

PSC NO: 219 GAS
NIAGARA MOHAWK POWER CORPORATION
INITIAL EFFECTIVE DATE: 06/23/08

LEAF: 114
REVISION: 1
SUPERSEDING REVISION: 0

GENERAL INFORMATION

27. WEATHER NORMALIZATION ADJUSTMENT: (continued)

- 27.3.2 ADD = Actual heating degree days. 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.
- 27.3.3 NDD = Normal heating degree days. 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 as of December 31, 2006.
- 27.3.4 DDF = Average degree day factor in therms/heating degree day, is the estimated number of therms/heating degree day required to provide space heating for the average customer. DDF is determined separately for each customer classification and may be revised annually to reflect the temperature sensitivity reflected in the new throughput forecast. DDFs for the weather normalization period will be shown on the Statement of Weather Normalization Degree Day Factors and Base Loads.
- 27.3.5 BL = Base load is the average non-weather sensitive usage (in therms per customer) based on average usage by customers to which this adjustment applies. It is determined separately for each customer classification and may be revised annually to reflect the non-temperature sensitive usage of customers to which the adjustment applies in the new throughput forecast. Base Loads for the weather normalization period will be shown on the Statement of Weather Normalization Degree Day Factors and Base Loads.
- 27.3.6 M = Margin is the non-gas rate in dollars per therm. It equals the unit price of the rate block in which the customer's monthly delivery usage ended.
- 27.3.7 R/S = Refund or Surcharge in \$/customer
- 27.3.8 U = Usage over the billing period in therms/customer
- 27.3.9 Under this formula, the Weather Adjustment Factor (WAF) is calculated by dividing the estimated deficiency or excess in therms per customer due to weather variation for each billing cycle by the estimated average total therms used per billing cycle. The weather-related variation per customer is calculated by taking the actual heating degree days (ADD) for the billing cycle and calculating the amount by which the heating degree days exceed the normal heating degree days (NDD), or are less than the normal heating degree days (NDD), for the billing cycle. That amount is multiplied by the therms per heating degree day (DDF) per customer. The weather-related therm variation is then divided by the estimated average total usage per customer for the particular billing cycle. That amount is calculated by taking the base load (BL) therms per customer and adding the

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