

**RESIDENTIAL LOW INCOME PROGRAM COSTS RECOVERY**

**A. Purpose**

The purpose of this provision is to enable Northern Utilities, Inc. ("Northern" or the "Company") subject to the jurisdiction of the MPUC, to recover the revenue shortfall (costs) associated with customers participating in the Company's Residential Low Income Program ("RLIP") as established pursuant to the MPUC's Orders issued October 22, 2008 and November 5, 2008 in Docket No. 2008-155. Such costs shall be recovered by applying the RLIP Rate to all firm gas sales and firm delivery service throughput billed under the Company's sales and delivery service rate schedules.

**B. Application**

The RLIP Rate shall be applied to all firm sales and transportation tariff customers with the exception of special contract customers who do not pay for service pursuant to a sales or delivery service rate schedule. The RLIP Rate shall be determined annually by the Company as defined below, subject to review and approval by the MPUC as provided in this provision and shall be effective for service rendered during the Recovery Period.

**C. Residential Low Income Program Costs Allowable**

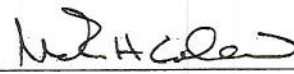
The amount of RLIP Costs allowable is the total amount of the discounts provided to eligible residential customers as recorded on the Company's books. For determining the initial RLIP Rate, the RLIP Costs shall also include all previously provided discounts deferred by the Company pursuant to the MPUC's Orders issued October 22, 2008 and November 5, 2008 in Docket No. 2008-155.

**D. Definitions**

**Carrying Charges** is the interest expense calculated on the average monthly balance using the Company's average short-term cost of borrowing for the month.

**Reconciliation Adjustment** is the dollar amount, whether positive or negative, required to reconcile any difference between the revenues collected from customers pursuant to the RLIP Rate during the Reconciliation Period and the RLIP Costs during the same Reconciliation Period, plus Carrying Charges on the average monthly balance.

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Issued by:   
Title: Treasurer

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**Reconciliation Period** is the November 1<sup>st</sup> through October 31<sup>st</sup> period prior to the Recovery Period.

**Recovery Period** is November 1<sup>st</sup> through October 31<sup>st</sup>.

**E. Calculation of the RLIP Rate**

RLIP Rate = (RLIPC + CC + RA) ÷ ATPvol

**Where:**

RLIPC           RLIP Costs projected for the Recovery Period  
CC               Carrying Charges  
RA               Reconciliation Adjustment  
ATPvol          Annual Throughput Volumes inclusive of all firm sales and firm transportation throughput as forecast for the RLIP recovery period.

**F. Application of RLIP Rate to Bills**

The RLIP Rate (\$ per therm) shall be calculated to the nearest one one-hundredth of a cent per therm and will be applied to the monthly firm sales volumes and transportation throughput.

**G. Information to be Filed with the MPUC**

The annual RLIP Rate filing shall be filed with the Commission seventy-five days prior to the proposed effective date of November 1<sup>st</sup> and shall be included with the Peak period CGF filing. The annual RLIP Rate filing shall include reports setting forth the estimated RLIP Costs to be recovered and a schedule showing the forecast annual throughput volumes for the forthcoming RLIP Recovery Period.

Additionally the Company shall file with the MPUC an annual reconciliation of RLIP Costs and RLIP Collections containing information in support of the reconciliation calculation. This reconciliation shall be submitted with each Peak period CGF filing, along with complete documentation of the reconciliation adjustment calculations.

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Issued by:



Title:

Senior Vice President

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**RESIDENTIAL LOW INCOME PROGRAM RATE CALCULATION**

**For Effect: November 1, 2024 - October 31, 2025**

<b>Reconciliation Adjustment:</b>	
1 Through October 31, 2024 (Estimated)	\$37,471
<b>2 Projected RLIP Costs:</b>	
3 November 2024 - October 2025	\$162,925
<b>4 Projected Carrying Charges:</b>	
5 November 2024 - October 2025	\$984
6 <b>TOTAL RLIP Costs to be Recovered</b> (Line 3+Line 5)	<u>\$163,909</u>
7 <b>Net to be Collected</b> (Line 1+Line 6)	\$201,381
<b>8 Forecast Firm Throughput (therm):</b>	
9 November 2024 - October 2025	129,193,657
10 <b>RLIP Rate per therm</b> (Line 7/Line 9)	<u><u>\$0.0016</u></u>

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Issued By:  
Title:

  
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Daniel Hurstak  
Vice President and Treasurer