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 GENERAL INFORMATION

27. Weather Normalization Adjustment

APPLICABILITY:

The rates for gas service to all heating customers under Service Classification Nos. 1, 2, 3, 5 and 7 shall be subject to a Weather Normalization Adjustment to reflect the impact of heating degree day variations from average 30 year normal levels, as determined on a revenue month basis, for the months of October through May inclusive.

The Weather Normalization Adjustment will only be billed if the actual heating degree days for the billing cycle are lower than 97.8 percent or higher than 102.2 percent of the normal heating degree days for the billing cycle.

The Weather Adjustment Factor will be applied to the customer's total consumption for the billing cycle. A new Weather Adjustment Factor will be calculated for each billing cycle. The monthly volume deviation shall be computed for each billing period for which adjustment is made using the formula described below.

DEFINITIONS:

$$\text{WAF} = M * \frac{\text{DDF} [(\text{NDD} \pm 2.2\% \text{ NDD}) - \text{ADD}]}{\text{BL} + (\text{DDF} * \text{ADD})}$$

$$\text{WNA R/S} = (\text{WAF}) * (\text{U})$$

WHERE:

WAF = Weather adjustment factor

ADD = Actual heating degree days weighted over the monthly/bi-monthly billing cycle. Degree days are calculated by subtracting the average daily temperature (sum of the daily high and the daily low divided by two) from 65 degrees F. The remainder is the number of degree days for the day. Heating degree days result when the remainder is a positive number, (i.e., when the average temperature is below 65 degree F). The heating degree days are then summed over the days that are in the billing cycle and are weighted by the proportion of monthly and bi-monthly bills.

NDD = Normal heating degree days weighted over the monthly bi-monthly billing cycle. The normal heating degree days are calculated in the same manner as the actual heating degree days, but they are based on a 30 year average of daily high and low temperatures.

DDF = Average degree day factor in therms/heating degree day, is the estimated number of therm/heating degree day required to provide space heating for the average customer. DDF is determined separately for each customer classification and will be revised with every rate change to reflect the temperature sensitivity reflected in the new sales forecast.

Issued By: Darlene D. Kerr, Executive Vice President, Syracuse, New York