

The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

April 17, 1986

D.P.U. 1669

Petition of WYMAN-GORDON COMPANY for the adoption of regulations reforming the Cost of Gas Adjustment Clause Regulations

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NOTICE OF PUBLIC HEARING

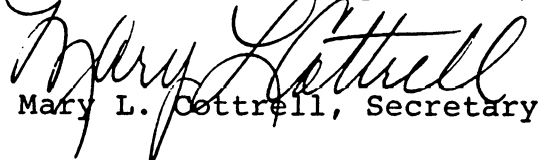
The Department of Public Utilities ("Department") hereby proposes to amend its regulations on the Standard Cost of Gas Adjustment Clause ("CGAC") codified in 220 C.M.R. 6.00. The Department's proposed standard CGAC for the gas utilities under its jurisdiction is available from the Secretary of the Department, 100 Cambridge Street, Boston, Massachusetts 02202.

The proposed CGAC would allow a gas utility to adjust on a semi-annual, seasonal basis its rates for firm gas sales to track in a more timely manner changes in the cost of purchased gas and certain feedstocks, fuels and energy sources used for the production of gas sendout. It would allow the calculation and adjustment of the gas adjustment factor ("GAF") to be based on projected company-specific data for an off-peak season of May 1 through October 31 and a peak season of November 1 through April 30.

The Department's intent is to adopt a CGAC that results in a cost recovery and pricing mechanism that sends more accurate and efficient price signals to the firm ratepayers of a gas utility. The proposed CGAC would allow for the collection by a gas utility of its purchased gas costs on a seasonal or time-of-use basis. The GAF would reflect the seasonal costs incurred by a gas utility in purchasing and producing gas for consumption by firm ratepayers. Further, the proposed CGAC would allow for the annual reconciliation of the actual purchased gas costs incurred by a gas utility and the actual revenues collected by that gas utility through the CGAC.

A public hearing will be held to accept oral comments on the Department's latest proposed CGAC on May 19, 1986, at eleven o'clock in the forenoon at its hearing room No. 1210. Any questions concerning this proceeding should be directed to the Department's Secretary, Mary Cottrell, at telephone number (617) 727-3500. The Department will also allow a seven-day period after the public hearing for written comments from interested parties on the proposed CGAC.

By Order of the Department,


Mary L. Cottrell, Secretary

Notice of a public hearing from the DPU to be held on May 19, 1986 at 11:00 a.m. at 100 Cambridge St., Boston Re: petition of Wyman-Gordon Co. for adoption of regulations reforming the Cost of Gas Adjustment Clause Regulations.

In City Council,

April 28, 1986

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Copy to City Manager

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4/30/86