

STATE OF NORTH CAROLINA
UTILITIES COMMISSION
RALEIGH

DOCKET NO. G-100, SUB 87

BEFORE THE NORTH CAROLINA UTILITIES COMMISSION

In the Matter of
Rulemaking Proceeding to Revise)
Commission Rule R1-17(k)(4)(c),) ERRATA ORDER
Company Use and Lost and)
Unaccounted For)

BY THE CHAIRMAN: On July 8, 2009, the Commission entered an Order Revising Commission Rule R1-17(k) in this docket. The Commission discovered the existence of two errors affecting sections (2)(g) and (4)(b) of Rule R1-17(k) as set forth in the Appendices to that Order. For that reason, the Chairman finds good cause to issue this Errata Order to correct those errors. Revised Appendices A and B are attached hereto.

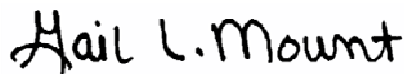
IT IS, THEREFORE, ORDERED as follows:

1. That paragraphs (2)(g), (4)(a), and (4)(b) of Rule R1-17(k) of the Commission's Rules and Regulations are hereby revised as set forth in Appendix A attached hereto and are hereby, as revised in Appendix B, incorporated into said Rules and Regulations effective as of the date of this Order.
2. That the Chief Clerk shall mail a copy of the Order to all the natural gas companies operating in North Carolina.
3. That the natural gas companies operating in North Carolina shall file tariffs and Rules and Regulations to comply with this Order within ten days from the date of this Order.

ISSUED BY ORDER OF THE COMMISSION.

This the 17th day of July, 2009.

NORTH CAROLINA UTILITIES COMMISSION



Gail L. Mount, Deputy Clerk

APPENDIX A

Rule R1-17 FILING OF INCREASED RATES; APPLICATION FOR AUTHORITY TO ADJUST RATES

....

(k) Procedure for Rate Adjustments Under G.S. 62-133.4.

(2) Definitions. As used in this Section (k) of Rule R1-17, the following definitions shall apply:

(g) "Demand Charges and Storage Charges" shall mean all Gas Costs which are not based on the volume of gas actually purchased or transported by an LDC and any other gas costs determined by the Commission to be properly recoverable from customers, ~~including company use and unaccounted for costs.~~

....

(4) True-up of Gas Costs.

(a) Demand Charges and Storage Charges. On a monthly basis, each LDC shall determine the difference between (a) Demand Charges and Storage Charges billed to its customers in accordance with the Commission-approved allocation of such costs to the LDC's various rate schedules and (b) the LDC's actual Demand Charges and Storage Charges. This difference shall be recorded in the LDC's deferred account for demand and storage charges. Increments and decrements for ~~Demand Charges and Storage charges~~ this deferred account, including the portion of the Commodity and Other Charges true-up calculated under Section (4)(b) and apportioned to this deferred account, flow to all sales and transportation rate schedules. Where applicable, the percentage allocation to North Carolina shall be the percentage established in the last general rate case. ~~For purposes of this true-up, company use and unaccounted for costs will be excluded since they are subject to a true-up under Section (4)(c).~~

(b) Commodity and Other Charges. On a monthly basis, each LDC shall determine with respect to gas sold (including company use and unaccounted for) during the month the ~~per unit~~ difference between (a) ~~the Benchmark Commodity Gas Costs most recently approved and~~ (b) the actual Commodity and Other Charges incurred and (b) the actual Commodity and Other Charges billed to customers. ~~The product of the actual volumes multiplied by the per unit~~ This difference shall be apportioned each month to recorded in the LDC's deferred account for commodity and other charges based on the ratio of volumes sold to the volumes purchased for that month. The residual portion of the difference not apportioned to the LDC's deferred account for commodity and other charges shall be apportioned each month to the LDC's deferred account for Demand Charges and Storage Charges.

Increments and decrements for Commodity and Other Charges flow to all sales rate schedules.

~~(c) Repealed. Company Use and Unaccounted For. Each LDC will true up Gas Costs associated with company use and unaccounted for volumes annually. This shall be done by comparing the actual North Carolina company use and unaccounted for volumes during the true up period with the rate case approved North Carolina company use and unaccounted volumes used to establish rates during the twelve month true up period. Where there is more than one approved company use and unaccounted for volumes during the true up period, the average monthly level will be used. The resulting volumes will be multiplied by the average of the Benchmark Commodity Gas Costs at the end of each month of the true up period, and the resulting amount will be recorded in the deferred account.~~

APPENDIX B

Rule R1-17 FILING OF INCREASED RATES; APPLICATION FOR AUTHORITY TO ADJUST RATES

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(b) Commodity and Other Charges. On a monthly basis, each LDC shall determine with respect to gas sold (including company use and unaccounted for) during the month the difference between (a) the actual Commodity and Other Charges incurred and (b) the actual Commodity and Other Charges billed to customers. This difference shall be apportioned each month to the LDC's deferred account for commodity and other charges based on the ratio of volumes sold to the volumes purchased for that month. The residual portion of the difference not apportioned to the LDC's deferred account for commodity and other charges shall be apportioned each month to the LDC's deferred account for Demand Charges and Storage Charges. Increments and decrements for Commodity and Other Charges flow to all sales rate schedules.

(c) Repealed.