

January 2020 Rate Schedule

TO OUR VALUED CUSTOMERS

During the past year, the Public Utilities Regulatory Authority (PURA) and The Connecticut Natural Gas Corporation (CNG) have been working on a new rate structure for CNG customers. The PURA issued a decision on the new rate structure for all usage beginning January 1, 2020. These new rates are in effect until further notice. 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.

 $\pmb{\mathsf{MGS}}$ (Medium 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:

Customer Charge: A fixed monthly charge designed to recover the Company's basic administrative expenses associated with maintaining and servicing a customer account.

Conservation Adjustment Mechanism (CAM): A charge that collects the cost of conservation programs available to customers.

Daily Demand Metering (DDM): A fixed monthly charge for the cost of providing daily usage information. The charge is prorated based on the percentage of successful daily reads as compared to the number of days in the customer's billing cycle.

Decoupling Mechanism: A charge or credit that is a rate-making tool to collect or refund the difference between the approved annual revenue requirement with the actual distribution revenue collected.

Delivery Rate: A charge for moving natural gas across the Company's distribution lines to a customer's home or business.

Demand Charge: A charge for providing local pipeline space to accomodate the customer's highest daily usage.

Distribution Integrity Management Program (DIMP): A charge for expenses related to any pipeline replacement for cast iron and bare steel mains and services each year.

Sales Services Charge (SSC): A fee designed to recover unique costs

specific from those customers that receive their gas supply directly from the Company.

System Expansion Reconciliation (SER) mechanism: This mechanism further collects expenses not covered by System Expansion rates related to expanding the natural gas system and converting customers to natural gas.

TSC Onsite Demand Cost: A charge that is designed to recover unique administrative costs specific from those customers that receive their gas supply from a third-party supplier.

TSC Shifted Cost: A charge that is designed to recover supplier of last resort costs from those customers that receive their gas supply from a third-party supplier. Bills less than 28 days or more than 34 days will be prorated.

"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."

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RATE RSG	TITLE Residential Non-Heat	RATE COMPONENT Customer Charge Delivery Charge/CCF DIMP Charge/CCF CAM Charge/CCF Decoupling Credit/CCF System Expansion Reconciliation/CCF Sales Services Charge	\$20.30 1.7791 (0.0493) 0.0460 (0.0178) (0.0202) 0.0695	
RSH	Residential Heating	Customer Charge Delivery Charge/CCF – First 30 CCF – Over 30 CCF DIMP Charge/CCF CAM Charge/CCF Decoupling Credit/CCF System Expansion Reconciliation/CCF Sales Services Charge	\$18.00 0.8052 0.3344 (0.0078) 0.0460 (0.0178) (0.0051) 0.0726	
RMDS	Res. Multi-Dwellings	Customer Charge Daily Demand Metering Delivery Charge/CCF – First 400 CCF – Over 400 CCF Demand Charge/MDQ DIMP Charge/MDQ CAM Charge/CCF Decoupling Credit/CCF System Expansion Reconciliation/MDQ Supply Service: Sales Services Charge/CCF Transportation Service: TSC Shifted Cost /CCF TSC Onsite Demand Costs/CCF	\$72.50 19.11 0.2064 0.0732 0.9461 (0.0418) 0.0460 (0.0178) (0.0340) 0.0438	
	Commercial/Industrial Small General Service	Customer Charge Delivery Charge/CCF – First 100 CCF – Over 100 CCF Demand Charge/MDQ DIMP Charge/MDQ CAM Charge/CCF Decoupling Credit/CCF System Expansion Reconciliation/MDQ Supply Service: Sales Services Charge / MDQ Transportation Service: TSC Shifted Cost / CCF TSC Onsite Demand Costs / MDQ	\$48.50 0.5880 0.1748 0.9645 (0.0841) 0.0460 (0.0178) (0.0576) 0.7280 0.0497 0.7280	

MGS	Commercial/Industrial Medium General Svc.	Customer Charge Daily Demand Metering Delivery Charge/CCF - First 300 CCF - Over 300 CCF Demand Charge/MDQ DIMP Charge/MDQ CAM Charge/CCF Decoupling Credit/CCF System Expansion Reconciliation/MDQ Supply Service: Sales Services Charge/MDQ Transportation Service:	\$160.00 19.32 0.1210 0.0690 1.0182 (0.0305) 0.0460 (0.0178) (0.0277)
		TSC Shifted Cost/CCF	0.0497
		TSC Onsite Demand Costs /MDQ	0.5715
LGS	Commercial/Industrial		\$350.00
	Large General Service	Daily Demand Metering	19.32
		Delivery Charge/CCF - First 5,000 CCF	0.0155
		- Over 5,000 CCF	0.0057
		Demand Charge/MDQ	1.1217
		DIMP Charge/MDQ	(0.0199)
		CAM Charge/CCF	0.0460
		Decoupling Credit/CCF	(0.0178)
		System Expansion Reconciliation/MDQ Supply Service:	(0.0169)
		Sales Services Charge / MDQ Transportation Service:	0.4571
		TSC Shifted Cost / CCF	0.0497
		TSC Onsite Demand Costs / MDQ	0.4571
CED	esidential	Customer Charge	\$20.30
3E K	Seasonal Gas service	Customer Charge Delivery Charge/CCF	1.7791
	Seasonal das sei vice	DIMP Charge/CCF	(0.0493)
		Decoupling Credit/CCF	(0.0178)
		System Expansion Reconciliation/MDQ	(0.0202)
	(Winter Only)	Sales Services Charge/CCF	0.0695
	Residential	Service Charge	Unchanged
	Seasonal Gas service	Delivery Charge/CCF	Market Conditions
	(Summer Only)	belivery charge, eer	Market Conditions
	,		
SEC	ommercial/Industrial	Customer Charge	\$48.50
JL C	Seasonal Gas service	Delivery Charge/CCF - First 100 CCF	0.5880
	Scasorial das sel vice	- Over 100 CCF	0.1748
		OVER 100 CC1	0.17 10
		DIMP Charge/CCF	(0.0097)
		Decoupling Credit/CCF	(0.0178)
		System Expansion Reconciliation/MDQ	(0.0065)
	(Winter Only)	Sales Services Charge/CCF	0.0907
	Commercial/Industrial Seasonal Gas service (Summer Only)	Customer Charge Delivery Charge/CCF	Unchanged Market Conditions
12-1-	•	Day light charge	£22.07
Ligh	ting	Per light charge	\$22.07
IS	Commercial/Industrial	Customer Charge	-
10			
13	Interruptible Service	Manual/Automatic Interruptible	Unchanged
.5		Daily Demand Metering	19.32
15		·	
		Daily Demand Metering	19.32



January 2020 System Expansion Rate Schedule

TO OUR VALUED CUSTOMERS

During the past year, the Public Utilities Regulatory Authority (PURA) and Connecticut Natural Gas Corporation (CNG) have been working on a new rate structure for CNG customers. The PURA issued a decision on the new rate structure for all usage beginning January 1, 2020. These new rates are in effect until further notice. Premises added under these new rates will remain on system expansion rates for 10 years. The purpose of this brochure is to explain the new rates and show what rates are available to our customers.

RESIDENTIAL CUSTOMERS

Residential customers have two separate rates:

RSH-SE (Residential Service Heating) rate. This rate is for customers using natural gas as their primary home heating source.

RMDS-SE (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-SE 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-SE (Small General Services) rate is designed for customers using less than 5,000 CCF (hundred cubic feet) annually.

MGS-SE (Medium General Services) rate is designed for customers whose annual usage is between 5,000 and 30,000 CCF.

LGS-SE (Large General Services) rate is designed for our largest customers whose annual usage is greater than 30,000 CCF.



EXPLANATION OF OTHER CHARGES:

Customer Charge: A fixed monthly charge designed to recover the Company's basic administrative expenses associated with maintaining and servicing a customer account.

Conservation Adjustment Mechanism (CAM): A charge that collects the cost of conservation programs available to customers.

Daily Demand Metering: A fixed monthly charge for the cost of providing daily usage information. The charge is prorated based on the percentage of successful daily reads as compared to the number of days in the customer's billing cycle.

Decoupling Mechanism: A charge or credit that is a rate-making tool to collect or refund the difference between the approved annual revenue requirement with the actual distribution revenue collected.

Delivery Rate: A charge for moving natural gas across the Company's distribution lines to a customer's home or business.

Demand Charge: A charge for providing local pipeline space to accomodate the customer's highest daily usage.

Distribution Integrity Management Program (DIMP): A charge for expenses related to any pipeline replacement for cast iron and bare steel mains and services each year.

Sales Services Charge (SSC): A fee designed to recover unique costs specific from those customers that receive their gas supply directly from the Company.

TSC Onsite Demand Cost: A transportation service charge that is designed to recover unique administrative costs specific from those customers that receive their gas supply from a third-party supplier.

TSC Shifted Cost: A transportation service charge that is designed to recover supplier of last resort costs from those customers that receive their gas supply from a third-party supplier.

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

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RATE RSH-SE	TITLE Residential Heatin	RATE COMPONENT g-	ON-MAIN	OFF-MAIN
	System Expansion	Customer Charge	\$19.80	\$23.40
		Delivery Charge/CCF - First 30 CCF	0.8857	1.0468
		- Over 30 CCF	0.3678	0.4347
		DIMP Charge/CCF	(0.0078)	(0.0078)
		CAM Charge/CCF	0.0460	0.0460
		Decoupling Credit	(0.0178)	(0.0178)
		Sales Services Charge	0.0799	0.0944
RMDS-SE Residential Multi-Dwellings-System Expansion				
		Customer Charge	\$79.75	\$94.25
		Daily Demand Metering	19.11	19.11
		Delivery Charge/CCF - First 400 CCF	0.2270	0.2683

Wellings-System Expansion			
Customer Charge	\$79.75	\$94.25	
Daily Demand Metering	19.11	19.11	
Delivery Charge/CCF – First 400 CCF	0.2270	0.2683	
- Over 400 CCF	0.0805	0.0952	
Demand Charge/MDQ	1.0407	1.2299	
DIMP Charge/MDQ	(0.0418)	(0.0418)	
CAM Charge/CCF	0.0460	0.0460	
Decoupling Credit	(0.0178)	(0.0178)	
Supply Service:			
Sales Services Charge/CCF	0.0482	0.0569	
Transportation Service:			
TSC Shifted Cost/CCF	0.0492	0.0492	
TSC Onsite Demand Cost/ CCF	0.0482	0.0569	

SGS-SE	Commercial/Industrial Small General Service-Sys	tem Expansio	n
	Customer Charge	\$53.35	\$63.05
	Delivery Charge/CCF – First 100 (CCF 0.6468	0.7644
	– Over 100 CCF	0.1923	0.2272
	Demand Charge/MDQ	1.0610	1.2539
	DIMP Charge/MDQ	(0.0841)	(0.0841)
	CAM Charge/CCF	0.0460	0.0460
	Decoupling Credit	(0.0178)	(0.0178)
	Supply Service:		
	Sales Services Charge/MDQ	0.8008	0.9464
	Transportation Service:		
	TSC Shifted Cost/CCF	0.0497	0.0497
	TSC Onsite Demand Cost/MDC	0.8008	0.9464
MGS-SE	Commercial/Industrial Medium General Service-	System Expan	sion
	Customer Charge	\$176.00	\$208.00
	Daily Demand Metering	19.32	19.32
	Delivery Charge/CCF – First 300	CCF 0.1331	0.1573
	- Over 300 CCF	0.0759	0.0897
	Demand Charge/MDQ	1.1200	1.3237
	DIMP Charge/MDQ	(0.0305)	(0.0305)
	CAM Charge/CCF	0.0460	0.0460
	Decoupling Credit	(0.0178)	(0.0178)
	Supply Service:		
	Sales Services Charge/MDQ	0.6287	0.7430
	Transportation Service:		
	TSC Shifted Cost/CCF	0.0497	0.0497
	TSC Onsite Demand Cost/ MDG	Q 0.6287	0.7430

LGS-SE Commercial/Industrial Large General Service-System Expansion

Customer Charge	\$385.00	\$455.00
Daily Demand Metering	19.32	19.32
Delivery Charge/CCF -First 5,000 CCF	0.0171	0.0202
– Over 5,000 CCF	0.0063	0.0074
Demand Charge/MDQ	1.2339	1.4582
DIMP Charge/MDQ	(0.0199)	(0.0199
CAM Charge/CCF	0.0460	0.0460
Decoupling Credit	(0.0178)	(0.0178)
Supply Service:		
Sales Services Charge/MDQ	0.5028	0.5942
Transportation Service:		
TSC Shifted Cost /CCF	0.0497	0.0497
TSC Onsite Demand Cost/MDQ	0.5028	0.5942

Purchased Gas Adjustment (PGA): The PGA collects the total cost of gas. This rate will change monthly as approved by PURA.CAM, DIMP, Decoupling and TSC Shifted Cost rates change annually as approved by PURA. 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: https://www.cngcorp.com/registered-marketers. Note: RMDS, SGS, MGS & LGS Customers that choose Third-Party Supply are subject to the Transportation Services Charge (Updated Annually).