Decision ______________

BEFORE THE PUBLIC UTILITIES COMMISSION OF THE STATE OF CALIFORNIA

Application of West Coast Gas Company to Revise its Gas Rates and Tariffs. (U910G)	Application 12-05-006 (Filed May 4, 2012)

DECISION ADOPTING A SETTLEMENT AGREEMENT INCREASING RATES BY $101,570

1. Summary

West Coast Gas Company (WCG) is a public utility furnishing gas services to the Mather and Castle service areas, which are located in the Sacramento area of California.

On May 4, 2012, WCG filed a test year 2013 general rate case application for its gas distribution operations requesting a $146,806 increase for gas distribution operations at the Mather and Castle service territories; a 7.81% increase to overall rates, or a 15.93% increase to base rates currently authorized by the Commission. The Division of Ratepayer Advocates (DRA) filed a protest to WCG's application. On October 23, 2012, DRA submitted its Report on the Results of Operations for West Coast Gas Company, General Rate Case, Test Year 2013 (DRA Report) which, among other things, recommended an increase in revenue requirement for WCG totaling $61,614, representing a 3.27% increase over rates currently authorized by the Commission.

On December 3, 2012, representatives from DRA and WCG (the Parties) agreed on a settlement which provides for a $101,570 increase in WCG's base revenue requirement (5.39% increase to overall rates, or 10.98% increase to base rates).

2. Summary of Settlement Conditions

The Parties agree that this Settlement Agreement resolves the issues raised in this general rate case.

West Coast Gas Company (WCG) and the Division of Ratepayer Advocates (DRA) were in disagreement with respect to the following issues:

1. WCG recommends using the average of four years of recorded therm sales to determine test year 2013 therm sales; DRA recommends using the average of five years of recorded therm sales to determine test year 2013 therm sales.
2. WCG recommends use of WCG's actual recorded 2011 operating expenses as the basis for test year 2013 operating expenses; DRA recommends use of an imputed five year (2007-2011) average of operating expenses to arrive at its 2011 basis for developing 2013 test year operating expenses, with the exception of Federal Energy Regulatory Commission (FERC) Accounts 920 and 926, where DRA relies on recorded 2011 expenses but with modifications.
3. WCG recommends that the forecast of test year health care benefits costs be based on a 5% escalation rate; DRA recommends that test year health care benefits costs be based on Global Insight's forecasted health care benefits escalation rate of 3.4% in 2012 and 4.4% in 2013 (from the HIS Global Insight Cost Planner First-Quarter 2012).
4. WCG recommends an uncollectible accounts rate of 0.2184%, based upon the average uncollectible accounts rate experienced in 2009, 2010, and 2011; DRA calculated its recommended uncollectible accounts rate of 0.1643% rate, using data for the years 2005, 2006, 2007, 2008, 2009, and 2010.
5. WCG recommends an average 2013 rate base of $1,054,953; DRA recommends an average test year rate base of $1,005,277.
6. WCG recommends a return on equity of 10.0%; DRA recommends a return on equity of 8.50%.

7. WCG recommends an attrition year adjustment mechanism based on the test year 2013 adopted base rate revenue requirement adjusted by the change in the Consumer Price Index (CPI) for the attrition years 2014, 2015, and 2016; DRA recommends the same attrition year mechanism except that a 0.5% productivity adjustment be deducted from the change in the CPI for the attrition years 2014, 2015, 2016.

WCG and DRA have resolved the contested issues as follows:

1. Adopt DRA's proposed test year 2013 therm sales forecast.
2. Adopt a compromise position of WCG's proposal and DRA's recommendation for test year 2013 operating expenses, as follows:
   a. A 2013 forecast of $363,383 for distribution operations expenses, which is equal to WCG's forecast of $363,436 adjusted for a minor change in the allocation of expenses to non-jurisdictional operations;
   b. A 2013 forecast of $65,933 for distribution maintenance expenses, which is a compromise between WCG's forecast of $76,380 and DRA's forecast of $46,876;
   c. DRA's 2013 forecast for customer accounting expenses, equal to $105,705; and
   d. A 2013 forecast of $263,383 for administrative & general (A&G) expenses, which is equal to WCG's forecast of $264,587 less DRA's $1,204 adjustment for health care benefit costs (i.e., using Global Insight's health care-related escalation rates of 3.4% in 2012 and 4.4% in 2013).
3. Adopt DRA's proposed allowance for uncollectible account value of 0.1643% for test year 2013 and the three succeeding attrition years.
4. Adopt a test year rate base of $1,019,759 (which corrects DRA's recommendation to remove $49,676 in 2010 gas plant additions for the Federal Prison which is under CPUC jurisdiction and not FERC jurisdiction).

5. Adopt DRA's proposed 8.50% return on equity and 7.15% rate of return.

WCG Cost of Capital for 2013-2016

Description	**DRA and WCG Agreement**		
Component (a)	Ratio (b)	Rate (c)	Wtd. Cost (d=b*c)
Long-Term Debt	30.00%	4.00%	1.20%
Common Equity	70.00%	8.50%	5.95%
Total	100.00%		7.15%

6. Adopt a post test-year ratemaking mechanism for the attrition years 2014, 2015, and 2016. The attrition year adjustments to revenue requirements for years 2014, 2015, and 2016 will be calculated based on the simple average of the forecasts of changes in the CPI as published by Value Line and Global Insight in the month and on the day closest to July 1 of the year before the attrition year, and will be reduced by DRA's recommended productivity adjustment factor of 0.50% The attrition year adjustments will be implemented by advice letter filing prior to commencement of each attrition year.

In recognition of the settlement reached between WCG and DRA, Attachment A to the Settlement Agreement sets forth the following further information: (1) a comparison of the revenue requirements requested by WCG with the revenue requirements recommended by DRA; (2) a comparison of Test Year 2013 Results of Operations as recommended by WCG and DRA; (3) Test Year 2013 Results of Operations, assuming that the proposed settlement between WCG and DRA is adopted, resulting in a base revenue increase of $101,570 and a return on equity of 8.50%; (4) a table showing the impact of the proposed settlement on revenue requirement; and (5) a summary of total revenue, assuming the Settlement Agreement is adopted, showing a uniform increase in all WCG's rate schedules of 5.39%.

WCG and DRA agree that the overall increase in rates should be allocated to all customers on an equal basis. That is, all customer charges and the per therm distribution changes would increase by 5.39% with the exception of California Alternate Rates for Energy (CARE) residential customers (4.31%). Attachment B to the Settlement Agreement reflects the impact of a 5.39% rate increase upon WCG's residential rates, demonstrating an anticipated increase of $2.36 in the average monthly residential bill.

3. The Proposed Settlement is Reasonable in Light of the Record, Consistent with the Law and Precedent, and in the Public Interest

3.1. The Applicable Legal Standard

The standard of review for settlement agreements is set forth in Rule 12.1(d) of the Commission's Rules of Practice and Procedure, which states as follows:

> The Commission will not approve settlements, whether contested or uncontested, unless the settlement is reasonable in light of the whole record, consistent with law, and in public interest.

The proponents of a settlement have the burden of demonstrating that the settlement satisfies Rule 12.1(d).

The Commission favors the settlement of disputes. This policy supports many goals, including reducing the expense of litigation, conserving scarce Commission resources, and allowing parties to reduce the risk that litigation will produce unacceptable results.

3.2. The Proposed Settlement is Reasonable in Light of the Record

A Proposed settlement is reasonable if it saves the Commission significant expenses and use of its resources, when compared to the risk, expense, complexity, and likely duration of further proceedings, while still protecting the public interest. Generally, the parties' evaluation should carry material weight in the Commission's review of a settlement. Here, the parties' evaluation of the issues leading to settlement are based on the factual record developed by the parties, contained in the application, DRA's protest, and the joint statement of facts agreed to in the Settlement Agreement. This settlement was negotiated by the settling parties in good faith. The settlement is reasonable because it effectively addresses the specific issues raised by the record and is consistent with the law and precedent.

3.3. The Proposed Settlement is Consistent with the Law and Precedent

The parties agree that the Settlement Agreement is consistent with existing law. The parties are unaware of any conflict with any other provisions of law, and believe the provisions of the settlement are consistent with State law.

3.4. The Proposed Settlement is in the Public Interest

The Settlement Agreement is in the public interest because it reduces the risk of unacceptable results for the public. It lowers the requested rate increase by over 30% and significantly lowers the attrition years adjustments.

4. Categorization and Need for Hearings

In Resolution ALJ 176-3293 dated May 10, 2012, the Commission preliminary categorized this application as Ratesetting, and preliminary determined that hearings were necessary. Because no hearings are required on the Settlement Agreement, the hearings determination is changed to state that no evidentiary hearings are necessary.

5. Waiver of Comment Period

Pursuant to Rule 14.6(b), all parties stipulated to waive the 30-day public review and comment period required by Section 311 of the Public Utilities Code and the opportunity to file comments on the proposed decision. Accordingly, this matter was placed on the Commission's agenda directly for prompt action.

6. Assignment of Proceeding

Michel Peter Florio is the assigned Commissioner and Robert Barnett is the assigned Administrative Law Judge in this proceeding.

Findings of Fact

1. DRA's proposed test year 2013 therm sales forecast is reasonable and is adopted.
2. A 2013 forecast of $363,383 for distribution operations expenses is reasonable and is adopted.
3. A 2013 forecast of $65,933 for distribution maintenance expenses is reasonable and is adopted.
4. DRA's 2013 forecast for customer accounting expenses, equal to $105,705 is reasonable and is adopted.
5. A 2013 forecast of $263,383 for A&G expenses is reasonable and is adopted.
6. DRA's proposed allowance for uncollectible account value of 0.1643% for test year 2013 and the three succeeding attrition years is reasonable and is adopted.
7. A test year rate base of $1,019,759 is reasonable and is adopted.

8. DRA's proposed 8.50 % return on equity and 7.15% rate of return is reasonable and is adopted.

WCG Cost of Capital for 2013-2016

Description	**DRA and WCG Agreement**		
Component (a)	Ratio (b)	Rate (c)	Wtd. Cost (d=b*c)
Long-Term Debt	30.00%	4.00%	1.20%
Common Equity	70.00%	8.50%	5.95%
Total	100.00%		7.15%

9. A post test-year ratemaking mechanism for the attrition years 2014, 2015, and 2016 is reasonable and is adopted. The attrition year adjustments to revenue requirements for years 2014, 2015, and 2016 will be calculated based on the simple average of the forecasts of changes in the CPI as published by Value Line and Global Insight in the month and on the day closest to July 1 of the year before the attrition year, and will be reduced by DRA's recommended productivity adjustment factor of 0.50% The attrition year adjustments will be implemented by advice letter filing prior to commencement of each attrition year.

10. A base revenue increase of $101,570 is reasonable and is adopted.

11. The overall increase in rates should be allocated to all customers on an equal basis. That is, all customer charges and the per therm distribution charges will increase by 5.39% with the exception of CARE residential customers (4.31%). Attachment B hereto reflects the impact of a 5.39% rate increase upon WCG's residential rates, demonstrating an anticipated increase of $2.36 in the average monthly residential bill.

Conclusions of Law

1. The proposed Settlement Agreement (Attachment A hereto) is reasonable in light of the record, consistent with the law and precedent, and in the public interest, and should be adopted.
2. The rates and charges set forth in Attachment B to the Settlement Agreement are reasonable.
3. Hearings are not necessary.

O R D E R

IT IS ORDERED that:

1. The Settlement Agreement between West Coast Gas Corporation and the Division of Ratepayer Advocates filed on December 3, 2012 and attached to this decision as Attachment A is approved.
2. West Coast Gas Company shall file its rate schedule as set forth in the Settlement Agreement in Attachment A on five-day notice to the public.
3. The hearing determination is changed to no hearings necessary.
4. It is the responsibility of West Coast Gas Corporation to adhere to all Commission rules, decision, General Orders and statutes including Pub. Util. Code § 451 to take all actions "…necessary to promote the safety, health, comfort and convenience of its patrons, employees, and the public."
5. Application 12-05-006 is closed.

This order is effective today.

Dated _____________________________, at San Francisco, California.

ATTACHMENT A

SETTLEMENT AGREEMENT
BETWEEN DRA AND WC

SETTLEMENT AGREEMENT

The Division of Ratepayer Advocates ("DRA") and West Coast Gas Corporation ("WCG") (collectively the "Parties"), the two active parties in A. 12-05-006,WCG's General Rate Case ("GRC"), have agreed to resolve the issues raised in the GRC, as set forth below. Each of the Parties supports the Settlement Agreement as resolving all outstanding issues in this proceeding. It is further understood and agreed to by the Parties hereto that this Settlement Agreement will also serve to expedite hearings and a decision in this proceeding. The Parties further agree that the Settlement Agreement, either in whole or in part, shall have no express or implied precedential effect in any future proceeding.

Based upon WCG's and DRA's respective submittals in A. 12-05-006, WCG and DRA were in disagreement with respect to the following issues:

(1) WCG recommends using the average of four (4) years of recorded therm sales to determine test year 2013 therm sales; DRA recommends using the average of five (5) years of recorded therm sales to determine test year 2013 therm sales.

(2) WCG recommends use of WCG's actual recorded 2011 operating expenses as the basis for developing test year 2013 operating expenses; DRA recommends use of an imputed 5-year (2007-2011) average of operating expenses to arrive at its 2011 basis for developing 2013 test year operating expenses, with the exception of FERC Accounts 920 and 926, where DRA relies on recorded 2011 expenses but with modifications.

(3) WCG recommends that the forecast of test year health care benefits costs be based on a 5% escalation rate; the DRA recommends that test year health care benefits

costs be based on Global Insight's forecasted health care benefits escalation rate of 3.4% in 2012 and 4.4% in 2013 (from the IHS Global Insight Cost Planner First-Quarter 2012).

(4) WCG recommends an uncollectible accounts rate of 0.2184%, based upon the average uncollectible accounts rate experienced in 2009, 2010 and 2011; DRA calculated its recommended uncollectible accounts rate of 0.1643% rate, using data for the years 2005, 2006, 2007, 2008, 2009, and 2010.

(5) WCG recommends an average 2013 rate base of $1,054,953; in the DRA Report, DRA recommends an average test year rate base of $1,005,277.

(6) WCG recommends a return on equity of 10.0%; DRA recommends a return on equity of 8.50%.

(7) WCG recommends an attrition year adjustment mechanism based on the test year 2013 adopted base rate revenue requirement adjusted by the change in Consumer Price Index for the attrition years 2014, 2015 and 2016; DRA recommends the same attrition year mechanism except that a 0.5% productivity adjustment be deducted from the change in the CPI for the attrition years 2014, 2015, 2016.

Having engaged in settlement discussions, WCG and DRA have resolved the above-referenced contested issues as follows:

1. Adopt DRA's proposed test year 2013 therm sales forecast.

2. Adopt a compromise position of WCG's proposal and DRA's recommendation for test year 2013 operating expenses, as follows:

   a. A 2013 forecast of $363,383 for distribution operations expenses, which is equal to WCG's forecast of $363,436 adjusted for a minor change in the allocation of expenses to non-jurisdictional operations;

b. A 2013 forecast of $65,933 for distribution maintenance expenses, which is a compromise between WCG's forecast of $76,380 and DRA's forecast of $46,876;

c. DRA's 2013 forecast for customer accounting expenses, equal to $105,705; and

d. A 2013 forecast of $263,383 for administrative & general (A&G) expenses, which is equal to WCG's forecast of $264,587 less DRA's $1,204 adjustment for health care benefit costs (i.e., using Global Insight's health care-related escalation rates of 3.4% in 2012 and 4.4% in 2013).

3. Adopt DRA's proposed allowance for uncollectible account value of 0.1643% for test year 2013 and the three succeeding attrition years.

4. Adopt a test year rate base of $1,019,759 (which corrects DRA's recommendation to remove $49,676 in 2010 gas plant additions for the Federal Prison which is under CPUC jurisdiction and not FERC jurisdiction).

5. Adopt DRA's proposed 8.50% return on equity and 7.15% rate of return.

WCG Cost of Capital for 2013-2016

Description	**DRA and WCG Agreement**		
Component (a)	*Ratio (b)*	*Rate (c)*	*Wtd. Cost (d=b*c)*
Long-Term Debt	30.00%	4.00%	1.20%
Common Equity	70.00%	8.50%	5.95%
Total	100.00%		7.15%

6. Adopt a post test-year ratemaking mechanism for the attrition years 2014, 2015, and 2016. The attrition year adjustments to revenue requirements for years 2014,

2015, and 2016 will be calculated based on the simple average of the forecasts of changes in the Consumer Price Index ("CPI") as published by Value Line and Global Insight in the month and on the day closest to July 1 of the year before the attrition year, and will be reduced by DRA's recommended productivity adjustment factor of 0.50%. The attrition year adjustments will be effected by advice letter filing prior to commencement of each attrition year.

In recognition of the settlement reached between WCG and DRA, Attachment A hereto sets forth the following, further information: (1) a comparison of the revenue requirements requested by WCG in A. 12-05-006 with the revenue requirements recommended by DRA: (2) a comparison of Test Year 2013 Results of Operations as respectively recommended by WCG and DRA; (3) Test Year 2013 Results of Operations, assuming that effect is given to the proposed settlement between WCG and DRA, resulting in a base revenue increase of $101,570 and a return on equity of 8.50%; (4) a table showing the impact of the proposed settlement on revenue requirement; and (5) a summary of total revenue, assuming effect is given to the settlement agreement, showing a uniform increase in all WCG's rate schedules of 5.39%.

WCG and DRA agree that the overall increase in rates should be allocated to all customers on an equal basis. That is, all customer charges and the per therm distribution changes would increase by 5.39% with the exception of CARE residential customers (4.31%). Attachment B hereto reflects the impact of a 5.39% rate increase upon WCG's residential rates, demonstrating an anticipated increase of $2.36 in the average monthly residential bill.

ADDITIONAL TERMS AND CONDITIONS

A. Precedential Effect: The Parties agree that adoption of the Settlement Agreement by the Commission shall not constitute approval of, or precedent regarding, any principle or issue in this proceeding or in any future proceeding.

B. Indivisibility of Settlement Agreement: The Settlement Agreement represents a compromise of many positions and interests of the Parties hereto and no individual term is assented to by any Party except in consideration of the other Party's assents to all of the other terms of the Settlement Agreement. The Settlement Agreement is indivisible and each part is interdependent on each and all of the other parts. Any Party may withdraw from the Settlement Agreement if the Commission modifies, deletes or adds any term.

C. Evidentiary Effect of Settlement Agreement: The Parties agree that no discussion, admission, concession, or offer to stipulate or settle, whether oral or written, made during any negotiation leading to the Settlement Agreement shall be subject to discovery, or admissible in any evidentiary hearing against any participant who objects to its admission. Furthermore, if the Settlement Agreement is not adopted by the Commission, then the Parties agree that no portion of the Settlement Agreement, or any of its terms or conditions, or any of the discussions leading to it, may be subject to discovery or used in hearings in support of or in opposition to any Party or position without the prior express written consent of the Parties hereto.

D. Settlement Agreement in the Public Interest: The Parties agree by executing and submitting the Settlement Agreement that the Commission's approval and adoption of the Settlement Agreement is in the public interest, consistent with the law, and reasonable in light of the record. Approval of the Settlement Agreement will result in a resolution of this proceeding that is fair and reasonable and will avoid unnecessary litigation that would otherwise result.

E. Effectuation of Settlement Agreement: The Parties agree to perform diligently and in good faith all actions required or implied hereunder, including, but not necessarily limited to, the execution of any other documents required to effectuate the terms of the Settlement Agreement, and the preparation of exhibits for, and presentation of witnesses at, any hearings which may be required in order to obtain the approval and adoption of the Settlement Agreement by the Commission.

F. Entirety of Settlement Agreement: The Settlement Agreement contains the entire agreement of the Parties hereto. The terms and conditions of the Settlement Agreement may only be modified by a writing subscribed by the Parties.

G. Final Document: A facsimile signature will have the same force and effect as the original.

Dated this 12 day of December, 2012.

WEST COAST GAS CORPORATION
ADVOCATES

Raymond J. Czahar
Chief Financial Officer
West Coast Gas Corporation
9203 Beatty Drive
Sacramento, California 95826

DIVISION OF RATEPAYER

Joe Como
Director
Division of Ratepayer Advocates
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

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Dated this 12th day of December, 2012.

WEST COAST GAS CORPORATION

Raymond J. Czahar
Chief Financial Officer
West Coast Gas Corporation
9203 Beatty Drive
Sacramento, California 95826

DIVISION OF RATEPAYER ADVOCATES

Joe Como
Director
Division of Ratepayer Advocates
California Public Utilities Commission
505 Van Ness Avenue
San Francisco, California 94102

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ATTACHMENT A

TO SETTLEMENT AGREEMENT

WCG – DRA Settlement: Application No. 12-05-006 Test Year 2013

Revenue Requirements

1. WCG as filed May 4, 2012:

a. Rate increase requested		$146,806
b. % Rate increase requested		7.81%
c. Test Year Rate Base		$1,054,953
d. Return on Rate Base		8.20%
e. Return on Equity		10.00%
f. Capital Ratios	Debt	30.0%
	Equity	70.0%

2. DRA as filed October 23, 2013:

a. Rate increase proposed		$ 61,614
b. % Rate increase proposed		3.27%
c. Test Year Rate Base		$1,005,277
d. Return on Rate Base		7.15%
e. Return on Equity		8.50%
f. Capital Ratios	Debt	30.0%
	Equity	70.0%

Test Year 2013 Results of Operations (RO) Comparison

	WCG	DRA	Difference
Total Revenue Requirements	$2,035,497	$1,956,711	$ 78,786
Operating Expense [1]	1,898,210	1,843,703	54,507
Income Taxes	50,780	41,131	9,650
Net Operating Income	$ 86,506	$ 71,877	$ 14,629
Test Year Rate Base	1,054,953	1,005,277	49,676
Return on Rate Base	8.50%	8.20%	

1 Including Procurement Costs

Attachment A Page 2 of 3

Settlement

Requirement [1]	WCG	DRA	Settlement
1. Test Year Rate Base	$1,054,953	$1,005,277	$1,019,759
2. Capital Structure (Debt/Equity)	30.0%/70.0%	30%/70%	30%/70%
3. Return on Equity	10.00%	8.50%	8.50%
4. Return on Rate Base	8.20%	7.15%	7.15%

West Coast Gas Company
Test Year 2013
Settlement Results of Operations

	RO at Current Rates	Revenue Change	RO at Settlement Rates
Base Rate Revenue	$ 924,683	$ 101,570	$ 1,026,253
Procurement Revenue	960,531		960,531
Other Gas Revenue	9,883		9,883
Total Revenue	$ 1,895,096		$ 1,996,667
Operating Expenses	1,882,031		1,882,031
Income Taxes	0	(41,724)	(41,724)
Net Operating Income	$ 13,066	$ 59,847	$ 72,913
Test Year 2013 Rate Base	$ 1,019,759		$ 1,019,759
%Return on Rate Base	1.28%		7.15%
Interest Expense	$ (12,237)		$ (12,237)
Earnings for Common	$ 829		$ 60,676
Common Equity	$ 713,831		$ 713,831
%Return on Common	0.12%		8.50%
% Rate Increase		5.39%	

Attachment A Page 3 of 3

% Rate Change
by Rate Schedule

Rate Schedule		% Change
1	Residential - Mather	5.39%
1A	Residential CARE - Mather	4.31%
2	Small Commercial - Mather	5.39%
3	Small Commercial - Mather	5.39%
C-G1	Small Commercial - Castle	5.39%
C-G1	Medium Commercial - Castle	5.39%
C-G1	Large Commercial - Castle	5.39%
	Total % Change	5.39%

Total Revenue Summary
At Proposed Rates

	Residential	Commercial Total All Schedules Summer	Winter	Commercial Total	Total Jurisdictional
Customer Charge	$ 53,801	$ 20,026	$ 14,304	$ 34,331	$ 88,132
Procurement	324,122	244,822	391,588	636,409	960,531
Base Rates	300,020	216,399	421,711.	638,110	938,130
Total	$ 677,943	$ 481,247	$ 827,603	$ 1,308,850	$1,986,793
Total Revenue at Current Rates					$ 1,885,222
Revenue Change					$ 101,571
% Change in Total Revenue					5.39%

(END OF ATTACHMENT A)

ATTACHMENT B

TO SETTLEMENT AGREEMENT

Attachment B Page 1 of 1

West Coast Gas Compnay
Test Year 2013
Residential Rates

Residential Service	Current Rates			Settlement Rates		
Rate Change	Mo.Cust.Chrg. = $ -			Mo.Cust.Chrg. = $ 0.19		
Rate Change	Volum. Rate = $ -			Volume. Rate = $ 31,908.02		
Monthly Customer Charge:	$ 3.47			$ 3.66		
Volumetric Charges	Baseline	Excess		Baseline	Excess	
Procurement - $/Therm	$ 0.58689	$ 0.58689		$ 0.58689	$ 0.58689	
Distribution - $/Therm	0.42754	0.66551		0.48219	0.73299	
Total Volumetric Rate	$ 1.01443	$ 1.25240		$ 1.06908	$ 1.31988	
3. Base Line Allowance						
Winter - Therms per Day	0.5			0.5		
Winter - Therms per Day	2.0			2.0		
	Baseline	Excess	Total	Baseline	Excess	Total
Annual Therm Sales	417,821	134,449	552,270	417,821	134,449	552,270
Number of Customers			1,226			1,226
Annual Revenue:						
Customer Charge			$ 51,050.64			$ 53,801.12
Procurement	245,214.83	78,906.73	324,121.56	245,214.83	78,906.73	324,121.56
Base Rates	178,635.19	89,477.15	268,112.34	201,471.13	98,549.24	300,020.36
Total	$ 423,850.02	$ 168,383.88	$ 643,284.54	$ 446,685.95	$ 177,455.97	$ 677,943.03
Rate Increase:						
$			$ -			$ 34,658.50
%			0%			5.39%
Average Monthly Bill	Baseline	Excess	Total	Baseline	Excess	Total
Average Therm Usage	28	9	38	28	9	38
Customer Charge			$ 3.47			$ 3.66
Volumetric Charges			40.26			42.42
Total Monthly Bill			$ 43.73			$ 46.08
$ Increase/Month						$ 2.36
Proof of Revenue (Annual Bills x Monthly Bill)			$ 643,284.54			$ 677,943.03

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(END OF ATTACHMENT B)