

**2.08 CONSERVATION ENABLING TARIFF (CET)**

The CET is a mechanism designed to ensure that the Company only collects from GS customers the Commission-authorized revenue per customer. The CET applies only to the GS rate schedule.

**DEFERRED ACCOUNT ACCRUAL**

The Company shall record monthly over- or under-recoveries of authorized GS DNG revenue in the CET Deferred Account (Account 191.9). The Company may not accrue more than 5% of Base DNG revenue each calendar year ending October. The allowed revenue for a given month is equal to the allowed DNG revenue per customer for that month times the actual number of customers. The monthly accrual (positive or negative) is determined by calculating the difference between the actual billed GS DNG revenue and the allowed revenue for that month.

The allowed GS DNG Revenue per Customer per Month is as follows:

|     |   |                       |     |   |                  |     |   |                       |     |   |                   |
|-----|---|-----------------------|-----|---|------------------|-----|---|-----------------------|-----|---|-------------------|
| Jan | = | \$49. <del>3040</del> | Apr | = | \$20.7 <u>04</u> | Jul | = | \$11. <del>0810</del> | Oct | = | \$17.1 <u>58</u>  |
| Feb | = | \$40.9 <u>29</u>      | May | = | \$13.6 <u>46</u> | Aug | = | \$11.0 <u>56</u>      | Nov | = | \$31. <u>673</u>  |
| Mar | = | \$32.8 <u>16</u>      | Jun | = | \$11.6 <u>24</u> | Sep | = | \$12. <del>7981</del> | Dec | = | \$44. <u>3341</u> |

The formula for calculating the accrual each month can be shown as follows:

$$\begin{array}{l} \text{Allowed Revenue} \\ \text{(for each month)} \end{array} = \text{Actual GS Customers} \times \text{Allowed Revenue per Customer} \\ \text{for that month}$$

$$\text{Monthly Accrual} = \text{Allowed Revenue} - \text{Actual GS Revenue}$$

**AMORTIZATION OF ACCRUAL**

At least annually, the Company will file with the Commission an application to amortize the balance (positive or negative) in Account 191.9. The balance will be amortized by a uniform percentage increase or decrease to the GS DNG block rates of the magnitude necessary to amortize the balance over one year. The Company may not amortize CET accruals amounting on a net basis to more than 2.5% of total Utah jurisdictional Base DNG GS revenues based on the most recent 12-month period at the time of the amortization.

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**“TWO-WAY” CARRYING CHARGE**

An annual interest rate, as described in § 8.07 Calculation of Carrying Charge, shall be applied monthly to the CET Deferred Account balance, as adjusted for the corresponding tax deferral balance in Account 283. The CET Deferred Account will be increased by the carrying charge during months when the balance in the account represents revenue that is under-collected and reduced when over-collected.

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|     |   |         |     |   |         |     |   |         |     |   |         |
|-----|---|---------|-----|---|---------|-----|---|---------|-----|---|---------|
| Jan | = | \$49.30 | Apr | = | \$20.70 | Jul | = | \$11.08 | Oct | = | \$17.15 |
| Feb | = | \$40.92 | May | = | \$13.64 | Aug | = | \$11.05 | Nov | = | \$31.67 |
| Mar | = | \$32.81 | Jun | = | \$11.62 | Sep | = | \$12.79 | Dec | = | \$44.33 |

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|--|------------|----------------------|-----------------|
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