

WASHINGTON GAS LIGHT COMPANY

Steam and Chilled Water Rates for Service to the Watergate Project

AVAILABILITY

This schedule is available in the District of Columbia portion of the Company's service area for steam and chilled water service at the Watergate Complex to customers at locations served as of March 24, 1993 and as provided in agreement for services dated July 29, 1964 and as amended, as hereinafter provided.

RATES

Demand Charges Per Month Per MBtu of Demand

Steam	(See <u>OTHER TERMS AND CONDITIONS, Section 1</u>)
Chilled Water	(Computation of Monthly Demand Charges)

Commodity Charges Per MMBtu of Monthly Usage

Steam	<u>OTHER TERMS AND CONDITIONS, Section 2</u>
Chilled Water	(Computation of Monthly Commodity Charges)

MINIMUM MONTHLY BILL

The minimum monthly charge shall be the sum of the Steam and Chilled Water Demand Charges.

LATE PAYMENT CHARGE

All bills are due and payable when rendered and the charges stated apply when the bills are paid within twenty days after date of rendition. If bills are not paid within twenty days after rendition, a late payment charge will be added equal to one percent of the unpaid bill and at the end of each nominal thirty day billing interval thereafter, an additional charge will be made equal to one and one-half percent of any total amount which remains unpaid at that time.

Steam and Chilled Water Rates For Service to the Watergate Project (continued)

METER READINGS

Monthly meter readings shall be made on or about the last day of each calendar month.

OTHER TERMS AND CONDITIONS

1. Computation of Monthly Demand Charges

- (a) Steam Demand Charge per MBtu per month shall be calculated based on the current month's expenses recorded in the Company's accounts as follows:
 - (i) Account No. 700 - Operation Supervision and Engineering - 33% of the recorded monthly amount (Function 4002); plus
 - (ii) Account 701.200 - Steam Production Labor - 67% of the recorded monthly amount for Instrumentation (Function 4008) plus 67% of the Labor For Steam Production (Function 4010); plus
 - (iii) Account 703.200 - Miscellaneous Steam Expense - 24% of the recorded monthly amount for Maintenance of Leased Facilities and Instrumentation (Function 4070) and Drawings (Function 4071) and 33% of Rent (Function 4078); plus
 - (iv) The monthly carrying cost on Company investment shall be 1/12 of the currently authorized annual pretax rate of return. This carrying cost shall apply to:
 - a) oil inventory at the end of the current month,
 - b) other steam applicable plant assets provided by the Company.
 - (v) Depreciation expenses on the investment in steam applicable plant assets provided by the Company.
 - (vi) Account 920 - Administration and General - 33% of the recorded monthly amount applicable to Watergate (Function 5530).
 - (vii) Payroll overheads on Company labor expenses charged to steam.
 - (viii) Demand margin of \$4,000 per month allocated to steam demand charges based on the ratio of all other steam demand charges to the total of all other demand charges for steam and chilled water for the month.

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Effective for service rendered on and after November 24, 2003

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Steam and Chilled Water Rates For Service to the Watergate Project (continued)

- (ix) The sum of the above shall be divided by 86,512 MBtu to arrive at the monthly charge which is to be rounded to the nearest \$.0001 per MBtu.

- (b) Chilled Water Demand Charge per MMBtu per month shall be calculated based on the current month's expenses recorded in the Company's accounts as follows:
 - (i) Account No. 700 - Operation Supervision and Engineering - 67% of the recorded monthly amount (Function 4002); plus
 - (ii) Account 701.200 - Steam Production Labor - 33% of the recorded monthly amount for Instrumentation (Function 4008) plus 33% of the Labor For Steam Production (Function 4010) plus 100% of the Labor to Operate Refrigeration Equipment (Function 4012); plus
 - (iii) Account 703.200 - Miscellaneous Steam Expense - 76% of the recorded monthly amount for Maintenance of Leased Facilities and Instrumentation (Function 4070) and Drawings (Function 4071-2) and 67% of Rent (Function 4078); plus
 - (iv) Carrying Costs on Company Investments 1/12 of the currently authorized annual pretax rate of return for the investment (other than oil inventory) in chilled water applicable plant assets provided by the Company.
 - (v) Depreciation expenses on the investment in chilled water applicable plant assets provided by the Company.
 - (vi) Account 920 - Administrative and General - 67% of the recorded monthly amount applicable to Watergate (Function 5530).
 - (vii) Payroll overheads on Company labor expenses charged to chilled water.
 - (viii) Demand margin of \$4,000 per month allocated to chilled water demand charges based on the ratio of all other chilled water demand charges to the total of all other demand charges for steam and chilled water for the month.
 - (ix) The sum of the above shall be divided by 58,670 MBtu to arrive at the monthly charge which is to be rounded to the nearest \$.0001 per MBtu.

2. Computation of Monthly Commodity Charges:

- (a) Steam and Chilled Water Commodity Charges per MMBtu for the month shall be calculated as follows:
 - (i) The metered therms of gas supplied to the Steam and Chilled Water Plant times the charge per therm and other applicable charges as follows:

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Steam and Chilled Water For Service to the Watergate Project (continued)

- (1) Interruptible Service - Rate Schedule No. 3, Interruptible Gas Flexible Rate Service Charge per therm less 95% of the difference between that charge and the Interruptible Gas Special Contract Sales Rider Service charge per therm for the current month applicable to customers with comparable alternate fuel capability; or
 - (2) Interruptible Service - Rate Schedule No. 3, Interruptible Delivery Service Rider charges and the per therm charge set forth in the related Service Agreement; or
 - (3) Interruptible Service - Rate Schedule No. 3, Interruptible Gas Special Contract Sales Rider Service charges and the per therm charge set forth in the related Sales Agreement for a "long term fixed price" gas supply.
 - (4) Effective for bills rendered on and after December 2, 2005, all therms billed under Section 2.a.i above shall be billed an amount per therm for District of Columbia Delivery Tax in accordance with the applicable sections of the District of Columbia Official Code. This charge replaces the Gross Receipts Tax charge based on billed revenues effective previous to the above date.
- (ii) Oil used priced at the average inventory cost of oil recorded in Account No. 151.107 plus a margin allowance equal to the current margin on gas in (i) above; and
 - (iii) The sum of (i) and (ii) above shall be allocated between steam and chilled water in the same ratio as the MMBtu's of commodity usage for the month bear to one another. The chilled water MMBtu to be used for the ratio shall be net of superchanger supplied MMBtu; plus
 - (iv) Account 703.209 – Miscellaneous Steam Expenses - Electricity (Function 4076) shall be allocated between steam and chilled water in the ratio of 80,000 KWH of usage to the total month's KWH usage for steam and the balance assigned to chilled water.
 - (v) Account 703.200 – Miscellaneous Steam Expenses (Function 4077) Water & Sewer - 24% of the recorded monthly amount shall be charged to steam based on 300 Ccf priced at the average cost for water and sewer and the balance shall be charged to chilled water.
 - (vi) The applicable sums from (iii), (iv) and (v) above shall be divided by the month's MMBtu of metered applicable steam or chilled water. The results shall be the month's steam and chilled water commodity charges per MMBtu rounded to the nearest \$.0001 per MMBtu. The chilled water MMBtu to be used for the divisor shall include superchanger supplied MMBtu.
3. For monthly expenses which the Company deems extraordinary, or deems it inappropriate to charge fully to the current month, the Company may amortize or accrue such expenses over a 12 months period. For amounts to be amortized for more than 12 months monthly carrying costs shall accrue at 1/12 of the currently authorized annual pretax rate of return per month on the unamortized expense balance.
 4. Watergate at its option may arrange for and directly pay the expenses for Account 703.200 - Rent (Function 4078) and Water & Sewer (Function 4077) and Account 703.209 – Electricity (Function 4076). In addition Watergate, with the concurrence of the Company, may arrange for and directly pay for products and services either of a capital nature or an operating and/or maintenance nature. The Company may at any time assume responsibility for such costs to assure the continuous service requirements of the plant and charge for such expenses as provided above.

GENERAL SERVICE PROVISIONS

Except as otherwise specifically provided herein, the application of this schedule is subject to the General Service Provisions of the Company as they may be in effect from time to time, and as filed with the Public Service Commission.

ISSUED: November 21, 2005

Effective for service rendered on and after December 2, 2005

Adrian P. Chapman -Vice President, Operations, Regulatory Affairs & Energy Acquisition