

## To Our Valued Customers:

During the past year, the Department of Public Utility Control (DPUC) and The Connecticut Natural Gas Company (CNG) have been working on a new rate structure for CNG customers. The DPUC issued a decision on the new rate structure for all usage beginning November 1, 2008. These new rates are designed to more accurately assign the cost of providing service to the various customer classes. The purpose of this brochure is to explain the new rates, highlight changes on your bill and show what rates are available to our customers.

### Residential Customers

Residential customers have three separate rates:

- RSG (Residential Service General) rate. This rate is for non-heating customers e.g. water heating, drying and cooking.
- RSH (Residential Service Heating) rate. This rate is for customers using natural gas as their primary home heating source.
- RMDS (Residential Multi-Dwellings Service) rate. This rate is designed to serve all multi-dwellings with six (6) or more units served through a single meter. Customers qualifying for the RMDS rate continue to have the option of buying their gas from a third party supplier.

### Commercial/Industrial Customers

The new rates for commercial/industrial customers have been designed around 12 months of usage. Customers are assigned a rate based on their annual consumption:

- SGS (Small General Services) rate is designed for customers using less than 5,000 CCF (hundred cubic feet) annually.
- GS (General Services) rate is designed for customers whose annual usage is between 5,000 and 30,000 CCF.
- LGS (Large General Services) rate is designed for our largest customers whose annual usage is greater than 30,000 CCF.

### Seasonal and Interruptible Customers

Seasonal and Interruptible customers will continue to receive value-of-service rates that are set based upon the Company's tariffs and alternate fuel prices.

### Explanation of other charges:

- Conservation Adjustment Mechanism (CAM) – The CAM is a charge that reimburses CNG for the costs of ratepayer-sponsored conservation programs.
- Sales Services Charge (SSC): The SSC is designed to recover unique costs specific for those customers that receive their gas supply directly from the Company.
- Transportation Services Charge (TSC): The TSC is designed to recover unique costs specific for those customers that receive their gas supply from a third-party supplier.
- Purchase Gas Adjustment (PGA) – The PGA collects the total cost of gas. This rate will change monthly as approved by the DPUC. Supply Services are also available to Commercial / Industrial and Residential Multi-Dwelling Service customers from several qualified Third-Party Suppliers. This list shall be available to Customers upon request or visit <http://www.cngcorp.com/YourBusiness/ChooseEnergySupplier/RegisteredMarkets.html>

## Estimados Cliente:

Durante el último año, el Departamento de Control de Servicios Públicos (DPUC) y la Compañía de Connecticut Natural Gas (CNG) han trabajado para establecer una nueva estructura de tarifas para los clientes de CNG. El DPUC tomó una decisión con respecto a la nueva estructura de tarifas para todos los usos del servicio efectivas a partir del 1 de Noviembre de 2008. Estas nuevas tarifas est-n diseñadas para designar con mayor precisión el costo del servicio de nuestros distintos tipos de clientes. El propósito de este folleto es explicar las nuevas tarifas, resaltar los cambios en su factura y mostrar las tarifas que se encuentran disponibles para nuestros clientes.

### Cientes Residenciales

Los clientes residenciales cuentan con tres tarifas distintas:

- RSG Residential Service General rate (Tarifa de Servicio Residencial General). Esta tarifa es para los clientes que no utilizan el servicio para la calefacción, es decir: para calentador de agua, secadora y cocina.
- RSH Residential Service Heating rate (Tarifa de Servicio Residencial para calefacción). Esta tarifa es para los clientes que utilizan al gas natural como fuente principal de calefacción para sus hogares.
- RMDS Residential Multi-Dwelling Service rate (Tarifa de Servicio Residencial para Viviendas Múltiples). Esta tarifa está diseñada para servir a viviendas múltiples con seis (6) o más unidades a través de un único medidor. Los clientes que califican para recibir la tarifa RMDS tienen la opción de obtener su gas a través de otras compañías de servicio.

### Cientes Comerciales/Industriales

Las nuevas tarifas para los clientes comerciales/industriales están diseñadas considerando 12 meses de uso. Se asigna una tarifa basada en su consumo anual:

- SGS Small General Services rate (Tarifa para Servicios Generales Menores). Está diseñada para los clientes que utilizan menos de 5,000 CCF (cien pies cúbicos) por año.
- GS General Services rate (Tarifa de Servicios Generales). Está diseñada para los clientes cuyo uso anual es entre 5,000 y 30,000 CCF.
- LGS Large General Services rate (Tarifa de Servicios Generales Mayores). Está diseñada para nuestros clientes más grandes cuyo uso anual es de un mínimo de 30,000 CCF.

### Cientes de servicio interrumpido y de temporada

Los clientes de servicio interrumpido y de temporada continuarán recibiendo tarifas competitivas que serán establecidas de acuerdo a los aranceles y los precios de combustible alternativos de la Compañía.

### Explicación de otros cambios:

- Conservation Adjustment Mechanism CAM (Mecanismo de Ajuste de Conservación): El CAM es un cargo que reembolsa a CNG por los costos patrocinados por programas de conservación.
- Sales Services Charge SSC (Cargos de Servicios de Venta): El SSC está diseñado para recuperar los costos únicos que sean específicos para los clientes que reciben su suministro de gas directamente de la Compañía.
- Transportation Services Charge TSC (Cargo de Servicios de Transporte): El TSC está diseñado para recuperar los costos únicos de los clientes que reciben su suministro de gas por un tercer distribuidor.
- Purchase Gas Adjustment PGA-(Ajuste de Gas Comprado) - El PGA colecta el total del costo del gas. Esta tarifa cambiará mensualmente con la aprobación del DPUC. Los Servicios de Suministro también están disponibles para clientes Comerciales/Industriales y de Servicio Residencial de Viviendas Múltiples por parte de varias compañías distribuidoras de servicio. Esta lista estará disponible para los clientes que la soliciten o visitando: <http://www.cngcorp.com/YourBusiness/ChooseEnergySupplier/RegisteredMarkets.html>

## COMPARISON OF OLD AND NEW RATES

RATE	TITLE	RATE COMPONENT	OLD RATE	NEW RATE	
RSG	Residential Non-Heat	Customer Charge	\$15.45	\$16.50	
		Delivery Charge/CCF	0.7628	1.1434	
		Supply Charge/CCF	1.0041	See Note <sup>1</sup>	
		Sales Services Charge	0.0444	0.0077	
RSH	Residential Heating	Customer Charge	\$12.67	\$13.00	
		Delivery Charge/first 30 CCF	0.4435	0.8896	
		Delivery Charge/over 30 CCF	0.4435	0.3069	
		Supply Charge/CCF	1.2442	See Note <sup>1</sup>	
		Sales Services Charge	0.0280	0.0482	
RMDS	Residential Multi-Dwellings	Customer Charge	\$30.90	\$50.00	
		Delivery Charge/first 400 CCF	0.4038	0.4011	
		Delivery Charge/over 400 CCF	0.4038	0.1600	
		Demand Charge/CCF	n/a	0.1000	
		<b>Supply Service</b>			
		Supply Charge/CCF	1.2550	See Notes <sup>1,2</sup>	
		Sales Services Charge	0.0323	0.0466	
<b>Transportation Service</b>					
Transportation Services Charge/CCF	0.0228	0.0449			
SGS	Commercial-Industrial Small General Service	Customer Charge	\$30.90	\$38.00	
		Daily Demand Metering	8.28	0.00	
		Delivery Charge/first 100 CCF	0.4713	0.6720	
		Delivery Charge/over 100 CCF	0.4713	0.2422	
		Demand Charge/CCF	0.1236	0.3000	
		<b>Supply Service</b>			
		Supply Charge/CCF	1.2614	See Notes <sup>1,2</sup>	
		Sales Services Charge	0.0380	0.0532	
		<b>Transportation Service</b>			
		Transportation Services Charge	0.0228	0.0332	
GS	Commercial-Industrial General Service	Customer Charge	\$61.80	\$75.00	
		Daily Demand Metering	8.28	17.48	
		Delivery Charge/first 300 CCF	0.2816	0.3086	
		Delivery Charge/over 300 CCF	0.2816	0.0981	
		Demand Charge/CCF	0.9270	1.1477	
		<b>Supply Service</b>			
		Supply Charge/CCF	1.2437	See Notes <sup>1,2</sup>	
		Sales Services Charge	0.0248	0.0515	
		<b>Transportation Service</b>			
		Transportation Services Charge	0.0228	0.0893	

## COMPARISON OF OLD AND NEW RATES

RATE	TITLE	RATE COMPONENT	OLD RATE	NEW RATE	
LGS	Commercial-Industrial Large General Service	Customer Charge	\$123.60	\$255.50	
		Daily Demand Metering	8.28	17.48	
		Delivery Charge/first 5,000 CCF	0.1327	0.0925	
		Delivery Charge/over 5,000 CCF	0.1327	0.0250	
		Demand Charge/CCF	1.6031	1.1783	
		<b>Supply Service</b>			
		Supply Charge/CCF	1.2339	See Notes <sup>1,2</sup>	
		Sales Services Charge	0.0261	0.0324	
		<b>Transportation Service</b>			
		Transportation Services Charge	0.0228	0.0570	
SE	Residential Seasonal Gas Service (Winter Only)  (Summer Only)	Customer Charge	\$15.45	\$16.50	
		Delivery Charge/CCF	0.7628	1.1434	
		Supply Charge/CCF	1.0041	See Note <sup>1</sup>	
		Sales Services Charge	0.0444	0.0077	
		Customer Charge	\$24.72	\$31.20	
		Delivery Charge/CCF	established each May-September based on current market conditions	established each May-September based on current market conditions	
		<b>Commercial-Industrial Seasonal Gas Service</b>			
		Customer Charge	\$30.90	\$38.00	
SE	Commercial-Industrial Seasonal Gas Service (Winter Only)  (Summer Only)	Delivery Charge/First 100 CCF	0.4713	0.6720	
		Over 100 CCF	0.4713	0.2422	
		Supply Charge/CCF	1.2614	See Notes <sup>1,2</sup>	
		Sales Services Charge	0.0380	0.0532	
		Transportation Services Charge	0.0228	0.0332	
		Customer Charge	\$71.69	\$80.00	
		Delivery Charge/CCF	established each May-September based on current market conditions	established each May-September based on current market conditions	
		<b>Lighting</b>			
L	Lighting	Per Light Charge	\$23.48	\$26.62	
IS	Commercial-Industrial Interruptible Service	Customer Charge			
		Manual Interruptible	\$120.00	Unchanged	
		Automatic Interruptible	\$90.00	Unchanged	
		Daily Demand metering	8.28	17.48	
		All CCF	Established monthly	Established monthly	
NGV	Natural Gas Vehicle Service	Customer Charge	–	–	
		Daily Demand Metering	–	–	
		All CCF	Established monthly	Established monthly	

**NOTES:**

<sup>1</sup> Supply Charge: Established monthly in accordance with and pursuant to the Purchased Gas Adjustment Clause as approved by the DPUC.

<sup>2</sup> Supply Services are also available from several qualified Third-Party Suppliers from which Customers can choose. This list shall be available to customers upon request, or visit <http://www.cngcorp.com/YourBusiness/ChooseEnergySupplier/RegisteredMarkets.html>.

RMDS, SGS, GS & LGS Customers that choose Third-Party Suppliers are subject to the Transportation Services Charge (Updated annually).

Bills less than 28 days or more than 34 days will be prorated.

## NEW RATE SCHEDULE

*for*

### Connecticut Natural Gas

*In the event of an error or omission with respect to the rates, charges or explanations published herein, CNG reserves the right to correct the error, omission or explanation which will automatically be reflected in the rates and charges on customers' bills.*

*En caso de error u omisión con respecto a las tarifas, cargos, o explicaciones publicadas en este documento, CNG se reserva el derecho a corregir el error, omisión o explicación y se reflejará automáticamente en las tarifas y cargos de las facturas de los clientes.*

Programa para  
las nuevas tarifas  
de la Compañía  
Connecticut Natural  
Gas Efectivas a partir  
de Noviembre



Effective date: November 1, 2008