

HOW TO CALCULATE NATURAL GAS BILLS (Washington)

Effective: 11/01/09 (PGA)

Base Rates 01-01-09 / PGA 11-01-09 / Decoupling 11-01-09 / Tax 11-01-08



Calculating, or Estimating, Your Monthly Natural Gas Bill

1. Find, or estimate, the number of therms you used for the billing month.
(Your bill shows them under "metering information.")
2. Find the appropriate rate schedule below.
(Your bill identifies the rate schedule each meter is billed under.)
3. Compute the charges for your gas usage, or estimated usage, by following the steps outlined for the appropriate rate schedule.
(For your convenience, the energy charges include the effect of Schedules 150, 155, 156, 159 & 191.)
4. Calculate and add any franchise fees that you may have to pay for your gas usage.
(The various franchise fees are identified below, as well as on your monthly bill.)

Computing Your Natural Gas Therm Usage

- * Subtract your previous meter reading from your present meter reading.
- * Multiply the difference by the multifactor shown for your meter and round to the nearest whole number.
(This is your natural gas therm usage for the period.)
- * Compute the charges by using the rate schedule shown on your bill, or an example shown below.

Explanation of Terms

Basic Charge:

Customers billed under some rate schedules are charged a fee which helps to pay the basic costs which are a natural part of keeping gas available to all our customers. Examples include meter reading and billing costs and the cost of maintaining company equipment on the customer's premises. The basic charge is added into the total charge for your use.

Minimum Charge:

If a rate schedule lists a minimum charge we will bill at least that amount each month, even if the actual charges for your use were less than that amount. The minimum charge, like the basic charge, is designed to help pay basic costs of keeping gas available to our customers.

Therms:

Your use of gas is billed in units called therms. One therm equals the heating capacity of approximately 100,000 matches.

Multifactor:

Your gas meter measures gas in cubic feet. The heating capacity of a cubic foot of gas varies depending on what source Avista Corporation gets it from. In order to bill our customers only for the heating capacity that the gas provides, we use a multifactor to convert cubic feet into therms. The multifactor varies with differences in the grade of gas we can provide our customers.

RATE SCHEDULES

Customers served under Schedules 101 and 111 are eligible for service under either Schedule. If you take service under either of these Schedules, and you believe your bill would be considerably less by taking service under the other Schedule for an entire year, please contact one of our customer service representatives at the office shown on your bill.

Rate Schedules 112, 122, 131, 132, 146, and 148 are available, under contract, to large and extra-large gas customers. They are not explained here because of their limited application.

Current Franchise Fees

CITY	%	CITY	%	CITY	%
Airway Heights	6.0	Connell	5.0	Palouse	6.0
Albion	6.0	Deer Park	6.0	Pullman	8.0
Asotin	6.0	Goldendale	6.0	Ritzville	6.0
Cheney	14.75	Kettle Falls	6.0	Rosalia	5.0
Chewelah	6.0	Lacrosse	6.0	Spokane	6.38
Clarkston	6.0	Lind	6.0	Sprague	6.0
Colfax	6.0	Medical Lake	6.0	Stevenson	3.0
Colville	6.0	Odessa	6.0	Uniontown	6.0
				Warden	6.0

Rate Schedule 101 - General Service

Monthly Charges

(Includes the effects of Schedules 150, 155, 156, 159 & 191)

\$5.75 Basic Charge, plus
\$0.76487 per therm

Example

If you used 45 Terms of gas, your bill would be calculated as follows:

Basic Charge	=	\$5.75	
\$0.76487 x 45 Therms	=	<u>\$34.42</u>	
Total Charge for service	=	<u>\$40.17</u>	<i>(franchise fees not included)</i>
(Minimum charge is \$5.75)			

Rate Schedule 111 - Large General Service

Monthly Charges

(Includes the effects of Schedules 150, 155, 156, & 191)

\$140.43 Minimum Charge, **Plus**
 \$0.08308 per therm for the first 200 therms ** (See example below for Min. use customer)
 \$0.70825 per therm for the next 800 therms
 \$0.64035 per therm for all additional therms
 (Minimum charge is \$140.43 ,plus the adjustments from Schedules 150, 155,156, & 191, unless a higher minimum is required under contract to cover special conditions.)

Example for **Minimum Use Customer** (Less than 200 therms per month) -

If you used 175 therms of gas, your bill would be calculated as follows:

Minimum charge for use of less than 200 therms	=	\$ 140.430	plus
Sched 111 rate per therm:			
\$ 0.46450 X 175 therms	=	\$ 81.288	plus
Sched 150 rate per therm:			
\$ - X 175 therms	=	\$ -	plus
Sched 155 rate per therm:			
\$ (0.14269) X 175 therms	=	\$ (24.971)	plus
Sched 156 rate per therm:			
\$ (0.27648) X 175 therms	=	\$ (48.384)	plus
Sched 191 rate per therm:			
\$ 0.03775 X 175 therms	=	<u>\$ 6.606</u>	
Total Charge for service		<u>\$ 154.97</u>	<i>(franchise fees not included)</i>

Example for **Other Customers** (use of more than 200 therms per month) -

If you used 1240 therms of gas, your bill would be calculated like this:

Minmum Charge	=	\$140.43	
\$0.08308 x 200	=	\$16.62	
\$0.70825 x 800	=	\$566.60	
\$0.64035 x 240	=	<u>\$153.68</u>	
Total Charge for service		<u>\$877.33</u>	<i>(franchise fees not included)</i>

Rate Schedule 121 – Extra Large General Service

Monthly Charges –

(Includes the effects of Schedules 150, 155, 156, & 191)

\$342.46	Minimum Charge, Plus		
\$0.07656	per therm for the first	500	therms ** (See example below for Min. use customer)
\$0.71262	per therm for the next	500	therms
\$0.64354	per therm for the next	9000	therms
\$0.60015	per therm for the next	15000	therms
\$0.58829	per therm for all additional therms		

(Minimum charge is : \$342.46 ,plus the adjustments from Schedules 150, 155,156, & 191, unless a higher minimum is required under contract to cover special conditions.)

Example for **Minimum Use Customer** (Less than 500 therms per month) -

If you used 400 therms of gas, your bill would be calculated as follows:

Minimum charge for use of less than 500 therms	=	\$342.460 plus
Sched 121 rate per therm:		
\$ 0.45006 X 400 therms	=	\$180.024 plus
Sched 150 rate per therm:		
\$ - X 400 therms	=	\$0.000 plus
Sched 155 rate per therm:		
\$ (0.13217) X 400 therms	=	-\$52.868 plus
Sched 156 rate per therm:		
\$ (0.27657) X 400 therms	=	-\$110.628 plus
Sched 191 rate per therm:		
\$ 0.03524 X 400 therms	=	<u>\$14.096</u>
Total Charge for service		<u><u>\$373.08</u></u> (franchise fees not included)

Example for **Other Customers** (more than 500 therms per month) -

If you used 26,000 therms of gas, your bill would be calculated as follows:

Minimum Charge	=	\$342.46	
\$0.07656 x 500	=	\$38.28	\$380.740
\$0.71262 x 500	=	\$356.31	\$737.050
\$0.64354 x 9000	=	\$5,791.86	\$6,528.910
\$0.60015 x 15,000	=	\$9,002.25	\$15,531.160
\$0.58829 x 1,000	=	\$588.29	\$16,119.450
Total Charge for service		<u><u>\$16,119.45</u></u>	(franchise fees not included)