

Simple Decoupling + DSM Example				
			% Change	
A	Average Annual Customer Use (therms)	1,000		
B	Number of Customers	10,000		C/A
C	Target Sales (Therms)	10,000,000		
D	Actual Sales (Therms)	9,500,000		
E	Shortfall (Therms)	500,000	-5.0	C-D
F	Shortfall Due to DSM (Therms)	250,000		E/2
G	Distribution Margin (\$ per Therm)	\$0.30		
H	Purchased Gas (\$ per Therm)	\$0.70		
I	Total Cost per Therm (\$)	\$1.00		G+H
J	Targeted Earnings	\$3,000,000		C*G
K	Actual Earnings	\$2,850,000		D*G
L	Dollar Shortfall	\$150,000		J-K
M	Energy Efficiency Spending at 3% Dist. Sales Rev.	\$90,000		J*.03
N	Per Unit Cost (DSM Rider)	\$0.00947		M/D
O	DSM related Savings (\$)	\$175,000		F*H
P	Adjusted Distribution Margin Delta	0.0158		L/D
Q	Adjusted Distribution Margin Delta + DSM Rider	\$0.02526		P+N
R	Adjusted Distribution Margin (including DSM)	\$0.325	8.4	G+Q
S	Adjusted Total Cost of Gas	\$1.025	2.5	H+R
T	Customer Savings on Purchased Gas (\$)	\$350,000		E*H
U	Per Customer Savings on Purchased Gas (\$)	\$35		T/B
V	Customer Costs on Increased Dist. Margin (\$)	\$240,000		Q*D
W	Per Customer Costs on Increased Dist. Margin (\$)	\$24		V/B
X	Net Customer Savings	\$110,000		T-V
Y	Per Customer Net Savings	\$11		X/B
Z	ACEEE Midwest/National Study 5% decrease in Commodity Cost from reduced Demand	0.665		H*.95
AA	New Customer Savings on Purchased Gas	\$0.035		H-Z
BB	Total Customer Savings from reduced Demand	\$332,500		AA*D
CC	Grand Total Net Savings	\$442,500		BB+X
DD	Grand Total Net Savings per customer	\$44.25		CC/B