

**TARIFF FOR GAS SERVICE
SIENERGY, LP**

RIDER WNA – WEATHER NORMALIZATION ADJUSTMENT

Applicable to:	Inside City Limits of Grand Prairie, Mansfield and Waxahachie	Page 1 of 3
Effective Date:	January 1, 2018	Amendment Date: October 1, 2018
Amendment Reason:	Add Grand Prairie and Waxahachie to Rate Schedule	

Application

Applicable to all customer classes.

Monthly calculation

In order to reflect weather variances in a timely and accurate manner, the Weather Normalization Adjustment rate (“WNA”) shall be separately calculated and adjusted monthly by rate class for each meter reading or billing cycle (“Cycle”). Monthly WNA adjustments will be based upon weather information for the periods beginning with the first Cycle read in October and ending with the last Cycle read in the following April.

The Weather Normalization Adjustment rate for each Cycle shall be based on the following formula:

$$\text{WNA Rate} = \text{WND} / \text{CMV} + \text{RC}$$

WND is calculated based on the following formula:

$$\text{WND} = [(\text{HDD}_n / \text{HDD}_a * \text{HL}) - \text{HL}] * \text{VR}$$

Definitions

WND - Weather Normalized Dollars to be collected from the Cycle.

CMV - Current Month Volumes billed for the Cycle.

HDD_n - Normal heating degree days during the Cycle.

HDD_a - Actual heating degree days during the Cycle.

HL - Heat Load volumes calculated using the following formula: Total volumes for the Cycle less Base Load volumes where Base Load volumes are calculated by multiplying the Base Load per customer by the number of customers in the Cycle.

VR - Volumetric cost of service rate for the applicable customer class.

RC – The Reconciliation Component amount to be return to or recovered from customers each month from October through April as a result of any prior year’s over or under collections.

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Reconciliation Audit

An annual review shall be performed of the Company's books and records for each seven-month period beginning with October and ending with the subsequent April to determine the amount of over or under collection by customer class occurring during such seven-month period. The audit shall determine: (a) the total amount of volumetric revenues collected from customers, including WNA revenues, (b) the Base Load revenues collected from customers using the Base Load per customer multiplied by the number of customers during the period, (c) the difference between the volumetric revenues collected from customers and the Base Load, which represents the weather-sensitive revenues billed, (d) the calculated WNA revenues determined by the operation of the provisions of this weather normalization adjustment clause, and (e) the amount of any over or under collection of WNA revenues from operation of the provisions of this clause.

Determination and Application of the Reconciliation Component

If the Reconciliation Audit reflects either an over recovery or under recovery of revenues in any rate class, such amount, if any, shall be divided by the gas sales volumes by rate class, adjusted for the effects of weather, growth, and conservation for the subsequent period beginning with the first Cycle read in October and ending with the last Cycle read in the following April. The Reconciliation Component so determined to collect any revenue shortfall or to return any excess revenue shall be applied for a seven (7) period beginning with the first Cycle in October and continuing through the last Cycle in April at which time it will terminate until a new Reconciliation Component is determined.

Monthly Report

By the 25th day of the following month, the Company will file with the Regulatory Authority a monthly report showing the current rate adjustments for each applicable rate schedule. Supporting documentation will be made available for review upon request.

Annual Report

By each September 1, the Company will file with the Regulatory Authority an annual report verifying the past year's WNA collections or refunds, which shall include but not necessarily be limited to:

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1. A schedule of the actual gas sales volumes and respective revenues by rate class by month for the seven months ending April 30, with revenues collected via this clause identified separately.
2. A schedule of the weather normalized volumes and respective revenues by rate class for the seven months ending April 30 using the methodology adopted in the most recent rate case.
3. A calculation of the difference between the actual gas sales volumes and revenues by rate class and the weather normalized gas sales volumes and revenues.
4. A schedule showing the difference between the total amount to be collected or refunded through the annual reconciliation component and the actual amount collected or refunded during the same period.

Taxes

In addition to the monthly charges above, each customer's bill will include a charge for an amount equivalent to the customer's proportional part of any governmental levies payable by the Company, exclusive of federal income taxes. From time to time, any tax factor may be adjusted, if required, to account for any over- or under-recovery by the Company and to include an amount equivalent to the proportionate part of any new tax or any other governmental imposition, rental fee, or charge levied, assessed or imposed subsequent to the effective date of this tariff by any governmental authority, including districts, created under the laws of the State of Texas. The Company will also collect sales taxes where applicable. Gross Receipts Taxes and Franchise Fees applicable within municipalities shall only be charged to customers within the incorporated areas.