CLASSIFICATION OF SERVICE RATE SCHEDULES

WEATHER NORMALIZATION ADJUSTMENT CLAUSE APPLICABLE TO RESIDENTIAL AND SMALL NON-RESIDENTIAL GENERAL SERVICE RATE SCHEDULES

WEATHER NORMALIZATION ADJUSTMENT (WNA)

The sales to residential and small non-residential customers shall be increased or decreased monthly by an amount hereinafter described as the Weather Normalization Adjustment (WNA).

DETERMINATION OF WNA

A Weather Normalization Adjustment Factor (WNAF) shall be utilized during the December through April billing months to calculate the non-gas portion of the bills of all residential and small non-residential heating customers. During the remainder of the year, May through November, the monthly bills shall be computed solely on actual consumption.

WEATHER NORMALIZATION ADJUSTMENT WILL BE CALCULATED USING THE FOLLOWING FORMULA:

WNA = WNAF * Actual Mcf * Base Rate Charge

An average daily base load will be determined separately for residential and small non-residential customers. The average daily base load will remain the same for the WNA December – April billing months. WNA will be billed for 5 billing periods.

An Average Monthly Base Load (AMBL) for residential or small non-residential customers will be calculated by using total Mcf for two month non-heat usage (August/September) divided by total number of residential or small non-residential customers billed for the two month period.

AMBL = MCF / NUMBER OF CUSTOMER

To calculate the Average Daily Base Load (ADBL), divide the Average Monthly Base Load by the average number of days in the two-month non-heat billing cycle.

ADBL = AMBL / AVERAGE # DAYS

CANCELLED

July 1, 2025

KENTUCKY PUBLIC SERVICE COMMISSION

DATE OF ISSUE: January 12, 2022 DATE EFFECTIVE: January 4, 2022 ISSUED BY: <u>/s/ John B. Brown</u>

John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated January 3, 2022.

KENTUCKY
PUBLIC SERVICE COMMISSION

Linda C. Bridwell Executive Director

EFFECTIVE

1/4/2022

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)

CLASSIFICATION OF SERVICE RATE SCHEDULES

WEATHER NORMALIZATION ADJUSTMENT CLAUSE APPLICABLE TO RESIDENTIAL AND SMALL NON-RESIDENTIAL GENERAL SERVICE RATE SCHEDULES

Base Load (BL) is determined by multiplying the Average Daily Base Load per residential or small non-residential customer by the number of days in the billing cycle times the number of residential or small non-residential customers in the billing cycle.

BL = ADBL * # DAYS IN BILLING CYCLE * # CUSTOMERS IN BILLING CYCLE (T)

The heat load is then determined by subtracting the residential or small non-residential customer's base load from the total Mcf billed in the billing cycle.

HL = MCF BILLED IN CYCLE - BL

A Heating Degree Factor (HDF) is then determined by dividing the Normal Degree-Days (NDD) for the billing cycle by the Actual Degree-Days (ADD) in the billing cycle.

HDF = NDD / ADD

The Weather Normalization Adjustment Consumption (WNAC) is computed by multiplying the Heating Degree Factor times the Heat Load and adding the Base Load to that number.

WNAC = HDF * HL + BL

The Weather Normalization Adjustment Factor is then calculated by dividing the WNA Consumption by the total Mcf billed in the cycle.

WNAF = WNAC / MCF

The WNAF will be recomputed monthly based on company averages. If the WNAF is less than 1.0, the customer's billed amount will be less than the actual amount would have been. If the WNAF is greater than 1.0 the customer's billed amount will be more than the actual amount would have been. The customer's bill is calculated by multiplying the actual Mcf usage by the WNAF times the base rate charge as set forth on Sheet No. 2 of this tariff.

CANCELLED

July 1, 2025

KENTUCKY PUBLIC SERVICE COMMISSION

DATE OF ISSUE: January 12, 2022

DATE EFFECTIVE: January 4, 2022

ISSUED BY: /s/ John B. Brown

John B. Brown, President

Issued by Authority of an Order of the Public Service Commission of KY in Case No. 2021-00185 dated January 3, 2022.

KENTUCKY

PUBLIC SERVICE COMMISSION

Linda C. Bridwell Executive Director

EFFECTIVE

1/4/2022

PURSUANT TO 807 KAR 5:011 SECTION 9 (1)