

CALCULATION OF THE WINTER COST OF GAS RATE

Period Covered: Winter Period November 1, 2016 through April 30, 2017

Projected Gas Sales - therms		1,014,258
Total Anticipated Cost of Propane Sendout		\$1,130,275
Add: Prior Period Deficiency Uncollected Interest	\$394,761 \$11,757	
Deduct: Prior Period Excess Collected Interest	\$0 \$0	
	<hr/>	
Prior Period Adjustments and Interest		\$406,518
Total Anticipated Cost		<hr/> \$1,536,793

Cost of Gas Rate

Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)	<u>\$1.5152</u>
Fixed Price Option Premium	\$0.0200
Fixed Price Option Cost of Gas Rate (per therm)	<u>\$1.5352</u>

Pursuant to tariff section 17(d), the Company may adjust the approved cost of gas rate upward on a monthly basis to the following rate:

Maximum Cost of Gas Rate - Non-Fixed Price Option (per therm)	<u>\$1.8940</u>
---	-----------------

Issued: October __, 2016
 Effective: November 1, 2016

Issued By: _____
 David R. Swain
 President

Calculation of the Cost of Gas Rate

Period Covered: Winter Period November 1, 2015 through April 30, 2016
Winter Period November 1, 2016 through April 30, 2017

Projected Gas Sales - therms		—1,107,962	1,014,258
Total Anticipated Cost of Propane Sendout		\$1,066,837	\$1,130,275
Add: Prior Period Deficiency Uncollected Interest		\$0 \$0	\$394,761 \$11,757
Deduct: Prior Period Excess Collected Interest		(\$92,082) <u>(\$1,088)</u>	\$0 \$0
Prior Period Adjustments and Interest			(\$93,170) \$406,518
Total Anticipated Cost		<u>\$973,667</u>	<u>\$1,536,793</u>

Cost of Gas Rate

Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)		<u>\$0.8788</u>	<u>\$1.5152</u>
Fixed Price Option Premium		\$0.0200	
Fixed Price Option Cost of Gas Rate (per therm)		<u>\$0.8988</u>	<u>\$1.5352</u>
Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)		\$0.8788	
Mid-Period Adjustment - January 1, 2016		(\$0.0592)	
Mid-Period Adjustment - February 1, 2016		(\$0.1286)	
Mid-Period Adjustment - March 1, 2016		(\$0.2998)	
Mid-Period Adjustment - April 1, 2016		\$0.1140	
Revised Non-Fixed Price Option Cost of Gas Rate - Effective April 1, 2016 (per therm)		<u><u>\$0.5052</u></u>	

Pursuant to tariff section 17(d), the Company may adjust the approved cost of gas rate upward on a monthly basis to the following rate:

Maximum Cost of Gas Rate - Non-Fixed Price Option (per therm)		<u><u>\$1.0985</u></u>	<u><u>\$1.8940</u></u>
---	--	------------------------	------------------------

Issued: March 24, 2016
Effective: April 1, 2016

October __, 2016
November 1, 2016

Issued By: _____
David R. Swain
Daniel G. Saad