

CALCULATION OF COST OF GAS ADJUSTMENT
New Hampshire Division
Period Covered: November 1, 2008 - April 30, 2009
Anticipated Cost of Delivered and Produced Gas

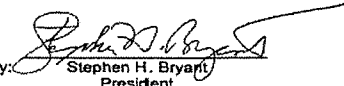
Delivered:	Therms	Rate	Amount
Product: -Commodity			
Granite State Supply	4,629,072	\$0.939	\$4,345,379
Domestic Supply	13,290,925	\$0.978	\$ 13,000,951
Storage Withdrawals	16,520,447	\$1.079	\$ 17,822,510
Peaking Supply	3,874,718	\$0.677	\$ 2,623,901
Hedging (Gain)/Loss			\$ 651,063
Interruptible Included Above			\$ (15,503)
Product: -Demand			
Granite State and Others			\$ 673,700
Pipeline Reservation			
Granite State and Others			\$ 5,630,662
Storage & Peaking Demand			
Tennessee and Others			\$ 7,963,252
Capacity Release			\$ (478,482)
Interruptible Margins			\$ (23,829)
Less: Unaccounted For, Company Use & Interruptible Volumes	(554,592)		\$ -
TOTAL Anticipated Cost of Gas	37,760,570	\$1.3822	\$ 52,193,603

Issued: September 15, 2008
Effective Date: November 1, 2008
Authorized by NHPUC Order No. In Case No. dated

CALCULATION OF COST OF GAS ADJUSTMENT
New Hampshire Division
Period Covered: May 1, 2008—October 31, 2008
Period Covered: November 1, 2008 - April 30, 2009
Anticipated Cost of Delivered and Produced Gas

Delivered:	Therms	Rate	Amount
Product: - Commodity			
Granite State Supply	5,288,659	\$1.352	\$7,151,712
	4,629,072	\$0.939	\$4,345,379
Domestic Supply	9,230,107	\$0.881	\$8,133,502
	13,290,925	\$0.978	\$ 13,000,951
Storage Withdrawals	0	\$0.000	\$0
	16,520,447	\$1.079	\$ 17,822,510
Peaking Supply	52,661	\$1.434	\$75,519
	3,874,718	\$0.677	\$ 2,623,901
Hedging (Gain)/Loss			(\$28,766)
			\$ 651,063
Interruptible Included Above			(\$162,680)
			\$ (15,503)
Product: - Demand			
Granite State and Others			\$115,086
			\$ 673,700
Pipeline Reservation			
Granite State and Others			\$889,581
			\$ 5,630,662
Storage & Peaking Demand			
Tennessee and Others			\$700,976
			\$ 7,963,252
Capacity Release			\$0
			\$ (478,482)
Interruptible Margins			\$0
			(\$23,829)
Less: Unaccounted For, Company Use & Interruptible Volumes			
	(386,647)		\$0.0000
	(554,592)		\$ -
TOTAL Anticipated Cost of Gas			
	44,184,780	\$0.8724	\$12,375,308
	37,760,570	\$1.3822	\$52,193,603

Issued: August 22, 2008 September 15, 2008
Effective Date: September 4, 2008 November 1, 2008
Authorized by NHPUC Order No. In Case No. dated

Issued by: 
Title: Stephen H. Bryant
President

Calculation of Anticipated Indirect Cost of Gas-New Hampshire Division

Working Capital Calculation

Total Anticipated Direct Cost of Gas-Commodity	\$38,428,301
Total Anticipated Direct Cost of Gas-Demand	\$13,765,302
Interruptible Profits	\$0
LESS Anticipated Direct Costs assigned to Non-Grandfathered Transportation	(\$9,861,485)
Total Direct Cost of Gas (Including Summer Deferred)	\$42,332,118
Total Direct gas Costs-Including Summer Deferred	\$42,332,118
Working Capital Percentage (NHPUC No. 10 Section 4.06.1)	\$0
Working Capital Allowance (NHPUC No. 10 Section 4.06.1)	\$80,431
Plus: Working Capital Reconciliation	\$10,235
Total Working Capital Allowance	\$90,666

Bad Debt Calculation

Total Anticipated Direct Cost of Gas	\$42,332,118
Plus: Total Working Capital	\$90,666
Subtotal	\$42,422,784
Bad Debt Percentage (NHPUC No. 10 Section 4.06.1)	\$0.00
Total Bad Debt Allowance	\$190,903
Plus: Bad Debt Reconciliation	\$22,359
Total Bad Debt Allowance	\$213,262

	<u>\$</u>	<u>Rate / Therm</u>
Working Capital Allowance	\$90,666	
Bad Debt Allowance	\$213,262	
Miscellaneous Overhead-74.85% Allocated to Winter Season	\$93,036	
Capacity Reserve (Forecasted Transportation Therms * \$0.0055)	(\$71,068)	
Production and Storage Capacity	\$686,673	
Prior Period Under/(Over) Collection	(\$707,166)	
Refunds	\$0	
Interest	(\$14,206)	
Total Anticipated Indirect Cost of Gas	\$291,196	\$0.0077
Total Anticipated Direct Cost of Gas-Commodity	\$38,428,301	\$1.0177
Total Anticipated Direct Cost of Gas-Demand	\$13,765,302	\$0.3645
Total Anticipated Period Cost of Gas	\$52,484,799	\$1.3899
Forecasted Winter Period Therms-Firm	29,889,150	
Forecasted Non-Grandfathered TransportationTherms	7,871,420	
Forecasted Therms-Total	37,760,570	
Forecasted Therms- Grandfathered Transportation	12,921,470	

	<u>Residential</u>	<u>C&I Low Winter</u>	<u>C&I High Winter</u>
Forecasted Winter Season Cost of Gas Rate:			
COGw-Commodity	\$1.0177	\$0.9988	\$1.0271
COGw-Demand	\$0.3645	\$0.2279	\$0.4692
COGw-Indirect	\$0.0077	\$0.0077	\$0.0077
COGw-Total	<u>\$1.3899</u>	<u>\$1.2344</u>	<u>\$1.5040</u>
Minimum	\$1.1119	\$0.9875	\$1.2032
Maximum	\$1.6679	\$1.4813	\$1.8048

Calculation of Anticipated Indirect Cost of Gas-New Hampshire Division

Working Capital Calculation

Total Anticipated Direct Cost of Gas-Commodity	\$40,669,664	\$38,428,301
Total Anticipated Direct Cost of Gas-Demand	\$4,705,643	\$13,765,302
Interruptible Profits		\$0
LESS Anticipated Direct Costs assigned to Non-Grandfathered Transportation	(\$4,684,352)	(\$9,861,485)
Total Direct Cost of Gas (Including Summer Deferred)	\$7,690,956	\$42,332,118
Total Direct gas Costs-Including Summer Deferred	\$7,690,956	\$42,332,118
Working Capital Percentage (NHPUC No. 10 Section 4.06.1)	0.19%	0.19%
Working Capital Allowance (NHPUC No. 10 Section 4.06.1)	\$14,637	\$80,431
Plus: Working Capital Reconciliation	\$24	\$10,235
Total Working Capital Allowance	\$14,637	\$90,666

Bad Debt Calculation

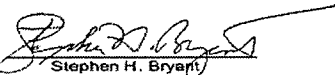
Total Anticipated Direct Cost of Gas	\$7,690,956	\$42,332,118
Plus: Total Working Capital	\$14,637	\$90,666
Subtotal	\$7,705,594	\$42,422,784
Bad Debt Percentage (NHPUC No. 10 Section 4.06.1)	0.45%	0.45%
Total Bad Debt Allowance	\$34,676	\$190,903
Plus: Bad Debt Reconciliation	(\$474)	\$22,359
Total Bad Debt Allowance	\$34,204	\$213,262

	\$	\$	Rate / Therm	Rate / Therm
Working Capital Allowance	\$14,637	\$90,666		
Bad Debt Allowance	\$34,204	\$213,262		
Miscellaneous Overhead-23.457%74.85% Allocated to Summer/Winter Season	\$28,784	\$93,036		
Capacity Reserve (Forecasted Transportation Therms * \$0.0055)	(\$74,192)	(\$71,068)		
Production and Storage Capacity	\$0	\$686,673		
Prior Period Under/(Over) Collection	(\$96,342)	(\$707,166)		
Refunds	\$0	\$0		
Interest	(\$12,427)	(\$14,206)		
Total Anticipated Indirect Cost of Gas	(\$104,330)	\$291,196	(\$0.0074)	\$0.0077
Total Anticipated Direct Cost of Gas-Commodity	\$40,669,664	\$38,428,301	\$0.7522	\$1.0177
Total Anticipated Direct Cost of Gas-Demand	\$4,705,643	\$13,765,302	\$0.1202	\$0.3645
Total Anticipated Period Cost of Gas	\$42,270,668	\$52,484,799	\$0.8654	\$1.3899
Forecasted Off-Peak/Winter Period Therms-Firm	40,129,680	29,889,150		
Forecasted Non-Grandfathered Transportation Therms	4,056,100	7,871,420		
Forecasted Therms-Total	44,184,780	37,760,570		
Forecasted Therms-Grandfathered Transportation	43,488,420	12,921,470		

	Residential	C&I Low Winter	C&I High Winter
Forecasted Summer Season Cost of Gas Rate:			
COGw-Commodity	\$1.0164	\$1.0345	\$0.9863
COGw-Demand	\$0.1202	\$0.0849	\$0.2040
COGw-Indirect	\$0.0054	\$0.0054	\$0.0054
COGw-Total	\$1.1416	\$1.1443	\$1.1922
June 1 Rate Adjustment	\$0.1916	\$0.1916	\$0.1916
August 1 Rate Adjustment	\$0.1181	\$0.1181	\$0.1181
September 1 Rate Adjustment	\$0.2746	\$0.2746	\$0.2746
September 1 Billing Rate	\$0.9305	\$0.9433	\$0.9842
Minimum	\$0.9052	\$0.8944	\$0.9458
Maximum	\$1.3678	\$1.3372	\$1.4486

	Residential	C&I Low Winter	C&I High Winter
Forecasted Winter Season Cost of Gas Rate:			
COGw-Commodity	\$1.0177	\$0.9988	\$1.0271
COGw-Demand	\$0.3645	\$0.2279	\$0.4692
COGw-Indirect	\$0.0077	\$0.0077	\$0.0077
COGw-Total	\$1.3899	\$1.2344	\$1.5040
Minimum	\$1.0842	\$0.9875	\$1.2032
Maximum	\$1.6679	\$1.4813	\$1.8048

Issued: August 22, 2008 September 15, 2008
Effective Date: September 1, 2007 November 1, 2008
Authorized by NHPUC Order No. In Case No. dated

Issued by: 
Title: President


N.H.P.U.C. No. 10 - Gas
Northern Utilities, Inc.

Twelfth Revised Page No. 56
Superseding Eleventh Page No. 56

Local Delivery Adjustment Clause

Rate Schedule	RLIAP	DSM	ERC	ITM	WLNG	CCE	RCE	LDAC
Residential Heating	\$0.0020	\$0.0113	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0225
Residential Non-Heating	\$0.0020	\$0.0113	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0225
Small C&I	\$0.0020	\$0.0069	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0181
Medium C&I	\$0.0020	\$0.0069	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0181
Large C&I	\$0.0020	\$0.0069	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0181
No Previous Sales Service								

Issued: September 15, 2008
Effective: With Service Rendered On and After November 1, 2008
Issued to Comply with Order No.

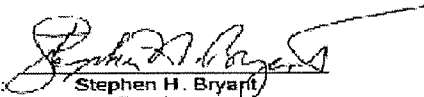
Issued by: 
Title: Stephen H. Bryant
President

Local Delivery Adjustment Clause

Rate Schedule	RLIAP	DSM	ERC	ITM	WLNG	CCE	RCE	LDAC
Residential Heating	\$0.0020	\$0.0122	\$0.0052	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0194
Residential Non-Heating	\$0.0020	\$0.0122	\$0.0052	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0194
Small C&I	\$0.0020	\$0.0066	\$0.0052	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0138
Medium C&I	\$0.0020	\$0.0066	\$0.0052	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0138
Large C&I	\$0.0020	\$0.0066	\$0.0052	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0138
No Previous Sales Service								

Rate Schedule	RLIAP	DSM	ERC	ITM	WLNG	CCE	RCE	LDAC
Residential Heating	\$0.0020	\$0.0113	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0225
Residential Non-Heating	\$0.0020	\$0.0113	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0225
Small C&I	\$0.0020	\$0.0069	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0181
Medium C&I	\$0.0020	\$0.0069	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0181
Large C&I	\$0.0020	\$0.0069	\$0.0092	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0181
No Previous Sales Service								

Issued: September 14, 2007 September 15, 2008
Effective: With Service Rendered On and After November 1, 2007 November 1, 2008
Issued to Comply with Order No. 24,684

Issued by: 
Title: Stephen H. Bryant
President

VII. DELIVERY SERVICE TERMS AND CONDITIONS

APPENDIX A

Schedule of Administrative Fees and Charges

I. Supplier Balancing Charge: **\$0.75 per MMBtu** of Daily Imbalance Volumes

- Updated effective every November 1 to reflect the Company's latest balancing resources and associated capacity costs.
- Daily Imbalance Volumes represent the difference between ATV and ATV adjusted for actual EDDs.

II. Peaking Service Demand Charge: **\$16.82 per MMBtu** per MDPQ per month for November 2008 through April 2009.

- Updated effective every November 1 to reflect the Company's Peaking resources and associated costs.

III. Supplier Services and Associated Fees:

<u>SERVICE</u>	<u>PRICING</u>
Pool Administration (required) Non-Daily Metered Pools only	• \$0.10/month/customer billed @ marketer level
Standard Passthrough Billing (required)	• \$0.60/customer/month billed @ marketer level
Standard Complete Billing (optional – Passthrough Billing fee not required if this service is elected)	• \$1.50/customer/month billed @ marketer level
Customer Administration (required)	• \$10/customer/switch billed @ marketer level

Issued: September 15, 2008
Effective: November 1, 2008

Issued by: Stephen H. Bryant
Title: President

Authorized by NHPUC Order No. in Docket No. DG 07- , dated

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VII. DELIVERY SERVICE TERMS AND CONDITIONS

APPENDIX A

Schedule of Administrative Fees and Charges

I. Supplier Balancing Charge: \$0.75 per MMBtu of Daily Imbalance Volumes

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- Updated effective every November 1 to reflect the Company's latest balancing resources and associated capacity costs.
- Daily Imbalance Volumes represent the difference between ATV and ATV adjusted for actual EDDs.

II. Peaking Service Demand Charge: \$16.82 per MMBtu per MDPQ per month for
November 2008 through April 2009.

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- Updated effective every November 1 to reflect the Company's Peaking resources and associated costs.

III. Supplier Services and Associated Fees:

<u>SERVICE</u>	<u>PRICING</u>
Pool Administration (required) Non-Daily Metered Pools only	• \$0.10/month/customer billed @ marketer level
Standard Passthrough Billing (required)	• \$0.60/customer/month billed @ marketer level
Standard Complete Billing (optional – Passthrough Billing fee not required if this service is elected)	• \$1.50/customer/month billed @ marketer level
Customer Administration (required)	• \$10/customer/switch billed @ marketer level

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Issued: September 15, 2008

Issued by: Stephen H. Bryant

Effective: November 1, 2008

Title: President

Authorized by NHPUC Order No. in Docket No. DG 07- , dated

VII. DELIVERY SERVICE TERMS AND CONDITIONS

APPENDIX C

Capacity Allocators

Capacity Allocators shall be calculated and filed with the Commission each year with the Winter Cost of Gas filing. The following Capacity Allocators shall be applicable for capacity assignments during the period of November 1, 2008 through October 31, 2009.

Commercial and Industrial

	<u>High Winter Use</u>	<u>Low Winter Use</u>
Pipeline:	14.44%	58.11%
Storage:	30.23%	14.80%
Peaking:	55.34%	27.10%

Issued: September 15, 2008
Effective: November 1, 2008

Issued By: Stephen H. Bryant
Title: President

Authorized by NHPUC Order No. in Docket No. DG 07-, dated

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VII. DELIVERY SERVICE TERMS AND CONDITIONS

APPENDIX C

Capacity Allocators

Capacity Allocators shall be calculated and filed with the Commission each year with the Winter Cost of Gas filing. The following Capacity Allocators shall be applicable for capacity assignments during the period of November 1, 2008 through October 31, 2009.

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Commercial and Industrial

	<u>High Winter Use</u>	<u>Low Winter Use</u>	
Pipeline:	14.44%	58.11%	Deleted: 18.55
Storage:	30.23%	14.80%	Deleted: 36.87
Peaking:	55.34%	27.10%	Deleted: 32.25
			Deleted: 25.00
			Deleted: 49.20
			Deleted: 38.14

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Issued: September 15, 2008
Effective: November 1, 2008

Issued By: Stephen H. Bryant
Title: President

Authorized by NHPUC Order No. in Docket No. DG 07-, dated

VII. DELIVERY SERVICE TERMS AND CONDITIONS

APPENDIX D

**Firm Sales Service Re-Entry Fee Bill Adjustment
(continued)**

The Re-Entry Fee shall be calculated and filed with the Commission each year with the Winter Cost of Gas filing. The following Firm Sales Service Re-Entry Fee Unit Charge shall be applicable for the period of November 1, 2008 through October 31, 2009.

Effective Dates:	November 1, 2008 – October 31, 2009
Annual Average Unit Cost:	\$ 256.11
25% - Annual Charge for Re-Entry Fee:	\$ 64.03
Monthly Unit Charge for Re-Entry Fee:	\$ 5.336

Issued: September 15, 2008
Effective: November 1, 2008

Issued By: Stephen H. Bryant
Title: President

Authorized by NHPUC Order No. ____ in Docket No ____, dated ____.

VII. DELIVERY SERVICE TERMS AND CONDITIONS

APPENDIX D

**Firm Sales Service Re-Entry Fee Bill Adjustment
(continued)**

The Re-Entry Fee shall be calculated and filed with the Commission each year with the Winter Cost of Gas filing. The following Firm Sales Service Re-Entry Fee Unit Charge shall be applicable for the period of November 1, 2008 through October 31, 2009.

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Effective Dates:	November 1, 2008 – October 31, 2009
Annual Average Unit Cost:	\$ 256.11
25% - Annual Charge for Re-Entry Fee:	\$ 64.03
Monthly Unit Charge for Re-Entry Fee:	\$ 5.336

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NHPUC Order No. 24,798 in Docket No.
DG 07-102, dated October 31, 2007.

Issued: September 15, 2008
Effective: November 1, 2008

Issued By: Stephen H. Bryant
Title: President

Authorized by NHPUC Order No. _____ in Docket No. _____, dated _____