

The Gas Cost Recovery Mechanism

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What is the Gas Cost Recovery Mechanism

- Cost Recovery Mechanism
- Updated Periodically
- What are the Components of the GCR
- What is the PUCO's role



Gas Cost Recovery

- Cost Recovery Mechanism
- Match cost with Revenue
- No Profit dollar for dollar
- Saving Incentives



Updated Periodically

- Filed Quarterly with the PUCO
- Monthly update available
- Mid-quarter changes upon request



What are the components of the GCR

- Expected Gas Cost (EGC) estimate
- Adjustments true-up of prior incurred cost
 - Refund and Reconciliation Adjustment (RA)
 - Actual Adjustment (AA)
 - Balance Adjustment (BA)



What is the PUCO's role

- Ensure timely and accurate updates
- Regulatory oversight (audits)
- Informational exchange