

SCHEDULE 3.10
Customer Annual Review Process

1 **3.10 Customer Annual Review Process**

- 2 1. The annual review is completed in October of each year and changes become effective at
3 the beginning of a customer's billing period in November.
- 4 2. The annual review will involve a review of the past twelve (12) months of natural gas
5 consumption for a customer. The peak day consumption GJs will be determined and
6 contract demand will be reset to the new peak day level, if necessary.
- 7 a. There are two methods used to determine the peak day consumption:
- 8 1. Automatic Meter Read (AMR):
- 9 • Actual daily consumption information collected from the
10 meter.
- 11 2. Calculated using maximum month consumption
- 12 • Used only when AMR is not available.
 - 13 • Divide maximum consumption month by the number of days in
14 the month to determine average peak day consumption.
- 15 3. The following factors should be considered when reviewing customer accounts during
16 the annual review: actual meter read or estimated consumption, AMR with more than one
17 day of consumption (summed up as one read), and other meter read issues.
- 18 4. The customer will remain at the new contract demand level until the ratchet review or the
19 next annual review.
- 20 5. The contract demand annual review is completed jointly with the annual rate class
21 review. A contract demand level for customers moving into the Contract General Service
22 or Industrial Contract General Service Class will also be determined. The contract
23 Demand will be removed from customers moving out of the CGS or ICGS classes.

24 **Ratchet Review**

- 25 1. The Ratchet Review is completed in April of each year for the review period of October
26 to March (winter months).
- 27 2. The Ratchet Review involves a review of the past 6 months (winter) of natural gas
28 consumption of a customer. The peak day consumption GJs of that period will be
29 determined using the same method as the Annual Review.

- 1 a. Customers with peak day consumption greater than the contract demand level set
- 2 at the most recent Annual Review will be “ratcheted up” to the new contract
- 3 demand level. The ratcheted contracted demand level is set retroactively to the
- 4 date of the Annual Review. (Refer to Example A below.)
- 5 b. Customers with peak day consumption less than the contract demand level set at
- 6 the most recent Annual Review will have no change to contract demand and no
- 7 retroactive billing changes. (Refer to Example B below.)

Example A

Annual Review 2014 Peak Day Consumption
 Period from October 2013 to September 2014 454 GJs

Customer CD Set at 454 GJs in November 2014

Ratchet Review 2015 Peak Day Consumption
 Period from October 2014 to March 2015 465 GJs

Customer CD Set at 465 GJs, billed retrospectively from November 2014

Annual Review 2015 Peak Day Consumption
 Period from October 2014 to September 2015 465 GJs

Customer CD Remains at 465 GJs

Example B

Annual Review 2014 Peak Day Consumption
 Period from October 2013 to September 2014 623 GJs

Customer CD Set at 623 GJs in November 2014

Ratchet Review 2015 Peak Day Consumption
 Period from October 2014 to March 2015 575 GJs

Customer CD Remains at 623 GJs

Annual Review 2015 Peak Day Consumption
 Period from October 2014 to September 2015 575 GJs

Customer CD Set at 575 GJs in November 2015

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9 Notification

- 10 1. Customers must be notified in writing if their contract demand changes as a result of the
- 11 annual review or the ratchet review.
- 12 2. A standard letter will be provided to the customer outlining the new contract demand
- 13 level and associated rates and tariffs.
- 14 3. The new contract demand level will appear on the bill in the month the new contract
- 15 demand is effective.