

# Calculating Your Residential Natural Gas Bill

## RATES

(Effective October 1, 2007)

Customer Charge .....	\$7.15/month
Energy charge, per therm .....	\$0.4240/therm
MGPCRF Charge .....	\$0.0321/therm
Fuel Adjustment, per therm .....	\$(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:	6448	Ccf
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.  
 \*\* Includes Manufactured Gas Plant Cost Recovery Factor (MGPCRF)  
 \*\*\* Average Annual Purchase Gas Fuel Adjustment Charge in 2006.

## 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 — **GAS CUSTOMER CHARGE**  
 Monthly **\$ 7.15**
  
- 2 — **NATURAL GAS USE**  
 The charge for all therms used is \$0.4561/therm\*\*  
  
 $44 \text{ therms} \times \$0.4561/\text{therm} = \mathbf{\$ 20.07}$
  
- 3 — **FIRM GAS FUEL ADJUSTMENT**  
 This charge is the natural gas consumption multiplied by the fuel adjustment rate. The fuel adjustment rate varies from month to month to reflect changes in the actual cost of fuel.  
  
 $44 \text{ therms} \times \$0.64963^{***}/\text{therm} = \mathbf{\$ 28.58}$   
 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.
  
- 4 — **FLORIDA GROSS RECEIPTS TAX**  
 This is a "cost recovery" for the State of 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.  
  
 $44 \text{ therms} \times 0.0534 = \mathbf{\$ 2.35}$
  
- 5 — **CITY UTILITY TAX/NATURAL GAS SURCHARGE**  
 The sum of steps 1, 2 and 4 is subject to a 10% Utility Tax.  
  
 $\mathbf{\$7.15 + \$20.07 + \$2.35 = \$29.57}$   
 $\mathbf{\$29.57 \times 0.10 = \mathbf{\$ 2.96}}$

**Step 6 only applies to customers living outside the city**

**6 — COUNTY UTILITY TAX**

The sum of steps 1, 2, and 5 is subject to a 10% County Utility Tax for customers living outside the city.

$\$7.15 + \$20.07 + \$2.96 = \$30.18$

$\$30.18 \times 0.10 = \quad \quad \quad \mathbf{\$3.02}$

**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
GAS CUSTOMER CHARGE	\$ 7.15	
NATURAL GAS USE	\$20.07	
FIRM GAS FUEL ADJUSTMENT	\$28.58	
FLORIDA GROSS RECEIPTS TAX	\$ 2.35	
CITY UTILITY TAX	\$ 2.96	\$61.11

If you live outside Gainesville city...

ITEM DESCRIPTION	AMOUNT BILLED	AMOUNT DUE
GAS CUSTOMER CHARGE	\$ 7.15	
NATURAL GAS USE	\$20.07	
FIRM GAS FUEL ADJUSTMENT	\$28.58	
FLORIDA GROSS RECEIPTS TAX	\$ 2.35	
NATURAL GAS SURCHARGE	\$ 2.96	
COUNTY UTILITY TAX	\$ 3.02	\$64.13

The "summary style" GRU bill

The charge in the AMOUNT DUE column on the NATURAL GAS USE line in the UTILITY CHARGES section is the sum of steps 1 through 3

$\$7.15 + \$20.07 + \$28.58 = \$ 55.80$

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...

	AMOUNT DUE
<b>UTILITY CHARGES</b>	
NATURAL GAS CHARGE	\$ 55.80
<b>STATE &amp; LOCAL CHARGES</b>	
FLORIDA GROSS RECEIPTS TAX*	\$ 2.35
CITY UTILITY TAX**	\$ 2.96

If you live outside the city...

	AMOUNT DUE
<b>UTILITY CHARGES</b>	
NATURAL GAS CHARGE	\$ 55.80
<b>STATE &amp; LOCAL CHARGES</b>	
FLORIDA GROSS RECEIPTS TAX*	\$ 2.35
NATURAL GAS SURCHARGE	\$ 2.96
COUNTY UTILITY TAX**	\$ 3.02

\* 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 non-residential customers. For information on calculating rates call GRU's Customer Service, 352-334-3434. Rev. 1/08 AC