ARKANSAS PUBLIC SERVICE COMMISSION

Original Sheet No. 4-4.1/3

Replacing: Sheet No.

CenterPoint Energy Resources Corp.

d/b/a CenterPoint Energy Arkansas Gas

(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential

and Small Commercial

PART IV - Rider Schedule No. 4

Title: WEATHER NORMALIZATION ADJUSTMENT (WNA)

PSC File Mark Only

4. WEATHER NORMALIZATION ADJUSTMENT (WNA)

- 4.1. For bills rendered from November 1 through April 30 each year, the applicable margin rates for gas service to customers served under the applicable rate schedules shall be adjusted by a Weather Normalization Adjustment (WNA) to reflect much of the impact of heating degree day variations from normal levels which were used to set rates under the applicable rate schedules.
- 4.2. In order to calculate the total weather adjustment for the applicable billing cycle, a weather deviation is computed and multiplied by the applicable margin rate. A per Ccf WNA adjustment is calculated by dividing the total weather adjustment by the average Ccf usage per customer for all customers in each billing cycle, using the formula described below. The per Ccf adjustment for each applicable rate schedule is applied to customer's usage for the billing cycle. The WNA shall be separately identified on customer bills.
- 4.3. CALCULATION OF WEATHER NORMALIZATION ADJUSTMENT

4.3.1. The WNA is calculated as follows:

WNA_i = $\underline{R_{\underline{i}}(DDF_{\underline{i}}(NDD - ADD))}$ AAU_i

Where: i = Any particular rate classification to which the WNA

is to be applied.

WNA = Weather Normalization Dollar Adjustment per Ccf

R = Applicable Margin Rate

DDF = Degree Day Factor associated with the applicable

rate schedule:

ARKANSAS PUBLIC SERVICE COMMISSION

Original Sheet No. 4-4.2/3

Replacing: Sheet No.

CenterPoint Energy Resources Corp.

d/b/a CenterPoint Energy Arkansas Gas

(Name of Company)

Kind of Service: Natural Gas Class of Service: Residential

and Small Commercial

PART IV - Rider Schedule No. 4

Title: WEATHER NORMALIZATION ADJUSTMENT (WNA)

PSC File Mark Only

Residential Service (RS-1) .1432

Small Commercial Sales (SCS-1 and

SCS-2) .5776

NDD = Normal Degree Days during the billing cycle

ADD = Actual Degree Days during the billing cycle

AAU = Average Actual Usage per customer for each billing

cycle

4.4. DEFINITIONS

4.4.1. Normal Degree-days: The heating degree-days, which are based on a 30-year average ending June 30, 2006 as are shown on Attachment 1.

- 4.4.2. Actual Degree Days: The actual heating degree days as published by Weather Services Corporation, or any other nationally recognized third-party weather service.
- 4.4.3. Applicable Margin Rate:
 - 4.4.3.1. The Residential Service (RS-1). The RS-1 WNA marginal rate will use a weighted average marginal rate of the November April residential volumes that are in excess of 13 Ccf. The mechanics will be to use the monthly bill frequencies to determine the volume in the 14-50 Ccf range and the volume above the 50 Ccf range. The weighted average margin will be determined by applying the first block margin rate to the 14-50 Ccf volumes and the second block margin rate to the volumes above 50 Ccf, summing those totals and dividing the results by the total volumes in those ranges.
 - 4.4.3.2. The Small Commercial Sales (SCS-1 and SCS-2). The SCS WNA marginal rate will use a weighted average marginal rate of the November April SCS volumes that are in excess of 153 Ccf.

ARKANSAS PUBLIC SERVICE COMMISSION

Original Sheet No. 4-4.3/3

Replacing: Sheet No.

CenterPoint Energy Resources Corp.

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(Name of Company)

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and Small Commercial

PART IV - Rider Schedule No. 4

Title: WEATHER NORMALIZATION ADJUSTMENT (WNA)

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The mechanics will be to use the monthly bill frequencies to determine the volume in the 154-1,500 Ccf range, the volume in the 1,501-15,000 Ccf range, and the volume above the 15,000 Ccf range. The weighted average margin will be determined by applying the first block margin rate to the 154-1,500 Ccf volumes, the second block margin rate to the volumes in the 1,501-15,000 range, and the third block margin rate to the volumes in the range above 15,000 Ccf, summing those totals and dividing the results by the total volumes in those ranges.

4.5. <u>APPLICABLE RATE SCHEDULES</u>

Residential Firm Sales Service (RS-1) Small Commercial Firm Sales Service (SCS-1) Small Commercial Firm Sales Service—Off-Peak (SCS-2)

4.6. <u>ANNUAL REPORT</u>

The Company will file annually in Docket No. 06-161-U by July 31 a comparison of actual and normal heating degree days by month and by season, total WNA revenues by rate schedule by month and by season, WNA bill analysis for varying levels of usage by rate schedule by month and by season, WNA complaints, and a definition of HDD.

ATTACHMENT NO. 1 TO WNA TARIFF DAILY NORMAL HDDS FOR WNA BILLING

FOR THE THIRTY YEAR PERIOD ENDED JUNE 30, 2006	HDD	4	4	4	က	က	က	က	က	က	က	က	7	7	_	7			TOTAL HDDS	3022												
	DATE	16-Apr	17-Apr	18-Apr	19-Apr	20-Apr	21-Apr	22-Apr	23-Apr	24-Apr	25-Apr	26-Apr	27-Apr	28-Apr	29-Apr	30-Apr			0													
	HDD	11	စ	တ	10	10	Ŧ	7	10	10	10	10	တ	∞	œ	တ	တ	7	9	9	7	7	œ	9	9	7	9	S.	4	4	S.	C)
	DATE	16-Mar	17-Mar	18-Mar	19-Mar	20-Mar	21-Mar	22-Mar	23-Mar	24-Mar	25-Mar	26-Mar	27-Mar	28-Mar	29-Mar	30-Mar	31-Mar	1-Apr	2-Apr	3-Apr	4-Apr	5-Apr	6-Apr	7-Apr	8-Apr	9-Apr	10-Apr	11-Apr	12-Apr	13-Apr	14-Apr	15-Apr
	HDD	19	20	18	17	4	4	15	4	16	17	17	17	17	16	16	15	16	4	4	15	4	4	15	17	4	12	7	12	12		
	DATE	16-Feb	17-Feb	18-Feb	19-Feb	20-Feb	21-Feb	22-Feb	23-Feb	24-Feb	25-Feb	26-Feb	27-Feb	28-Feb	29-Feb	1-Mar	2-Mar	3-Mar	4-Mar	5-Mar	6-Mar	7-Mar	8-Mar	9-Mar	10-Mar	11-Mar	12-Mar	13-Mar	14-Mar	15-Mar		
	HDD	56	54	27	5 6	5 6	52	52	54	22	52	54	54	23	7	52	24	23	23	23	24	22	5 6	22	23	23	7	52	23	70	17	17
	DATE	16-Jan	17-Jan	18-Jan	19-Jan	20-Jan	21-Jan	22-Jan	23-Jan	24-Jan	25-Jan	26-Jan	27-Jan	28-Jan	29-Jan	30-Jan	31-Jan	1-Feb	2-Feb	3-Feb	4-Feb	5-Feb	e-Feb	7-Feb	8-Feb	9-Feb	10-Feb	11-Feb	12-Feb	13-Feb	14-Feb	15-Feb
	HDD	22	22	75	23	54	24	23	56	28	31	78	23	23	77	23	23	56	22	54	24	22	23	56	78	56	27	56	22	54	22	56
	DATE	16-Dec	17-Dec	18-Dec	19-Dec	20-Dec	21-Dec	22-Dec	23-Dec	24-Dec	25-Dec	26-Dec	27-Dec	28-Dec	29-Dec	30-Dec	31-Dec	1-Jan	2-Jan	3-Jan	4-Jan	5-Jan	6-Jan	7-Jan	8-Jan	9-Jan	10-Jan	11-Jan	12-Jan	13-Jan	14-Jan	15-Jan
	HDD	13	14	12	10	13	15	16	15	16	17	14	16	70	17	17	18	18	16	18	17	18	19	18	20	70	7	70	20	7	7	
	DATE	16-Nov	17-Nov	18-Nov	19-Nov	20-Nov	21-Nov	22-Nov	23-Nov	24-Nov	25-Nov	26-Nov	27-Nov	28-Nov	29-Nov	30-Nov	1-Dec	2-Dec	3-Dec	4-Dec	5-Dec	9-Dec	7-Dec	8-Dec	9-Dec	10-Dec	11-Dec	12-Dec	13-Dec	14-Dec	15-Dec	
	HDD	3	4	4	9	9	4	4	2	9	2	9	9	9	9	9	9	9	œ	6	10	10	7	10	7	10	7	13	4	4	13	12
	DATE	16-Oct	17-Oct	18-Oct	19-Oct	20-Oct	21-Oct	22-Oct	23-Oct	24-Oct	25-Oct	26-Oct	27-Oct	28-Oct	29-Oct	30-Oct	31-Oct	1-Nov	2-Nov	3-Nov	4-Nov	5-Nov	6-Nov	7-Nov	8-Nov	9-Nov	10-Nov	11-Nov	12-Nov	13-Nov	14-Nov	15-Nov
	HDD	0	0	0	0	0	0	7	7	-	-	-	-	-	-	-	-	-	-	7	7	7	က	က	က	က	က	က	က	4	4	က
	DATE	15-Sep	16-Sep	17-Sep	18-Sep	19-Sep	20-Sep	21-Sep	22-Sep	23-Sep	24-Sep	25-Sep	26-Sep	27-Sep	28-Sep	29-Sep	30-Sep	1-0ct	2-Oct	3-0ct	4-Oct	5-Oct	6-Oct	7-Oct	8-Oct	9-Oct	10-Oct	11-Oct	12-Oct	13-Oct	14-Oct	15-Oct