



The Commonwealth of Massachusetts

DEPARTMENT OF PUBLIC UTILITIES

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CAMBRIDGE, MASS.

March 1, 1985

D.P.U. 1669

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

NOTICE OF PUBLIC HEARING

The Department of Public Utilities ("Department") hereby proposes to amend its regulations on the Cost of Gas Adjustment Clause ("CGAC") currently in effect pursuant to D.P.U.

19806-A/20147 (issued October 16, 1980). 220 C.M.R. 6. The Department's proposed Standard CGAC for the gas utilities under its supervision 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 quarterly basis its rates for firm gas sales in order 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 a first quarter of April 1 through June 30, a second quarter of July 1 through September 30, a third quarter of October 1 through December 31, and a fourth quarter of January 1 through March 31.

Generally, the proposed CGAC would allow for the collection by a gas utility of its energy-related purchased gas costs on a seasonal or time-of-use basis. 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 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 more timely 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 proposed CGAC on Monday April 1, 1985, 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 Hearings Officer, Ellen Schmidt, Esq., at telephone number (617) 727-3500. The Department will also allow a ten-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

1. S-213

Notice of a public hearing from the DPU to
be held on Monday, April 1, 1985 at 11:00
a.m. at 100 Cambridge St., Boston Re: petition
of Wyman-Gordon Co. for adoption of regula-
tions to reform the Cost of Gas Adjustment
Clause Regulations.

In City Council,

March 18, 1985

3/11/85

Referred to the
City Manager.

Copy sent to the City Manager 3/20/85
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