

Calculating Your Residential Natural Gas Bill

RATES

(Effective October 1, 2009)

Customer Charge.....	\$ 9.52/month
Energy charge, per therm	\$ 0.4830/therm
MGPCRF Charge	\$ 0.0370/therm
Purchased Gas Adjustment.....	\$ (varies monthly)

Rates are subject to the 2.5 % Florida Gross Receipts Tax, and either a 10% City Utility Tax for customers inside Gainesville, or a 10% County Utility tax for customer outside the city.

Determining Your CONSUMPTION

GRU reads your gas meter monthly. The reading is in hundreds of cubic feet (Ccf) and is listed on the GAS CHARGE line of the "summary style" bill or on the NATURAL GAS USE line of the "itemized style" bill in the METER READING - CURRENT column. We subtract last month's reading (PREVIOUS column) from this month's reading; then multiply this difference by the METER MULTIPLIER (for most residential gas meters this will be 1.017) and then multiply this result by the BTU FACTOR (a monthly variable that converts cubic feet to therms) to get the usage.

CURRENT reading:	6490 Ccf
PREVIOUS reading:	<u>6448 Ccf</u>
difference:	42 Ccf
METER MULTIPLIER:	<u>x 1.017</u>
	42.714 Ccf
BTU FACTOR:	<u>x 1.033*</u>
	44.124 or 44 therms

This amount is listed in the CONSUMPTION column on the GAS CHARGE line of the "summary style" bill or on the NATURAL GAS USE line of the "itemized style" bill.

*A typical value for each variable is used in the examples on this fact sheet.

**Average Annual Purchase Gas Fuel Adjustment Charge in 2009.

Calculating the Charges

The following steps and examples show how all the charges are calculated for natural gas usage.

Steps 1 through 5 apply to all customers

- 1 — NATURAL GAS CUSTOMER CHARGE
Monthly **\$ 9.52**

- 2 — NATURAL GAS USE
 The charge for all therms used is \$0.4830/therm

 $44 \text{ therms} \times \$0.4830/\text{therm} = \text{ \$21.25}$

- 3 — MANUFACTURED GAS PLANT COST RECOVERY FACTOR (MGPCRF)
 The charge for all therms used is \$0.037/therm

 $44 \text{ therms} \times \$0.037/\text{therm} = \text{ \$1.63}$

- 4 — PURCHASED GAS ADJUSTMENT
 This charge is the natural gas consumption multiplied by the fuel adjustment rate. The fuel adjustment rate varies from month to month.

 $44 \text{ therms} \times \$0.70^{**}/\text{therm} = \text{ \$ 30.80}$

 The fuel adjustment amount is listed on the bill in the AMOUNT BILLED column on the "itemized style" bill and as a footnote on the "summary style" bill.

- 5 — FLORIDA GROSS RECEIPTS TAX
 This is a "cost recovery" for Florida's 2.5% tax on GRU's non-tax revenues received for natural gas. Since this is a "cost recovery" and not a tax, it too is subject to the 2.5% cost recovery. The billed therms are multiplied by a factor that determines the proper amount of the cost recovery.

 $44 \text{ therms} \times \$0.0518 = \text{ \$ 2.28}$

- 6 — GAINESVILLE GAS UTILITY TAX/GAS SURCHARGE
 The sum of steps 1, 2 and 3 is subject to a 10% Utility Tax

 $\$9.52 + \$21.25 + \$1.63 = \32.40
 $\$32.40 \times 0.10 = \text{ \$ 3.24}$

Step 7 only applies to customers living outside the city

7 — COUNTY GAS UTILITY TAX

The sum of steps 1, 2, 3 and 6 is subject to a 10% Utility Tax

$$\begin{aligned} \$9.52 + \$21.25 + \$1.63 + \$3.24 &= && \$35.64 \\ \$35.64 \times 0.10 &= && \$ 3.56 \end{aligned}$$

Displaying the AMOUNT DUE

The "itemized style" GRU bill

Each charge is listed in the AMOUNT BILLED column on the line that identifies the charge. The total cost for natural gas is listed on the last itemized line in the AMOUNT DUE column.

If you live inside the city...

ITEM DESCRIPTION	AMOUNT BILLED	AMOUNT DUE
NATURAL GAS CUSTOMER CHG	\$ 9.52	
NATURAL GAS USE	\$ 21.25	
MANUFACT GAS PLANT REC	\$ 1.63	
PURCHASED GAS ADJUSTMENT	\$ 30.80	
FLORIDA GROSS RECEIPTS TAX	\$ 2.28	
GAINESVILLE GAS UTIL TAX	\$ 3.24	\$ 68.72

If you live outside the city...

ITEM DESCRIPTION	AMOUNT BILLED	AMOUNT DUE
NATURAL GAS CUSTOMER CHG	\$ 9.52	
NATURAL GAS USE	\$ 21.25	
MANUFACT GAS PLANT REC	\$ 1.63	
PURCHASED GAS ADJUSTMENT	\$ 30.80	
GAINESVILLE GAS SURCHARGE	\$ 3.24	
FLORIDA GROSS RECEIPTS TAX	\$ 2.28	
COUNTY GAS UTILITY TAX	\$ 3.56	\$ 72.28

The "summary style" GRU bill

The charge in the AMOUNT DUE column on the GAS CHARGE line in the UTILITY CHARGES section is the sum of steps 1 through 4

$$\$9.52 + \$21.25 + \$1.63 + \$30.80 = \$ 63.20$$

The charges for taxes and surcharges are listed in the STATE & LOCAL CHARGES section in the AMOUNT DUE column on the appropriate labeled line.

If you live inside the city...

UTILITY CHARGES	AMOUNT DUE
GAS CHARGE	\$ 63.20
STATE & LOCAL CHARGES	
FLORIDA GROSS RECEIPTS TAX*	\$ 2.28
GAINESVILLE GAS UTILITY TAX**	\$ 3.24

If you live outside the city...

UTILITY CHARGES	AMOUNT DUE
GAS CHARGE	\$ 63.20
STATE & LOCAL CHARGES	
GAS SURCHARGE	\$ 3.24
FLORIDA GROSS RECEIPTS TAX*	\$ 2.28
COUNTY GAS UTILITY TAX**	\$ 3.56

* The Florida Gross Receipts Tax on natural gas revenues is totaled by multiplying the quantity sold or transported by the appropriate index prices and then applying the 2.5% gross receipts tax.

** The City or County Utility Tax on natural gas is totaled together with the same tax on electricity or water if you also receive either of those services.

NOTE: This fact sheet is meant as an aid to understanding GRU's residential natural gas rates. It does not replace GRU's tariffs. If there are differences between this material and the tariffs, the tariffs shall prevail. Different rates and methods of calculation apply for our nonresidential customers. For more information on calculating rates call GRU Customer Service, 334-3434.