

DRAFT for 8/13/2010 Roundtable

4 CSR 240-3.242 Gas Utility Purchased Gas Adjustment / Actual Cost Adjustment Recovery Mechanism Filing and Submission Requirements.

PURPOSE: This rule sets forth the information that a gas utility must provide when it seeks to change its Purchased Gas Adjustment/Actual Cost Adjustment (PGA/ACA) factors.

(1) Definitions. Definitions applicable to this rule are contained in 4 CSR 240- 40.011.

(2) Mandatory PGA Filing. Each utility PGA/ACA filing scheduled to be effective between October 1, and December 5, shall include a signed Affidavit and exhibits explaining and supporting its estimated cost of gas PGA Factor for the period between the effective date of filing and the effective date of the next mandatory winter filing, including sufficient explanation and detail so the level of hedging and related costs that are used to develop the gas supply commodity charge for the PGA Factor can be determined. All information and documentation provided by the LDC regarding the PGA/ACA Factors must support the reasonableness of the requested PGA Factors.

(A) A PGA Factor Executive Summary shall be filed containing the information required in Exhibit I, and in a format similar to that of Exhibit I. Additional detailed workpapers supporting the cost changes and detailing the computation of each factor shall be filed.

1. For exhibits, workpapers, and any documentation that contains spreadsheets, which track dollars or volumes, fully functioning electronic spreadsheets shall be filed, including source data and output data, in Excel format whenever possible. If any cell contained in the provided spreadsheet(s) links to a different spreadsheet, that fully functioning electronic spreadsheet shall also be filed, in Excel format whenever possible.

2. The PGA Factor calculation shall be the LDC's best estimate of the LDC's gas costs and volumes to be purchased for resale to customers and shall include all documentation to fully support the LDC's calculation for projected monthly demand levels, supply options, transportation options, storage options, and revenues that affect the PGA rate calculation.

3. The mandatory winter filing shall contain:

A. All of the LDC's ACA adjustments, and

B. The LDC's current estimate of gas costs for the period between the effective date of filing and the effective date of the next mandatory winter filing.

(B) A Hedging Documentation Summary shall be filed containing the information required in Exhibit II, and in a format similar to that of Exhibit II. In addition, the LDC shall file the following:

1. A description of all actions taken to ensure consumers receive the most economical gas prices available, consistent with volatility mitigation and reliability, and that the Company has taken appropriate steps to hedge its cost of gas.

2. Details of hedging plans for summer months and any multi-year hedging plans.

(C) The signed Affidavit included in the filing shall include the name and contact information for the person(s) who prepared the exhibits and workpapers. The Affidavit shall attest that the person signing has participated in the preparation of the exhibits and workpapers provided and has verified the information was prepared in accord with 4CSR 240-40.011, 4 CSR 240-3.242 and the LDC's tariff by person(s) with the knowledge of the matters set forth and the information is accurate and complete, and contain no material misrepresentations or omissions to the best of his/her knowledge and belief.

(3) Optional PGA Filing. If an LDC chooses to make an optional PGA filing, it shall include a signed Affidavit and exhibits explaining and supporting its estimated cost of gas PGA Factor for the upcoming ACA period including sufficient explanation and detail so the level of hedging and related costs that are used to develop the gas supply commodity charge for the PGA Factor can be determined. All information and documentation provided by the LDC regarding the PGA/ACA Factors must support the reasonableness of the requested PGA Factors.

(A) A PGA Factor Executive Summary shall be filed containing the information required in Exhibit I, and in a format similar to that of Exhibit I. Additional detailed workpapers supporting the cost changes and detailing the computation of each factor shall be filed.

1. For exhibits, workpapers, and any documentation that contains spreadsheets, which track dollars or volumes, fully functioning electronic spreadsheets shall be filed, including source data and output data, in Excel format whenever possible. If any cell contained in the provided spreadsheet(s) links to a different spreadsheet, that fully functioning electronic spreadsheet shall also be filed, in Excel format whenever possible.

2. The PGA Factor calculation shall be the LDC's best estimate of the LDC's gas costs and volumes to be purchased for resale to customers and shall include all documentation to fully support the LDC's calculation for projected monthly demand levels, supply options, transportation options, storage options, and revenues that affect the PGA rate calculation.

3. The optional filing shall contain:

A. All of the LDC's ACA adjustments, and

B. The LDC's current estimate of gas costs for the period between the effective date of filing and the effective date of the next mandatory winter filing.

(B) A Hedging Documentation Summary shall be filed containing the information required in Exhibit II, and in a format similar to that of Exhibit II. In addition, the LDC shall file the following:

1. A description of all actions taken to ensure consumers receive the most economical gas prices available, consistent with volatility mitigation and reliability, and that the Company has taken appropriate steps to hedge its cost of gas.

2. Details of hedging plans for summer months and any multi-year hedging plans.

(C) The signed Affidavit included in the filing shall include the name and contact information for the person(s) who prepared the exhibits and workpapers. The Affidavit shall attest that the person signing has participated in the preparation of the exhibits and workpapers provided and has verified the information was prepared in accord with 4CSR 240-40.011, 4 CSR 240-3.242 and the LDC's tariff by person(s) with the knowledge of the matters set forth and the information is accurate and complete, and contain no material misrepresentations or omissions to the best of his/her knowledge and belief.

(4) ACA Factor Filing. Each utility ACA Factor filing shall include a signed Affidavit and exhibits completely explaining and supporting its annual reconciliation of actual purchased gas cost with the billed recovery of such costs through the PGA Factor and any other factors allowed through the LDC's PGA/ACA tariff sheets.

(A) The filed exhibits shall include, but not be limited to:

1. A summary page with a table summarizing all changes to any PGA tariff sheets which were effective during the ACA period under review, the LDC's calculated ACA Factor and an index of the LDC's ACA workpapers.

2. Workpapers, calculations, and other documentation that supports the Company's ACA filing in CD or electronic form whenever available.

3. A summary of changes to the LDC's gas supply and transportation, including storage, configuration since the prior ACA period or that occurred during this ACA period.

4. An explanation of how any costs are booked or calculated differently by the LDC for this ACA as compared to the prior ACA period, including any changes that occurred during this ACA period.

(B) For exhibits, workpapers, and any documentation that contains spreadsheets, which track dollars or volumes, fully functioning electronic spreadsheets shall be filed, including source data and output data, in Excel format whenever possible. If any cell contained in the provided spreadsheet(s) links to a different spreadsheet, that fully functioning electronic spreadsheet shall also be filed, in Excel format whenever possible.

(C) The signed Affidavit included in the filing shall include the name and contact information for the person(s) who prepared the information provided. The Affidavit shall attest that the person signing has participated in the preparation of the exhibits and workpapers provided and has verified the information was prepared in accord with 4CSR 240-40.011, 4 CSR 240-3.242 and the LDC's tariff by person(s) with the knowledge of the matters set forth and the information is accurate and complete, and contain no material misrepresentations or omissions to the best of his/her knowledge and belief.