

A Message for District of Columbia Customers

Notice

OF RATE CHANGE

On December 28, 2007, the Public Service Commission (PSC) of the District of Columbia approved new rates for all District of Columbia customers of Washington Gas (company). These rates are effective for meters read on or after December 31, 2007, and reflect an annual increase in revenue to the company of approximately \$1.4 million. Costs to the average residential heating customer will increase by approximately \$0.50 per month or \$6.00 per year. The new rates apply to all District of Columbia customers, whether they purchase gas directly from Washington Gas or from a retail energy supplier.

Fees for certain specialized services to customers also have changed and are reflected below. The tables below provide a comparison of the rates that were previously in effect with the new rates approved by the PSC.

GENERAL SERVICE PROVISION CHARGES

	Previous Charge	New Charge
Meter Relocation		
Estimate Charge	\$ 38.00	\$ 72.00
Field Collection Charge	\$ 7.49	\$ 13.12

CHARGES

Unless otherwise noted, the comparisons of previous and new charges as approved by the PSC below apply to “firm customers,” which are those who receive continuous natural gas service, without interruption, except in the event of an emergency. The changes noted below do not affect the Purchased Gas Charge (PGC), a direct pass-through cost paid by Washington Gas sales service customers (those who purchase natural gas directly from Washington Gas).

The first key element of a firm customer’s bill is the Customer Charge, which covers certain costs of providing customer service, such as maintenance and repair of customer gas

lines, meter reading, billing and other items. The previous and approved new monthly charges are:

Type of Customer	Previous Monthly Customer Charge	New Monthly Customer Charge
RESIDENTIAL		
Heating/Cooling	\$ 7.85	\$ 7.95
Non-Heating/Non-Cooling:		
Individually Metered Apts.	\$ 4.00	\$ 4.10
Other	\$ 4.75	\$ 4.85
Residential Essential Service		
Average discount for qualifying customers during the billing months of November-April inclusive	\$ 0.1990	\$ 0.2063
COMMERCIAL & INDUSTRIAL AND GROUP METERED APARTMENTS		
Heating/Cooling:		
Small	\$ 10.50	\$ 13.15
Large	\$ 26.40	\$ 26.40
Non-Heating/Cooling	\$ 11.20	\$ 11.20
INTERRUPTIBLE		
All Customers	\$ 62.55	\$ 63.55

The second element of a firm customer's bill is the **Distribution Charge** per therm. It is the cost of delivering natural gas through Washington Gas's pipeline system to the customer's home or business and is based on the amount of natural gas the customer uses, stated in "therms" on the bill. The previous and approved new charges are:

Type of Customer	Previous Distribution Charge Per Therm	New Distribution Charge Per Therm
RESIDENTIAL		
All gas used during the billing month		
Heating/Cooling	\$ 0.3809	\$ 0.3873
Non-Heating/Non-Cooling	\$ 0.4197	\$ 0.4260
COMMERCIAL & INDUSTRIAL AND GROUP METERED APARTMENTS		
All gas used during the billing month	\$ 0.3563	\$ 0.3592
For a non-residential firm customer, the third element of the bill is the Peak Usage Charge .		
Rate per therm of peak month usage from prior year	\$ 0.0253	\$0.0253
INTERRUPTIBLE		
All gas used during the billing month:		
First 75,000 therms		\$0.1700
Over 75,000 therms		\$0.1564

(large volume customers with existing contracts are excluded from these rates)

MONTHLY EFFECTS OF PROPOSED INCREASE

The average monthly effects of the approved new increases on the average firm sales service customer, as specified in the “Type of Customer” categories below, are:

Type of Customer	Annual Therm Usage	Average Monthly Increase	Percent Increase
RESIDENTIAL			
Heating/Cooling	773	\$ 0.51	0.5%
Non-Heating/Non-Cooling: Individually Metered Apts.	55	\$ 0.13	1.2%
Other	240	\$ 0.22	0.6%
COMMERCIAL & INDUSTRIAL			
Heating/Cooling:			
Small	1,529	\$ 3.02	1.5%
Large	16,046	\$ 3.87	0.2%
Non-Heating/Cooling	5,006	\$ 1.21	0.2%
GROUP METERED APARTMENTS			
Heating/Cooling:			
Small	2,711	\$ 3.31	0.9%
Large	15,156	\$ 3.66	0.2%
Non-Heating/Non-Cooling	5,102	\$ 1.23	0.2%

PAYMENT PROCESSING

Washington Gas has updated its payment processing information in an effort to provide improved customer service. The following explanations will clarify for customers when a payment posts to an account.

Generally, a bill payment is posted to a customer’s account on the business day it is received if: (1) the payment is received at the Washington Gas published payment lock-box address, which is P.O. Box 9001036, Louisville, KY 40290-1036, in time for same-day processing, and (2) the payment is accompanied by the Washington Gas bill payment remittance coupon.

It’s important to remember that payment posting timelines vary by payment method. For the purpose of electronic payments and walk-in payments, a “business day” is defined as the 24-hour period ending at 3:00 p.m. on each Tuesday through Friday. The period between 3:01 p.m., Friday and 3:00 p.m., Monday is defined as the Monday business day.

Mailed-in Payments - For payments mailed to the utility’s published lockbox mailing address as noted above, payment processing is batched into two groups: Standard mail payments and Non-standard mail payments.

Standard mail payments are customer payments mailed to the utility's published lockbox address that include the utility bill payment remittance coupon and a check or money order payable to the utility. Standard mail payments received by 7:00 a.m. shall be posted to the customer's account on the day received. Those received after 7:00 a.m. will be credited as expeditiously as possible, and no later than the next business day after the payment is received.

Non-standard mail payments are customer payments mailed to the utility's published lockbox address as noted above that require special handling. Examples include: payments with multiple checks, multiple coupons, checks without a coupon, or a single check with multiple coupons that do not balance to the amount of the check. Non-standard mail payments shall be posted to the customer's account no later than the second business day after the day the payment is received. This includes payments a customer may initiate electronically through their bank or an independent payment processor, the bank or processor then remits a check to the utility.

Payments delivered to other company offices, or payments without adequate information to identify the account to which the payment belongs, will be credited to the customer's account as expeditiously as possible.

Electronic Payments - Payments received through electronic banking file transmissions, through the automated payment program, or through the Washington Gas Web site or telephone or billing systems, will be credited on the same business day as the payment file is received.

In-person Payments - Payments received by the utility at its walk-in offices on any business day will be credited no later than the next business day. Payments delivered to unattended drop boxes before 8:00 a.m. will be credited as expeditiously as possible, and no later than the second business day after drop-off.



**Washington
Gas**

www.washingtongas.com

Customer Service: 703-750-1000

**Natural Gas Leaks/Emergencies:
703-750-1400, 1-800-752-7520 or 911**