

**RIDER**  
**WEATHER NORMALIZATION ADJUSTMENT (WNA)**

**APPLICATION AND PURPOSE**

A Weather Normalization Adjustment (“WNA”) shall be applied to Residential, Commercial SGS, and Commercial MGS customers receiving service under Rate Schedules RS, CAP, SGS, and MGS for bills rendered during the heating season of October 1<sup>st</sup> through May 31<sup>st</sup>.

WNA is a distribution charge adjustment and is considered a basic service charge.

Calculated WNA amounts shall be subject to Rider DSIC, Rider STAS, Rider Tax Repairs Surcredit, and Rider TCJA. No additional riders or surcharges will be applied to the calculated WNA.

**CALCULATION**

The WNA will be applied to bills rendered October 1<sup>st</sup> through May 31<sup>st</sup> and shall be calculated on a customer account specific basis in accordance with the formula below:

$$\text{WNBM} = \text{BLMM} + [(\text{NHDD} \pm (\text{NHDD} \times 3\%)) / \text{AHDD}] \times (\text{AMUM} - \text{BLMM})$$

$$\text{WNAM} = \text{WNBM} - \text{AMUM}$$

$$\text{WNAM} = \text{WNAC} \times \text{Distribution Charge}$$

- a) Weather Normalized Billing Mcfs (“WNBM”) will be calculated as the Base Load Monthly Mcfs (“BLMM”) added to the product of the [Normal Heating Degree Days (“NHDD”), adjusted for a 3% deadband, divided by the Actual Heating Degree Days (“AHDD”)] and the [Actual Monthly Usage Mcfs (“AMUM”) less the BLMM]. Weather Normalized Billing Mcfs (WNBM) will only be calculated if the AMUM exceeds the BLMM. WNA will not be applicable for the billing period if AMUM is less than the BLMM.
- b) BLMM shall be established for each customer by averaging the actual daily consumption from the billing system, measured in Mcf, for service rendered July 1<sup>st</sup> thru August 31<sup>st</sup> of the most recent period.
- c) AMUM shall be measured for each customer and billing cycle.
- d) NHDD shall be based upon the heating degree days utilized to develop the revenue requirement in the Company’s general rate case proceeding at Docket No. R-2023-3044549. NHDD shall be updated in future general rate case proceedings.
- e) AHDD shall be the actual experienced heating degree days during the billing cycle days for the customer based upon experienced actual temperatures as reported by the National Oceanic and Atmospheric Administration (NOAA) for weather stations utilized by the Company for the area.
- f) AMUM will be subtracted from the WNBM to compute the Weather Normalized Adjustment Mcfs (“WNAM”).
- g) A deadband of 3% shall apply. The WNA for a billing cycle will apply only if the AHDD for the billing cycle are lower than 97% or higher than 103% of the NHDD for the billing cycle.

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h. The WNA shall then be multiplied by the applicable Rate Schedule Distribution Charge based on service rendered to compute the WNA amount that will be charged or credited to each Residential, SGS, and MGS customer receiving service under Rate Schedules RS, CAP, SGS, and MGS.

i. In the event a customer's bill needs to be canceled and rebilled at any time, the WNA will be recalculated using the most recently available data for the billing period. In some cases, updates in data used in the calculation, may result in a different WNA for the billing period.

j. WNA amounts will be displayed as a separate line item on the customer's bill.

k. The WNA adjustment for bills rendered in May will not exceed 100% percent of the billed distribution amount (delivery charge amount plus customer charge amount) for that same period.

l. The Company will file a report annually with the Commission on or before September 1st for the 12-month period ending June of the same year. The filing will contain WNA details as defined in the Company's most recent general rate case proceeding.