

Natural Gas Bills Explained

The following example explains line items found on residential natural gas bills:

(**Delivery** charges represent Central Hudson's costs for delivering natural gas to homes and businesses over our region's network of gas lines, operating and maintaining the delivery infrastructure, and providing an array of customer services. **Supply** charges are Central Hudson's costs for natural gas purchased on behalf of its customers on the wholesale market. Note that Central Hudson does not mark up supply charges.)

Natural Gas Delivery Charges:

Basic Service Charge: Includes maintenance of gas lines, meter reading, and other services, including natural gas deliveries up to 400 cubic feet (4 CCF) or less over a two-month period.

Next: The cost to deliver from 4 CCF to 96 CCF of natural gas to customers over a two-month period.

MFC Administration Charge: This merchant function charge reflects the cost incurred when independent marketers bill through Central Hudson's billing system. Customers receiving a separate bill avoid this charge.

System Benefits Charge (SBC): State-mandated electric and gas charges to fund energy efficiency programs, assistance for low-income customers, energy research and development and other initiatives.

NYS Assessment: A state-mandated charge to recover the Temporary State Energy & Utility Services Conservation Assessment.

Revenue Decoupling Mechanism (RDM): A mechanism intended to minimize the impact to Central Hudson resulting from reduced energy consumption as efficiency programs are implemented. For certain gas heating customers, the RDM will reflect a separate Weather Normalization Adjustment to adjust gas delivery charges due to variations from normal weather for October through May.

Total Delivery Charges: The total cost to deliver gas for all customers, whether purchasing energy from Central Hudson or an independent supplier. Includes Basic Service Charge.

Gas	Meter #12345	RATE G120 HEATING	
Gas Service Charges 48 Ccf at a cost of \$102.36			
Average Daily Cost for Gas \$1.7648			
Amount of Gas Used			
Nov 13, 2009	Present Reading (act.)		5856
Sep 16, 2009	Previous Reading (act.)		5808
Gas Used (Ccf)			
48			
Cost for Gas Used (for 2.0 months)			
GAS DELIVERY CHARGES:			
	Basic Svc Chg	4.0 Ccf	2.0 Mos @ 17.00
	Next	44.0 Ccf @	0.68450
	MFC Admin Chg	48.0 Ccf @	0.02536
	Transition Adj	48.0 Ccf @	0.00148
	SBC Charge	48.0 Ccf @	0.00621
	NYS Assessment	48.0 Ccf @	0.03289
	RDM Chg	48.0 Ccf @	-0.02081
	Total Delivery Chrgs		66.29
GAS SUPPLY CHARGES:			
(You may choose another supplier for this part of your service)			
	MFC Supply Chg	48.0 Ccf @	0.02144
	Gas Supply Chg	48.0 Ccf @	0.67654
	Total Supply Chrgs		33.50
	NYS & Local Taxes and Surcharges		2.57
	TOTAL GAS COST		\$102.36
For this billing period, the average cost of energy we purchased for you was \$0.69798 per Ccf (excluding taxes). You can use this number to compare our price to other suppliers' prices.			

With deregulation, customers are able to choose their electric and natural gas suppliers. Unbundled bills allow customers to see and compare supply prices so that they can make informed decisions.

Natural Gas Supply Charges:

MFC Charge: This merchant function charge reflects the cost Central Hudson incurs for purchasing electric and natural gas supply for full service customers.

Gas Supply Charge: The average wholesale price of all natural gas required to meet the needs of Central Hudson's full service customers (those who purchase supply from Central Hudson, as well as delivery).

Other items:

NYS & Local Revenue Taxes and Surcharges: Taxes and surcharges imposed by the State of New York and local authorities, to be collected from all customers.

For this billing period: This last paragraph indicates your average price of natural gas per CCF for the billing period, exclusive of taxes and delivery charges. This price can be used to compare other suppliers' natural gas offers.