Received: 10/31/2006 Status: CANCELLED Effective Date: 11/01/2006

PSC NO. 4 GAS LEAF: 80.4 ORANGE AND ROCKLAND UTILITIES, INC. REVISION: 2

INITIAL EFFECTIVE DATE: November 1, 2006 SUPERSEDING REVISION: 0 Issued in compliance with Commission order in Case 05-G-1494, dated 10/20/06

GENERAL INFORMATION

12. <u>ADJUSTMENT OF RATES IN ACCORDANCE WITH CHANGES IN THE COST OF GAS (Cont'd.)</u>

12.3 WEATHER NORMALIZATION ADJUSTMENT

A Weather Normalization Adjustment shall be effective for all Service Classification Nos. 1 and 6 - Space Heating Customers and for Service Classification No. 2 - General Service Master Metered Multiple Dwellings, General Service Commercial and General Service Industrial Customers. The Weather Normalization Adjustment will be applied to total gas usage during the period October 1 through May 31 of each year.

(A) <u>Definitions</u>

- (1) PBR or pure base rate is the tail block delivery charge set forth in Service Classification Nos. 1, 2 and 6.
- (2) BD or billing days is the actual number of days for which service is being billed.
- (3) HDD or heating degree days are the difference between 63 degrees F. and the average outdoor dry bulb temperature for a day based on readings made every hour on the hour throughout the day. HDD are always zero when that average temperature is above 63 degrees F.
- (4) NHDD or normal heating degree days for the twelve-month period commencing November 1, 2006 shall be 5,117 heating degree days and normal heating degree days for each twelve-month period thereafter commencing November 1 shall be the 30-year average ending the prior calendar year.
- (5) AHDD or actual heating degree days are the actual difference between 63 degrees F. and the average outdoor dry bulb temperature for a particular day or days based on readings made every hour on the hour throughout the day. AHDD are always zero when that average temperature is above 63 degrees F.
- (6) HDDF or heating degree day factor is the estimated number of ccf per customer needed to provide space heating for each degree of a degree day based on average usage by customers to which this adjustment applies. The HDDF shall be determined separately for each customer rate classification and shall be revised annually. The HDDF shall be submitted to Staff on or before August 31 for inclusion in the October 1 start date of each year's Weather Normalization Adjustment.

Issued By: <u>John D. McMahon, President, Pearl River, New York</u> (Name of Officer, Title, Address)