<b>Residential Non-Heat</b>												
1		<b>\$17.45</b>	<b>\$16.73</b>	<b>\$15.97</b>	<b>\$14.98</b>	<b>\$14.10</b>	<b>\$14.71</b>	<b>\$14.61</b>	<b>\$16.03</b>	<b>\$17.37</b>	<b>\$18.51</b>	
2		\$0	(\$48,921)	(\$56,303)	(\$41,956)	(\$28,953)	(\$29,459)	(\$12,970)	(\$13,624)	(\$43,590)	(\$172,202)	
3		25,892	25,815	25,726	25,653	25,580	25,636	25,717	25,821	25,881	25,865	
4		\$500,765	\$439,184	\$396,455	\$371,328	\$361,167	\$360,692	\$376,355	\$443,725	\$378,126	\$658,295	
5		<b>\$19.34</b>	<b>\$17.01</b>	<b>\$15.41</b>	<b>\$14.48</b>	<b>\$14.12</b>	<b>\$14.07</b>	<b>\$14.63</b>	<b>\$17.18</b>	<b>\$22.34</b>	<b>\$25.45</b>	
6		(\$1.89)	(\$0.28)	\$0.56	\$0.51	(\$0.02)	\$0.64	(\$0.02)	(\$1.16)	(\$4.96)	(\$6.95)	
7		(\$48,895)	(\$7,326)	\$14,397	\$13,041	(\$13,041)	\$16,511	(\$640)	(\$29,937)	(\$128,497)	(\$179,654)	
8		(\$48,895)	(\$56,247)	(\$41,906)	(\$28,916)	(\$29,428)	(\$12,948)	(\$13,610)	(\$43,560)	(\$172,087)	(\$351,856)	
9		(\$24,448)	(\$52,584)	(\$49,104)	(\$35,436)	(\$29,191)	(\$21,204)	(\$13,290)	(\$28,592)	(\$107,838)	(\$262,029)	
10		1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
11		(\$25)	(\$56)	(\$50)	(\$38)	(\$31)	(\$22)	(\$14)	(\$29)	(\$114)	(\$278)	
12		(\$48,921)	(\$56,303)	(\$41,956)	(\$28,953)	(\$29,459)	(\$12,970)	(\$13,624)	(\$43,590)	(\$172,202)	(\$352,134)	
13		(\$48,921)	(\$7,382)	\$14,347	\$13,003	(\$506)	\$16,489	(\$654)	(\$29,966)	(\$128,612)	(\$179,932)	

<b>Residential Non-Heat Low Income</b>												
14		<b>\$17.45</b>	<b>\$16.73</b>	<b>\$15.97</b>	<b>\$14.98</b>	<b>\$14.10</b>	<b>\$14.71</b>	<b>\$14.61</b>	<b>\$16.03</b>	<b>\$17.37</b>	<b>\$18.51</b>	
15		\$0	(\$5,198)	(\$7,590)	(\$8,515)	(\$9,439)	(\$10,890)	(\$11,727)	(\$13,493)	(\$18,084)	(\$28,277)	
16		341	340	367	360	404	398	391	389	383	379	
17		\$11,146	\$8,073	\$6,778	\$7,136	\$6,682	\$7,465	\$6,682	\$10,809	\$16,822	\$21,129	
18		<b>\$32.69</b>	<b>\$23.74</b>	<b>\$18.47</b>	<b>\$17.53</b>	<b>\$17.66</b>	<b>\$16.79</b>	<b>\$19.09</b>	<b>\$27.79</b>	<b>\$43.92</b>	<b>\$55.75</b>	
19		(\$15,23)	(\$7,02)	(\$2,50)	(\$3,56)	(\$4,75)	(\$2,07)	(\$4,48)	(\$11,76)	(\$26,55)	(\$37,24)	
20		(\$5,195)	(\$2,385)	(\$917)	(\$1,439)	(\$1,439)	(\$826)	(\$1,752)	(\$4,575)	(\$10,168)	(\$14,115)	
21		(\$5,195)	(\$7,583)	(\$8,507)	(\$9,430)	(\$10,879)	(\$11,715)	(\$13,479)	(\$18,068)	(\$28,252)	(\$42,392)	
22		(\$2,597)	(\$6,390)	(\$8,048)	(\$8,972)	(\$10,159)	(\$11,302)	(\$12,603)	(\$15,780)	(\$23,168)	(\$35,334)	
23		1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
24		(\$3)	(\$7)	(\$8)	(\$10)	(\$11)	(\$12)	(\$13)	(\$16)	(\$25)	(\$38)	
25		(\$5,198)	(\$7,590)	(\$8,515)	(\$9,439)	(\$10,890)	(\$11,727)	(\$13,493)	(\$18,084)	(\$28,277)	(\$42,429)	
26		(\$5,198)	(\$2,392)	(\$925)	(\$925)	(\$1,450)	(\$837)	(\$1,766)	(\$4,591)	(\$10,193)	(\$14,153)	

<b>Residential Non-Heat (incl Low Income)</b>												
27		<b>\$17.45</b>	<b>\$16.73</b>	<b>\$15.97</b>	<b>\$14.98</b>	<b>\$14.10</b>	<b>\$14.71</b>	<b>\$14.61</b>	<b>\$16.03</b>	<b>\$17.37</b>	<b>\$18.51</b>	
28		\$0	(\$54,118)	(\$63,892)	(\$50,471)	(\$38,393)	(\$40,349)	(\$24,697)	(\$27,116)	(\$61,674)	(\$200,478)	
29		26,233	26,155	26,093	26,013	25,984	26,034	26,108	26,210	26,264	26,244	
30		\$511,911	\$447,257	\$403,233	\$377,637	\$368,303	\$367,374	\$383,819	\$454,534	\$594,948	\$679,424	
31		<b>\$19.51</b>	<b>\$17.10</b>	<b>\$15.45</b>	<b>\$14.52</b>	<b>\$14.17</b>	<b>\$14.11</b>	<b>\$14.70</b>	<b>\$17.34</b>	<b>\$22.65</b>	<b>\$25.89</b>	
32		(\$2,06)	(\$0.37)	\$0.52	\$0.47	(\$0.07)	\$0.60	(\$0.09)	(\$1.32)	(\$5.28)	(\$7.38)	
33		(\$54,090)	(\$9,712)	\$13,480	\$12,126	(\$1,914)	\$15,685	(\$2,392)	(\$34,512)	(\$138,666)	(\$193,769)	
34		(\$54,090)	(\$63,830)	(\$50,412)	(\$38,345)	(\$40,307)	(\$24,664)	(\$27,089)	(\$61,628)	(\$200,339)	(\$394,248)	
35		(\$27,045)	(\$58,974)	(\$57,152)	(\$44,408)	(\$39,350)	(\$32,506)	(\$44,372)	(\$13,006)	(\$131,006)	(\$297,363)	
36		1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
37		(\$28)	(\$63)	(\$59)	(\$47)	(\$42)	(\$33)	(\$27)	(\$46)	(\$139)	(\$316)	
38		(\$54,118)	(\$63,892)	(\$50,471)	(\$38,393)	(\$40,349)	(\$24,697)	(\$27,116)	(\$61,674)	(\$200,478)	(\$394,563)	
39		(\$54,118)	(\$9,774)	\$13,421	\$12,079	(\$1,956)	\$15,652	(\$2,419)	(\$34,557)	(\$138,805)	(\$194,085)	

**RDM Reconciliation**  
**April 1, 2012 - January 31, 2013**

Line No.	Total per Rate Class											
	Apr-12 30	May-12 31	Jun-12 30	Jul-12 31	Aug-12 31	Sep-12 30	Oct-12 31	Nov-12 30	Dec-12 31	Jan-13 31	Class	
<b>Residential Heating</b>												
40												
41	\$52.01	\$31.03	\$25.28	\$20.87	\$19.23	\$20.36	\$21.66	\$34.32	\$51.29	\$62.73		
42	\$0	\$2,126,234	\$2,570,196	\$3,191,710	\$3,446,044	\$3,490,755	\$3,781,866	\$3,994,631	\$5,002,201	\$5,425,168		
43	183,787	183,101	181,796	181,778	180,984	181,762	183,051	184,971	186,672	187,768		
44	\$7,434,044	\$5,239,530	\$3,977,695	\$3,543,225	\$3,439,783	\$3,412,615	\$3,756,742	\$3,344,723	\$9,156,229	\$11,168,148		
45	\$40.45	\$28.62	\$21.88	\$19.49	\$19.01	\$18.78	\$20.52	\$28.89	\$49.05	\$59.48		
46	\$11.56	\$2.41	\$3.40	\$1.38	\$0.23	\$1.58	\$1.14	\$5.42	\$2.24	\$3.25		
47	\$2,125,142	\$441,471	\$618,555	\$250,813	\$41,031	\$287,377	\$208,639	\$1,002,951	\$417,435	\$611,147		
48	\$2,125,142	\$2,567,705	\$3,188,751	\$3,442,522	\$3,487,075	\$3,778,132	\$3,990,505	\$4,997,581	\$5,419,636	\$6,036,314		
49	\$1,062,571	\$2,346,969	\$2,879,474	\$3,317,116	\$3,466,559	\$3,634,443	\$3,886,185	\$4,496,106	\$5,210,918	\$5,730,741		
50	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%		
51	\$1,092	\$2,492	\$2,958	\$3,522	\$3,680	\$3,734	\$4,126	\$4,619	\$5,532	\$6,084		
52	\$2,126,234	\$2,570,196	\$3,191,710	\$3,446,044	\$3,490,755	\$3,781,866	\$3,994,631	\$5,002,201	\$5,425,168	\$6,042,398		
53	\$52.01	\$31.03	\$25.28	\$20.87	\$19.23	\$20.36	\$21.66	\$34.32	\$51.29	\$62.73		
54	\$0	\$228,861	\$277,965	\$340,405	\$352,917	\$347,576	\$364,229	\$365,994	\$456,204	\$477,301		
55	19,343	19,029	19,645	19,345	19,946	19,462	19,040	18,970	18,554	18,347		
56	\$777,330	\$541,570	\$434,551	\$391,622	\$389,328	\$379,886	\$411,081	\$561,208	\$930,960	\$1,108,887		
57	\$40.19	\$28.46	\$22.12	\$20.24	\$19.52	\$19.52	\$21.59	\$29.58	\$50.18	\$60.44		
58	\$11.83	\$2.57	\$3.16	\$0.63	(\$0.29)	\$0.84	\$0.07	\$4.73	\$1.11	\$2.29		
59	\$228,744	\$48,835	\$62,123	\$12,143	(\$5,712)	\$16,288	\$1,377	\$89,788	\$20,601	\$42,080		
60	\$228,744	\$277,696	\$340,088	\$352,549	\$347,205	\$363,864	\$365,606	\$455,782	\$476,805	\$519,380		
61	\$114,372	\$253,279	\$309,026	\$346,477	\$350,061	\$355,720	\$364,918	\$410,888	\$466,505	\$498,340		
62	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%		
63	\$118	\$269	\$317	\$368	\$372	\$365	\$387	\$422	\$495	\$529		
64	\$228,861	\$277,965	\$340,405	\$352,917	\$347,576	\$364,229	\$365,994	\$456,204	\$477,301	\$519,909		
65												
66	\$52.01	\$31.03	\$25.28	\$20.87	\$19.23	\$20.36	\$21.66	\$34.32	\$51.29	\$62.73		
67	\$0	\$2,355,095	\$2,848,161	\$3,532,115	\$3,798,961	\$3,838,331	\$4,146,095	\$4,360,624	\$5,458,405	\$5,902,468		
68	203,130	202,130	201,441	201,123	200,930	201,224	202,091	203,941	205,226	206,115		
69	\$8,211,374	\$5,781,100	\$4,412,245	\$3,934,847	\$3,829,110	\$3,792,501	\$4,167,823	\$5,905,931	\$10,087,189	\$12,277,035		
70	\$40.42	\$28.60	\$21.90	\$19.56	\$19.06	\$18.85	\$20.62	\$28.96	\$49.15	\$59.56		
71	\$11.59	\$2.43	\$3.38	\$1.31	\$0.18	\$1.51	\$1.04	\$5.36	\$2.13	\$3.17		
72	\$2,353,886	\$490,306	\$680,678	\$262,956	\$35,319	\$303,664	\$210,016	\$1,092,739	\$438,036	\$653,236		
73	\$2,353,886	\$2,845,401	\$3,528,839	\$3,795,071	\$3,834,279	\$4,141,995	\$4,356,111	\$5,453,364	\$5,896,441	\$6,555,695		
74	\$1,176,943	\$2,600,248	\$3,188,500	\$3,663,593	\$3,816,620	\$4,251,103	\$4,906,994	\$5,677,423	\$6,229,081	\$6,777,423		
75	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%		
76	\$1,209	\$2,761	\$3,276	\$3,889	\$4,052	\$4,099	\$4,513	\$5,041	\$6,027	\$6,613		
77	\$2,355,095	\$2,848,161	\$3,532,115	\$3,798,961	\$3,838,331	\$4,146,095	\$4,360,624	\$5,458,405	\$5,902,468	\$6,562,308		
78												
79	\$2,355,095	\$493,066	\$683,954	\$266,845	\$39,371	\$307,764	\$214,530	\$1,097,780	\$444,063	\$659,839		

**Residential Heating - Low Income**

**Residential Heat (incl Low Income)**

Line No.	RDM Reconciliation												Total per Rate Class
	April 1, 2012 - January 31, 2013												
	Apr-12	May-12	Jun-12	Jul-12	Aug-12	Sep-12	Oct-12	Nov-12	Dec-12	Jan-13			
	30	31	30	31	31	30	31	30	31	31	(i)	(k)	
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(i)	(i)	(k)	
<b>Small C&amp;I</b>													
79	\$74.53	\$37.33	\$31.13	\$26.69	\$25.70	\$26.61	\$28.60	\$47.90	\$71.45	\$87.37			
80	\$0	\$320,258	\$291,988	\$357,935	\$391,143	\$412,466	\$449,031	\$505,414	\$699,869	\$743,150			
81	18,621	18,269	18,125	18,032	18,427	18,067	18,172	18,398	18,645	18,747			
82													
83	18,621	18,269	18,125	18,032	18,427	18,067	18,172	18,398	18,645	18,747			
84	\$1,067,785	\$710,634	\$498,678	\$448,455	\$452,599	\$444,699	\$463,752	\$687,406	\$1,289,583	\$1,645,546			
85	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0			
86	\$1,067,785	\$710,634	\$498,678	\$448,455	\$452,599	\$444,699	\$463,752	\$687,406	\$1,289,583	\$1,645,546			
87	\$57.34	\$38.90	\$27.51	\$24.87	\$24.56	\$24.61	\$25.52	\$37.36	\$69.17	\$87.78			
88	\$17.19	(\$1.57)	\$3.62	\$1.82	\$1.13	\$2.00	\$3.07	\$10.54	\$2.28	(\$0.41)			
89	\$320,094	(\$28,595)	\$65,614	\$32,810	\$20,897	\$36,123	\$55,877	\$193,836	\$42,516	(\$7,705)			
90	\$320,094	\$291,663	\$357,601	\$390,745	\$412,040	\$448,589	\$504,908	\$699,250	\$742,385	\$735,445			
91	\$160,047	\$305,961	\$324,795	\$374,340	\$401,591	\$430,528	\$476,969	\$602,332	\$721,127	\$739,298			
92	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%			
93	\$164	\$325	\$334	\$397	\$426	\$442	\$506	\$619	\$766	\$785			
94	\$320,258	\$291,988	\$357,935	\$391,143	\$412,466	\$449,031	\$505,414	\$699,869	\$743,150	\$736,230			
95	\$320,258	(\$28,271)	\$65,947	\$33,207	\$21,324	\$36,565	\$56,383	\$194,455	\$43,281	(\$6,921)			
<b>Medium C&amp;I</b>													
96	\$340.03	\$262.60	\$223.59	\$196.47	\$190.92	\$200.99	\$211.73	\$269.90	\$361.41	\$417.01			
97	\$0	\$118,582	\$235,960	\$367,740	\$314,988	\$234,447	\$259,761	\$225,627	\$47,831	\$440,886			
98	4,501	4,479	4,477	4,470	4,180	4,478	4,559	4,596	4,628	4,681			
99	4	4	4	4	4	4	4	4	3	3			
100	4,497	4,475	4,473	4,466	4,176	4,474	4,555	4,592	4,625	4,678			
101	\$1,413,591	\$1,059,494	\$870,154	\$931,194	\$879,318	\$875,134	\$1,000,400	\$1,018,060	\$1,679,878	\$1,808,135			
102	2,987	1,529	1,485	655	1,217	966	1,588	536	944	2,031			
103	\$1,410,604	\$1,057,965	\$868,669	\$930,539	\$878,101	\$874,168	\$998,812	\$1,017,524	\$1,678,934	\$1,806,104			
104	\$313.68	\$236.42	\$194.20	\$208.36	\$210.27	\$195.39	\$219.28	\$221.59	\$363.01	\$386.08			
105	\$26	\$26	\$29	(\$12)	(\$19)	\$6	(\$8)	\$48	(\$2)	\$31			
106	\$118,521	\$117,191	\$131,469	(\$53,114)	(\$80,833)	\$25,060	(\$34,392)	\$221,859	(\$7,417)	\$144,672			
107	\$118,521	\$235,772	\$367,430	\$314,626	\$234,155	\$259,507	\$225,369	\$447,485	\$440,414	\$585,558			
108	\$59,260	\$177,177	\$301,695	\$341,183	\$274,572	\$246,977	\$342,565	\$336,556	\$444,123	\$513,222			
109	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%			
110	\$61	\$188	\$310	\$362	\$291	\$254	\$258	\$346	\$471	\$545			
111	\$118,582	\$235,960	\$367,740	\$314,988	\$234,447	\$259,761	\$225,627	\$447,831	\$440,886	\$586,102			
112	\$118,582	\$117,379	\$131,779	(\$52,752)	(\$80,541)	\$25,314	(\$34,134)	\$222,204	(\$6,945)	\$145,217			

**Gas Actual vs. Normal Billing Degree Day Comparison  
April 2012 - January 2013**

Line No.	Month/Year	Actual (a)	Normal (b)
1	Apr-12	484	647
2	May-12	315	366
3	Jun-12	91	162
4	Jul-12	16	21
5	Aug-12	0	1
6	Sep-12	18	12
7	Oct-12	161	133
8	Nov-12	411	424
9	Dec-12	740	766
10	Jan-13	978	958
11	<b>Total</b>	<b>3,213</b>	<b>3,490</b>
12	<b>Degree Day Difference</b>	<b>276</b>	
13	<b>Degree Day Difference (%)</b>	<b>-7.9%</b>	

(a) Source: Normal/Actual Heating Degree Day Report

(b) Source: Normal Billing Degree Days used for RPC targets

Line 11: Sum of Lines 1 through 10

Line 12: Line 11, Column (b) - Line 11 Column (a)



**Gas Revenue Decoupling Targets<sup>1</sup>**

Line No.	Rate Class	Oct-08 (a)	Nov-08 (b)	Dec-08 (c)	Jan-09 (d)	Feb-09 (e)	Mar-09 (f)	Apr-09 (g)	May-09 (h)	Jun-09 (i)	Jul-09 (j)	Aug-09 (k)	Sep-09 (l)	Total Oct 08 - Sep 09 (m)
1	Residential Non-Heat													
2	Number of Customers	28,552	28,533	28,502	28,109	27,840	27,645	27,462	27,343	27,240	27,156	27,092	27,110	27,715
3	Base Revenue	\$ 417,133	\$ 457,249	\$ 495,163	\$ 520,167	\$ 500,794	\$ 490,746	\$ 479,269	\$ 457,419	\$ 435,031	\$ 406,889	\$ 382,012	\$ 398,891	\$ 5,440,763
4	<b>RPC</b>	\$ 14,61	\$ 16,03	\$ 17,37	\$ 18,51	\$ 17,99	\$ 17,75	\$ 17,45	\$ 16,73	\$ 15,97	\$ 14,98	\$ 14,10	\$ 14,71	\$ 196,20
5	Residential Heating													
6	Number of Customers	176,609	179,078	180,855	181,813	182,363	182,542	181,716	180,361	179,287	178,462	177,863	178,447	179,950
7	Base Revenue	\$ 3,825,830	\$ 6,145,443	\$ 9,275,333	\$ 11,405,718	\$ 11,778,571	\$ 11,260,870	\$ 9,451,468	\$ 5,595,988	\$ 4,532,816	\$ 3,724,827	\$ 3,420,788	\$ 3,632,511	\$ 84,050,163
8	<b>RPC</b>	\$ 21,66	\$ 34,32	\$ 51,29	\$ 62,73	\$ 64,59	\$ 61,69	\$ 52,01	\$ 31,03	\$ 25,28	\$ 20,87	\$ 19,23	\$ 20,36	\$ 465,06
9	Small C&I													
10	Number of Customers	18,084	18,500	18,765	18,879	18,950	18,967	18,813	18,657	18,491	18,343	18,286	18,334	18,589
11	Base Revenue	\$ 517,112	\$ 886,128	\$ 1,340,672	\$ 1,649,373	\$ 1,788,145	\$ 1,669,227	\$ 1,402,189	\$ 696,524	\$ 575,687	\$ 489,565	\$ 469,873	\$ 487,927	\$ 11,972,422
12	<b>RPC</b>	\$ 28,60	\$ 47,90	\$ 71,45	\$ 87,37	\$ 94,36	\$ 88,01	\$ 74,53	\$ 37,33	\$ 31,13	\$ 26,69	\$ 25,70	\$ 26,61	\$ 639,67
13	Medium C&I													
14	Number of Customers	4,435	4,496	4,522	4,529	4,553	4,558	4,543	4,526	4,521	4,509	4,498	4,517	4,517
15	Base Revenue	\$ 939,013	\$ 1,213,472	\$ 1,634,292	\$ 1,888,641	\$ 1,985,288	\$ 1,871,476	\$ 1,544,766	\$ 1,188,549	\$ 1,010,871	\$ 885,873	\$ 858,744	\$ 907,871	\$ 15,928,856
16	<b>RPC</b>	\$ 211,73	\$ 269,90	\$ 361,41	\$ 417,01	\$ 436,04	\$ 410,59	\$ 340,03	\$ 262,60	\$ 223,59	\$ 196,47	\$ 190,92	\$ 200,99	\$ 3,521,28

<sup>1</sup> Based on Docket No. 3943 Rates and Compliance billing determinants