

**STANDARD PURCHASED GAS
ADJUSTMENT SCHEDULE**

AVAILABILITY

This service is applicable to the firm gas rate schedule of the Department.

PURCHASED GAS ADJUSTMENT

This schedule establishes the procedure to be followed, for adjusting, on a monthly basis, the Department's firm gas rate schedules, in order to track, on a periodic basis, the changes in the cost of purchased gas.

The purchased gas adjustment charge may be increased or decreased, whenever the cost of purchased gas varies above or below the base cost of \$0.15 per ccf. The purchased gas adjustment is a function of the total pipeline and supplemental gas costs, less gas costs for the Department use and non-firm sales, less refunds from suppliers, plus or minus the cumulative total in the purchased gas account, all divided by the firm gas sales. The resultant purchased gas adjustment minus the imbedded cost of \$0.15 per ccf, establishes the new purchased gas adjustment.

The monthly bill shall be increased or decreased by multiplying the total ccf billed each month by the purchased gas adjustment, calculated as follows:

$$PGA = \frac{Cg - Cd - Cr + Ca - Cb}{FS}$$

Cg: Total pipeline and supplemental costs for all gases purchased.

Cd: Cost of gas for Department use and non-firm sales.

Cr: Refunds received from suppliers, both pipeline and supplemental.

Ca: Cumulative total in purchased gas account.

Cb: Base cost of gas (\$0.15 per ccf).

FS: Total volume of firm gas customer sales.