



Public Service Commission of the District of Columbia

Office of Consumer Services

1333 H Street, N.W., 6th Floor, East Tower

Washington, D.C. 20005

(202) 626-5120

www.dcpsc.org

Business Hours: 9:00 a.m. – 5:30 p.m. Monday – Friday

People Serving the Community...

UNDERSTANDING WASHINGTON GAS'S (WG) RESIDENTIAL HEATING AND COOLING BILLS

CCF of Gas Used: Gas meters measure gas usage in 100 cubic feet (CCF). Thus, the CCF is the measure of the amount of gas used during the billing period. This amount is the difference between the current reading and the previous reading shown on your bill.

Conversion Factor: The conversion factor is used to convert the amount of gas used from CCF to therms. Therms are a measure of the heat energy in natural gas. Because the heat content of gas may fluctuate, your bill is always based on therms. One CCF of natural gas is equivalent to approximately 1.024 therms.

Total Therms Used: The price that you pay for gas is calculated on a per therm basis. To arrive at the total number of therms, the CCF of gas used is multiplied by the Conversion Factor.

Distribution Service: WG is the sole gas distribution company serving the District; thus the District of Columbia Public Service Commission sets the distribution service charges through rate case proceedings. There are two distribution service charges on residential bills. They are the Distribution Charge and the Customer Charge.

? **Distribution Charge:** The distribution charge covers WG's costs that generally vary with usage for delivering the gas through its system of mains and pipes to homes and businesses. Currently, the distribution charge per therm for heating and cooling customers is tariffed at 38.09 cents, and 41.97 cents for non heating and cooling customers.

? **Customer Charge:** The customer charge reflects WG's fixed costs to provide and maintain the service pipe, meter and other facilities located on your property as well as the monthly meter reading, billing and accounting costs that do not vary with the amount of gas consumed. Currently, the customer charge for residential heating and cooling customers is \$7.85 per month. For residential non-heating and -cooling customers the charge is \$4.00 per month.

Natural Gas Supply Charge: This charge covers the cost of the commodity gas that flows through Washington

Gas's pipes and mains. You can choose your commodity gas supplier. If Washington Gas is your commodity gas supplier, then your bill will show a Purchased Gas Charge (PGC). That charge is calculated on the basis of wholesale market forces. Washington Gas passes those costs onto ratepayers without earning a profit on those expenses. The District of Columbia Public Service Commission audits, but does not set, those costs. If you do not purchase your commodity gas from Washington Gas, your bill will show the price charged by the alternative supplier.

DC Rights-of-Way Fee: The Council of the District of Columbia has mandated a D.C. Rights-of-Way Fee. The Council provided that WG should recover from its customers all costs it incurs to lease conduit and space for its underground facilities that are on public space.

Balancing Charge: If you do not purchase your commodity gas from Washington Gas, your bill may show a balancing charge. The balancing charge covers Washington Gas's costs for the use of its storage and gas production assets as well as the need to "balance" differences between the amount of gas delivered to WG's city-gate each day and the amount of gas used by customers each day. Currently, the balancing charge is 1.0122 cents per therm. For customers who purchase their commodity gas from Washington Gas, these costs are included in the Purchased Gas Charge, and hence do not appear on their bill.

Delivery Tax The District Government requires WG to collect this tax from all of its customers and to turn the proceeds over to the D.C. Treasury. The current Delivery Tax surcharge is 7.03 cents per therm.

Natural Gas Trust Fund Charge: Effective on gas used since May 1, 2005, WG collects a minimum of 0.55 cents per therm for the newly created Natural Gas Trust Fund. D.C. Council legislation requires all District natural gas customers, other than those participating in the Residential Essential Service energy assistance program, to contribute to the fund. The purpose of the fund is to establish a universal service program to provide energy assistance to low-income consumers in the District, and to establish a program to promote energy

efficiency in the District. Both programs will be administered by the D.C. Energy Office.

**MORE QUESTIONS?
NEED MORE INFO?
CALL 202-626-5120 or
VISIT US ON THE WEB at
www.dcpssc.org**