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New England Gas Company

July 30, 2004

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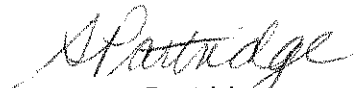
Re: Docket No. 3548/ Distribution Adjustment Charge Filing

Dear Luly:

Enclosed is an original and nine copies of testimony of Peter C. Czekascki in support of changes to the various components of the distribution adjustment charge ("DAC"). The testimony proposes updated factors for effect November 1, 2004. The proposed rates represent a \$0.0278 per therm increase from the currently effective DAC rates. This per therm increase correlates to an increase of approximately \$29 per year for the typical residential heating customer.

Thank you for your attention to this filing. If you have any questions, please do not hesitate to contact me.

Sincerely,



Sharon Partridge
Vice President of Finance

Enc.

cc: Paul Roberti, Esq.
Steve Scialabba
Bruce Oliver
David Efron
Cheryl Kimball, Esq.

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

NEW ENGLAND GAS COMPANY
DOCKET NO. 3548

DIRECT TESTIMONY

OF

PETER C. CZEKANSKI

July 30, 2004

I. INTRODUCTION

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Peter C. Czekanski. My business address is 100 Weybosset Street,
3 Providence, RI 02903.

4 **Q. WHAT IS YOUR POSITION AND RESPONSIBILITIES?**

5 A. I am Director of Pricing for the New England Gas Company ("NEGC" or the
6 "Company"). My responsibilities include overseeing the design, implementation and
7 administration of rates charged by NEGC. I also direct the development of the
8 Company's sales and revenue forecasts.

9 **Q. WHAT IS YOUR PROFESSIONAL AND EDUCATIONAL BACKGROUND?**

10 A. I was first employed by Providence Gas Company ("ProvGas") in January 1995 as a
11 Pricing Analyst with responsibility for assisting in rate design, tariff administration
12 and other regulatory activities. I was promoted to my current position in March 1998.
13 I have previously testified in numerous proceedings before this Commission,
14 including: (1) Docket No. 3401, the Company's most recent rate case proceeding; (2)
15 Docket No. 3436, the Gas Cost Recovery filing; (3) Docket Nos. 1673 and 1736, the
16 former ProvGas and Valley Gas cost of gas adjustment filings; (4) Docket No. 2902,
17 enhancements to the Business Choice Program; and (5) in the Docket Nos. 3459 and
18 3548 in support of the Distribution Adjustment Charge. I have also testified before

1 the Massachusetts Department of Telecommunications and Energy on behalf of North
2 Attleboro Gas Company in Dockets D.T.E. 01-17 and D.T.E. 01-47.

3 Prior to joining NEGC, I was employed by NYNEX (now Verizon) for 24 years
4 where I held various positions in the Regulatory, Government Relations and
5 Marketing departments. While part of the Regulatory department at NYNEX, I
6 prepared and filed testimony and testified in various dockets before the Rhode Island,
7 Massachusetts and Vermont regulatory commissions on matters related to rate design,
8 pricing and cost issues.

9 My educational background includes a Bachelor of Science degree in Electrical
10 Engineering from Brown University. In addition, during my career at NYNEX, I
11 completed a variety of business and management courses.

12 **Q. WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

13 A. The purpose of this testimony is to describe the changes to the various components of
14 the Distribution Adjustment Charge ("DAC") and to propose updated factors to be
15 effective November 1, 2004. In addition, this testimony will describe the
16 reconciliation of various DAC components for fiscal year 2004 (FY04).

17 **Q. HOW IS YOUR TESTIMONY ORGANIZED?**

18 A. My testimony is composed of four (4) general sections: *I.* the Introduction; *II.* a DAC
19 Summary; *III.* the DAC Component Details; and *IV.* the DAC FY04 Reconciliation.

1 **Q. ARE THERE ANY ATTACHMENTS ACCOMPANYING YOUR**
2 **TESTIMONY?**

3 A. Yes. I am sponsoring the following Attachments:

4	PCC-1	Summary of Distribution Adjustment Charges
5	PCC-2	Typical Customer Bill Impacts
6	PCC-3	System Pressure
7	PCC-4	Environmental Response Cost
8	PCC-5	On-System Margin Credits
9	PCC-6	Weather Normalization
10	PCC-7	FY04 Reconciliation

II. DAC SUMMARY

11 **Q. PLEASE DESCRIBE THE DAC AND THE VARIOUS COMPONENTS THAT**
12 **ARE INCLUDED.**

13 A. The DAC was established in Docket No. 3401 to provide for the recovery and
14 reconciliation of the costs of identifiable special programs, as well as to facilitate the
15 timely rate recognition of incentive provisions. As described in the Company's tariff
16 NEGC No. 101 in Section 3, Schedule A, the DAC includes an annual System
17 Pressure factor, a Demand Side Management ("DSM") factor, a Low Income
18 Assistance Program ("LIAP") factor, an Environmental Response Cost ("ERC")
19 factor, an On-System Margin Credit factor, a Weather Normalization ("WN") factor,
20 an Earnings Sharing factor and a Reconciliation factor for the previous year.

21 **Q. WHAT IS THE PROPOSED DAC RATE?**

1 A. The proposed DAC rate is \$0.0030 per therm for all customer rate classes. These
2 rates represent a \$0.0278 per therm increase from the currently effective DAC rate.
3 Attachment PCC-1 provides a summary of the proposed DAC rate and the various
4 components. Consistent with the provisions of the Company's tariff NEGC 101,
5 Section 3, Schedule A, these rates are proposed to be effective with consumption
6 starting November 1, 2004.

7 **Q. WHAT IS THE IMPACT OF THE PROPOSED DAC ON CUSTOMERS?**

8 A. The overall impact of the proposed DAC on customer bills will be an increase for
9 customers. A typical residential heating customer using 1,035 therms per year will
10 see an increase of approximately 2% or \$29 per year. A summary of customer bill
11 impacts over a range of consumption for the various rate classes is shown on
12 Attachment PCC-2.

III. DAC COMPONENT DETAILS

13 **Q. WHAT IS THE SYSTEM PRESSURE COMPONENT**

14 A. Maintaining proper operating pressures on the Company's distribution system
15 requires the occasional use of the Company's LNG facilities. The system pressure
16 component reflected in the DAC represents the associated projected LNG costs for
17 the period November 1, 2004 through October 31, 2005. This component reflects the
18 product of forecasted 2004-05 LNG costs (withdrawal commodity, inventory

1 financing, and supplier demand) and the percentage of local storage used to maintain
2 system pressures. As established in Docket No. 3401, NEGC's system balancing
3 percentage is 20.39 percent. The LNG system pressure portion of LNG Operating
4 and Maintenance costs was established at the time of the Company's last rate case and
5 is recovered in base rates.

6 **Q. HOW DID THE COMPANY ESTABLISH THE LNG COSTS REFLECTED IN**
7 **THIS FILING?**

8 A. The LNG costs reflected in this filing are based on preliminary cost estimates that
9 will be updated as part of the Company's September 1, 2004 Gas Cost Recovery
10 ("GCR") filing (Docket No. 3436). In the GCR filing, LNG related commodity costs
11 are calculated for the future 12-month period November 2004 through October 2005.
12 The system pressure component is then subtracted out for purposes of calculating the
13 GCR charge. This filing incorporates that system pressure component for the 12-
14 month period November 2004 through October 2005. See Attachment PCC-3.

15 **Q. PLEASE DESCRIBE THE DSM PROGRAM.**

16 A. The existing DSM program was established in Docket No. 2025 to promote
17 development of energy-efficient natural gas technologies that increase utilization of
18 natural gas during periods of low demand. Increased off-peak usage reduces the unit
19 cost of gas for all customers by generating distribution revenues to support fixed costs
20 associated with resources needed during peak periods. The DSM program provides

1 rebates for technologies such as natural gas powered fleet vehicles, chilling systems,
2 electrical generators, process heating, desiccant dehumidifiers, as well as for
3 residential high efficiency space heating equipment.

4 **Q. IS THE COMPANY PROPOSING ANY CHANGES TO THE DSM**
5 **PROGRAM?**

6 A. Not as part of this filing. The Company is a participant in the Rhode Island
7 Greenhouse Gas ("RI GHG") process and is currently working on possibly adding
8 some programs to the existing DSM program. Any such changes will be filed with
9 the Commission separate from this docket and are being designed to not involve any
10 change in the level of annual funding.

11 **Q. WHAT IS THE CURRENT LEVEL OF FUNDING?**

12 A. Under Commission Order No. 17381 in Docket No. 3401, funding was included in
13 base rates at an annual level of \$300,000. Since the Company is not proposing any
14 change to the existing program or level of funding at this time, there is no proposed
15 adjustment to the base rate annual funding. The DSM component of the DAC
16 remains at zero.

17 **Q. WHAT LEVEL OF FUNDS ARE AVAILABLE FOR NEW PROJECTS IN**
18 **FY2004?**

1 A. For FY2005, the Company has available \$1,307,000 for DSM projects. This reflects
2 \$1,007,000 carried over from FY2004 plus the above mentioned annual funding of
3 \$300,000.

4 **Q. PLEASE DESCRIBE THE LOW INCOME ASSISTANCE PROGRAMS.**

5 A. The low-income assistance programs included with this DAC component are the Low
6 Income Heating Energy Assistance Program ("LIHEAP") and the Low Income
7 Weatherization Program. LIHEAP is a Federally-funded, State administered program
8 providing funding to assist low income customers in paying their heating bills. The
9 NEGC program piggybacks on the State program and provides additional credits on
10 customers' gas bills. The Low Income Weatherization Program provides
11 supplemental funding to the weatherization program administered by the Rhode
12 Island Energy Office. Under Commission Order No. 17381 in Docket No. 3401,
13 funding for LIHEAP and the weatherization program was included in base rates at an
14 annual level of \$1,585,000 and \$200,000 respectively. The Company is not
15 proposing any change to the existing program or level of funding at this time.
16 Accordingly, the Low Income Assistance Programs component of the DAC remains
17 at zero.

18 **Q. WHAT LEVEL OF FUNDS ARE AVAILABLE FOR LOW INCOME**
19 **ASSISTANCE PROGRAMS IN FY2004?**

1 A. For FY2005, the Company has available \$1,585,000 for LIHEAP and \$200,000 for
2 the low income weatherization program. There are also an additional \$3,325 of funds
3 being carried over from FY2004 for LIHEAP.

4 **Q. PLEASE EXPLAIN THE PURPOSE OF THE ENVIRONMENTAL**
5 **RESPONSE COST FACTOR.**

6 A. The ERC Factor is designed to allow NEGC to recover its reasonable and prudently
7 incurred costs for evaluation, remediation and clean-up of the sites associated with
8 NEGC's ownership and operation of manufactured gas plants ("MGP"), manufactured
9 gas storage facilities, and MGP-related off-site waste disposal locations. In addition,
10 the ERC Factor includes recovery of environmental costs for removing and replacing
11 mercury regulators and addressing meter disposal issues.

12 **Q. PLEASE DESCRIBE THE PROPOSED ERC FACTOR.**

13 A. Consistent with the Company's Tariff, NEGC No. 101, Section 3, Schedule A, Item
14 3.4, the ERC factor is a per-therm charge that reflects the 10-year amortization of
15 Environmental Response Costs. As shown on Attachment PCC-4, the proposed ERC
16 factor reflects unamortized environmental costs through the end of fiscal year 2001,
17 net environmental costs in fiscal years 2002 through 2004 and the level of ERC
18 funding embedded in base rates. The net environmental costs for fiscal year 2004 are
19 \$187,282. It should be noted that the fiscal year 2004 data is considered preliminary

1 and if there are any changes when the Company's books are finalized for the fiscal
2 year, the Company will file an updated calculation.

3 **Q. WHAT IS THE CREDITING OF MARGINS FROM ON-SYSTEM NON-FIRM**
4 **SALES AND TRANSPORTATION?**

5 A. The crediting of margins from on-system non-firm sales and transportation services
6 provides an offset to some of the distribution system costs. Under the provisions in
7 NEGC No. 101 Section 3, Schedule A 3.5, an annual threshold level for non-firm
8 sales and transportation margins is established at \$1.6 million. For each twelve-
9 month period beginning July 1st, all margins derived from non-firm sales and
10 transportation over the threshold level shall be shared on a 75 percent 25 percent basis
11 between customers and shareholders. If the annual margins are less than the
12 threshold, the shortfall will be recovered from customers.

13 **Q. PLEASE DESCRIBE THE CALCULATION OF NON-FIRM MARGINS AND**
14 **ANY AMOUNTS AVAILABLE FOR SHARING WITH CUSTOMERS.**

15 A. Non-firm margins are calculated as the difference between non-firm sales and
16 transportation revenues and non-firm gas costs. For the 12-months ending June 30,
17 2004, the Company recorded \$1,928,686 of non-firm margins net of gross earnings
18 tax, \$328,686 more than the \$1.6 million threshold. Seventy-five percent of the
19 \$328,686, or \$246,514 will be credited to customers and twenty five percent, or

1 \$82,171, will be retained by the Company. Attachment PCC-5 shows the monthly
2 non-firm margins and the calculation of the margin sharing.

3 **Q. PLEASE EXPLAIN THE WEATHER NORMALIZATION COMPONENT.**

4 A. The weather normalization clause provides for crediting/debiting customers when
5 weather over the past winter is colder/warmer than normal. In the November
6 through April period, if weather was more than 2 percent colder than normal or more
7 than 2 percent warmer than normal a credit/debit is calculated at the rate of \$9,000
8 per degree day. During the winter period November 2003 through April 2004, the
9 weather was colder than normal and there were 58 degree days in excess of the
10 threshold, which equates to \$522,000 to be credited to customers. Attachment PCC-6
11 shows the calculation of the weather normalization credit.

12 **Q. PLEASE DESCRIBE THE EARNINGS SHARING COMPONENT.**

13 A. Under the provisions of the Commission approved settlement agreement in Docket
14 No. 3401, an incentive-based Earnings Sharing Mechanism ("ESM") was established
15 to provide for the sharing of consolidation savings between the Company and its
16 customers. The ESM is based on a benchmark return on equity of 11.25 percent,
17 excluding the Company's portion of non-firm margins described earlier in this
18 testimony. Any annual earnings over 11.25 percent in the prior fiscal year, up to and
19 including 100 basis points, will be shared 50 percent to customers and 50 percent to

1 the Company. Any earnings in excess of 12.25 percent will be shared 75 percent to
2 customers and 25 percent to the Company.

3 **Q. HAS THE COMPANY PERFORMED THE EARNINGS SHARING**
4 **CALCULATION FOR INCLUSION IN THIS TESTIMONY?**

5 A. The Company has not yet performed the earnings sharing calculation because the
6 Company's financial data for the fiscal year ending June 30, 2004 has not yet been
7 completed. The Company's outside auditors are still in the process of reviewing the
8 Company's financial records. As soon as the data is available, the Company will
9 perform this calculation and will supplement this filing with testimony supporting the
10 calculation no later than September 1, 2004.

11 **Q. LAST OCTOBER THE COMMISSION APPROVED INTERIM EARNINGS**
12 **SHARING AT THE LEVEL OF \$5,212,000 AND MADE ADDITIONAL**
13 **ADJUSTMENTS AT AN OPEN MEETING IN APRIL, 2004. ARE THESE**
14 **ADJUSTMENTS IN THIS FILING?**

15 A. No, they will be included with the Company's earnings sharing supplement filing
16 mentioned above.

17 **Q. SHOULD THERE BE A COMPONENT IN THE DAC FOR PENALTIES**
18 **UNDER THE COMPANY'S SERVICE QUALITY PROGRAM?**

1 A. Yes. In the Service Quality Docket No. 3476, it was agreed that any penalty amounts
2 resulting from the approved Service Quality Plan would be passed on to customers in
3 the DAC as part of the Company's annual DAC filing. As reflected in the
4 Company's Fiscal Year 2004 Annual Report on Service Quality Plan (filed with the
5 Commission under cover letter dated July 30, 2004) the performance was within the
6 established benchmarks and no penalties were applicable. Accordingly, there are no
7 service quality penalties included in the current DAC filing.

IV. DAC FY04 RECONCILIATION

8 **Q. WHAT IS COVERED UNDER THE RECONCILIATION COMPONENT OF**
9 **THE DAC?**

10 A. The unit DAC rates for the previously described components are established on the
11 basis of a projected level of consumption. The Reconciliation component of the DAC
12 allows for the reconciliation of the actual costs and revenues with the previous
13 projections. The individual items being reconciled fall into one of two general
14 groupings, those being reconciled on the basis of FY04 going from July 2003 through
15 the end of June 2004 and those being reconciled on the basis of the gas year which
16 goes from November 2003 through the end of October 2004. A summary of the
17 various items being reconciled is shown on Attachment PCC-7, page 1. The first three
18 items shown relate to the reconciliation of actual levels of revenues collected versus
19 the level of funding that was incorporated in the establishment of base rates. For

1 example, at the time of the Company's last rate case, Docket No. 3401, it was agreed
2 to include in the development of base distribution rates, low income assistance
3 funding at the level of \$1,785,000 plus a working capital allowance. The
4 reconciliation accounts for any differences in total consumption or firm throughput
5 during FY04 versus at the time of Docket No. 3401 to insure that low income
6 assistance funding is maintained at the annual level of \$1,785,000. Similarly, DSM
7 funds and Environmental Response Cost funds are reconciled with the approved base
8 rate levels of \$300,000 plus a working capital allowance and \$1,310,000 respectively.

9 **Q. PLEASE DESCRIBE THE DSM RECONCILIATION.**

10 A. As described above, the DSM base rates reconciliation accounts for actual DSM
11 revenues collected versus the FY04 level of funding built into base rates. During
12 FY04, revenue collected was greater than projected due to the colder than normal
13 winter resulting in an overcollection as of June 30, 2004 of \$15,775 as shown on
14 Attachment PCC-7 page 1.

15 **Q. WHAT ABOUT THE LIAP AND ENVIRONMENTAL BASE RATE**
16 **RECONCILIATION AMOUNTS?**

17 A. Similar to the situation with DSM there were overcollections resulting in June 30,
18 2004 balances of \$94,105 and \$68,719 for the LIAP and Environmental base rates
19 items respectively. These amounts are shown on Attachment PCC-7 page 1 with
20 monthly details shown on pages 2 and 3.

1 **Q. ARE THESE THE ONLY ITEMS RECONCILED ON THE BASIS OF A**
2 **FISCAL YEAR?**

3 A. No. During FY04, there was a net credit of \$948,589 being refunded through the
4 DAC to former ProvGas customers under the terms of the Energize Rhode Island –2
5 program (ERI-2). This ERI-2 factor shown on line 10 on page 1 of Attachment PCC-
6 7 is being reconciled on the basis of the fiscal year.

7 **Q. PLEASE DESCRIBE THE RECONCILIATION OF SYSTEM PRESSURE.**

8 A. When the current DAC was established on November 1, 2003, the system pressure
9 component was calculated on the basis of projected LNG costs included in the
10 Company's September 2003 GCR filing. This past winter was colder than normal,
11 resulting in more LNG being used than projected and at the same time the cost of the
12 LNG commodity was higher than projected. As shown on page 1 of Attachment
13 PCC-7, the net result is a system pressure undercollection with a deferred cost
14 balance of \$540,519 as of the end of October 2004. A detailed calculation of the
15 deferred balance is provided on page 4.

16 **Q. WHAT IS THE ENVIRONMENTAL – DAC RECONCILIATION ITEM**
17 **SHOWN ON ATTACHMENT PCC-7, PAGE 1, LINE 10.**

18 A. Whereas the previously described environmental reconciliation item was a true-up to
19 the level of funding reflected in base distribution rates, the environmental-DAC

1 reconciliation is a true-up of the incremental revenues incorporated in the 2003-2004
2 DAC. During FY03 insurance recoveries were in excess of expenses and the 2003-
3 2004 DAC reflected a net credit to customers of \$660,242. Due to the colder than
4 normal winter in FY04 total thru-put was greater than projected resulting in crediting
5 customers more than the \$660,242. This reconciliation item reflects a deferred
6 balance of \$9,675 to be collected from customers in the upcoming year. A detailed
7 calculation is shown on Attachment PCC-7, page 4.

8 **Q. PLEASE DESCRIBE THE ON-SYSTEM MARGIN CREDIT**
9 **RECONCILIATION.**

10 A. In the 2003-2004 DAC, there was a credit of \$444,274 as a result of FY03 non-firm
11 margins in excess of the \$1.6 million dollar threshold established in Docket No. 3401.
12 The On-System Margin Credit reconciliation calculates that the deferred balance of
13 that account at the end of October 2004 will be a positive \$4,537 meaning customers
14 received credits in excess of the \$444,274.

15 **Q. WHAT ABOUT THE REMAINING RECONCILIATION ITEMS?**

16 A. The Weather Normalization and Earnings Sharing Mechanism items are similar to the
17 Environmental-DAC and On-System Margin Credit items described above. In the
18 2003-2004 DAC, all of these items reflected a credit going to customers and as a
19 result of increased thru-put due to colder than normal weather, the deferred balances
20 are positive amounts. The last reconciliation item, the Previous Reconciliation

1 Factor, is slightly different in that in the 2003-2004 DAC, this component was
2 intended to collect \$399,433 and the negative deferred balance shown on the
3 reconciliation indicates an over collection of \$3,242.

4 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

5 A. Yes.

Summary of Distribution Adjustment Charge
(\$ Per Therm)

Line No.	Description	reference	Factor
1	System Pressure	Attach. PCC3	\$0.0054
2	Demand Side Management (DSM)	PCC Testimony	\$0.0000
3	Low Income Assistance Programs (LIAP)	PCC Testimony	\$0.0000
4	Environmental Response Cost (ERC)	Attach. PCC-4	(\$0.0018)
5	On-System Margin Credits (MC)	Attach. PCC-5	(\$0.0007)
6	Weather Normalization (WN)	Attach. PCC-6	(\$0.0015)
7	Earnings Sharing Mechanism (ESM)	PCC Testimony	\$0.0000
8	Reconciliation Factor (R)	Attach. PCC-7	\$0.0015
9	Subtotal	sum ([1]:[8])	\$0.0030
10	Uncollectible Percentage	Dkt 3401	2.10%
11	DAC adjusted for uncollectible	[9] / (1 - [10])	\$0.00301

Bill Impact Analysis:
Current Distribution, GCR and DAC Rates vs. with Proposed DAC

Residential Heating:		Difference due to:					
Annual Consumption	Nov 04 - Oct 05	Currently Effective	Difference	% Chg	Base Rates	GCR	DAC
776	\$1,059	\$1,038	\$22	2.1%	\$0	\$0	\$22
828	\$1,121	\$1,098	\$23	2.1%	\$0	\$0	\$23
880	\$1,182	\$1,157	\$24	2.1%	\$0	\$0	\$24
932	\$1,243	\$1,217	\$26	2.1%	\$0	\$0	\$26
983	\$1,304	\$1,276	\$27	2.1%	\$0	\$0	\$27
1,035	\$1,364	\$1,335	\$29	2.2%	\$0	\$0	\$29
1,087	\$1,425	\$1,395	\$30	2.2%	\$0	\$0	\$30
1,139	\$1,486	\$1,454	\$32	2.2%	\$0	\$0	\$32
1,190	\$1,546	\$1,513	\$33	2.2%	\$0	\$0	\$33
1,242	\$1,606	\$1,571	\$34	2.2%	\$0	\$0	\$34
1,294	\$1,665	\$1,629	\$36	2.2%	\$0	\$0	\$36

Residential Non-Heating:		Difference due to:					
Annual Consumption	Nov 04 - Oct 05	Currently Effective	Difference	% Chg	Base Rates	GCR	DAC
115	\$238	\$209	\$29	13.8%	\$0	\$0	\$29
122	\$248	\$217	\$31	14.1%	\$0	\$0	\$31
130	\$258	\$225	\$33	14.5%	\$0	\$0	\$33
138	\$268	\$233	\$35	14.8%	\$0	\$0	\$35
145	\$278	\$241	\$37	15.1%	\$0	\$0	\$37
153	\$288	\$249	\$38	15.4%	\$0	\$0	\$38
161	\$297	\$257	\$40	15.7%	\$0	\$0	\$40
168	\$307	\$265	\$42	15.9%	\$0	\$0	\$42
176	\$317	\$273	\$44	16.2%	\$0	\$0	\$44
184	\$327	\$281	\$46	16.4%	\$0	\$0	\$46
191	\$337	\$289	\$48	16.6%	\$0	\$0	\$48

Bill Impact Analysis:
Current Distribution, GCR and DAC Rates vs. with Proposed DAC

C & I Small:

Annual Consumption	Nov 04 - Oct 05	Currently Effective	Difference	% Chg	Difference due to:		
					Base Rates	GCR	DAC
932	\$1,473	\$1,460	\$13	0.9%	\$0	\$0	\$13
994	\$1,544	\$1,531	\$14	0.9%	\$0	\$0	\$14
1,056	\$1,616	\$1,601	\$14	0.9%	\$0	\$0	\$14
1,118	\$1,687	\$1,671	\$15	0.9%	\$0	\$0	\$15
1,180	\$1,757	\$1,741	\$16	0.9%	\$0	\$0	\$16
1,242	\$1,828	\$1,811	\$17	0.9%	\$0	\$0	\$17
1,304	\$1,898	\$1,880	\$18	1.0%	\$0	\$0	\$18
1,366	\$1,967	\$1,949	\$19	1.0%	\$0	\$0	\$19
1,428	\$2,037	\$2,017	\$20	1.0%	\$0	\$0	\$20
1,490	\$2,106	\$2,086	\$20	1.0%	\$0	\$0	\$20
1,553	\$2,176	\$2,155	\$21	1.0%	\$0	\$0	\$21

C & I Medium:

Annual Consumption	Nov 04 - Oct 05	Currently Effective	Difference	% Chg	Difference due to:		
					Base Rates	GCR	DAC
7,761	\$9,008	\$8,792	\$216	2.5%	\$0	\$0	\$216
8,278	\$9,572	\$9,342	\$230	2.5%	\$0	\$0	\$230
8,796	\$10,137	\$9,892	\$245	2.5%	\$0	\$0	\$245
9,313	\$10,701	\$10,442	\$259	2.5%	\$0	\$0	\$259
9,831	\$11,266	\$10,993	\$273	2.5%	\$0	\$0	\$273
10,348	\$11,830	\$11,543	\$288	2.5%	\$0	\$0	\$288
10,865	\$12,395	\$12,093	\$302	2.5%	\$0	\$0	\$302
11,383	\$12,959	\$12,643	\$316	2.5%	\$0	\$0	\$316
11,900	\$13,524	\$13,193	\$331	2.5%	\$0	\$0	\$331
12,418	\$14,088	\$13,743	\$345	2.5%	\$0	\$0	\$345
12,935	\$14,653	\$14,293	\$360	2.5%	\$0	\$0	\$360

Bill Impact Analysis:
Current Distribution, GCR and DAC Rates vs. with Proposed DAC

C & I LLF Large:

Annual Consumption	Nov 04 - Oct 05		Currently Effective	Difference	% Chg	Base Rates	Difference due to:		
	Nov 04 - Oct 05	Currently Effective					Difference	% Chg	Base Rates
50,456	\$56,178	\$54,776	\$54,776	\$1,403	2.6%	\$0	\$0	\$0	\$1,403
53,819	\$59,851	\$58,355	\$58,355	\$1,496	2.6%	\$0	\$0	\$0	\$1,496
57,183	\$63,525	\$61,935	\$61,935	\$1,590	2.6%	\$0	\$0	\$0	\$1,590
60,547	\$67,198	\$65,515	\$65,515	\$1,683	2.6%	\$0	\$0	\$0	\$1,683
63,910	\$70,871	\$69,094	\$69,094	\$1,777	2.6%	\$0	\$0	\$0	\$1,777
67,274	\$74,544	\$72,674	\$72,674	\$1,870	2.6%	\$0	\$0	\$0	\$1,870
70,638	\$78,217	\$76,254	\$76,254	\$1,964	2.6%	\$0	\$0	\$0	\$1,964
74,001	\$81,891	\$79,833	\$79,833	\$2,057	2.6%	\$0	\$0	\$0	\$2,057
77,365	\$85,564	\$83,413	\$83,413	\$2,151	2.6%	\$0	\$0	\$0	\$2,151
80,729	\$89,237	\$86,993	\$86,993	\$2,244	2.6%	\$0	\$0	\$0	\$2,244
84,093	\$92,910	\$90,573	\$90,573	\$2,338	2.6%	\$0	\$0	\$0	\$2,338

C & I HLF Large:

Annual Consumption	Nov 04 - Oct 05		Currently Effective	Difference	% Chg	Base Rates	Difference due to:		
	Nov 04 - Oct 05	Currently Effective					Difference	% Chg	Base Rates
50,456	\$51,074	\$49,672	\$49,672	\$1,403	2.8%	\$0	\$0	\$0	\$1,403
53,820	\$54,407	\$52,911	\$52,911	\$1,496	2.8%	\$0	\$0	\$0	\$1,496
57,184	\$57,740	\$56,151	\$56,151	\$1,590	2.8%	\$0	\$0	\$0	\$1,590
60,548	\$61,073	\$59,390	\$59,390	\$1,683	2.8%	\$0	\$0	\$0	\$1,683
63,911	\$64,406	\$62,630	\$62,630	\$1,777	2.8%	\$0	\$0	\$0	\$1,777
67,275	\$67,739	\$65,869	\$65,869	\$1,870	2.8%	\$0	\$0	\$0	\$1,870
70,639	\$71,072	\$69,108	\$69,108	\$1,964	2.8%	\$0	\$0	\$0	\$1,964
74,003	\$74,405	\$72,348	\$72,348	\$2,057	2.8%	\$0	\$0	\$0	\$2,057
77,366	\$77,738	\$75,587	\$75,587	\$2,151	2.8%	\$0	\$0	\$0	\$2,151
80,730	\$81,071	\$78,827	\$78,827	\$2,244	2.8%	\$0	\$0	\$0	\$2,244
84,094	\$84,404	\$82,066	\$82,066	\$2,338	2.8%	\$0	\$0	\$0	\$2,338

Bill Impact Analysis:
Current Distribution, GCR and DAC Rates vs. with Proposed DAC

C & I LLF Extra-Large:

Annual Consumption	Nov 04 - Oct 05	Currently Effective	Difference	% Chg	Difference due to:		
					Base Rates	GCR	DAC
213,468	\$209,355	\$203,420	\$5,934	2.9%	\$0	\$0	\$5,934
227,699	\$223,072	\$216,742	\$6,330	2.9%	\$0	\$0	\$6,330
241,930	\$236,789	\$230,063	\$6,726	2.9%	\$0	\$0	\$6,726
256,162	\$250,506	\$243,384	\$7,121	2.9%	\$0	\$0	\$7,121
270,393	\$264,223	\$256,706	\$7,517	2.9%	\$0	\$0	\$7,517
284,624	\$277,940	\$270,027	\$7,913	2.9%	\$0	\$0	\$7,913
298,855	\$291,657	\$283,349	\$8,308	2.9%	\$0	\$0	\$8,308
313,086	\$305,374	\$296,670	\$8,704	2.9%	\$0	\$0	\$8,704
327,318	\$319,091	\$309,991	\$9,099	2.9%	\$0	\$0	\$9,099
341,549	\$332,808	\$323,313	\$9,495	2.9%	\$0	\$0	\$9,495
355,780	\$346,525	\$336,634	\$9,891	2.9%	\$0	\$0	\$9,891

C & I HLF Extra-Large:

Annual Consumption	Nov 04 - Oct 05	Currently Effective	Difference	% Chg	Difference due to:		
					Base Rates	GCR	DAC
205,969	\$191,063	\$185,337	\$5,726	3.1%	\$0	\$0	\$5,726
219,700	\$203,560	\$197,452	\$6,108	3.1%	\$0	\$0	\$6,108
233,431	\$216,058	\$209,568	\$6,489	3.1%	\$0	\$0	\$6,489
247,163	\$228,555	\$221,684	\$6,871	3.1%	\$0	\$0	\$6,871
260,894	\$241,053	\$233,800	\$7,253	3.1%	\$0	\$0	\$7,253
274,625	\$253,550	\$245,916	\$7,635	3.1%	\$0	\$0	\$7,635
288,356	\$266,048	\$258,031	\$8,016	3.1%	\$0	\$0	\$8,016
302,088	\$278,545	\$270,147	\$8,398	3.1%	\$0	\$0	\$8,398
315,819	\$291,043	\$282,263	\$8,780	3.1%	\$0	\$0	\$8,780
329,550	\$303,540	\$294,379	\$9,161	3.1%	\$0	\$0	\$9,161
343,281	\$316,038	\$306,494	\$9,543	3.1%	\$0	\$0	\$9,543

Calculation of System Pressure Factor

	LNG Commodity Related Costs			Total
	Withdrawal Commodity (Dkt 3436)	Inventory Costs (Dkt 3436)	Demand from GCR (Dkt 3436)	
Nov-04	\$159,151	\$66,790	\$283,425	\$509,366
Dec-04	\$202,007	\$67,545	\$283,425	\$552,977
Jan-05	\$2,684,853	\$42,176	\$283,425	\$3,010,454
Feb-05	\$1,106,970	\$32,783	\$283,425	\$1,423,178
Mar-05	\$161,956	\$34,844	\$283,425	\$480,225
Apr-05	\$154,914	\$36,534	\$283,425	\$474,874
May-05	\$157,371	\$40,390	\$283,425	\$481,186
Jun-05	\$146,904	\$43,667	\$283,425	\$473,996
Jul-05	\$149,007	\$46,192	\$283,426	\$478,624
Aug-05	\$148,947	\$51,698	\$283,427	\$484,072
Sep-05	\$146,334	\$58,012	\$283,428	\$487,774
Oct-05	\$154,168	\$64,997	\$283,429	\$502,594
Total	\$5,372,581	\$585,629	\$3,401,110	\$9,359,320
System Balancing Factor (Dkt 3401)	0.2039	0.2039	0.2039	
GCR Costs allocated to DAC	\$1,095,469	\$119,410	\$693,486	\$1,908,365
Firm Thru-put (dth): (Dkt 3436)				35,569,425
System Pressure Factor (\$/dth)				\$0.0537 per Dt
System Pressure Factor (\$/therm)				\$0.0054 per Therm

G:\PRICSHAR\Dkt 3548 - DAC\DAC 04 Filing\

Environmental Response Cost (ERC) Factor

$$\text{ERCF} = \frac{\frac{\text{ERC 95-02}}{10} + \frac{\sum_{x=n-9}^n \text{ERCyr}}{10}}{\text{Dt}} - \text{ERC EMB}$$

Where:

ERC 95-02

Costs	\$15,570,621	(Dkt 3401; DIV 1-35)
Revenue	\$2,504,368	Revenues
	<u>\$1,700,000</u>	SUG Acquisition Adjustment
	\$4,204,368	
	\$11,366,253	Unamortized Environmental Costs through 2001
FY 2002		
Costs	\$2,172,287	Dkt 3459
Revenue	\$678,288	Revenues
	<u>\$350,000</u>	Insurance
	\$1,028,288	
	\$1,143,999	Net Environmental Costs FY2002

$\sum_{x=n-9}^n \text{ERCyr}$

FY 2003		
Costs	\$3,431,086	Dkt 3548
Insurance sub-total	<u>\$9,443,759</u>	Dkt 3548
	\$9,443,759	
	(\$6,012,673)	Net Environmental Costs FY2003

$\sum_{x=n-9}^n \text{ERCyr}$

FY 2004		
Costs	\$831,038	page 2
Insurance sub-total	<u>\$643,756</u>	page 2
	\$643,756	
	\$187,282	Net Environmental Costs FY2004

ERC Emb

\$1,310,000 Base Rate Embedded ERC funding

Dt

35,569,425 Annual Dt Nov '04 - Oct '05

$$\text{ERCF} = \frac{\frac{\$12,510,253}{10} + \frac{(\$6,012,673)}{10} + \frac{\$187,282}{10} - \$1,310,000}{35,569,425} = \frac{(\$641,514)}{35,569,425} \text{ Dt} = (\$0.0180) \text{ per Dt} = \boxed{(\$0.0018) \text{ per therm}}$$

Environmental Response Cost (ERC) Factor

Environmental Projects		Bal @	Bal @	FY04
A/C # 10860001		6/30/2003	6/30/2004	Activity
I. Environmental Expenses				
907-1	Blackstone Street	\$0	\$0	\$0
907	Envir Phase II @ Allens Ave	\$1,341,302	\$1,420,955	\$79,652
908	Allens Avenue	\$3,340,361	\$3,340,361	\$0
908 - 01	Allens Avenue	\$13,821,565	\$13,834,651	\$13,086
306	Insur Poi, no Pollution Excl	\$40,002	\$40,002	\$0
307	PCB Reg Pipe Abandon.	\$19,679	\$33,686	\$14,007
309	Manchester Street	\$152,861	\$152,861	\$0
317	Plympton	\$77,333	\$77,333	\$0
379	Petroleum Site	\$524,079	\$487,965	(\$36,113)
700	18 & 21 Holders COR	\$54,746	\$58,046	\$3,300
161	Canal Street, Westerly	\$29,133	\$29,133	\$0
963	Narr. Electric, South St.	\$2,400	\$2,400	\$0
170	IAG Insurance Investment	\$47,987	\$47,987	\$0
170	General Enviro Issues	\$61,099	\$722,185	\$661,086
178	Site Inv Connell Hwy Newp	\$24,057	\$35,444	\$11,387
144	Westerly Soil Investigation	\$82,184	\$82,184	\$0
171	Contaminated Regulators	\$1,121,615	\$1,167,975	\$46,360
781	Mendon Road	\$121,355	\$121,355	\$0
782	Tidewater	\$284,887	\$321,832	\$36,945
783	Hamlet	\$95,970	\$96,961	\$991
784	Environmental Study	\$12,511	\$12,847	\$336
785	Gooding Ave	\$34,079	\$34,079	(\$0)
786	Plympton	\$23,382	\$23,382	(\$0)
	Sub-Total	\$21,312,588	\$22,143,626	\$831,038
II. Insurance Recovery/Settlement				
910	Environ Insur Settlement	(\$9,793,759)	(\$10,437,515)	(\$643,756)
III. Environmental Amortization				
	Beginning Balance	(\$4,882,656)	(\$6,133,681)	
	Amortization	(\$1,251,025)	(\$649,758)	
	Ending Balance	(\$6,133,681)	(\$6,783,439)	

On-System Margin Credit

	Non-Firm Margin
Jul-03	\$68,501
Aug-03	\$98,923
Sep-03	\$107,199
Oct-03	\$97,550
Nov-03	\$279,935
Dec-03	\$83,113
Jan-04	\$27,249
Feb-04	\$100,430
Mar-04	\$547,144
Apr-04	\$264,703
May-04	\$124,117
Jun-04	<u>\$129,822</u>
Total	\$1,928,686
Sharing Threshold	\$1,600,000
Margin in excess of Base Rate threshold	\$328,686
Company @ 25%	\$82,171
Ratepayers @ 75%	\$246,514
Annual Dt Nov 04 - Oct 05	35,569,425
On-System Margin (\$/Dt)	\$0.0069
On-System Margin (\$/Therm)	\$0.0007

Worksheet for Weather Normalization Clause

Tariff: RIPUC NEGC No. 101, Section 3, Schedule 3.6 Weather Normalization:

The Company shall compare actual heating degree days ("DD") to normal heating degree days at the end of each peak season (November through April). For each DD greater than 4,874 (2% colder than normal), the Company shall credit the Weather Normalization Account an amount equal to \$9,000 per DD. For each DD less than 4,682 (2% warmer than normal), the Company shall debit the Weather Normalization Account at \$9,000 per DD.

Calculation of Winter Season 2002-2003 Weather Normalization

	<u>Actual Heating Degree Days</u>
Nov-03	549
Dec-03	893
Jan-04	1,345
Feb-04	921
Mar-04	796
Apr-04	457
TOTAL	4,961
Degree Day Threshold (colder than normal) (reflects leap year)	4,903
Degree Days in Excess of Threshold	-58
Mitigation \$ per Degree Day	\$9,000
Weather Mitigation	(\$522,000)
Annual Dt Nov 04 - Oct 05	35,569,425
Weather Normalization Factor (\$/Dt)	(\$0.0147)
Weather Normalization Factor (\$/therm)	(\$0.0015)

Distribution Adjustment Charge Reconciliation Factor
(\$ Per Therm)

Line No.	Description	reference	Ending Balance
1	DSM Factor - Base Rates	PCC-7, page 2	(\$15,775)
2	LIAP Factor - Base Rates	PCC-7, page 2	(\$94,105)
3	Environmental - Base Rates	PCC-7, page 3	(\$68,719)
4	System Pressure	PCC-7, page 4	\$540,519
5	Environmental - DAC	PCC-7, page 4	\$9,675
6	On-System Margin Credits	PCC-7, page 5	\$4,537
7	Weather Normalization	PCC-7, page 5	\$55,505
8	Earnings Sharing Mechanism	PCC-7, page 5	\$65,621
9	Previous Reconciliation Factor	PCC-7, page 5	(\$3,242)
10	ERI-2 Adjustments	PCC-7, page 3	\$44,641
11	Total	sum ([1]:[10])	\$538,656
12	Firm Thru-put (dth)	Nov 2004 - Oct 2005	35,569,425
13	Reconciliation Factor (\$/dth)	[11] / [12]	\$0.0151 /dth
14	Reconciliation Factor (\$/therm)	[13] * 0.1	\$0.0015 /therm

Distribution Adjustment Charge Reconciliation Factor

Base Rate / Fiscal Year Reconciling Components

source	12-mth end												
	Jul-03 31 (actual)	Aug-03 31 (actual)	Sep-03 30 (actual)	Oct-03 31 (actual)	Nov-03 30 (actual)	Dec-03 31 (actual)	Jan-04 31 (actual)	Feb-04 29 (actual)	Mar-04 31 (actual)	Apr-04 30 (actual)	May-04 31 (actual)	Jun-04 30 (actual)	Jun 04
DAC FACTORS: \$(dth)													
DSM Factor - Base Rates	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087
LIAP Factor - Base Rates	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519
Environmental - Base Rates	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379
ERI-2 Weather Mitigation (PGC Only)	\$0.0881	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761
ERI-2 Non-Firm Margin (PGC Only)	(\$0.0046)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)
ERI-2 Excess Earnings (PGC Only)	(\$0.1019)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)
	prorated				prorated								
	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087	\$0.0087
	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519	\$0.0519
	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379	\$0.0379
	\$0.0881	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761	\$0.1761
	(\$0.0046)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)	(\$0.0093)
	(\$0.1019)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)	(\$0.2039)
Classified's	1,045,420	1,052,951	984,327	1,388,293	2,635,929	4,074,730	5,869,906	6,900,734	4,750,219	4,092,177	2,123,678	1,422,548	36,340,913
PGC Firm Thru-put	810,350	801,533	760,856	1,069,980	2,095,330	3,106,276	4,404,612	5,255,800	3,469,311	3,126,882	1,548,854	1,099,544	27,548,228

DSM Recon. Adjustment - Base Rates

DSM Recon. Acct Beg. Bal.	\$0	\$152	\$69	\$1,303	\$2,531	\$1,103	(\$775)	(\$5,269)	(\$15,113)	(\$11,668)	(\$15,828)	(\$15,088)	34,540,366
Fcst Firm Thru-put	1,062,847	1,043,395	1,126,112	1,528,945	2,471,545	3,858,840	5,353,921	5,771,059	5,148,808	3,616,705	2,211,777	1,346,413	\$300,501
Fcst DSM Collections	\$9,247	\$9,078	\$9,797	\$13,302	\$13,502	\$3,572	\$46,579	\$60,208	\$44,795	\$31,465	\$19,242	\$11,714	\$36,340,913
Actual Firm Thru-put	1,045,420	1,052,951	984,327	1,388,293	2,635,929	4,074,730	5,869,906	6,900,734	4,750,219	4,092,177	2,123,678	1,422,548	\$316,166
Actual DSM Collections	\$9,095	\$9,161	\$8,564	\$12,078	\$22,933	\$35,450	\$51,068	\$60,036	\$41,327	\$35,602	\$18,476	\$12,376	(\$15,665)
Collection Variance	\$152	(\$83)	\$1,224	(\$1,431)	(\$1,878)	(\$1,878)	(\$4,489)	(\$9,828)	\$3,468	(\$4,137)	\$766	(\$682)	
Ending Balance	\$152	\$69	\$1,302	\$2,527	\$1,100	(\$775)	(\$5,264)	(\$15,097)	(\$11,645)	(\$15,805)	(\$15,062)	(\$15,750)	
Fleet Prime Rate less 200 Basis Points	\$76	\$111	\$686	\$1,915	\$1,815	\$164	(\$3,020)	(\$10,183)	(\$13,379)	(\$13,737)	(\$15,445)	(\$15,419)	
Interest Applied	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
DSM End Balance	\$152	\$69	\$1,303	\$2,531	\$1,103	(\$775)	(\$5,269)	(\$15,113)	(\$11,668)	(\$15,828)	(\$15,088)	(\$15,775)	(\$110)
Under/(over) Recovery	\$152	(\$83)	\$1,234	\$1,227	(\$1,428)	(\$1,878)	(\$4,494)	(\$9,844)	\$3,445	(\$4,160)	\$740	(\$687)	

LIAP Recon. Adjustment - Base Rates

LIAP Recon. Acct Beg. Bal.	\$0	\$906	\$411	\$7,776	\$15,095	\$6,561	(\$4,622)	(\$31,431)	(\$90,158)	(\$69,606)	(\$94,418)	(\$90,002)	34,540,366
Fcst Firm Thru-put	1,062,847	1,043,395	1,126,112	1,528,945	2,471,545	3,858,840	5,353,921	5,771,059	5,148,808	3,616,705	2,211,777	1,346,413	\$1,792,645
Fcst LIAP Collections	\$55,162	\$54,152	\$58,445	\$79,352	\$128,273	\$200,274	\$277,869	\$299,518	\$267,223	\$187,707	\$114,791	\$69,879	\$3,340,913
Actual Firm Thru-put	1,045,420	1,052,951	984,327	1,388,293	2,635,929	4,074,730	5,869,906	6,900,734	4,750,219	4,092,177	2,123,678	1,422,548	\$1,886,092
Actual LIAP Collections	\$54,257	\$54,648	\$51,087	\$72,052	\$136,805	\$211,478	\$304,648	\$358,148	\$246,536	\$212,384	\$110,219	\$73,830	(\$93,447)
Collection Variance	\$905	(\$496)	\$7,358	\$15,076	(\$8,532)	(\$11,204)	(\$26,779)	(\$58,630)	\$20,687	(\$24,677)	\$4,572	(\$3,951)	
Ending Balance	\$905	\$410	\$7,769	\$15,076	\$6,563	(\$4,623)	(\$31,401)	(\$90,061)	(\$69,846)	(\$94,283)	(\$89,953)	(\$93,953)	
Average Balance	\$453	\$658	\$4,090	\$11,426	\$10,829	\$979	(\$18,011)	(\$60,746)	(\$79,814)	(\$81,945)	(\$92,132)	(\$91,976)	
Fleet Prime Rate less 200 Basis Points	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Interest Applied	\$1	\$1	\$7	\$19	\$18	\$2	(\$31)	(\$97)	(\$136)	(\$135)	(\$156)	(\$151)	(\$658)
LIAP End Balance	\$906	\$411	\$7,776	\$15,095	\$6,581	(\$4,622)	(\$31,431)	(\$90,158)	(\$69,606)	(\$94,418)	(\$90,002)	(\$94,105)	
Under/(over) Recovery	\$906	(\$495)	\$7,365	\$7,319	(\$8,514)	(\$11,202)	(\$26,810)	(\$58,727)	\$20,551	(\$24,812)	\$4,416	(\$4,102)	

Distribution Adjustment Charge Reconciliation Factor

Base Rate / Fiscal Year Reconciling Components

source	Jul-03 31 (actual)	Aug-03 31 (actual)	Sep-03 30 (actual)	Oct-03 31 (actual)	Nov-03 30 (actual)	Dec-03 31 (actual)	Jan-04 31 (actual)	Feb-04 29 (actual)	Mar-04 31 (actual)	Apr-04 30 (actual)	May-04 31 (actual)	Jun-04 30 (actual)	12-mth end Jun 04
Environmental Recon. - Base Rates													
Environmental Recon. Acct Beg. Bal.	\$0	\$662	\$300	\$5,679	\$11,024	\$4,807	(\$3,373)	(\$22,951)	(\$65,836)	(\$50,828)	(\$68,948)	(\$65,723)	
Fcst Firm Thru-put	1,062,847	1,043,395	1,128,112	1,528,945	2,471,545	3,858,840	5,353,921	5,771,059	5,148,808	3,616,705	2,211,777	1,346,413	34,540,366
Fcst Environmental Collections	\$40,282	\$39,545	\$42,680	\$57,947	\$93,672	\$146,250	\$202,914	\$218,723	\$195,140	\$137,073	\$83,826	\$51,029	\$1,309,081
Actual Firm Thru-put	1,045,420	1,052,951	984,327	1,388,293	2,635,929	4,074,730	5,869,906	6,900,734	4,750,219	4,092,177	2,123,678	1,422,548	36,340,913
Actual Environmental Collections	\$39,621	\$39,907	\$37,306	\$52,616	\$99,902	\$154,432	\$222,469	\$261,538	\$180,033	\$155,094	\$80,487	\$53,915	\$1,377,320
Ending Environmental Balance	\$661	\$300	\$5,674	\$11,010	\$4,794	(\$3,375)	(\$22,928)	(\$45,766)	(\$50,729)	(\$68,849)	(\$65,609)	(\$67,278)	(\$323,424)
Average Balance	\$331	\$481	\$2,987	\$8,345	\$7,909	\$716	(\$13,151)	(\$44,358)	(\$58,283)	(\$59,839)	(\$67,278)	(\$67,166)	
Fleet Prime Rate less 200 Basis Points	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Interest Applied	\$1	\$1	\$5	\$14	\$13	\$1	(\$70)	(\$99)	(\$99)	(\$98)	(\$114)	(\$110)	(\$480)
Environmental End Balance	\$662	\$300	\$5,679	\$11,024	\$4,807	(\$3,373)	(\$22,951)	(\$65,836)	(\$50,828)	(\$68,948)	(\$65,723)	(\$68,719)	
Under/(over) Recovery	\$662	(\$361)	\$5,379	\$5,345	(\$6,217)	(\$8,181)	(\$19,577)	(\$42,885)	\$15,008	(\$18,119)	\$3,225	(\$2,996)	

ERI-2 Adjust. - DAC Wthr Mitigation (PGC Only)

ERI-2 Wthr Mit. Factor Acct Beg. Bal.	\$4,516,200	\$4,452,447	\$4,318,716	\$4,191,696	\$4,010,394	\$3,647,633	\$3,106,256	\$2,335,089	\$1,412,360	\$803,191	\$253,320	(\$19,281)	
Actual Firm Thru-put	810,350	801,533	760,856	1,068,880	2,095,330	3,106,276	4,404,612	5,255,800	3,469,311	3,126,882	1,548,854	1,099,544	27,548,228
Actual ERI-2 Wthr Mit. Collections	\$71,363	\$141,174	\$134,010	\$186,262	\$369,050	\$547,108	\$775,784	\$925,704	\$611,050	\$550,738	\$272,800	\$193,663	\$4,780,706
Ending ERI-2 Wthr Mit. Balance	\$4,444,837	\$4,311,273	\$4,184,707	\$4,000,434	\$3,841,344	\$3,100,525	\$2,330,472	\$1,409,385	\$901,310	\$252,453	(\$19,479)	(\$212,943)	
Average Monthly Balance	\$4,480,518	\$4,381,860	\$4,251,712	\$4,097,565	\$3,825,869	\$3,374,079	\$2,718,364	\$1,872,237	\$1,106,835	\$527,822	\$116,921	(\$116,112)	
Fleet Prime Rate less 200 Basis Points	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Interest Applied	\$7,611	\$7,443	\$6,989	\$6,960	\$6,289	\$5,731	\$4,617	\$2,975	\$1,880	\$868	\$199	(\$191)	\$51,372
ERI-2 Wthr Mitigation End Balance	\$4,452,447	\$4,318,716	\$4,191,696	\$4,010,394	\$3,647,633	\$3,106,256	\$2,335,089	\$1,412,360	\$803,191	\$253,320	(\$19,281)	(\$213,134)	
Under/(over) Recovery	(\$63,753)	(\$133,731)	(\$127,020)	(\$181,302)	(\$362,761)	(\$541,377)	(\$771,167)	(\$922,729)	(\$509,170)	(\$549,870)	(\$272,601)	(\$193,854)	

ERI-2 Adjust. - DAC NF Margin (PGC Only)

ERI-2 NF Margin Factor Acct Beg. Bal.	\$237,789	(\$234,434)	(\$227,395)	(\$220,710)	(\$211,168)	(\$192,076)	(\$163,582)	(\$122,995)	(\$74,430)	(\$42,369)	(\$13,429)	\$919	
Actual Firm Thru-put	810,350	801,533	760,856	1,068,880	2,095,330	3,106,276	4,404,612	5,255,800	3,469,311	3,126,882	1,548,854	1,099,544	27,548,228
Actual ERI-2 NF Margin Collections	(\$3,756)	(\$7,430)	(\$7,053)	(\$9,909)	(\$19,424)	(\$28,795)	(\$40,831)	(\$48,721)	(\$32,161)	(\$28,986)	(\$14,358)	(\$11,112)	(\$251,616)
Ending ERI-2 NF Margin Balance	(\$234,033)	(\$227,004)	(\$220,342)	(\$210,802)	(\$191,745)	(\$163,281)	(\$122,752)	(\$74,274)	(\$42,270)	(\$13,383)	\$929	\$11,112	
Average Monthly Balance	(\$235,911)	(\$230,719)	(\$223,869)	(\$215,756)	(\$201,456)	(\$177,678)	(\$143,167)	(\$98,634)	(\$58,350)	(\$27,876)	(\$6,250)	\$6,015	
Fleet Prime Rate less 200 Basis Points	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Interest Applied	(\$401)	(\$392)	(\$368)	(\$366)	(\$331)	(\$302)	(\$243)	(\$157)	(\$99)	(\$46)	(\$11)	\$10	(\$2,706)
ERI-2 NF Margin End Balance	(\$234,434)	(\$227,395)	(\$220,710)	(\$211,168)	(\$192,076)	(\$163,582)	(\$122,995)	(\$74,430)	(\$42,369)	(\$13,429)	\$919	\$11,121	
Under/(over) Recovery	\$3,355	\$7,038	\$6,685	\$9,542	\$19,093	\$28,493	\$40,588	\$48,565	\$32,061	\$28,940	\$14,347	\$10,203	

ERI-2 Adjust. - DAC Excess Earnings (PGC Only)

ERI-2 NF Margin Factor Acct Beg. Bal.	\$5,227,000	(\$5,153,214)	(\$4,998,436)	(\$4,851,424)	(\$4,641,589)	(\$4,221,735)	(\$3,595,154)	(\$2,702,618)	(\$1,834,667)	(\$929,624)	(\$293,213)	\$22,291	
Actual Firm Thru-put	810,350	801,533	760,856	1,068,880	2,095,330	3,106,276	4,404,612	5,255,800	3,469,311	3,126,882	1,548,854	1,099,544	27,548,228
Actual ERI-2 EE Collections	(\$82,595)	(\$163,393)	(\$155,100)	(\$217,891)	(\$427,133)	(\$633,214)	(\$897,880)	(\$1,071,395)	(\$707,219)	(\$637,415)	(\$315,734)	(\$224,142)	(\$5,533,111)
Ending ERI-2 EE Margin Balance	(\$5,144,405)	(\$4,989,821)	(\$4,843,395)	(\$4,633,533)	(\$4,214,456)	(\$3,588,520)	(\$2,697,274)	(\$1,631,223)	(\$927,448)	(\$232,209)	(\$22,521)	\$246,433	
Average Monthly Balance	(\$5,185,703)	(\$5,071,517)	(\$4,920,886)	(\$4,742,479)	(\$4,428,022)	(\$3,905,128)	(\$3,146,214)	(\$2,166,921)	(\$1,281,057)	(\$610,916)	(\$135,346)	\$134,362	
Fleet Prime Rate less 200 Basis Points	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Interest Applied	(\$8,809)	(\$8,615)	(\$8,089)	(\$8,056)	(\$7,279)	(\$6,633)	(\$5,343)	(\$3,443)	(\$2,176)	(\$1,004)	(\$230)	\$221	(\$59,457)
ERI-2 EE End Balance	(\$5,153,214)	(\$4,998,436)	(\$4,851,424)	(\$4,641,589)	(\$4,221,735)	(\$3,595,154)	(\$2,702,618)	(\$1,834,667)	(\$929,624)	(\$293,213)	\$22,291	\$246,433	
Under/(over) Recovery	\$73,786	\$154,778	\$147,011	\$209,836	\$419,854	\$626,581	\$892,536	\$1,067,951	\$705,043	\$636,411	\$315,504	\$224,363	

Distribution Adjustment Charge Reconciliation Factor

Non-Base Rate / Fiscal Year Reconciling Components

		Non-Base Rate / Fiscal Year Reconciling Components										12-mth end		
		Nov-03	Dec-03	Jan-04	Feb-04	Mar-04	Apr-04	May-04	Jun-04	Jul-04	Aug-04	Sep-04	Oct-04	Oct 04
		30	31	31	29	31	30	31	30	31	31	30	31	
		(actual)	(actual)	(actual)	(actual)	(actual)	(actual)	(actual)	(actual)	(forecast)	(forecast)	(forecast)	(forecast)	
source														
DAC FACTORS - \$(dth)		prorated												
System Pressure	Dkt 3548	\$0.0411	\$0.0496	\$0.0496	\$0.0496	\$0.0496	\$0.0496	\$0.0496	\$0.0496	\$0.0496	\$0.0496	\$0.0496	\$0.0496	\$0.0496
DSM - DAC	Dkt 3549	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$4.0000
Environmental - DAC	Dkt 3549	(\$0.0109)	(\$0.0189)	(\$0.0189)	(\$0.0189)	(\$0.0189)	(\$0.0189)	(\$0.0189)	(\$0.0189)	(\$0.0189)	(\$0.0189)	(\$0.0189)	(\$0.0189)	(\$0.0189)
On-System Margin Credits	Dkt 3549	(\$0.0064)	(\$0.0127)	(\$0.0127)	(\$0.0127)	(\$0.0127)	(\$0.0127)	(\$0.0127)	(\$0.0127)	(\$0.0127)	(\$0.0127)	(\$0.0127)	(\$0.0127)	(\$0.0127)
Weather Normalization	Dkt 3549	(\$0.0617)	(\$0.1233)	(\$0.1233)	(\$0.1233)	(\$0.1233)	(\$0.1233)	(\$0.1233)	(\$0.1233)	(\$0.1233)	(\$0.1233)	(\$0.1233)	(\$0.1233)	(\$0.1233)
Earnings Sharing Mechanism	Dkt 3549	(\$0.0747)	(\$0.1494)	(\$0.1494)	(\$0.1494)	(\$0.1494)	(\$0.1494)	(\$0.1494)	(\$0.1494)	(\$0.1494)	(\$0.1494)	(\$0.1494)	(\$0.1494)	(\$0.1494)
Reconciliation Factor	Dkt 3549	\$0.0057	\$0.0114	\$0.0114	\$0.0114	\$0.0114	\$0.0114	\$0.0114	\$0.0114	\$0.0114	\$0.0114	\$0.0114	\$0.0114	\$0.0114
RI Firm through-put (dth)	Classified's	2,635,929	4,074,730	5,869,906	6,900,734	4,750,219	4,092,177	2,123,678	1,422,548	1,131,324	1,108,117	1,178,084	1,619,787	36,908,234
System Pressure Recon Adjust.														
System Pressure Acct Beg. Balance		\$129,319	\$132,218	\$27,775	\$824,435	\$627,725	\$498,517	\$384,218	\$371,021	\$395,577	\$437,403	\$480,918	\$520,686	\$2,210,923
Actual Costs		\$110,890	\$97,528	\$1,087,083	\$144,413	\$105,448	\$87,948	\$91,496	\$94,485	\$97,233	\$97,748	\$97,378	\$99,274	\$1,808,110
Actual Collections		\$108,205	\$202,107	\$291,147	\$342,276	\$235,611	\$202,972	\$105,334	\$70,558	\$58,114	\$55,012	\$58,433	\$80,341	
Ending Balance		\$132,004	\$27,640	\$823,712	\$626,572	\$497,561	\$383,493	\$370,380	\$394,948	\$436,696	\$480,139	\$519,663	\$539,618	
Average Monthly Balance		\$130,661	\$79,929	\$425,743	\$725,503	\$562,643	\$441,005	\$377,299	\$382,985	\$416,137	\$458,771	\$500,391	\$530,152	
Fleet Prime Rate less 200 Basis Points		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Interest Applied		\$215	\$136	\$723	\$1,153	\$956	\$725	\$641	\$630	\$707	\$779	\$823	\$901	\$8,387
Sys Pressure End Balance		\$132,218	\$27,775	\$824,435	\$627,725	\$498,517	\$384,218	\$371,021	\$395,577	\$437,403	\$480,918	\$520,686	\$540,519	
Under/(over) Recovery		\$2,900	(\$104,443)	\$796,659	(\$196,710)	(\$129,208)	(\$114,299)	(\$13,197)	\$24,556	\$41,826	\$43,515	\$39,768	\$19,833	
Environmental Recon. Adjust - DAC														
On-system Credit Acct Beg. Balance	Pricing	(\$660,242)	(\$634,155)	(\$558,154)	(\$448,067)	(\$318,251)	(\$228,937)	(\$151,907)	(\$111,994)	(\$85,270)	(\$64,014)	(\$43,143)	(\$20,930)	36,908,234
Actual Firm Thru-put	Classified's	2,635,929	4,074,730	5,869,906	6,900,734	4,750,219	4,092,177	2,123,678	1,422,548	1,131,324	1,108,117	1,178,084	1,619,787	(\$674,897)
Actual On-system Collections	Calculation	(\$27,150)	(\$77,012)	(\$110,941)	(\$130,424)	(\$89,779)	(\$77,342)	(\$40,138)	(\$26,886)	(\$21,382)	(\$20,862)	(\$22,266)	(\$30,614)	
Ending On-system Balance		(\$633,092)	(\$557,143)	(\$447,213)	(\$317,472)	(\$228,472)	(\$151,595)	(\$111,770)	(\$85,108)	(\$63,888)	(\$43,052)	(\$20,877)	\$9,684	
Average Monthly Balance		(\$648,667)	(\$595,649)	(\$502,884)	(\$382,855)	(\$273,362)	(\$190,266)	(\$131,839)	(\$98,551)	(\$74,579)	(\$53,533)	(\$32,010)	(\$5,623)	
Fleet Prime Rate less 200 Basis Points		2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Interest Applied		(\$1,063)	(\$1,012)	(\$854)	(\$608)	(\$464)	(\$313)	(\$224)	(\$162)	(\$127)	(\$91)	(\$53)	(\$10)	(\$4,980)
On-system Credit End Balance		(\$634,155)	(\$558,154)	(\$448,067)	(\$318,251)	(\$228,937)	(\$151,907)	(\$111,994)	(\$85,270)	(\$64,014)	(\$43,143)	(\$20,930)	\$9,675	
Under/(over) Recovery		\$26,087	(\$76,001)	(\$110,087)	(\$129,816)	(\$89,315)	(\$77,029)	(\$39,914)	(\$26,724)	(\$21,255)	(\$20,871)	(\$22,213)	(\$30,604)	
On-system Credits Recon. Adjust - DAC														
On-system Credit Acct Beg. Balance	Pricing	(\$444,274)	(\$426,252)	(\$377,187)	(\$303,216)	(\$215,989)	(\$155,977)	(\$104,220)	(\$77,404)	(\$59,450)	(\$45,082)	(\$30,996)	(\$16,034)	36,908,234
Actual Firm Thru-put	Classified's	2,635,929	4,074,730	5,869,906	6,900,734	4,750,219	4,092,177	2,123,678	1,422,548	1,131,324	1,108,117	1,178,084	1,619,787	(\$451,996)
Actual On-system Collections	Calculation	(\$16,738)	(\$51,749)	(\$74,548)	(\$87,639)	(\$60,328)	(\$51,971)	(\$26,971)	(\$18,066)	(\$14,368)	(\$14,086)	(\$14,962)	(\$20,571)	
Ending On-system Balance		(\$427,536)	(\$376,503)	(\$302,639)	(\$215,577)	(\$155,661)	(\$104,006)	(\$77,249)	(\$59,337)	(\$45,082)	(\$30,996)	(\$16,034)	\$4,537	
Average Monthly Balance		(\$435,905)	(\$402,378)	(\$339,913)	(\$259,397)	(\$185,925)	(\$129,992)	(\$90,735)	(\$68,370)	(\$52,266)	(\$38,039)	(\$23,515)	(\$5,749)	

Distribution Adjustment Charge Reconciliation Factor

Non-Base Rate / Fiscal Year Reconciling Components

source	Nov-03 30 (actual)	Dec-03 31 (actual)	Jan-04 31 (actual)	Feb-04 29 (actual)	Mar-04 31 (actual)	Apr-04 30 (actual)	May-04 31 (actual)	Jun-04 30 (actual)	Jul-04 31 (forecast)	Aug-04 31 (forecast)	Sep-04 30 (forecast)	Oct-04 31 (forecast)	12-mth end Oct 04
Fleet Prime Rate less 200 Basis Points	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	0.00%	0.00%	0.00%	0.00%	
Interest Applied	(\$717)	(\$683)	(\$577)	(\$412)	(\$316)	(\$214)	(\$154)	(\$112)	\$0	\$0	\$0	\$0	(\$3,185)
On-system Credit End Balance	(\$428,252)	(\$377,187)	(\$303,216)	(\$215,989)	(\$155,977)	(\$104,220)	(\$77,404)	(\$59,450)	(\$45,082)	(\$30,996)	(\$16,034)	\$4,537	
Under/(over) Recovery	\$16,022	\$51,066	\$73,970	\$87,227	\$60,012	\$51,757	\$26,817	\$17,954	\$14,368	\$14,086	\$14,962	\$20,571	
Weather Normalization - DAC													
WNA Acct Beg. Balance													
Actual Firm Thru-put	2,635,929	4,074,730	5,869,906	6,900,734	4,750,219	4,092,177	2,123,678	1,422,548	1,131,324	1,109,117	1,178,084	1,619,787	36,908,234
Actual WNA Collections	(\$162,505)	(\$502,414)	(\$723,759)	(\$850,861)	(\$585,702)	(\$504,555)	(\$261,850)	(\$175,400)	(\$139,492)	(\$136,754)	(\$145,258)	(\$199,720)	(\$4,388,280)
Ending WNA Balance	(\$4,139,495)	(\$3,644,019)	(\$2,926,876)	(\$2,081,602)	(\$1,499,884)	(\$998,363)	(\$738,570)	(\$564,647)	(\$426,227)	(\$299,473)	(\$144,215)	\$55,505	
Average Monthly Balance	(\$4,220,747)	(\$3,895,228)	(\$3,288,756)	(\$2,507,032)	(\$1,792,735)	(\$1,250,646)	(\$869,495)	(\$652,347)	(\$495,973)	(\$357,850)	(\$216,844)	(\$44,355)	
Fleet Prime Rate less 200 Basis Points	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	0.00%	0.00%	0.00%	0.00%	
Interest Applied	(\$6,938)	(\$6,617)	(\$5,586)	(\$3,984)	(\$3,045)	(\$2,056)	(\$1,477)	(\$1,072)	\$0	\$0	\$0	\$0	(\$30,775)
Weather Normalization End Balance	(\$4,146,433)	(\$3,650,636)	(\$2,932,463)	(\$2,085,586)	(\$1,502,929)	(\$1,000,419)	(\$740,047)	(\$565,719)	(\$426,227)	(\$289,473)	(\$144,215)	\$199,720	
Under/(over) Recovery	\$155,567	\$495,798	\$718,173	\$846,877	\$582,657	\$502,510	\$260,373	\$174,328	\$139,492	\$136,754	\$145,258	\$199,720	
Earnings Sharings Mechanism - DAC													
ESM Acct Beg. Balance													
Actual Firm Thru-put	2,635,929	4,074,730	5,869,906	6,900,734	4,750,219	4,092,177	2,123,678	1,422,548	1,131,324	1,109,117	1,178,084	1,619,787	36,908,234
Actual ESM Collections	(\$196,904)	(\$608,765)	(\$876,964)	(\$1,030,970)	(\$611,371)	(\$519,371)	(\$317,278)	(\$212,529)	(\$169,020)	(\$165,702)	(\$176,006)	(\$241,996)	(\$5,317,186)
Ending ESM Balance	(\$5,015,096)	(\$4,414,737)	(\$3,545,789)	(\$2,521,588)	(\$1,816,731)	(\$1,209,048)	(\$894,261)	(\$683,520)	(\$515,799)	(\$351,117)	(\$175,848)	(\$55,714)	
Average Monthly Balance	(\$5,113,548)	(\$4,719,120)	(\$3,984,271)	(\$3,037,072)	(\$2,171,572)	(\$1,514,734)	(\$1,052,899)	(\$789,785)	(\$600,309)	(\$433,968)	(\$263,851)	(\$55,284)	
Fleet Prime Rate less 200 Basis Points	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Interest Applied	(\$8,406)	(\$8,016)	(\$6,768)	(\$4,826)	(\$3,689)	(\$2,490)	(\$1,788)	(\$1,298)	(\$1,020)	(\$737)	(\$434)	(\$94)	(\$39,566)
Earnings Sharing End Balance	(\$5,023,502)	(\$4,422,753)	(\$3,552,557)	(\$2,526,414)	(\$1,820,419)	(\$1,211,538)	(\$896,049)	(\$684,819)	(\$516,819)	(\$351,854)	(\$176,282)	(\$65,621)	
Under/(over) Recovery	\$188,498	\$600,749	\$870,196	\$1,026,144	\$705,994	\$608,881	\$315,489	\$211,230	\$168,000	\$164,965	\$175,572	\$241,902	
Reconciliation Factor - DAC													
Recon Factor Acct Beg. Balance													
Actual Firm Thru-put	3,999,433	5,869,906	7,869,906	9,869,906	7,869,906	6,900,734	4,092,177	2,123,678	1,131,324	1,109,117	1,178,084	1,619,787	36,908,234
Actual Recon Collections	(\$152,025)	(\$46,452)	(\$66,917)	(\$78,668)	(\$54,153)	(\$46,651)	(\$24,210)	(\$16,217)	(\$12,897)	(\$12,644)	(\$13,430)	(\$18,466)	\$405,729
Ending Recon Balance	(\$384,408)	(\$338,601)	(\$272,298)	(\$194,149)	(\$140,368)	(\$94,001)	(\$69,984)	(\$53,907)	(\$41,112)	(\$28,548)	(\$15,177)	(\$3,252)	
Average Monthly Balance	(\$391,921)	(\$361,826)	(\$305,757)	(\$233,483)	(\$167,444)	(\$117,327)	(\$82,089)	(\$62,015)	(\$47,560)	(\$34,870)	(\$21,893)	(\$5,981)	
Fleet Prime Rate less 200 Basis Points	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	2.00%	
Interest Applied	\$644	\$615	\$519	\$371	\$284	\$193	\$139	\$102	\$81	\$59	\$36	\$10	\$3,054
Earnings Sharing End Balance	\$385,052	\$339,215	\$272,818	\$194,520	\$140,652	\$94,194	\$69,984	\$54,009	\$41,192	\$28,608	\$15,213	(\$3,242)	
Under/(over) Recovery	(\$14,381)	(\$45,837)	(\$66,393)	(\$78,297)	(\$53,868)	(\$46,458)	(\$24,070)	(\$16,115)	(\$12,816)	(\$12,585)	(\$13,394)	(\$18,455)	