

PSC No: 7 Gas
Corning Natural Gas Corporation
Initial Effective Date: 09/01/12

Leaf: 82
Revision 0
Superseding Revision:

Under the RDM, actual billed delivery service revenues for each annual period commencing with the Rate Year will be reconciled by comparing actual annual billed delivery service revenues with the allowed delivery service revenues (the RDM target per customer multiplied by the actual average number of customers). The Company will surcharge or refund customers if the actual billed delivery service revenues differ from allowed delivery service revenues. Any over- or under- collection at the end of the reconciliation period will include simple interest at the prevailing other customer capital rate issued by the Commission. The shortfall or excess will be surcharged or refunded to residential customers on a volumetric basis over the 12-month period commencing September 1. The rate per ccf will be developed using a forecast level of throughput for residential customers. All refunds or surcharges will be subject to reconciliation and included in the subsequent RDM reconciliation.

Case# 11-G-0280 agrees that the Company will develop a customer count proxy for each rate code applicable to the RDM. The customer count proxy for each rate code will be developed by taking that rate code's monthly volume billed in the first block divided by 3 ccf. On June 15, the Company will make an annual filing that will set forth the results of the operation of the RDM mechanism. The Company's annual filing will include an analysis that will compare (i) the Company's applicable customer count, (ii) the customer count proxy for each applicable rate code, and (iii) the proposed surcharge or refund.

Case# 11-G-0280 agrees on how to deal with the partial year linking period between the current rate year and proposed Rate Year 1. The Joint Proposal in Case 11-G-0280 uses an 8 month Revenue Per Rate Code target which is developed by prorating the current target, as shown in Appendix Q in Case# 11-G-0280. Once the RDM year is aligned with Rate Year 1, this partial year linking period will be concluded, as will the need for the Revenue Per Rate Code methodology.

Case# 11-G-0280 acknowledges that as a change in Gas Delivery Service Rates takes effect, the Company prorates the bills to customers. The proration of bills, however, will lower the actual billed delivery service revenue. To compensate for the proration in the first month of each Rate Year, the Company will calculate the actual billed delivery revenue using its billing determinants. The RDM Target for Rate Year 3 shall remain in effect until otherwise changed by the Commission.

Issued Under Authority of PSC Order Dated April 20, 2012 in Case No. 11-G-0280.

Issued by Michael German, C.E.O. and President, Corning, NY 14830

Effective date postponed to 12/01/2012. See Supplement No. 1.
Cancelled by 1 Rev. Leaf No. 82 Effective 10/01/2021