

Exhibit No. ____ (JAH-1T)

Revisions of July 19, 2004

1 anticipated that the class can absorb another larger than average increase without a
2 significant drop in rentals, an increase of 150% of average was assigned to this
3 class.

4 **Q: Would you please summarize the natural gas parity ratios that resulted from**
5 **the Company's cost of service analysis and the proposed rate spread?**

6 A: The results of the Company's study and the proposed allocation follow.

Class	Parity Ratio	Proposed Target
Residential 23/53/16	95%	6.92%
C & I Heating 31/36/61/51	119%	4.63%
C & I - 41	131%	3.65%
Rate Schedule 85	80%	3.77%
Rate Schedule 86	98%	4.96%
Rate Schedule 87	51%	2.55%
Rate Schedule 57	171%	8.99%
Special Transport Contracts 99/199/299	77%	0%
CNG Service 50	9%	7.85%
Rentals 71/72/74/75	59%	22.85%
Company	100%	6.32%

7
8 The special contract customers were not assigned an increase since there rates are
9 set by prior contracts approved by the Commission. The water heater rental class
10 receives the highest percentage increase since they have no volumetric charges
11 associated with their rates.

12 VII. GAS RATE DESIGN

13 **Q. Has the Company prepared new tariffs reflecting the proposed rate spread?**