



WNA—Weather Normalization Adjustment

How does CoServ Gas bill Customers for natural gas service?

The largest portion of your bill is the cost of the natural gas that you use and the related cost to transport the natural gas to CoServ's distribution system. That amount appears on your bill as Purchased Gas Factor (PGF). CoServ Gas purchases natural gas on commodity markets at wholesale prices and passes that cost of the natural gas and transportation to all Customers on a dollar-for-dollar basis and does not mark up the price of gas or make a profit on it. Rather, CoServ Gas revenues come directly from the cost of "delivering" natural gas to your home or business.

What exactly is the WNA (Weather Normalization Adjustment)?

A weather normalization adjustment (WNA) is standard in the natural gas utility industry and protects both you, the Customer, (in cold weather) and the company (in warm weather). The calculation is based on normal temperatures (according to National Oceanic and Atmospheric Administration [NOAA] data), and it provides an adjustment if temperatures are colder or warmer than normal. When weather is colder than normal, the WNA will reduce the Ccf¹ usage charge to a normal level. When weather is warmer than normal, it will increase the Ccf usage charge to a normal level.

When does the WNA appear on Customers' bills?

CoServ's WNA has been in place in the CoServ Gas tariff since late 2009. This adjustment appears in December through May bills, and it is based on normal versus actual temperatures and involves Heating Degree Days (HDDs).

Is the WNA a rate increase/decrease?

WNA was not implemented to increase your rate. It is a prevalent tool used in the natural gas industry designed to *avoid adverse affects on both the Customer in cold weather and the utility in warm weather.*

What are "Heating Degree Days" and "Cooling Degree Days"?

A "degree day" is a unit of measure for recording how hot or how cold it has been over a 24-hour period. It also reflects demand for energy to heat or cool houses and businesses. The number of degree-days applied to any particular day of the week is determined by calculating the **mean temperature** for the day and then comparing the mean temperature to a base value of **65 degrees Fahrenheit**. (The "mean" temperature is calculated by adding together the high for the day and the low for the day, and then dividing the result by 2.) For example, if the mean temperature for the day is, say, 5 degrees higher than 65, then there has been a 5° **cooling degree day**. On the other hand, if the weather has been cool, and the mean temperature is, say, 55 degrees, then there has been a 10° (65 minus 55 equals 10).

¹ Ccf stands for 100 cubic feet of natural gas and is the standard measure CoServ Gas uses to determine how much gas a Customer consumed during a billing cycle.



How do you calculate the WNA?

- The WNA is determined on a monthly basis for all commercial Customers that use less than 4,000 CCF and for all residential Customers.
- The WNA is determined for the months of November through April and is billed in the subsequent month; i.e., the WNA for November is billed in December.
- The WNA is the difference between Normal Heating Degree Days and Actual Heating Degree Days multiplied by a Heat Load factor for the entire Customer class multiplied by the applicable volumetric rate.
- When billed, the WNA is divided by expected billed volumes for the applicable rate class.

Who authorized the WNA?

This adjustment was authorized by the governing municipality, if applicable, and the Railroad Commission of Texas.

What are my options if I don't agree with the WNA on my bill?

Please contact CoServ first and allow us the chance to review your billing calculations. Per the "About Your Bill" page, if you do not feel that CoServ Gas has handled a dispute inquiry satisfactorily, you may request a review by your city's municipality office. If, however, you reside outside of city limits, you may contact the Railroad Commission of Texas, Attn: Gas Utilities Division, PO Box 12967, Austin, TX 78711-2967.

About CoServ Gas:

Founded in 1998, CoServ Gas was based on the belief that it could provide residents and businesses in North Texas with a high level of service and reliability. Whether it's through CoServ Gas' modern infrastructure or partnering with our first-responders in safety education, we take our commitment to safety seriously. CoServ Gas' distribution system adheres to the highest standards of safety to protect you and your family. We conduct continuous inspections and maintenance to ensure we are providing the safest and most efficient delivery of natural gas to your home or business so that you can take advantage of the cleanest, greenest fuel on the market today.