

**Cost Per Customer Calculation For Natural Gas Main**

Birchwood Conversion, Carlos Twp

Homes Signing up For Natural Gas	Required Footage	Main Cost (Footage X \$3)	Extra Charges (i.e. special permits, directional boring)	Total Costs	Credit per Home (Homes X \$450)	Total Investment (Costs - Credits)	Estimated Per Home Investment
1	9,000	\$27,000	\$19,500	\$46,500	\$450	\$46,050	\$46,050
2	9,000	\$27,000	\$19,500	\$46,500	\$900	\$45,600	\$22,800
3	9,000	\$27,000	\$19,500	\$46,500	\$1,350	\$45,150	\$15,050
4	9,000	\$27,000	\$19,500	\$46,500	\$1,800	\$44,700	\$11,175
5	9,000	\$27,000	\$19,500	\$46,500	\$2,250	\$44,250	\$8,850
6	9,000	\$27,000	\$19,500	\$46,500	\$2,700	\$43,800	\$7,300
7	9,000	\$27,000	\$19,500	\$46,500	\$3,150	\$43,350	\$6,193
8	9,000	\$27,000	\$19,500	\$46,500	\$3,600	\$42,900	\$5,363
9	9,000	\$27,000	\$19,500	\$46,500	\$4,050	\$42,450	\$4,717
10	9,000	\$27,000	\$19,500	\$46,500	\$4,500	\$42,000	\$4,200
11	9,000	\$27,000	\$19,500	\$46,500	\$4,950	\$41,550	\$3,777
12	9,000	\$27,000	\$19,500	\$46,500	\$5,400	\$41,100	\$3,425
13	9,000	\$27,000	\$19,500	\$46,500	\$5,850	\$40,650	\$3,127
14	9,000	\$27,000	\$19,500	\$46,500	\$6,300	\$40,200	\$2,871
15	9,000	\$27,000	\$19,500	\$46,500	\$6,750	\$39,750	\$2,650
16	9,000	\$27,000	\$19,500	\$46,500	\$7,200	\$39,300	\$2,456
17	9,000	\$27,000	\$19,500	\$46,500	\$7,650	\$38,850	\$2,285
18	9,000	\$27,000	\$19,500	\$46,500	\$8,100	\$38,400	\$2,133
19	9,000	\$27,000	\$19,500	\$46,500	\$8,550	\$37,950	\$1,997
20	9,000	\$27,000	\$19,500	\$46,500	\$9,000	\$37,500	\$1,875
21	9,000	\$27,000	\$19,500	\$46,500	\$9,450	\$37,050	\$1,764
22	9,000	\$27,000	\$19,500	\$46,500	\$9,900	\$36,600	\$1,664
23	9,000	\$27,000	\$19,500	\$46,500	\$10,350	\$36,150	\$1,572
24	9,000	\$27,000	\$19,500	\$46,500	\$10,800	\$35,700	\$1,488
25	9,000	\$27,000	\$19,500	\$46,500	\$11,250	\$35,250	\$1,410
26	9,000	\$27,000	\$19,500	\$46,500	\$11,700	\$34,800	\$1,338
27	9,000	\$27,000	\$19,500	\$46,500	\$12,150	\$34,350	\$1,272
28	9,000	\$27,000	\$19,500	\$46,500	\$12,600	\$33,900	\$1,211
29	9,000	\$27,000	\$19,500	\$46,500	\$13,050	\$33,450	\$1,153
30	9,000	\$27,000	\$19,500	\$46,500	\$13,500	\$33,000	\$1,100
31	9,000	\$27,000	\$19,500	\$46,500	\$13,950	\$32,550	\$1,050
32	9,000	\$27,000	\$19,500	\$46,500	\$14,400	\$32,100	\$1,003
33	9,000	\$27,000	\$19,500	\$46,500	\$14,850	\$31,650	\$959
34	9,000	\$27,000	\$19,500	\$46,500	\$15,300	\$31,200	\$918
35	9,000	\$27,000	\$19,500	\$46,500	\$15,750	\$30,750	\$879
36	9,000	\$27,000	\$19,500	\$46,500	\$16,200	\$30,300	\$842
37	9,000	\$27,000	\$19,500	\$46,500	\$16,650	\$29,850	\$807
38	9,000	\$27,000	\$19,500	\$46,500	\$17,100	\$29,400	\$774
39	9,000	\$27,000	\$19,500	\$46,500	\$17,550	\$28,950	\$742
40	9,000	\$27,000	\$19,500	\$46,500	\$18,000	\$28,500	\$713
41	9,000	\$27,000	\$19,500	\$46,500	\$18,450	\$28,050	\$684
42	9,000	\$27,000	\$19,500	\$46,500	\$18,900	\$27,600	\$657
43	9,000	\$27,000	\$19,500	\$46,500	\$19,350	\$27,150	\$631
44	9,000	\$27,000	\$19,500	\$46,500	\$19,800	\$26,700	\$607
45	9,000	\$27,000	\$19,500	\$46,500	\$20,250	\$26,250	\$583
46	9,000	\$27,000	\$19,500	\$46,500	\$20,700	\$25,800	\$561
47	9,000	\$27,000	\$19,500	\$46,500	\$21,150	\$25,350	\$539
48	9,000	\$27,000	\$19,500	\$46,500	\$21,600	\$24,900	\$519
49	9,000	\$27,000	\$19,500	\$46,500	\$22,050	\$24,450	\$499
50	9,000	\$27,000	\$19,500	\$46,500	\$22,500	\$24,000	\$480
51	9,000	\$27,000	\$19,500	\$46,500	\$22,950	\$23,550	\$462
52	9,000	\$27,000	\$19,500	\$46,500	\$23,400	\$23,100	\$444
53	9,000	\$27,000	\$19,500	\$46,500	\$23,850	\$22,650	\$427
54	9,000	\$27,000	\$19,500	\$46,500	\$24,300	\$22,200	\$411
55	9,000	\$27,000	\$19,500	\$46,500	\$24,750	\$21,750	\$395
56	9,000	\$27,000	\$19,500	\$46,500	\$25,200	\$21,300	\$380

Target

Total

## Conversion Cost Calculations - Propane to Natural Gas

**Customer Name:** John Doe  
**Address:** 123 XYZ ST NE, Rogers, MN 51234  
**Phone:** 612-123-1234

### Natural Gas Main Cost

Number of Homes	<b>56</b>		
Required Footage	9,000	Available Credit Per Home	\$450
Subtotal Main Cost (Footage x \$3.00)	\$27,000	Credit Per Total Homes Connected	\$25,200
Est. Storm Water Pollution Plan Cost (SWPPP)	\$7,500	Commercial Credit	\$0
Est. Abnormal Construction Costs	\$12,000	Total Credit	\$25,200
Total Main Pipeline Cost	\$46,500	Net Investment/Cost (Main Cost - Credit)	\$21,300
<b>Estimated Main Pipeline Investment Cost Per Home</b>			<b>\$380</b>

### Natural Gas Service line Cost

CenterPoint Energy will cover the first 75 feet of Service line cost if the home uses natural gas as the primary source for space heating.			
Length of Service line from Main to Property (in Feet)	<b>125</b>	Cost per foot if Service line exceed 75ft	\$4
<b>Estimated Additional Service line Cost</b>			<b>\$200</b>

### Appliances Conversion Cost

Contact heating/plumbing contractor of your choice for cost estimates to convert or replace gas appliances			
Furnace or Boiler	\$300	Dryer	\$0
Water Heater	\$0	Fireplace	\$0
Range/Cook top/Oven	\$0	Other - additional gas piping	\$0
<b>Estimated Appliances Conversion Cost</b>			<b>\$300</b>

<b>Total Front Cost to Customer</b>	<b>\$880</b>
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### SAVINGS WITH NATURAL GAS

Annual Usage of Propane (gallons)	<b>1,000</b>	Annual Natural Gas Need (Therms)	961
Propane Price* (\$/gallon)	\$3.500	Natural Gas Price* (\$/Therm or \$/CCF)	\$1.100
Additional Propane Delivery Charges		Customer Basic Charge pr yr	\$96
Annual Cost with Propane	\$3,500	Annual Cost with Natural Gas	\$1,153
<b>Annual Savings with Natural Gas</b>			<b>\$2,346.90</b>

\* Propane and Natural Gas prices may vary.

<b>Simple Payback on Annual Savings on Cost to customer (year)</b>	<b>0.38</b>
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