

TERMS AND CONDITIONS

17 – Cost of Gas (Cont'd)

17. (d) Changes. The cost of gas rate may be adjusted without further Commission action based on the projected over-/under-collection of gas costs, the adjusted rate to be effective the first of the month. Any such rate adjustments may not exceed a maximum rate of 25 percent above the approved rate, but there is no limit on the amount of any rate reductions.
17. (e) Refunds. When refunds are made to the Company by its suppliers that are applicable to increased charges collected under this provision, the Company will make appropriate refunds to its customers and as the Commission may direct.
17. (f) Reporting. The Company shall submit to the New Hampshire Public Utilities Commission, at least 30 days prior to the effective date, the proposed winter and summer period cost of gas rate computation. Any monthly adjustments to the Cost of Gas rate must be filed five (5) business days prior to the first day of the subsequent month (the effective date of the new rate).

The cost of gas rate shall be computed to the nearest one hundredth cent per therm and shown on customers' bills.

17. (g) Fixed Price Option Program. An alternative to the traditional winter period cost of gas rate mechanism may be elected by the customer pursuant to the Company's Fixed Price Option (FPO) Program. The Company may offer up to 50% of its expected firm sales for the winter period under the FPO Program. The cost of gas charge offered under the FPO Program will remain fixed for all winter period billings commencing November 1 and ending April 30 of the effective winter period. Once elected, customers must remain on the FPO Program for the duration of the winter period unless service is terminated. There are no maximum or minimum usage levels. Customers may enroll in this Program by contacting the Company between the October 1 and October 19 period immediately preceding the effective winter period.

*Michael D. Eastman*

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Title: Treasurer