

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
DOCKET DG 13-086
REVENUE REQUIREMENT SCHEDULES AND WORKPAPERS
EXHIBIT 1**

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
COMPUTATION OF REVENUE DEFICIENCY AND REVENUE REQUIREMENT
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-1

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) AMOUNT
1	Rate Base	Schedule RevReq-5	\$ 84,534,728
2	Rate of Return	Schedule RevReq-6	<u>8.28%</u>
3	Income Required	Line 1 * Line 2	6,999,476
4	Adjusted Net Operating Income	Schedule RevReq-2	<u>4,237,782</u>
5	Deficiency	Line 3 - Line 4	2,761,694
6	Income Tax Effect	Line 7 - Line 5	<u>1,811,404</u>
7	Revenue Deficiency	1.6559 (Schedule RevReq-1-1) * Line 5	<u><u>4,573,098</u></u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
COMPUTATION OF GROSS-UP FACTOR FOR REVENUE REQUIREMENT
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-1-1

LINE NO.	(1) DESCRIPTION	(2) RATE	(3) AMOUNT
1	Federal Income Tax Rate	34.00%	0.3400
2	State Income Tax Rate	8.50%	0.0850
3	Federal Benefit of State Income Tax	-(Line 1 * Line 2)	<u>(0.0289)</u>
4	Northern Effective Tax Rate	(Line 1 + Line 2 + Line 3)	<u>0.3961</u>
5	Gross-Up Factor	(1 / 1 - Line 4)	<u><u>1.6559</u></u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
OPERATING INCOME STATEMENT
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-2
Page 1 of 2

LINE NO.	(1) DESCRIPTION	LESS		(5) TEST YEAR DISTRIBUTION, PROD. & OH.	(6) TEST YEAR DISTRIBUTION	(7) TEST YEAR PROD. & OH.	(8) CALENDAR YEAR 2011 ⁽³⁾	(9) CALENDAR YEAR 2010 ⁽³⁾	
		(2) TEST YEAR 12 MONTHS ENDED 12/31/2012	(3) COST OF GAS EXCLUDING PROD. & OH. ⁽¹⁾						(4) OTHER FLOWTHROUGH ⁽²⁾
Operating Revenues:									
1	Total Sales	\$ 53,741,467	\$ 29,867,325	\$ 2,082,961	\$ 21,791,182	\$ 21,051,827	\$ 739,354	\$ 62,895,231	\$ 62,402,126
2	Total Other Operating Revenues	1,121,939	-	-	1,121,939	1,121,939	-	1,143,098	1,164,539
3	Total Operating Revenues	\$ 54,863,406	\$ 29,867,325	\$ 2,082,961	\$ 22,913,121	\$ 22,173,767	\$ 739,354	\$ 64,038,329	\$ 63,566,665
Operating Expenses:									
4	Production	\$ 30,092,738	\$ 29,557,301	\$ 279,054	\$ 256,383	\$ 256,383	\$ -	\$ 41,657,200	\$ 42,701,777
5	Transmission	373,256	-	-	373,256	373,256	-	263,007	31,504
6	Distribution	2,884,876	-	-	2,884,876	2,884,876	-	3,237,360	3,082,544
7	Customer Accounting	1,843,377	282,630	-	1,560,747	1,560,747	-	1,875,100	1,821,528
8	Customer Service	1,120,551	-	1,118,572	1,980	1,980	-	793,034	915,203
9	Sales Expenses	-	-	-	-	-	-	-	-
10	Administrative & General	5,076,080	-	211,565	4,864,515	4,864,515	-	4,659,440	4,203,508
11	Depreciation	4,053,049	-	-	4,053,049	4,053,049	-	3,356,082	4,347,100
12	Amortizations	255,412	-	117,890	137,523	137,523	-	245,730	(102,295)
13	Taxes Other Than Income	2,535,637	-	-	2,535,637	2,535,637	-	2,327,257	1,648,288
14	Federal Income Tax	(4,636)	-	-	(4,636)	(4,636)	-	558,125	(1,739,141)
15	State Income Tax	21,354	-	-	21,354	21,354	-	181,701	(430,437)
16	Deferred Federal & State Income Taxes	1,077,259	-	-	1,077,259	1,077,259	-	40,951	2,750,647
17	Interest on Customer Deposits	18,239	-	-	18,239	18,239	-	18,639	19,313
18	Total Operating Expenses	\$ 49,347,193	\$ 29,839,931	\$ 1,727,081	\$ 17,780,181	\$ 17,780,181	\$ -	\$ 59,213,626	\$ 59,249,539
19	Net Operating Income	\$ 5,516,214	\$ 27,393	\$ 355,880	\$ 5,132,940	\$ 4,393,586	\$ 739,354	\$ 4,824,702	\$ 4,317,126

Notes

- 20 (1) See Workpaper - Cost of Gas
21 (2) See Workpaper - Flowthrough Detail. Consists of Energy Efficiency, Environmental Response Costs, Residential Low Income Assistance, Rate Case Costs, and Recoupment
22 (3) Calendar Years 2011 and 2010 represents Total Company (i.e., Flowthrough and Distribution).

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PRO FORMA DISTRIBUTION OPERATING INCOME STATEMENT
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-2
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LINE NO.	(1) DESCRIPTION	(2) TEST YEAR DISTRIBUTION, PROD. & OH.	(3) PRO FORMA ADJUSTMENTS	(4) TEST YEAR DISTRIBUTION, PROD. & OH. PRO FORMA	(5) PROOF		(6) PROOF	
					REVENUE REQUIREMENT		PRO FORMA RATE RELIEF	
	Operating Revenues:							
1	Total Sales	\$ 21,791,182	\$ 1,103,525	\$ 22,894,707	\$ 4,573,098		\$ 27,467,805	
2	Total Other Operating Revenues	1,121,939	-	1,121,939	-		1,121,939	
3	Total Operating Revenues	\$ 22,913,121	\$ 1,103,525	\$ 24,016,646	\$ 4,573,098		\$ 28,589,745	
	Operating Expenses:							
4	Production	\$ 256,383	\$ 75,757	\$ 332,139	\$ -		\$ 332,139	
5	Transmission	373,256	-	373,256	-		373,256	
6	Distribution	2,884,876	397,217	3,282,093	-		3,282,093	
7	Customer Accounting	1,560,747	165,657	1,726,405	-		1,726,405	
8	Customer Service	1,980	-	1,980	-		1,980	
9	Sales Expenses	-	-	-	-		-	
10	Administrative & General	4,864,515	271,282	5,135,797	-		5,135,797	
11	Depreciation	4,053,049	456,058	4,509,107	-		4,509,107	
12	Amortizations	137,523	264,765	402,287	-		402,287	
13	Taxes Other Than Income	2,535,637	541,541	3,077,178	-		3,077,178	
14	Federal Income Tax	(4,636)	537,311	532,675	1,422,691		1,955,366	
15	State Income Tax	21,354	422,148	443,502	388,713		832,215	
16	Deferred Federal & State Income Taxes	1,077,259	(1,133,052)	(55,794)	-		(55,794)	
17	Interest on Customer Deposits	18,239	-	18,239	-		18,239	
18	Total Operating Expenses	\$ 17,780,181	\$ 1,998,684	\$ 19,778,864	\$ 1,811,404		\$ 21,590,269	
19	Net Operating Income	\$ 5,132,940	\$ (895,158)	\$ 4,237,782	\$ 2,761,694		\$ 6,999,476	

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
SUMMARY OF ADJUSTMENTS
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3

LINE NO.	(1) DESCRIPTION	(2) CLASSIFICATION	(3) SCHEDULE NO.	(4) AMOUNT
	Revenue Adjustments			
1	Weather Normalization	Dist Rev	Schedule RevReq-3-1	\$ 891,894
2	Residential Low Income	Dist Rev	Schedule RevReq-3-2	272,265
3	Unbilled Revenue	Dist Rev	Schedule RevReq-3-3	(643,156)
4	Revenue Annualization	Dist Rev	Schedule RevReq-3-4	343,282
5	Production Revenue	Dist Rev	Schedule RevReq-3-5	(19,991)
6	Non-Distribution Bad Debt	Dist Rev	Schedule RevReq-3-6	61,510
7	Special Contract Rate Increases	Dist Rev	Schedule RevReq-3-Spc Contract	18,923
8	Year-End Customers	Dist Rev	Schedule RevReq-3-Annual Customers	178,799
9	Total Revenue Adjustments			<u>\$ 1,103,525</u>
	Operating & Maintenance Expense Adjustments			
10	Production Expense (O&M)	Prod	Schedule RevReq-3-7	\$ 75,757
11	Payroll	Dist	Schedule RevReq-3-8	373,157
12	Labor Adjustment For Mutual Aid Workers	Dist	Schedule RevReq-3-9	24,061
13	Distribution Bad Debt	Cust Acct	Schedule RevReq-3-10	104,148
14	Non-Distribution Bad Debt	Cust Acct	Schedule RevReq-3-6	61,510
15	Medical & Dental Insurances	A&G	Schedule RevReq-3-11	74,266
16	Pension	A&G	Schedule RevReq-3-12	28,165
17	PBOP	A&G	Schedule RevReq-3-12	103,629
18	401K	A&G	Schedule RevReq-3-12	3,327
19	Property & Liability Insurances	A&G	Schedule RevReq-3-13	61,326
20	Audit Fees	A&G	Schedule RevReq-3-14	4,001
21	Postage	A&G	Schedule RevReq-3-15	3,343
22	Banking and Commitment Fees	A&G	Schedule RevReq-3-16	(14,317)
23	NH PUC Assessment	A&G	Schedule RevReq-3-17	62,252
24	NH PUC Audit	A&G	Schedule RevReq-3-NHPUC Audit	(32,345)
25	Liberty Lane ROE Adjustment	A&G	Schedule RevReq-3-Liberty Lane	(22,366)
26	Total Operating & Maintenance Expense Adjustments			<u>\$ 909,913</u>
	Depreciation And Amortization Expense Adjustments			
27	Depreciation Annualization	Depr	Schedule RevReq-3-18	\$ 409,304
28	Production Expense (Depreciation)	Depr	Schedule RevReq-3-7	46,754
29	Customer Information System Amortization	Amort	Schedule RevReq-3-19	(43,376)
30	2013 Project Additions Amortization	Amort	Schedule RevReq-3-20	56,075
31	Plant Acquisition Adjustment	Amort	Schedule RevReq-3-21	352,468
32	Supply Bad Debt Amortization	Amort	Schedule RevReq-3-22	(100,402)
33	Total Depreciation And Amortization Expense Adjustments			<u>\$ 720,822</u>
	Taxes Other Than Income Adjustments			
34	Property Taxes	Oth Tax	Schedule RevReq-3-23	\$ 516,044
35	Payroll Taxes	Oth Tax	Schedule RevReq-3-24	25,497
36	Total Taxes Other Than Income Adjustments			<u>\$ 541,541</u>
	Income Taxes Adjustments			
37	Federal Income Tax	FIT	Schedule RevReq-3-25	\$ (119,014)
38	NH State Tax	SIT	Schedule RevReq-3-25	(32,518)
39	Prior Year Federal Income Tax	FIT	Schedule RevReq-3-25	673,653
40	Prior Year State Income Tax	SIT	Schedule RevReq-3-25	459,400
41	Prior Year Deferred Federal and State Income Tax	DIT	Schedule RevReq-3-25	(1,133,052)
42	Federal Lobbying & Penalty Taxes	FIT	Schedule RevReq-3-26	(17,328)
43	NH State Lobbying & Penalty Taxes	SIT	Schedule RevReq-3-26	(4,734)
44	Total Income Taxes Adjustments			<u>\$ (173,594)</u>
	Rate Base Adjustments			
45	NH Supplemental Plant Adjustment	Plant	Schedule RevReq-5-3	\$ 2,188,431
46	Customer Information System	Acc Depr	Schedule RevReq-3-19	(133,741)
47	NH Supplemental Plant Adjustment	Acc Depr	Schedule RevReq-5-3	1,398,161
48	Cash Working Capital (Due To Pro Forma Adjustments)	CWC	Schedule RevReq-5-2	14,815
49	DIT Settlement Adjustment	DIT	Schedule RevReq-5-4	11,499,522
50	Customer Information System Deferred Income Taxes	DIT	Schedule RevReq-3-19	52,975
51	Total Rate Base Adjustments			<u>\$ (10,613,671)</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
SPECIAL CONTRACT RATE INCREASES
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-Spc Contract

LINE NO.	DESCRIPTION	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	
		JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	2012 JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL	
1	Customer 1 Therms	401,150	362,392	431,202	418,417	387,343	431,039	338,163	412,749	347,016	439,885	380,775	369,573	4,719,704	
	Special Contract:														
2	Customer Charge \$830 ⁽¹⁾	\$ 830	\$ 830	\$ 830	\$ 830	\$ 830	\$ 830	\$ 830	\$ 830	\$ 830	\$ 830	\$ 830	\$ 830	\$ 830	
3	All Usage \$0.0967	\$ 38,791	\$ 35,043	\$ 41,697	\$ 40,461	\$ 37,456	\$ 41,681	\$ 32,700	\$ 39,913	\$ 33,556	\$ 42,537	\$ 36,821	\$ 35,738		
4	Monthly Totals	\$ 39,621	\$ 35,873	\$ 42,527	\$ 41,291	\$ 38,286	\$ 42,511	\$ 33,530	\$ 40,743	\$ 34,386	\$ 43,367	\$ 37,651	\$ 36,568	\$ 466,355	
5	Actual 2012 Revenues													\$ 458,786	
6	Difference													\$ 7,570	
7	Customer 2 Therms	450,043	417,827	454,186	436,815	458,948	440,624	447,378	440,177	415,308	462,565	442,594	445,219	5,311,684	
8	Monthly Usage Breakdown	200,000 100,000 100,000 50,043	200,000 100,000 100,000 17,827	200,000 100,000 100,000 54,186	200,000 100,000 100,000 36,815	200,000 100,000 100,000 58,948	200,000 100,000 100,000 40,624	200,000 100,000 100,000 47,378	200,000 100,000 100,000 40,177	200,000 100,000 100,000 15,308	200,000 100,000 100,000 62,565	200,000 100,000 100,000 42,594	200,000 100,000 100,000 45,219		
	Special Contract:														
9	Monthly Customer Charge \$563.47	\$ 563	\$ 563	\$ 563	\$ 563	\$ 563	\$ 563	\$ 563	\$ 563	\$ 563	\$ 563	\$ 563	\$ 563	\$ 563	
10	First 200,000 therms \$19,731.30	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	\$ 19,731	
11	200,001 - 300,000 therms \$0.0823	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	\$ 8,230	
12	300,001 - 400,000 therms \$0.0775	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	\$ 7,750	
13	over 400,001 therms \$0.0752	\$ 3,763	\$ 1,341	\$ 4,075	\$ 2,768	\$ 4,433	\$ 3,055	\$ 3,563	\$ 3,021	\$ 1,151	\$ 4,705	\$ 3,203	\$ 3,400		
14	Monthly Totals	\$ 40,038	\$ 37,615	\$ 40,350	\$ 39,043	\$ 40,708	\$ 39,330	\$ 39,838	\$ 39,296	\$ 37,426	\$ 40,980	\$ 39,478	\$ 39,675	\$ 473,776	
15	Actual 2012 Revenues													\$ 462,423	
16	Difference													\$ 11,353	
17	Total Revenue Adjustment													\$ 18,923	

(1) Corrected per data response ODR 3-6

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
ANNUALIZE YEAR END METER COUNT
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-Annual Customers

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	Annualized residential heating (Staff DR 2-34)	\$ 161,778
2	Annualized residential non-heat (Staff DR 2-34)	(15,808)
3	Incremental Annualized Residential Sales	<u>\$ 145,970</u>
4	Annualized C&I Low Annual (OCA DR 1-28)	\$ 55,185
5	Annualized C&I Medium Annual (OCA DR 1-28)	18,296
6	Annualized C&I High Annual (OCA DR 1-28)	(40,652)
7	Incremental Annualized C&I Sales	<u>\$ 32,829</u>
8	Total Incremental Annualized Sales	<u><u>\$ 178,799</u></u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
NH PUC AUDIT ADJUSTMENTS
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-NHPUC Audit

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	ICE Invoice Allocation - Page 45	\$ (294)
2	Allocation of AGA Dues - Audit Issue #3	\$ (4,739)
3	Consultant/Lobbying Expenses - Audit Issue #5	\$ (22,700)
4	Emergency Communication - Audit Issue #8	\$ (4,612)
5	Total Audit Adjustments	<u>\$ (32,345)</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
WEATHER NORMALIZATION
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-1

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	To Increase Test Year Base Revenue to Normalize for the Effect of Warmer than Normal Weather	\$ 891,894

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
RESIDENTIAL LOW INCOME ASSISTANCE
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-2

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	To Reflect Recovery Of The Low Income Discount Through the LDAC. See Workpaper - Flowthrough Detail	<u>\$ 272,265</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
UNBILLED REVENUE
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-3

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	Pro Forma Adjustment to Remove Unbilled Revenue	<u>\$ (643,156)</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
2012 REVENUE ANNUALIZATION
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-4

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	To Increase Test Year Base Revenue to Annualize for the Capital Step and Permanent Rates Effective May 1, 2012	\$ 778,097
2	Remove Estimated Recoupment Revenue	\$ (434,815)
3	Total	<u>\$ 343,282</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PRODUCTION REVENUE
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-5

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	Production Revenue Revenue Requirement (Docket 11-069)	\$ 719,363
2	Less: Test Year Production Revenue	<u>\$ 739,354</u>
3	Production Revenue Adjustment	<u><u>\$ (19,991)</u></u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
NON-DISTRIBUTION BAD DEBT
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-6

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	Remove: Accrued Revenue - Non Dist Bad Debt	\$ 61,510
2	Remove: Provision For Doubtful Accts - Non-Dist - NH	\$ 61,510

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PRODUCTION EXPENSE ADJUSTMENTS
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-7

LINE NO.	(1) DESCRIPTION	(2) NH	(3) ME	(4) TOTAL	(5)	(6)	(7)	(8)
					NH PR ALLOC. 46.40%	ME PR ALLOC. 53.60%	NH REVREQ ADJUST.	ME REVREQ ADJUST.
Operation & Maintenance Expense								
Liquefied Propane Gas Production								
Operation Expense								
1	710 - Supervision	\$ -	\$ 22,241	\$ 22,241	\$ 10,320	\$ 11,921		
2	717 - Propane Expenses	-	20,643	20,643	9,578	11,065		
3	718 - Dispatching Production	-	-	-	-	-		
4	723 - Fuel LPG Gas Process	-	-	-	-	-		
5	728 - Liquid Petroleum Gas	-	-	-	-	-		
6	735 - Miscellaneous	-	36,645	36,645	17,003	19,641		
7	736 - Rents	-	-	-	-	-		
8	Total Operation Expense	-	79,529	79,529	36,901	42,627		
Maintenance								
9	740 - Supervision	-	23,137	23,137	10,735	12,401		
10	741 - Maintenance of Plant	-	16,033	16,033	7,439	8,594		
11	742 - Maint of Equipment	-	39,220	39,220	18,198	21,022		
12	743 - Gas System Prod Training	-	-	-	-	-		
13	Total Maintenance Expense	-	78,390	78,390	36,373	42,017		
14	769 - Maint of Scada - Product	-	5,350	5,350	2,482	2,868		
15	Total Manuf Gas Prod Exp	\$ -	\$ 163,268	\$ 163,268	\$ 75,757	\$ 87,512	\$ 75,757	\$ (75,757)
Depreciation Expense								
Depreciation Expense								
Production Plant Exp								
16	305 - Structures		\$ 2,181	\$ 2,181	\$ 1,012	\$ 1,169		
17	311 - LPG Gas Equipment		19,201	19,201	8,909	10,292		
18	320 - Other Equipment		-	-	-	-		
19	321 - LNG Equipment		-	-	-	-		
20	Total Production Plant		21,382	21,382	9,921	11,461		
Other Storage Plant								
21	361 - Structures & Improve		8,238	8,238	3,822	4,416		
22	362 - Gas Holders		71,142	71,142	33,010	38,132		
23	363 - Purification Equipment		-	-	-	-		
24	Total Other Storage Plant		79,380	79,380	36,832	42,548		
25	Total Depreciation & Amortization		\$ 100,762	\$ 100,762	\$ 46,754	\$ 54,008	\$ 46,754	\$ (46,754)

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PAYROLL ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-8
Page 1 of 3

LINE NO.	(1) DESCRIPTION	(2) NONUNION			(5) UNION	(6) SUBTOTAL	(7) FROM USC NONUNION	(8) TOTAL
		HOURLY	SALARIED	TOTAL				
1	Test Year Payroll	\$ 131,988	\$ 560,882	\$ 692,870	\$ 2,671,744	\$ 3,364,615	\$ 3,198,344	\$ 6,562,959
2	Utility Worker Positions, Annualized ⁽¹⁾	-	-	-	90,818	90,818	-	90,818
3	2012 Salary & Wage Increase, Annualized ⁽²⁾	-	-	-	38,003	38,003	-	38,003
4	Payroll Annualized For 2012 Rate Increase	131,988	560,882	692,870	2,800,565	3,493,435	3,198,344	6,691,779
5	2013 Salary & Wage Increases ⁽³⁾	4,356	18,509	22,865	107,262	130,126	130,812	260,939
6	Payroll Proformed For 2012 And 2013 Rate Increases	136,344	579,391	715,735	2,907,827	3,623,561	3,329,156	6,952,718
7	Less Amount Chargeable To Capital	57,179	248,277	305,456	1,168,946	1,474,403	876,900	2,351,302
8	O&M Payroll Proformed	79,164	331,114	410,278	1,738,880	2,149,159	2,452,257	4,601,415
9	Less: Test Year O&M Payroll					1,845,174	2,383,085	4,228,259
10	O&M Payroll Increase					\$ 303,985	\$ 69,172	\$ 373,157

Notes

- 11 (1) New Positions per Docket No DG11-196
12 (2) Average Union Increase of 3.88% effective June 3, 2012. See Schedule RevReq 3-8, pg 2
13 (3) Average increase of 3.3% for nonunion Northern employees effective January 1, 2013; average increase of 3.83% for union employees, effective June 2, 2013 and average increase of 4.09% for USC employees effective January 1, 2013. USC rate increase includes 1.07% for promotions and market adjustments.

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
UNION PAYROLL ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012**

**Schedule RevReq-3-8
Page 2 of 3**

LINE NO.	DESCRIPTION	TOTAL
1	Payroll - YTD through June 2, 2012	\$ 979,453
2	2012 Salary & Wage Increase ⁽¹⁾	3.88%
3	Union Payroll Annualization	<u>\$ 38,003</u>
4	<u>Notes</u> (1) Average Union increase of 3.88% effective June 3, 2012	

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
UNITIL SERVICE CORP PAYROLL ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012**

**Schedule RevReq-3-8
Page 3 of 3**

LINE NO.	DESCRIPTION	TOTAL
1	Test Year USC Labor Charges to Northern Utilities	\$ 6,767,934
2	Northern New Hampshire Allocation for 2013	<u>47.26%</u>
3	Northern New Hampshire Payroll	\$ 3,198,344
4	2013 Salary & Wage Increase ⁽¹⁾	<u>4.09%</u>
5	Payroll Increase	130,812
6	Proforma Payroll	3,329,156
7	Payroll Capitalization Factor for 2013	<u>26.34%</u>
8	Proforma Payroll Capitalization	876,900
9	Proforma Amount to O&M Expense	2,452,257
10	Test Year O&M Payroll Amount of USC Charge	<u>2,383,085</u>
11	O&M Payroll Increase	<u><u>\$ 69,172</u></u>

Notes

12 (1) Average Increase of 4.09% Effective January 1, 2013

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
LABOR ADJUSTMENT FOR MUTUAL AID WORKERS
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-9

LINE NO.	(1) POSITION TITLE	(2) PAY RATE	(3) WORK DAYS	(4) BASE	(5) HOURS ⁽¹⁾			(7) TOTAL	(8) BASE	(9) 1.5x	(10) PAY		(11) OVERHEAD	(12) TOTAL	(13) PAY DISTRIBUTION		(14) CAPITAL EXPENSE
					1.5x	2.0x	2.0x				2.0x	TOTAL			TOTAL	TOTAL	
1	Lead Gas Distribution Technician	\$32.86	12	96	18	12	126	\$ 3,155	\$ 895	\$ 756			\$ 4,806	\$ 2,149	\$ 2,657		
2	Lead Gas Distribution Technician	\$32.86	13	104	27	9	140	3,417	1,330	575			5,322	2,380	2,943		
3	Utility Worker Apprentice	\$21.91	2	16	0	-	16	351	13	-			364	163	201		
4	Supervisor, Gas Service	\$46.31	15	120	-	-	120	5,557	-	-			5,557	2,485	3,073		
5	Service Technician I	\$30.79	16	128	39	2	169	3,941	1,801	138			5,881	2,629	3,251		
6	Service Technician I	\$30.79	16	128	18	3	149	3,941	838	201			4,979	2,226	2,753		
7	Gas Distribution Technician	\$30.79	16	128	14	-	142	3,941	628	-			4,569	2,043	2,526		
8	Lead Service Technician	\$32.86	14	112	16	26	155	3,680	809	1,737			6,226	2,783	3,442		
9	Lead Service Technician	\$32.86	14	112	24	15	150	3,680	1,165	968			5,814	2,599	3,214		
10	Total		118	944	156	67	1,167	\$ 31,664	\$ 7,479	\$ 4,375	\$	-	\$ 43,517	\$ 19,456	\$ 24,061		

Notes

- 11 (1) Pay adjustment is based on 8 hours for each day employee was deployed for mutual aid plus representative overtime worked during the same period in 2011 corresponding to the weeks of deployment for mutual aid. For employees who were hired in 2012 and had no work history in 2011, the OT pay adjustment is based on representative overtime worked in the six-week period prior to Hurricane Sandy.

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
DISTRIBUTION BAD DEBT ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-10

LINE NO.	(1) YEAR	(2) DELIVERY RELATED NET WRITE-OFFS	(3) DELIVERY RELATED RETAIL BILLED REVENUE	(5) TOTAL
1	Y/E 12/31/2010	\$216,202	\$18,556,459	
2	Y/E 12/31/2011	\$161,103	\$20,333,003	
3	Y/E 12/31/2012	<u>\$124,950</u>	<u>\$22,179,115</u>	
4	Total	\$502,255	\$61,068,576	
5		Net Write-Offs as a % of Delivery Retail Billed Revenue		0.82%
6		Per Books Delivery Retail Billed Revenue		\$ 22,179,115
7		Pro Forma Revenue Adjustments		1,103,525
8		Revenue Increase from Rate Case		<u>4,573,098</u>
8		2012 Total Normalized Delivery Retail Billed Revenue		\$ 27,855,739
9		Uncollectible Delivery Revenue		\$ 229,098
10		Less: Test Year Delivery Write-Offs		<u>\$ 124,950</u>
11		Increase in Delivery Write-Offs		<u>\$ 104,148</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
MEDICAL, DENTAL AND VISION INSURANCE ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-11

LINE NO.	(1) DESCRIPTION	(2) TOTAL AMOUNT	(3) NORTHERN UTILITIES, INC.	(4) UNITIL SERVICE CORP.
1	Proformed 2013 Medical, Dental and Vision O&M Expense	\$ 509,984	\$ 242,971	\$ 267,014
2	Test Year Medical, Dental and Vision Insurance O&M Expense	435,718	158,785	276,933
3	2013 O&M Increase	\$ 74,266	\$ 84,185	\$ (9,919)

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PENSION, PBOP AND 401K EXPENSE
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-12

LINE NO.	(1) DESCRIPTION	(2) TOTAL	(3) NORTHERN UTILITIES, INC.	(4) UNITIL SERVICE CORP
1	Test Year Pension Expense	\$ 503,079	\$ 199,078	\$ 304,001
2	Test Year PBOP Expense	605,789	419,736	186,053
3	Test Year 401K Expense	159,893	45,398	114,496
4	Total Test Year Pension, PBOP and 401K Expense	1,268,762	664,212	604,550
5	Test Year Pension Expense, as Pro-Formed	531,245	214,763	316,481
6	Test Year PBOP Expense, as Pro-Formed	709,418	466,153	243,265
7	Test Year 401K Expense, as Pro-Formed	163,220	45,636	117,584
8	Total Test Year Pension, PBOP and 401K Expense, as Pro-Formed	1,403,883	726,553	677,330
9	Test Year Pension Expense, Pro-Forma Adjustment	28,165	15,685	12,480
10	Test Year PBOP Expense, Pro-Forma Adjustment	103,629	46,417	57,212
11	Test Year 401K Expense, Pro-Forma Adjustment	3,327	239	3,088
12	Total Test Year Pension, PBOP and 401K Expense, Pro-Forma Adjustment	<u>\$ 135,121</u>	<u>\$ 62,341</u>	<u>\$ 72,780</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PROPERTY AND LIABILITY INSURANCES ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-13
Page 1 of 3

LINE NO.	(1) DESCRIPTION	(2) TOTAL	(3) NU-NH ⁽¹⁾	(4) FROM USC ⁽²⁾
	Current Coverage Periods			
	Property Insurance:			
1	All Risk	\$ 11,790	\$ 10,492	\$ 1,298
2	Crime	1,201	1,102	99
3	K&E	232	213	19
4	Total Property Insurance	\$ 13,224	\$ 11,808	\$ 1,416
	Liability Insurance:			
5	Workers' Compensation	\$ 128,750	\$ 109,161	\$ 19,588
6	Excess	205,522	191,196	14,326
7	Automobile	23,038	22,559	479
8	Directors and Officers	36,740	33,711	3,030
9	Fiduciary	3,506	3,217	289
10	Risk Track	-	-	-
11	Total Liability Insurance	\$ 397,555	\$ 359,844	\$ 37,712
12	Total Property & Liability Insurances	410,779	371,651	39,128
13	Less: Amounts Chargeable To Capital⁽³⁾	162,222	151,916	10,306
14	Proforma O&M Expense	248,557	219,735	28,822
15	Less: Test Year O&M Expense	187,231	172,742	14,489
16	O&M Property And Liability Insurance Increase	\$ 61,326	\$ 46,993	\$ 14,333

Notes

(1) See Schedule RR-3-13 2 of 3

(2) See Schedule RR-3-13 3 of 3

(3) See Schedule RR-3-13 2 of 3, Line 5 and 14, and Schedule RR-3-13 3 of 3, Line 13

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PROPERTY AND LIABILITY INSURANCES ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-13
Page 2 of 3

LINE NO.	(1) DESCRIPTION	(2) AMOUNT
	Current Coverage Periods	
	Property Insurance:	
1	All Risk	\$ 10,492
2	Crime	1,102
3	K&E	213
4	Total Property Insurance	<u>\$ 11,808</u>
5	Less: Amounts Chargeable to Capital ⁽¹⁾	<u>5,764</u>
6	Total Property to O&M Expense	6,044
	Liability Insurance:	
7	Workers' Compensation	\$ 109,161
8	Excess	191,196
9	Automobile	22,559
10	Directors and Officers	33,711
11	Fiduciary	3,217
12	Risk Track	-
13	Total Liability Insurance	<u>\$ 359,844</u>
14	Less: Amounts Chargeable to Capital ⁽²⁾	<u>146,152</u>
15	Total Liability to O&M Expense	213,691
16	Total Property & Liability Insurances to O&M Expense (Line 6 + Line 15)	<u>219,735</u>
17	Less: Test Year O&M Expense	<u>172,742</u>
18	O&M Property and Liability Insurance Increase	<u><u>\$ 46,993</u></u>

Notes

- 19 (1) All risk is capitalized at 49.33% (See Workpaper W Ins 2)
20 (2) All except Auto Liability capitalized at 40.2% (See Workpaper WP PR2 P2)
Auto Liability at 46.8% (See Workpaper W Ins 3)

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PROPERTY AND LIABILITY INSURANCES ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-13
Page 3 of 3

UNITIL SERVICE CORP.

LINE NO.	(1) DESCRIPTION	(2) UNITIL SERVICE CORP. TOTAL ⁽¹⁾	(3) AMOUNT TO NU NH	(4) NU ME TOTAL
	USC Cost For Current Coverage Periods			
	Property:			
1	All Risk	\$ 7,678		\$ 1,298
2	Crime	586		99
3	K&E	113		19
4	Total Property	<u>\$ 8,377</u>	16.90% ⁽²⁾	<u>\$ 1,416</u>
	Liability:			
5	Workers' Compensation	\$ 115,882		\$ 19,588
6	Excess	84,749		14,326
7	Automobile	2,833		479
8	Directors and Officers	17,923		3,030
9	Fiduciary	1,710		289
10	Risk Track	-		-
11	Total Liability	<u>\$ 223,098</u>	16.90% ⁽²⁾	<u>\$ 37,712</u>
12	Total USC Property & Liability Insurances	\$ 231,475		\$ 39,128
13	Less Amount Chargeable To Capital		26.34% ⁽²⁾	<u>10,306</u>
14	Total Property & Liability Insurances To O&M Expense			28,822
15	Less Test Year O&M Expense ⁽³⁾			<u>14,489</u>
16	O&M Property and Liability Insurance Increase			<u><u>\$ 14,333</u></u>

Notes

(1) See Workpaper W Ins 1

(2) See Workpaper P-P P1

(3) See Workpaper W Ins 4

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
AUDIT FEE INCREASE
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-14

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	2013 Integrated Audit Fee	\$ 83,344
2	Less: 2012 Integrated Audit Fee	\$ 79,343
3	Total Audit Fee Increase	<u>\$ 4,001</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
POSTAGE ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-15

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	Test Year Postage Expense	\$ 141,913
2	To Annualize 1/22/2012 USPS Postage Increase	<u>0.13%</u>
3	Increase in Test Year Postage Expense	<u>\$ 186</u>
4	Test Year Adjusted Postage Expense	\$ 142,099
5	1/27/2013 USPS Postage Increase	<u>2.22%</u>
6	Increase in 2013 Postage Expense	\$ 3,158
7	Total Postage Increase (Line 3 + Line 6)	<u><u>\$ 3,343</u></u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
BANKING AND COMMITMENT FEE ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-16

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	2012 921-Banking and Commitment Fee Adjustment Booked January 2013	\$ (7,709)
2	Less: 2011 921-Banking and Commitment Fee Adjustment Booked January 2012	<u>6,609</u>
3	Banking and Commitment Fee Adjustment	<u><u>\$ (14,317)</u></u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
NH PUC ASSESSMENT
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-17

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	2012 NH PUC Assessment	\$ 240,388
2	Distribution Revenue Portion of Total Revenue	<u>36.25%</u>
3	Distribution Portion of Assessment	\$ 87,141
4	Less: Test Year Amount	\$ 28,823
5	Adjust for a Reclass in 2012 Related to 2011 NH PUC Assessment	<u>\$ 58,317</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
DEPRECIATION ANNUALIZATION
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-18

LINE NO.	(1) DESCRIPTION	(2) PLANT BALANCE 12/31/2012	(3) CURRENT DEPRECIATION RATES	(4) ANNUAL DEPRECIATION EXPENSE
Mfg. Gas Produc. Plant:				
1	305 Struct. And Improvements	\$ 161,860	N/A	N/A
2	311 Liquefied Petro. Gas Equip.	274,189	N/A	N/A
3	320 Other Equipment	7,640	N/A	N/A
4	321 LNG Equipment	56,861	N/A	N/A
5	Total Mfg Gas Prod. Plant	\$ 500,550	N/A	N/A
Distribution Plant:				
6	375.2 Structures - City Gate Meas & Reg	45,256	3.66%	1,656
7	375.7 Structures - Other Dist Sys	2,801,489	0.25%	7,004
8	376.2 Mains - Coated/Wrapped	16,507,049	2.67%	440,738
9	376.3 Mains - Bare Steel	305,563	N/A	N/A
10	376.4 Mains - Plastic	56,703,863	2.64%	1,496,982
11	376.5 Mains - Joint Seals	542,145	14.69%	79,641
12	376.6 Mains - Cathodic Protection	535,735	8.41%	45,055
13	376.8 Mains - Cast Iron	59,688	N/A	N/A
14	378.2 Mea & Reg Station Eq, Regulating	2,092,466	2.25%	47,080
15	379 Mea & Reg Ta-G	19,835	2.25%	446
16	380 Services	37,710,079	3.61%	1,361,334
17	381 Meters	3,899,160	1.98%	77,203
18	382 Meter Installations	13,984,486	3.39%	474,074
19	383 House Regulators	389,444	3.12%	12,151
20	386 Water Heaters/Conversion Burners	1,393,758	5.07%	70,664
21	386.3 Diamond Boiler	1,148,341	N/A	N/A
22	Total Distribution Plant	\$ 138,138,358	3.01%	\$ 4,114,028
General Plant:				
23	391.10 Off Furn & Eq.- Unspecified	\$ 271,499	5.85%	\$ 15,883
24	391.11 Office Furn & Eq-Data Handling Eq	7,566	13.83%	1,046
25	393 Stores Equipment	31,520	N/A	N/A
26	394.10 Tools, Garage & Service Equipment	515,940	3.84%	19,812
27	394.30 Tools, Shop, & Garage Equipment	427,921	3.84%	16,432
28	396 Power Operated Equipment	75,266	5.56%	4,185
29	397 Communication Equipment	1,462,540	7.69%	112,469
30	397.35 Comm Eq, Itron Equip	2,421,953	7.37%	178,498
31	Total General Plant	\$ 5,214,204	6.72%	\$ 348,325
Transportation Equipment:				
32	392 Transportation Equipment	3,900	N/A	N/A
33	Total Depreciable Plant	\$ 143,857,012	3.15%	\$ 4,462,353
Non-Depreciable Plant:				
34	304.2 Land & Rights - Mfg Gas Prod. PI	\$ 6,816	N/A	N/A
35	374.4 Land Rgts, Other Distr Sy	89,111	N/A	N/A
36	374.5 Land Rgts, Rights Of Way	17,911	N/A	N/A
37	389.1 Land	232,947	N/A	N/A
38	Total Non-Depreciable Plant	\$ 346,785	N/A	N/A
Amortizable Plant:				
39	303 Misc Intangible Plant	2,829,156	N/A	N/A
40	Total Amortizable Plant	\$ 2,829,156	N/A	N/A
41	Total Plant in Service	\$ 147,032,953	3.15%	\$ 4,462,353
42	Test Year Expense			\$ 4,053,049
43	Increase In Depreciation Expense			\$ 409,304

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
CUSTOMER INFORMATION SYSTEM
12 MONTHS ENDED DECEMBER 31, 2012**

Sc

(1)

LINE NO.	DESCRIPTION
	Rate Base:
1	Decrease in Accumulated Depreciation Through 2012 to Reflect 13 Year Amortization
2	Increase in Accumulated Deferred Income Taxes Through 2012 to Reflect 13 Year Amortization ⁽¹⁾
	Operating Expenses:
3	Reduction in Amortization Expense to Reflect 13 Year Amortization

Notes

(1) In response to Staff 2-25

Schedule RevReq-3-19

(2)

TOTAL

\$ (133,741)

\$ 52,975

\$ (43,376)

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
2013 PROJECT ADDITIONS AMORTIZATION
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-20

LINE NO.	(1) DESCRIPTION	(2) PROJECT COST	(3) ANNUAL AMORTIZATION
1	Existing Asset Amortization		\$ 418,210
	Additional Projects to be completed in 2013:		
2	Bill Print Redesign & Outsource	1,473	295
3	InMaps Mobile Leak Survey	57,851	11,570
4	GIS Upgrade to 9.3	6,423	1,285
5	EMIS Enhancements	1,117	223
6	Capital Budget System Enhancements	1,097	219
7	GTRAC Adm	499	100
8	2012 Infrastructure	18,099	3,620
9	Internal System Upgrades	6,425	1,285
10	Operation System Enhancement	3,671	734
11	Field Data Acq	12,208	2,442
12	Accounting Sys Enhancements	2,796	559
13	Power Plan Lease and Property Tax	45,561	9,112
14	Total	157,220	449,654
	Test Year 2012 Amortization		
15	30-40-10-00-404-03-00 AMORTIZATION OF COMP SOFTWARE		393,580
16	Total		393,580
17	Adjustment to Test Year		\$ 56,075

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PLANT ACQUISITION ADJUSTMENTS PURSUANT TO DG 08-048 AND DG 08-079
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-21

LINE NO.	(1) DESCRIPTION	(2) AMOUNT
1	Transition and Transaction Cost Amortization	\$ (588,349)
2	Purchase Acquisition Adjustment Amortization	\$ 940,818
3	Total	\$ 352,468

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
SUPPLY BAD DEBT AMORTIZATION
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-22

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	Remove Supply Bad Debt Amortization	<u>\$ (100,402)</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PROPERTY TAXES
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-23
Page 1 of 2

LINE NO.	(1) MUNICIPALITY & STATE	(2) TAXATION PERIOD	(3) TOTAL ANNUALIZED TAXES ⁽¹⁾	(4) TOTAL TEST YEAR TAXES ACCRUED	(5) PROFORMA ADJUSTMENT (3)-(4)	(6) LOCAL TAX RATE	(7) ASSESSED VALUATION
1	Atkinson	4/1 - 3/31	4,571			\$ 16.56	276,000
2	Dover	7/1 - 6/30	326,837			\$ 23.46	14,761,600
3	Durham	1/1 - 12/31	173,084			\$ 27.96	6,190,400
4	East Kingston	4/1 - 3/31	12,719			\$ 22.31	570,100
5	Exeter	4/1 - 3/31	164,474			\$ 23.59	6,972,200
6	Greenland	4/1 - 3/31	6,311			\$ 12.99	485,800
7	Hampton--Class 4000	4/1 - 3/31	200,192			\$ 15.80	12,670,400
8	Hampton--Class 5000	4/1 - 3/31	102,408			\$ 16.41	6,240,600
9	Hampton Falls	4/1 - 3/31	521			\$ 17.77	29,327
10	Kensington	4/1 - 3/31	19,220			\$ 22.12	868,900
11	Madbury	4/1 - 3/31	6,967			\$ 22.82	305,300
12	Newington	4/1 - 3/31	16,342			\$ 6.53	2,502,600
13	North Hampton	4/1 - 3/31	6,763			\$ 14.27	473,900
14	Plaistow	4/1 - 3/31	74,756			\$ 22.64	2,221,560
15	Portsmouth	7/1 - 6/30	456,364			\$ 15.42	32,251,478
16	Rochester (Gonic & E. Rochester)	4/1 - 3/31	272,962			\$ 23.90	11,421,000
17	Rollinsford	4/1 - 3/31	1,390			\$ 24.13	56,700
18	Salem	4/1 - 3/31	139,884			\$ 18.04	7,754,100
19	Seabrook	4/1 - 3/31	141,614			\$ 12.70	11,150,700
20	Somersworth	4/1 - 3/31	128,885			\$ 28.15	4,578,500
21	Stratham	4/1 - 3/31	7,416			\$ 17.43	425,500
22	State Of NH	1/1 - 12/31	625,105			\$ 6.60	94,712,929
23	Total		<u>\$ 2,888,786</u>				<u>\$ 216,919,594</u>
24	Property Tax Increase ⁽²⁾		<u>0.00%</u>				
25	Total		<u>\$ 2,888,786</u>	<u>\$ 2,372,742</u>	<u>\$ 516,044</u>		

Notes

- (1) Based on final 2013 property tax bills
- (2) Property tax increase removed, property taxes have been updated through 2013

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PROPERTY TAX ESCALATION RATE
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-23
Page 2 of 2

LINE NO.	(1) DESCRIPTION	(2) 2012	(2) 2011	(2) 2010	(2) 2009	(3) 2008
1	Total Northern New Hampshire Property Taxes	\$2,372,742	\$2,163,249	\$1,490,429	\$1,166,449	\$1,220,860
2	Annual Percentage Change	9.68%	45.14%	27.77%	-4.46%	
3	Average Annual Percentage Change	19.54%				

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PAYROLL TAXES
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-24

(1)	(2)	(3)	(4)	
LINE NO.	DESCRIPTION	SOCIAL SECURITY	MEDICARE	TOTAL
1	Increase in O&M Payroll ⁽¹⁾	\$ 373,157	\$ 373,157	
	Less Amounts in Excess of Taxable Limit ⁽²⁾			
2	Northern Utilities - NH Division	(16,720)		
3	Unitil Service Corp .	(32,460)		
4	O&M Payroll Subject to Payroll Taxes	323,977	373,157	
5	Payroll Tax Rates	6.20%	1.45%	
6	Increase in Payroll Taxes	<u>\$ 20,087</u>	<u>\$ 5,411</u>	<u>\$ 25,497</u>

Notes

(1) Schedule RevReq 3-8

(2) Northern Utilities - NH Division and USC employees whose pay exceeds the 2013 wage limit of \$113,700 subject to social security tax.

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
COMPUTATION OF FEDERAL AND STATE INCOME TAXES
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-25
Page 1 of 4

LINE NO.	(1) DESCRIPTION	(2) Amount
	<u>Increases / (Decreases) To Revenue</u>	
1	Weather Normalization	\$ 891,894
2	Residential Low Income and Regulatory Assessment Costs	272,265
3	Unbilled Revenue	(643,156)
4	Revenue Annualization	343,282
5	Production Revenue	(19,991)
6	Non-Distribution Bad Debt	61,510
7	Special Contract Rate Increases	18,923
8	Year-End Customers	178,799
9	Total Revenue Adjustments	<u>\$ 1,103,525</u>
	<u>Increases / (Decreases) To Expenses</u>	
10	Production Expense (O&M)	\$ 75,757
11	Payroll	373,157
12	Labor Adjustment For Mutual Aid Workers	24,061
13	Distribution Bad Debt	104,148
14	Non-Distribution Bad Debt	61,510
15	Medical & Dental Insurances	74,266
16	Pension	28,165
17	PBOP	103,629
18	401K	3,327
19	Property & Liability Insurances	61,326
20	Audit Fees	4,001
21	Postage	3,343
22	Banking and Commitment Fees	(14,317)
23	NH PUC Assessment	62,252
24	NH PUC Audit	(32,345)
25	Liberty Lane ROE Adjustment	(22,366)
26	Depreciation Annualization	409,304
27	Production Expense (Depreciation)	46,754
28	Customer Information System Amortization	(43,376)
29	2013 Project Additions Amortization	56,075
30	Plant Acquisition	352,468
31	Supply Bad Debt Amortization	(100,402)
32	Property Taxes	516,044
33	Payroll Taxes	25,497
34	Flowthrough Net Operating Income	383,273
35	Change In Interest Exp (Refer To Schedule RevReq 3-25 Page 2)	(1,069,466)
36	Total Expense Adjustments	<u>\$ 1,486,085</u>
37	Increase / (Decrease) In Taxable Income	\$ (382,559)
38	Effective Federal Income Tax Rate ⁽¹⁾	31.11%
39	NH State Tax Rate ⁽²⁾	8.50%
	<u>Federal Income & NH State Tax</u>	
40	Effective Federal Income Tax	\$ (119,014)
41	NH State Tax	<u>(32,518)</u>
42	Increase (Decrease) In Income Taxes	<u>\$ (151,532)</u>
	<u>Notes</u>	
43	Federal Income Tax Rate	34.00%
44	Federal Benefit of State Tax -(Line 39 * Line 42)	-2.89%
45	(1) Effective Federal Income Tax Rate	<u>31.11%</u>
46	(2) State Income Tax Rate	8.50%

47 Northern New Hampshire Tax Rate (Line 41 + Line 42)

39.61%

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
CHANGE IN INTEREST EXPENSE APPLICABLE TO INCOME TAX COMPUTATION
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-3-25
Page 2 of 4

LINE NO.	(1) DESCRIPTION	(3) AMOUNT
1	Ratemaking Interest Synchronization	
2	Rate Base ⁽¹⁾	\$ 84,534,728
3	Cost Of Debt In Proposed Rate Of Return ⁽²⁾	3.36%
4	Interest Expense for Ratemaking	\$ 2,840,367
5	Test Year Interest Expense	
6	Interest Charges (427-432)	\$ 3,909,833
7	Increase / (Decrease) in Interest Expense	<u>\$ (1,069,466)</u>
	<u>Notes</u>	
8	(1) Schedule RevReq-5	
9	(2) Schedule RevReq-6	

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
COMPUTATION OF FEDERAL AND STATE INCOME TAXES
12 MONTHS ENDED DECEMBER 31, 2012

LINE NO	(1) DESCRIPTION	(2) TEST YEAR ACTUAL	(3) PRO-FORMA ADJUSTMENTS	(4) TEST YEAR UTILITY
1	Net Income	\$ 1,659,455	\$ (87,886)	\$ 1,571,569
2	Federal Income Tax-Current	22,706	-	22,706
3	NH State Income Tax-Current	(29,208)	-	(29,208)
4	NH State Business Enterprise Credit Against NH BPT	58,032	-	58,032
5	Deferred Federal Income Tax	863,854	-	863,854
6	Deferred State Income Tax	213,405	-	213,405
7	Net Income Before Income Taxes	2,788,244	(87,886)	2,700,358
	<u>Permanent Items</u>			
8	Drug Subsidies	(15,523)	-	(15,523)
9	Lobbying	55,698	-	55,698
10	Penalties	-	-	-
11	State Regulatory Asset Amortization	8,849	-	8,849
12	Unallowable Meals	235	-	235
13	Total Permanent Items	49,258	-	49,258
	<u>Temporary Differences</u>			
14	Accrued Revenue	4,850,014	-	4,850,014
15	Bad Debt	(138)	-	(138)
16	Deferred Rate Case	514,998	-	514,998
17	Insurance Claim Reserve	447	-	447
18	FASB 87-Pensions	(439,345)	-	(439,345)
19	Prepaid Property Taxes	13,485	-	13,485
20	Remediation	45,884	-	45,884
21	PBOP SFAS 106	386,283	-	386,283
22	Acquisition Costs	(352,468)	-	(352,468)
23	Utility Plant Differences	(5,307,486)	-	(5,307,486)
24	Total Temporary Differences	(288,325)	-	(288,325)
	<u>Investment Tax Credit Amortization</u>			
25	Unamortized ITC	(12,840)	-	(12,840)
26	Total Investment Tax Credit Amortization	(12,840)	-	(12,840)
	<u>Federal And State Tax Differences</u>			
27	Tax Depreciation	3,207,473	-	3,207,473
28	Total Federal And State Tax Differences	3,207,473	-	3,207,473
29	State Taxable Base Income	5,743,809	(87,886)	5,655,923
30	State Business Profits Tax - Current	488,224	(7,470)	480,753
31	Total State Tax Expense	488,224	(7,470)	480,753
32	Federal Taxable Income Base Before Federal And State Tax Differences	5,255,586	(80,416)	5,175,170
33	Less: Federal And State Tax Differences	3,207,473	-	3,207,473
34	Federal Taxable Income Base	2,048,113	(80,416)	1,967,697
35	Federal Income Tax-Current	696,358	(27,341)	669,017
	<u>Summary Of Utility Income Taxes:</u>			
36	Federal Income Tax-Current	669,017	-	669,017
37	Federal Income Tax-Prior	(673,653)	-	(673,653)
38	Amount To Non-Utility Operations	27,341	(27,341)	-
39	State Business Profits Tax-Current	480,753	-	480,753
40	State Business Profits Tax-Prior	(459,400)	-	(459,400)
41	Amount To Non-Utility Operations	7,470	(7,470)	-
42	Deferred Federal Income Tax	182,394	-	182,394
43	Deferred Federal Income Tax - Permanent Differences	7,807	-	7,807
44	Deferred Federal Income Tax-Prior	673,653	-	673,653
45	Deferred State Business Profits Tax	(248,128)	-	(248,128)
46	Deferred State Business Profits Tax - Permanent Differences	2,133	-	2,133
47	Deferred State Business Profits Tax-Prior	459,400	-	459,400
48	Total Income Taxes	\$ 1,128,789	\$ (34,812)	\$ 1,093,977

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
PRIOR YEAR INCOME TAXES
12 MONTHS ENDED DECEMBER 31, 2012**

**Schedule RevReq-3-25
Page 4 of 4**

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	Remove Prior Year Federal Income Taxes	\$ 673,653
2	Remove Prior Year State Income Taxes	459,400
3	Remove Prior Year Deferred Federal and State Income Taxes	(1,133,052)
3	Total	<u>\$ -</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
LOBBYING AND PENALTIES TAX
12 MONTHS ENDED DECEMBER 31, 2012**

Schedule RevReq-3-26

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	Reduce State Income Taxes Related to Lobbying and Penalty Taxes	\$ (4,734)
2	Reduce Federal Income Taxes Related to Lobbying and Penalty Taxes	\$ (17,328)
3	Total	<u>\$ (22,062)</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
ASSETS & DEFERRED CHARGES
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-4-1

LINE NO.	(1) Category	(3) New Hampshire	(2) Maine	(4) Common	(5) Consolidated December 31, 2012	(6) Consolidated December 31, 2011	(7) Consolidated December 31, 2010
1	<u>Gas Plant</u>						
2	In Service	\$ 147,032,953	\$ 170,856,857	\$ -	\$ 317,889,810	\$ 289,383,132	\$ 274,322,782
3	Construction Work in Progress	3,633,370	3,962,800	-	7,596,170	9,978,142	5,217,545
4	Cost of Removal	11,378,749	12,564,318	-	23,943,067	-	-
5	Less: Reserve for Depreciation	(52,486,893)	(47,346,707)	-	(99,833,600)	(94,428,269)	(90,533,045)
6	Total Gas Plant	109,558,179	140,037,269	-	249,595,448	204,933,006	189,007,283
7	<u>Other Property</u>						
8	Total Other Net Property	(5,566,503)	(6,910,024)	-	(12,476,527)	(14,701,550)	(18,032,809)
9	Total Other & Non Operating Plant	(5,566,503)	(6,910,024)	-	(12,476,527)	(14,701,550)	(18,032,809)
10	<u>Current Assets</u>						
11	Cash	1,613,456	329,628	51,037	1,994,120	2,841,950	1,350,001
12	Accounts Receivable - Gas	6,773,735	12,287,861	-	19,061,596	17,560,710	13,955,797
13	Accounts Receivable - Other	14,226	(39,769)	38,141	12,598	(34,672)	816,451
14	Uncollectible Accounts	(106,219)	(519,757)	-	(625,976)	(420,451)	(438,102)
15	Notes Receivable	-	-	854,925	854,925	879,618	701,862
16	Material and Supplies	1,483,199	545,551	-	2,028,750	1,332,979	1,156,295
17	Stores Expense Undistributed	90,818	85,886	-	176,703	314,717	65,425
18	Inventory	647,980	69,987	-	717,967	892,421	884,123
19	Prepayments	1,028,905	1,149,169	124,154	2,302,229	2,019,833	1,304,060
20	Miscellaneous Current Assets	12,567,616	4,287,466	-	16,855,082	19,861,662	15,046,203
21	Total	24,113,716	18,196,021	1,068,257	43,377,994	45,248,768	34,842,117
22	<u>Deferred Charges</u>						
23	Unamortized Debt Expense	-	-	798,220	798,220	876,233	962,393
24	Other - Deferred Debits	14,580,846	28,266,502	5,700	42,853,048	43,593,384	40,560,667
25	Total Deferred Charges	14,580,846	28,266,502	803,920	43,651,268	44,469,617	41,523,060
26	Total Assets & Deferred Charges	\$ 142,686,237	\$ 179,589,769	\$ 1,872,177	\$ 324,148,182	\$ 279,949,840	\$ 247,339,650

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
STOCKHOLDERS EQUITY & LIABILITIES
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-4-2

LINE NO.	(1) Category	(3) New Hampshire	(2) Maine	(4) Common	(5) Consolidated December 31, 2012	(6) Consolidated December 31, 2011	(7) Consolidated December 31, 2010
1	<u>Capitalization</u>						
2	Common Stock	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
3	Paid in Capital	-	-	113,199,000	113,199,000	73,199,000	73,199,000
4	Earned Surplus	1,659,455	4,048,185	(4,635,403)	1,072,237	(448,303)	(672,234)
5	Stockholders Equity	<u>1,659,455</u>	<u>4,048,185</u>	<u>108,564,597</u>	<u>114,272,237</u>	<u>72,751,697</u>	<u>72,527,766</u>
6	<u>Long Term Debt</u>						
7	Bonds and Notes	-	-	105,000,000	105,000,000	105,000,000	105,000,000
8	Total	<u>-</u>	<u>-</u>	<u>105,000,000</u>	<u>105,000,000</u>	<u>105,000,000</u>	<u>105,000,000</u>
9	<u>Current and Accrued Liabilities</u>						
10	Accounts Payable	343,056	386,456	20,944,393	21,673,905	24,723,033	19,803,252
11	Notes Payable to Associated Co.	-	-	32,791,607	32,791,607	54,906,730	29,050,170
12	A/P to Associated Co's	-	-	2,045,370	2,045,370	3,210,452	3,457,987
13	Customer Deposits	585,560	517,546	-	1,103,106	1,329,636	1,357,979
14	Dividends Declared	-	-	-	-	-	620,000
15	Interest Accrued	-	-	927,463	927,463	976,826	943,949
16	Other Tax Liabilities	64,486	133,356	35,301	233,143	33,850	1,157,822
17	Other Accrued Liabilities	1,096,580	1,415,119	175,068	2,686,767	3,450,450	2,083,891
18	Total	<u>2,089,682</u>	<u>2,452,478</u>	<u>56,919,201</u>	<u>61,461,361</u>	<u>88,630,976</u>	<u>58,475,049</u>
19	<u>Deferred Credits</u>						
20	Deferred Taxes In Rate Base	267,769	(2,631,422)	-	(2,363,653)	(8,526,105)	(8,206,713)
21	Other Deferred Taxes	(1,180,531)	1,633,637	-	453,106	4,510,657	6,750,850
22	Other Deferred Credits	21,940,188	23,384,943	-	45,325,131	17,582,614	12,792,699
23	Total	<u>21,027,426</u>	<u>22,387,158</u>	<u>-</u>	<u>43,414,584</u>	<u>13,567,166</u>	<u>11,336,836</u>
24	Total Stockholders Equity & Liabilities	<u>\$ 24,776,564</u>	<u>\$ 28,887,821</u>	<u>\$ 270,483,798</u>	<u>\$ 324,148,182</u>	<u>\$ 279,949,840</u>	<u>\$ 247,339,650</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
UTILITY PLANT IN SERVICE
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-4-3

LINE NO.	(1) Account Name	(2) CAPITAL 1/1	(3) ADDITIONS	(4) RETIREMENTS	(5) ADJ	(6) PLANT IN SERVICE 12/31	(7) COMPLETED CONSTRUCTION NOT CLASSIFIED 12/31
Mfg. Gas Produc. Plant:							
1	305 Struct. And Improvements	\$ 161,860	\$ -	\$ -	\$ -	\$ 161,860	\$ -
2	311 Liquefied Petro. Gas Equip.	274,189	-	-	-	274,189	-
3	320 Other Equipment	7,640	-	-	-	7,640	-
4	321 LNG Equipment	56,861	-	-	-	56,861	-
5	Total Mfg Gas Prod. Plant	500,550	-	-	-	500,550	-
Distribution Plant:							
6	375.2 Structures - City Gate Meas & Reg	45,256	-	-	-	45,256	-
7	375.7 Structures - Other Dist Sys	2,765,866	11,927	-	-	2,777,794	23,695
8	376.2 Mains - Coated/Wrapped	16,333,156	230,086	12,519	-	16,550,723	(43,673)
9	376.3 Mains - Bare Steel	332,293	4,323	31,053	-	305,563	-
10	376.4 Mains - Plastic	51,070,176	3,993,648	179,181	-	54,884,643	1,819,220
11	376.5 Mains - Joint Seals	542,145	-	-	-	542,145	-
12	376.6 Mains - Cathodic Protection	518,848	16,886	-	-	535,735	-
13	376.8 Mains - Cast Iron	69,320	1,487	11,119	-	59,688	-
14	378.2 Mea & Reg Station Eq, Regulating	1,801,208	477,013	215,717	-	2,062,504	29,963
15	379 Mea & Reg Ta-G	19,835	-	-	-	19,835	-
16	380 Services	31,515,740	4,331,537	231,687	-	35,615,590	2,094,490
17	381 Meters	3,233,268	167,354	97,752	-	3,302,870	596,290
18	382 Meter Installations	12,161,236	1,135,016	127,025	-	13,169,226	815,260
19	383 House Regulators	325,257	64,188	-	-	389,444	-
20	386 Water Heaters/Conversion Burners	1,313,477	69,222	63,105	-	1,319,594	74,164
21	386.3 Diamond Boiler	1,148,341	-	-	-	1,148,341	-
22	Total Distribution Plant	123,195,422	10,502,687	969,159	-	132,728,950	5,409,407
General Plant:							
23	391.10 Off Furn & Eq.- Unspecified	243,251	2,612	-	-	245,863	25,636
24	391.11 Office Furn & Eq-Data Handling Eq	7,566	-	-	-	7,566	-
25	391.12 Office Furn & Eq-Info Systems	-	-	-	-	-	-
26	393 Stores Equipment	31,520	-	-	-	31,520	-
27	394.10 Tools, Garage & Service Equipment	469,177	21,878	-	-	491,055	24,885
28	394.30 Tools, Shop, & Garage Equipment	424,711	3,210	-	-	427,921	-
29	396 Power Operated Equipment	75,266	-	-	-	75,266	-
30	397 Communication Equipment	1,104,312	229,645	993	-	1,332,964	16,920
31	397.25 Comm EQ, Metscan/Telemet	112,656	-	-	-	112,656	-
32	397.35 Comm EQ, Itron Equip	2,399,864	22,089	-	-	2,421,953	-
33	Total General Plant	4,868,323	279,434	993	-	5,146,764	67,441
Transportation Equipment:							
34	392 Transportation Equipment	5,436	-	1,536	-	3,900	-
35	Total Transportation Equipment	5,436	-	1,536	-	3,900	-
36	Total Depreciable Plant	\$ 128,569,731	\$ 10,782,121	\$ 971,688	\$ -	\$ 138,380,164	\$ 5,476,848
Non-Depreciable Plant:							
37	304.2 Land & Rights - Mfg Gas Prod. Pl	6,816	-	-	-	6,816	-
38	374.4 Land Rgts, Other Distr Sy	89,111	-	-	-	89,111	-
39	374.5 Land Rgts, Rights Of Way	17,911	-	-	-	17,911	-
40	389.1 Land	232,947	-	-	-	232,947	-
41	Total Non-Depreciable Plant	346,785	-	-	-	346,785	-
Amortizable Plant:							
42	303 Misc Intangible Plant	2,504,223	324,933	-	-	2,829,156	-
43	Total Amortizable Plant	2,504,223	324,933	-	-	2,829,156	-
44	Total Plant in Service	\$ 131,420,739	\$ 11,107,054	\$ 971,688	\$ -	\$ 141,556,105	\$ 5,476,848

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
ACCUMULATED DEPRECIATION & AMORTIZATION
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-4-4

LINE NO.	(1) Account Name	(2) RESERVE BALANCE 1/1	(3) RETIREMENTS	(4) ADJUSTMENTS	(5) COST OF REMOVAL	(6) SALVAGE	(7) DEPRECIATION	(8) RESERVE BALANCE 12/31
Mfg. Gas Produc. Plant:								
1	305 Struct. And Improvements	\$ 129,465	\$ -	\$ -	\$ -	\$ -	\$ -	129,465
2	311 Liquefied Petro. Gas Equip.	290,764	-	-	-	-	-	290,764
3	320 Other Equipment	2,756	-	-	-	-	-	2,756
4	321 LNG Equipment	56,611	-	-	-	-	-	56,611
5	Total Mfg Gas Prod. Plant	479,597	-	-	-	-	-	479,597
Distribution Plant:								
6	375.2 Structures - City Gate Meas & Reg	(5,606)	-	-	-	-	3,388	(2,218)
7	375.7 Structures - Other Dist Sys	769,503	-	-	-	-	(75,361)	694,142
8	376.2 Mains - Coated/Wrapped	2,022,456	12,519	-	39,686	-	406,814	2,377,065
9	376.3 Mains - Bare Steel	(232,202)	31,053	-	194,113	-	13,946	(443,421)
10	376.4 Mains - Plastic	20,918,187	179,181	-	139,965	1,011	1,032,978	21,633,030
11	376.5 Mains - Joint Seals	79,025	-	-	-	-	148,471	227,496
12	376.6 Mains - Cathodic Protection	194,560	-	-	-	-	66,671	261,231
13	376.8 Mains - Cast Iron	(159,950)	11,119	-	86,015	-	1,508	(255,575)
14	378.2 Mea & Reg Station Eq, Regulating	966,257	215,717	-	1,694	-	233	749,080
15	379 Mea & Reg Ta-G	330	-	-	-	-	446	777
16	380 Services	14,141,695	231,687	-	105,051	-	1,072,620	14,877,576
17	381 Meters	1,842,865	97,752	-	7,899	-	(25,568)	1,711,647
18	382 Meter Installations	4,401,834	127,025	-	22,286	-	464,066	4,716,589
19	383 House Regulators	59,614	-	-	-	-	12,674	72,288
20	386 Water Heaters/Conversion Burners	877,676	63,105	-	220	-	(66,157)	748,195
21	386.3 Diamond Boiler	1,148,341	-	-	-	-	-	1,148,341
22	Total Distribution Plant	47,024,588	969,159	-	596,928	1,011	3,056,730	48,516,242
General Plant:								
23	391.10 Off Furn & Eq.- Unspecified	88,905	-	-	-	-	(13,884)	75,021
24	391.11 Office Furn & Eq-Data Handling Eq	2,541	-	(2,337)	-	-	1,328	1,531
25	391.12 Office Furn & Eq-Info Systems	(2,337)	-	2,337	-	-	-	-
26	393 Stores Equipment	31,511	-	-	-	-	-	31,511
27	394.10 Tools, Garage & Service Equipment	257,551	-	-	-	-	(4,289)	253,262
28	394.30 Tools, Shop, & Garage Equipment	93,941	-	-	-	-	15,094	109,035
29	396 Power Operated Equipment	49,655	-	-	-	-	3,528	53,184
30	397 Communication Equipment	584,454	993	-	100	-	70,714	654,076
31	397.25 Comm EQ, Metscan/Telemet	64,944	-	-	-	-	10,376	75,320
32	397.35 Comm EQ, Itron Equip	960,774	-	-	-	-	210,588	1,171,361
33	Total General Plant	2,131,939	993	-	100	-	293,455	2,424,302
Transportation Equipment:								
34	392 Transportation Equipment	30,059	1,536	-	-	-	-	28,523
35	Total Transportation Equipment	30,059	1,536	-	-	-	-	28,523
Amortizable Plant:								
36	303 Misc Intangible Plant	644,650	-	-	-	-	393,580	1,038,229
37	Total Amortizable Plant	644,650	-	-	-	-	393,580	1,038,229
38	Total Accumulated Depreciation & Amortization	\$ 50,310,832	\$ 971,688	\$ -	\$ 597,027	\$ 1,011	\$ 3,743,765	\$ 52,486,893

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
RATE BASE
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-5

LINE NO.	DESCRIPTION	(1)	(2)	(3)	(4)
			RATE BASE AT DECEMBER 31, 2012	PRO FORMA ADJUSTMENTS	PRO FORMA RATE BASE AT DECEMBER 31, 2012
1	Utility Plant In Service		\$ 147,032,953	\$ 2,188,431	\$ 149,221,384
2	Less: Reserve for Depreciation		52,486,893	1,264,419	53,751,312
3	Net Utility Plant		94,546,060	924,011	95,470,071
4	Add: M&S Inventories		1,574,017	-	1,574,017
5	Cash Working Capital ⁽²⁾		205,885	14,815	220,700
6	Sub-Total		1,779,902	14,815	1,794,717
7	Less: Net Deferred Income Taxes		267,769	11,552,497	11,820,266
8	Customer Advances		324,234	-	324,234
9	Customers Deposits		585,560	-	585,560
10	Sub-Total		1,177,563	11,552,497	12,730,060
11	Rate Base		\$ 95,148,399	\$ (10,613,671)	\$ 84,534,728

Notes:

(1) Two Point Average

(2) Computed Working Capital Based on Test Year O&M Expenses

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
RATE BASE ITEMS

Schedule RevReq-5-1

LINE NO.	(1) DESCRIPTION	(2) DECEMBER 31 2012
	Utility Plant in Service	
1	Plant In Service	\$ 141,556,105
2	Completed Construction not Classified	5,476,848
3	Total Utility Plant in Service	<u>147,032,953</u>
4	Depreciation Reserve	\$ (52,486,893)
	Add:	
	M&S Inventories	
5	Material and Supplies	\$ 1,483,199
6	Stores Expense Undistributed	90,818
7	Total M&S Inventories	<u>\$ 1,574,017</u>
8	Cash Working Capital	\$ 205,885
	Less:	
	Total Deferred Income Taxes	
9	Def Inc Tax - Accel Depr	\$ 314,119
10	Def Inc Tax - FAS 87 / 106	(251,905)
11	Def Inc Tax - Bad Debt	(42,072)
12	Def Inc Tax - Prepaid Property Tax	180,339
13	Def Inc Tax - Def Rate Case Costs	40,117
14	Def Inc Tax - Unamort ITC (Acct 255)	35,225
15	Def Inc Tax - Accum Non-Current	(3,609)
16	Def Inc Tax - Insurance Claim	(4,445)
17	Total Deferred Income Taxes	<u>\$ 267,769</u>
18	Customer Advances	\$ 324,234
19	Customer Deposits	\$ 585,560
20	Rate Base	<u><u>\$ 95,148,399</u></u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
CASH WORKING CAPITAL
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-5-2

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) TEST YEAR ACTUAL	(4) PRO FORMA ADJUSTMENTS	(5) TEST YEAR PRO FORMA
1	Distribution O&M Expense	Schedule RevReq-2	\$ 9,877,887	\$ 744,256	\$ 10,622,143
2	Taxes and Interest Expense	Schedule RevReq-2	6,462,188	431,534	6,893,722
3	Total		\$ 16,340,075	\$ 1,175,790	\$ 17,515,865
4	Cash Working Capital Requirement:				
5	Other O&M Expense Days Lag (1) / 365	5 days	1.26%	1.26%	1.26%
6	Total Cash Working Capital	Line 5 X Line 3	\$ 205,885	\$ 14,815	\$ 220,700

Notes

7 (1) Based On Lead-Lag Study In Docket 11-069

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
SUPPLEMENTAL PLANT PRO FORMA ADJUSTMENT
12 MONTHS ENDED DECEMBER 31, 2012

Schedule RevReq-5-3

LINE NO.	(1) DESCRIPTION	(2) BALANCE 12/31/2012
	Plant In Service:	
	<u>New Hampshire</u>	
1	304 Land - Barberry Lane	\$ 6,816
2	305 Structures & Improvements	161,860
3	311 LP Gas Equipment	274,189
4	320 Other Equipment	7,640
5	321 LNG Equipment	56,861
6	Total NH	\$ 507,366
	<u>Maine</u>	
7	304 Land - Portland	\$ 101,108
8	305 Structures & Improvements	187,346
9	311 LP Gas Equipment	1,253,924
10	320 Other Equipment	62,375
11	360 Land - Lewiston	58,301
12	361 Structures & Improvements	376,184
13	362 Gas Holders	3,175,991
14	363 Other Equipment	87,313
15	Total ME	\$ 5,302,540
16	Total Plant In Service NH And ME	\$ 5,809,907
17	NH Allocation Via Annual Proportional Responsibility Factor	46.40% \$ 2,695,797
18	ME Allocation Via Annual Proportional Responsibility Factor	53.60% \$ 3,114,110
	Depreciation Reserve	
	<u>New Hampshire</u>	
19	305 Structures & Improvements	\$ 129,465
20	311 LP Gas Equipment	290,764
21	320 Other Equipment	2,756
22	321 LNG Equipment	56,611
23	Total NH	\$ 479,596
	<u>Maine</u>	
24	305 Structures & Improvements	\$ 70,714
25	311 LP Gas Equipment	921,203
26	320 Other Equipment	41,619
27	361 Structures & Improvements	106,266
28	362 Gas Holders	2,335,508
29	363 Other Equipment	91,983
30	Total ME	\$ 3,567,293
31	Total Depreciation Reserve NH And ME	\$ 4,046,889
32	NH Allocation Via Annual Proportional Responsibility Factor	46.40% \$ 1,877,757
33	ME Allocation Via Annual Proportional Responsibility Factor	53.60% \$ 2,169,133
	Supplemental Plant Adjustment	
34	NH Supplemental Plant Adjustment (Line 17 - Line 6)	\$ 2,188,431
35	ME Supplemental Plant Adjustment (Line 18 - Line 15)	\$ (2,188,431)
	Supplemental Depreciation Reserve Adjustment	
36	NH Supplemental Plant Adjustment (Line 32 - Line 23)	\$ 1,398,161
37	ME Supplemental Plant Adjustment (Line 33 - Line 30)	\$ (1,398,161)

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE
DEFERRED INCOME TAX PRO FORMA ADJUSTMENT
SETTLEMENT ADJUSTMENT PURSUANT TO DOCKET 2008-155
12 MONTHS ENDED DECEMBER 31, 2012**

LINE NO.	(1) DESCRIPTION	(2) DECEMBER 31 2012
1	Nisource Original Plant Federal and State DIT Basis	\$ 11,345,157
2	Unitil Acquired Plant Federal and State DIT Basis	4,021,648
3	Greater of Line 1 or Line 2 to be Utilized as DIT Basis per Stipulation	<u>\$ 11,345,157</u>
4	Post-Acquisition Capital Expenditures Federal and State DIT Basis	\$ 2,938,638
5	Net Operating Loss DIT Related to Rate Base at 12/31/12	(2,470,154)
6	Total Plant and Capex Federal and State DIT to be Used in Rate Base (Line 3 + Line 4 + Line 5)	<u>\$ 11,813,641</u>
7	Less Test Year: Def Inc Tax - Accel Depr	<u>314,119</u>
8	Required Pro Forma Adjustment (Line 6 - Line 7)	<u>\$ 11,499,522</u>

NORTHERN UTILITIES, INC.
WEIGHTED COST OF CAPITAL
DECEMBER 31, 2012 PRO FORMA

LINE NO.	(1) DESCRIPTION	(2) AMOUNT	(3) PROFORMA ADJUSTMENT	(4) PROFORMED AMOUNT	(5) WEIGHT	(6) COST OF CAPITAL	(7) WEIGHTED COST OF CAPITAL	(8) REFERENCE
1	Common Stock Equity	\$ 114,272,237	\$ -	\$114,272,237	51.76%	9.50%	4.92%	Schedule RevReq 6-1 and 6-2
2	Preferred Stock Equity	-	-	-	-	-	-	Schedule RevReq 6-1 and 6-3
3	Long Term Debt	105,000,000	-	105,000,000	47.56%	7.05%	3.35%	Schedule RevReq 6-1 and 6-4
4	Short Term Debt	1,515,793	-	1,515,793	0.69%	2.01%	0.01%	Schedule RevReq 6-1 and 6-5
5	Total	<u>\$ 220,788,030</u>	<u>\$ -</u>	<u>\$ 220,788,030</u>	<u>100.00%</u>		<u>8.28%</u>	

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NORTHERN - NEW HAMPSHIRE
GAS COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 2012

	ALLOC	TOTAL COMPANY	RESIDENTIAL HEATING RATE R-5 & R-10	RESIDENTIAL NON-HEATING RATE R-6 & R-11
SUMMARY OF RESULTS-1				
RATE BASE				
1		GAS PLANT IN SERVICE 149,221,384	64,581,423	3,395,612
2		LESS: DEPREC & AMORT RES 53,751,312	24,063,390	1,291,191
3		NET UTILITY PLANT IN SERVICE 95,470,072	40,518,033	2,104,421
ADD:				
4		WORKING CASH REQUIREMENT 220,700	103,104	4,670
5		MATERIALS & SUPPLIES 1,574,017	670,364	35,275
6		PREPAYMENTS 0	0	0
DEDUCT:				
7		CUSTOMER DEP, ADV & UNCLAIMED 909,794	311,201	11,887
8		DEFERRED TAXES 11,820,266	5,103,272	268,167
9		RATE BASE 84,534,729	35,877,028	1,864,312
DEVELOPMENT OF RETURN				
10		SALES OF GAS TO ULTIMATE CUST 51,249,172	24,249,559	676,908
11		OTHER OPERATING REVENUES 1,121,939	424,292	17,482
12		TOTAL GAS OPERATING REVENUES 52,371,112	24,673,851	694,391
LESS:				
13		PURCHASED GAS COSTS 27,844,478	13,339,211	297,054
14		OTHER OPER & MAINT EXPENSE 11,361,658	5,614,854	320,855
15		DEPRECIATION EXPENSE 4,911,394	2,286,592	129,543
16		OTHER TAXES 3,077,178	1,338,820	70,821
17		INCOME TAXES 920,384	375,703	(71,432)
18		INTEREST ON CUSTOMER DEPOSITS 18,239	5,544	165
19		TOTAL OPERATING EXPENSE 48,133,330	22,960,724	747,007
20		OPERATING INCOME 4,237,782	1,713,127	(52,616)
21		RATE OF RETURN 5.01%	4.77%	-2.82%
22		RELATIVE RATE OF RETURN 1.000	0.953	-0.563

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NORTHERN - NEW HAMPSHIRE
GAS COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 2012

	ALLOC	HIGH WINTER SMALL G-40 & T-40	LOW WINTER SMALL G-50 & T-50	HIGH WINTER MEDIUM G-41 & T-41	LOW WINTER MEDIUM G-51 & T-51	HIGH WINTER LARGE G-42 & T-42	LOW WINTER LARGE G-52 & T-52
SUMMARY OF RESULTS-1							
RATE BASE							
1		25,558,946	5,005,536	20,737,306	6,819,227	6,277,065	16,846,269
2		9,309,581	1,791,738	7,202,056	2,343,350	2,130,281	5,619,725
3		16,249,365	3,213,798	13,535,250	4,475,877	4,146,784	11,226,545
ADD:							
4		40,079	8,320	29,027	9,531	8,052	17,917
5		266,946	53,276	221,456	73,924	67,908	184,869
6		0	0	0	0	0	0
DEDUCT:							
7		272,019	57,412	138,869	45,386	18,727	54,293
8		2,023,744	396,158	1,645,755	540,560	499,654	1,342,955
9		14,260,627	2,821,824	12,001,109	3,973,385	3,704,362	10,032,082
DEVELOPMENT OF RETURN							
10		11,041,083	2,030,740	7,678,041	2,261,972	1,456,258	1,854,613
11		190,531	38,438	176,212	57,340	58,137	159,508
12		11,231,614	2,069,178	7,854,253	2,319,312	1,514,395	2,014,121
LESS:							
13		6,690,278	1,078,885	4,513,980	1,245,760	568,083	111,227
14		2,029,818	397,629	1,369,403	472,509	339,562	817,027
15		842,202	166,178	619,738	208,593	179,828	478,720
16		527,590	103,387	425,326	140,222	128,072	342,939
17		262,231	90,334	198,300	44,976	64,419	(44,147)
18		6,757	1,446	2,873	942	119	393
19		10,358,876	1,837,858	7,129,621	2,113,003	1,280,082	1,706,160
20		872,738	231,320	724,632	206,309	234,313	307,961
21		6.12%	8.20%	6.04%	5.19%	6.33%	3.07%
22		1.221	1.635	1.204	1.036	1.262	0.612

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NORTHERN - NEW HAMPSHIRE
GAS COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 2012

	ALLOC	TOTAL COMPANY	RESIDENTIAL HEATING RATE R-5 & R-10	RESIDENTIAL NON-HEATING RATE R-6 & R-11
REVENUE REQUIREMENTS-22				
PRESENT RATES				
1		84,534,729	35,877,028	1,864,312
2		4,237,782	1,713,127	(52,616)
3		5.01%	4.77%	-2.82%
4		1.000	0.953	-0.563
5		50,309,041	23,988,789	671,320
6		59,524,026	15,875,623	351,388
7		\$0.8452	\$1.5110	\$1.9105
CLAIMED RATE OF RETURN				
8		8.28%	8.28%	8.28%
9		6,999,476	2,970,618	154,365
10		54,882,139	26,071,073	1,014,061
11		4,573,098	2,082,284	342,741
12		9.09%	8.68%	51.05%
13		59,524,026	15,875,623	351,388
14		\$0.9220	\$1.6422	\$2.8859
15		\$0.0768	\$0.1312	\$0.9754

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NORTHERN - NEW HAMPSHIRE
GAS COST OF SERVICE STUDY
12 MONTHS ENDED DECEMBER 31, 2012

	ALLOC	HIGH WINTER SMALL G-40 & T-40	LOW WINTER SMALL G-50 & T-50	HIGH WINTER MEDIUM G-41 & T-41	LOW WINTER MEDIUM G-51 & T-51	HIGH WINTER LARGE G-42 & T-42	LOW WINTER LARGE G-52 & T-52
REVENUE REQUIREMENTS-22							
PRESENT RATES							
1		14,260,627	2,821,824	12,001,109	3,973,385	3,704,362	10,032,082
2		872,738	231,320	724,632	206,309	234,313	307,961
3		6.12%	8.20%	6.04%	5.19%	6.33%	3.07%
4		1.221	1.635	1.204	1.036	1.262	0.612
5		10,885,103	1,999,566	7,493,358	2,204,008	1,392,481	1,674,416
6		9,115,609	2,209,659	11,158,268	4,184,741	4,150,046	12,478,691
7		\$1.1941	\$0.9049	\$0.6716	\$0.5267	\$0.3355	\$0.1342
CLAIMED RATE OF RETURN							
8		8.28%	8.28%	8.28%	8.28%	8.28%	8.28%
9		1,180,780	233,647	993,692	328,996	306,721	830,656
10		11,395,190	2,003,420	7,938,896	2,407,166	1,512,383	2,539,949
11		510,088	3,854	445,537	203,158	119,902	865,533
12		4.69%	0.19%	5.95%	9.22%	8.61%	51.69%
13		9,115,609	2,209,659	11,158,268	4,184,741	4,150,046	12,478,691
14		\$1.2501	\$0.9067	\$0.7115	\$0.5752	\$0.3644	\$0.2035
15		\$0.0560	\$0.0017	\$0.0399	\$0.0485	\$0.0289	\$0.0694

NORTHERN - NEW HAMPSHIRE
Summary of Cost Study Results
Derivation of Base Rate Increase

		TOTAL COMPANY (1)
REVENUES FROM GAS SALES		
1	REVENUES FIRM SALES OF GAS	50,309,041
2	WEATHER ADJ NET REV SALES	741,796
3	WEATHER ADJ NET REV TRANS	150,098
4	CGA REVENUES	27,837,066
5	BASE REVENUE SALES	14,350,882
6	BASE REVENUE EXTERNAL SUPPLY	4,763,275
7	PRODUCTION REVENUES	739,354
8	CGA BAD DEBT CHARGES	282,630
9	LOW INCOME DISCOUNT	272,265
10	CGA BAD DEBT CHARGES FROM INCR	234,769
11	ANNUALIZATION ADJUSTMENT	778,097
12	PRODUCTION REVENUE ADJUSTMENT	(19,991)
13	YEAR END CUSTOMER ADJUSTMENT	178,799
<u>DELIVERY SERVICE</u>		
14	Total Delivery Service Revenue Requirements	25,594,330
15	Less: Present Rate Revenues Lines 2,3,5,6,9,11 & 13	21,235,213
16		
17	Increase Delivery Service	<u>4,359,117</u>
<u>PRODUCTION COMPONENT</u>		
18	Production Component Revenues Requirements	29,287,809
19	Less: Direct Gas Costs	27,837,066
20	Less: Production Bad Debt Expense	517,399
21	Total Indirect for Rate Design	<u>933,344</u>
22	Less: Present CGA Revenues in COS - Lines 7 & 12	<u>719,363</u>
23	Increase Production Revenues	<u>213,981</u>
<u>COMPONENTS OF INDIRECT GAS COSTS</u>		
24	LNG & LPG Excluding Bad Debts	420,658
25	Dispatching & Acquisition	319,311
26	Other A&G and Miscellaneous	193,375
27	Total Indirect Gas Costs	<u>933,344</u>
<u>TOTAL INCREASE DELIVERY & PRODUCTION</u>		
28	Increase Production Revenues	213,981
29	Increase Delivery Service Revenues	4,359,117
30	Total Increase	<u>4,573,098</u>

NORTHERN - NEW HAMPSHIRE
Summary of Cost Study Results
Derivation of Base Rate & Production Increase
12 MONTHS ENDED DECEMBER 31, 2012

		TOTAL COMPANY	BASE REVENUES	PRODUCTION REVENUES	
<u>Present Revenues</u>					
<u>Base Revenues</u>					
1	Base Revenues Sales	14,350,882	14,350,882		
2	Base Revenues External Supply	4,763,275	4,763,275		
3	Weather Adjustment Net Revenues	891,894	891,894		
4	Annualization & Customer Adjustment	956,896	956,896		
5	Low Income Discount	272,265	272,265		
6	Total Base Revenues	21,235,213	21,235,213	0	
<u>Production Revenues</u>					
7	CGA Revenues	27,837,066		27,837,066	Revenue & Expense added to COS
8	Production Revenues	719,363		719,363	
9	CGA Bad Debt Revenues	517,399		517,399	Revenue & Expense added to COS
10	Total Production Revenues	29,073,828	0	29,073,828	
11	Total Present Revenues for Rates	50,309,041	21,235,213	29,073,828	Line 6 & 10
12	Plus: Other Operating Revenues	2,062,071	1,995,703	66,367	
13	Total Present Operating Revenues	52,371,112	23,230,916	29,140,196	Line 11 & 12
14	Present Revenues per Revenue Req	24,016,647	23,230,916	785,730	Line 13 Less 7 & 9 Schedule RevReq-2 Page 2 of 2 Line 3
<u>Proposed Revenues</u>					
15	Total Present Revenues for Rates	50,309,041	21,235,213	29,073,828	Line 11
16	Rate Increase	4,573,098	4,359,117	213,981	
17	Revenue Requirements per COS	54,882,139	25,594,330	29,287,809	Line 15 & 16 Include CGA Gas Costs & CGA Bad Debts
18	Less: CGA Revenues	27,837,066	0	27,837,066	Line 7
19	Less: CGA Bad Debt Revenues	517,399	0	517,399	Line 9
20	Plus: Other Operating Revenues	2,062,071	1,995,703	66,367	Line 12
21	Proposed Revenues per Revenue Req	28,589,744	27,590,033	999,711	Schedule RevReq-2 Page 2 of 2 Line 3
<u>Base Rate Increase</u>					
22	Base Rate Revenue Requirements per COS	25,594,330	25,594,330		Line 17
23	Less: Present Base Rate Revenues	21,235,213	21,235,213		Line 11
24	Base Rate Increase	4,359,117	4,359,117		Line 22 Less 23
<u>Production Rate Increase</u>					
25	Production Revenue Requirements per COS	29,287,809		29,287,809	Line 17 Include CGA Gas Costs & CGA Bad Debts
26	Less: Present Production Revenues	29,073,828		29,073,828	Line 11
27	Production Revenue Increase	213,981		213,981	Line 25 Less 26
28	Total Increase	4,573,098	4,359,117	213,981	Line 24 & 27 Schedule RevReq-2 Page 2 of 2 Line 3
<u>Indirect Production Rev Requirement</u>					
29	Production Revenue Requirements per COS	29,287,809		29,287,809	Line 17 Include CGA Gas Costs & CGA Bad Debts
30	Less: CGA Revenue	27,837,066		27,837,066	Line 7
31	Less: CGA Bad Debt Revenue	517,399		517,399	Line 9
32	Total Indirect Production Rev Req	933,344		933,344	

NORTHERN - NEW HAMPSHIRE
Summary of Cost Study Results
Revenues Requirements

Line No. (1)	Rate Class			Sales Annual THERMS (5)	Transportation THERMS (6)	Gas Supply Revenue Reqmt (ACS)					Allocated Costs of Net Revenue Items					
	Size (2)	Load Factor (3)	Rate Class (4)			Production Capacity (7) from COSS	Commodity (8) from COSS	Total Gas Supply (9) =(6)+(7)	Direct Gas Costs (10) from COSS	Production Bad Debts (11) from COSS	Total Net Rev Items (12) =(9)-(10)-(11)	LP & LNG (13) from COSS	Dispatching & Acq Costs (14) from COSS	Other (15) from COSS	Other A&G and Misc. (16) =(17)-(13)-(14)-(15)	Total Net Rev Items (17) =(12)
1	Resi Ht	Low	R5&R10	15,613,309	0	\$200,305	\$13,819,279	14,019,584	13,335,679	248,122	435,783	200,305	\$152,970	\$0	82,508	435,783
2	Resi No-Ht	High	R6&R11	366,940	0	3,037	307,697	310,734	297,001	5,632	8,101	3,037	3,407	0	1,657	8,101
3	Low C&I	Low	G-40	7,374,273	1,635,916	113,812	6,934,969	7,048,780	6,688,274	120,479	240,027	113,812	76,719	0	49,497	240,027
4	Low C&I	High	G-50	1,597,416	586,689	7,270	1,122,882	1,130,152	1,078,757	23,719	27,676	7,270	12,374	0	8,032	27,676
5	Med C&I	Low	G-41	5,063,650	6,039,171	75,744	4,681,926	4,757,669	4,512,647	81,161	163,862	75,744	51,763	0	36,355	163,862
6	Med C&I	High	G-51	1,845,649	2,318,297	7,918	1,296,268	1,304,186	1,245,620	26,716	31,849	7,918	14,288	0	9,643	31,849
7	High C&I	Low	G-42	631,490	3,590,108	11,077	588,599	599,676	567,888	9,458	22,330	11,077	6,514	0	4,739	22,330
8	High C&I	High	G-53	171,893	12,521,948	1,495	115,532	117,028	111,201	2,111	3,716	1,495	1,276	0	945	3,716
9																
10																
11																
12	Total			32,664,621	26,692,129	420,658	28,867,151	29,287,809	27,837,066	517,399	933,344	420,658	319,311	0	193,375	933,344

Indirect Unit Cost per Sales Volum \$0.0286
Col 17/5

NORTHERN - NEW HAMPSHIRE

NORTHERN - NEW HAMPSHIRE
Summary of Cost Study Results
Revenues Requirements

Comparison of Revenue Requirements

Line No. (1)	Rate Class			Gas Costs for New Rates		Net Revenues in Base Rates				Total Revenues		Base Rate Impact (26) =(26)/(20)-1	Rate Base (27) from COSS	Base Rate Increase (28) =(26)-(20)
	Size (2)	Load Factor (3)	Rate Class (4)	Test Year Gas Revenues (18) Present Revs	Gas Supply Costs to Serve (19) =(10)+(17)	Present Base Revenues (20) from COSS	COSS Target Base Cust Rev (21) from COSS	COSS Target Base Dem&Uncoll (22) from COSS	COSS Target Rev @ EROR (23) =(21)+(22)	Total Present Revenues (24) =(19)+(20)	COSS Target Total Revenues (25) =(19)+(21)+(22)			
1	Resi Ht	Low	R5&R10	13,926,365	\$14,019,584	10,062,424	\$8,555,138	\$3,496,351	12,051,489	23,988,789	26,071,073	19.8%	35,877,028	1,989,065
2	Resi No-Ht	High	R6&R11	309,731	310,734	361,589	618,852	84,475	703,327	671,320	1,014,061	94.5%	1,864,312	341,738
3	Low C&I	Low	G-40	6,983,027	7,048,780	3,902,075	2,355,901	1,990,509	4,346,410	10,885,103	11,395,190	11.4%	14,260,627	444,335
4	Low C&I	High	G-50	1,130,194	1,130,152	869,372	473,538	399,730	873,268	1,999,566	2,003,420	0.4%	2,821,824	3,896
5	Med C&I	Low	G-41	4,710,151	4,757,669	2,783,207	837,799	2,343,427	3,181,226	7,493,358	7,938,896	14.3%	12,001,109	398,019
6	Med C&I	High	G-51	1,305,262	1,304,186	898,746	362,351	740,629	1,102,981	2,204,008	2,407,166	22.7%	3,973,385	204,235
7	High C&I	Low	G-42	592,634	599,676	799,847	104,341	808,366	912,707	1,392,481	1,512,383	14.1%	3,704,362	112,860
8	High C&I	High	G-53	116,463	117,028	1,557,953	139,208	2,283,713	2,422,921	1,674,416	2,539,949	55.5%	10,032,082	864,969
9														
10														
11														
12	Total			29,073,828	29,287,809	21,235,213	13,447,129	12,147,201	25,594,330	50,309,041	54,882,139	20.5%	84,534,729	4,359,117

**NU - NH DIVISION PROPOSED GAS RATE DESIGN SETTLEMENT
CONFIDENTIAL - CORRECTED MODIFIED**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	
			Existing Customer	Weather Normalized Sales			Existing Blocking		Winter Blocks		Summer Blocks		
		Annual Customers	Charge	Winter (Therms)	Summer (Therms)	Total Therms	Winter Therms	Summer Therms	First Therms	Second Therms	First Therms	Second Therms	
1													
2													
3													
4		CURRENT RATES SETTLEMENT											
5		(excl Special Contract)											
6													
7	R-5	Residential, Heating	242,818	\$13.73	12,226,200	2,884,638	15,110,838	50	50	5,200,624	7,025,576	2,586,330	298,307
8	R-10	Residential Heating, Low Income	14,011	\$13.73	624,213	140,573	764,785	50	50	332,822	291,390	130,105	10,467
9		Total Heating	256,829		12,850,413	3,025,210	15,875,623			5,533,447	7,316,967	2,716,436	308,774
10					80.94%	19.06%	100.00%			43.06%	56.94%	89.79%	10.21%
11													
12	R-6	Residential, Non-Heating	17,454	\$13.73	238,279	108,679	346,958	10	10	64,911	173,368	60,444	48,235
13	R-11	Residential Non-Heating, Low Income	216	\$13.73	3,216	1,215	4,430	10	10	1,108	2,107	704	511
14		Total Non-Heating	17,670		241,494	109,894	351,388			66,019	175,475	61,149	48,745
15					68.73%	31.27%	100.00%			27.34%	72.66%	55.64%	44.36%
16													
17	G-40/T-40	Low Annual, High Winter Use	56,106	\$31.40	7,746,930	1,368,679	9,115,609	75	75	1,685,725	6,061,205	656,308	712,371
18					84.99%	15.01%	100.00%			21.76%	78.24%	47.95%	52.05%
19	G-50/T-50	Low Annual, Low Winter Use	11,256	\$31.40	1,332,215	877,444	2,209,660	75	75	263,707	1,068,508	242,840	634,605
20					60.29%	39.71%	100.00%			19.79%	80.21%	27.68%	72.32%
21		Total Low Annual Use	67,362		9,079,145	2,246,124	11,325,269			1,949,431	7,129,713	899,148	1,346,976
22													
23													
24	G-41/T-41	Medium Annual, High Winter Use	6,735	\$94.21	8,963,471	2,194,797	11,158,267			8,963,471		2,194,797	
25					80.33%	19.67%	100.00%			100.00%		100.00%	
26	G-51/T-51	Medium Annual, Low Winter Use	2,873	\$94.21	2,473,058	1,711,682	4,184,741	1,300	1,000	1,482,895	990,163	1,085,861	625,821
27					59.10%	40.90%	100.00%			59.96%	40.04%	63.44%	36.56%
28		Total Medium Annual Use	9,608		11,436,529	3,906,479	15,343,008			10,446,366	990,163	3,280,658	625,821
29													
30													
31	G-42/T-42	High Annual, High Winter Use	304	\$314.05	2,814,928	1,335,117	4,150,045			2,814,928		1,335,117	
32					67.83%	32.17%	100.00%			100.00%		100.00%	
33	G-52/T-52	High Annual, Low Winter Use	372	\$314.05	7,315,701	5,162,991	12,478,692			7,315,701		5,162,991	
34					58.63%	41.37%	100.00%			100.00%		100.00%	
35		Total Large Annual Use	676		10,130,629	6,498,108	16,628,737			10,130,629		6,498,108	
36													
37													
38		Total	352,144		43,738,211	15,785,815	59,524,026			28,125,892	15,612,319	13,455,498	2,330,317
39					73.48%	26.52%	100.00%			64.31%	35.69%	85.24%	14.76%
40													
41													
42													
43		Notes:			Therm Percentage Seasonal to Annual Total						Therm Block Percentages to Seasonal Total		
44													
45													
46													
47													

**NU - NH DIVISION PROPOSED GAS RATE DESIGN SETTLEMEN
CONFIDENTIAL - CORRECTED MODIFIED**

	(A)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)	
		Existing Dist Charges Per Therm				Existing	Existing	Existing	Marginal Cost of Service Results			Percent	
		Winter		Summer		Cust Charge	Volumetric	Revenues	Existing	Equalized	Revenue	Increase	
		First	Second	First	Second	Revenues	Revenues	Revenues	ROR	8.28% Rev. Reg	to Equalize	Equal ROR	
1													
2													
3													
4		CURRENT RATES SETTLEMENT											
5		(excl Special Contract)											
6													
7	R-5	Residential, Heating	\$0.4410	\$0.3829	\$0.4410	\$0.4410	\$3,333,885	\$6,255,694	\$9,589,578				
8	R-10	Residential Heating, Low Income	\$0.4410	\$0.3829	\$0.4410	\$0.4410	\$192,372	\$320,341	\$512,713				
9		Total Heating	\$0.4410	\$0.3829	\$0.4410	\$0.4410	\$3,526,257	\$6,576,034	\$10,102,291	4.77%	\$13,064,109	\$2,961,818	29.32%
10						34.91%							
11													
12	R-6	Residential, Non-Heating	\$0.3296	\$0.3296	\$0.3296	\$0.3296	\$239,648	\$114,357	\$354,005				
13	R-11	Residential Non-Heating, Low Income	\$0.3296	\$0.3296	\$0.3296	\$0.3296	\$2,963	\$1,460	\$4,423				
14		Total Non-Heating	\$0.3296	\$0.3296	\$0.3296	\$0.3296	\$242,611	\$115,818	\$358,428	-2.82%	\$746,791	\$388,363	108.35%
15						67.69%							
16													
17	G-40/T-40	Low Annual, High Winter Use	\$0.2701	\$0.2226	\$0.2701	\$0.2226	\$1,761,716	\$2,140,381	\$3,902,098	6.12%	\$4,821,971	\$919,874	23.57%
18						45.15%							
19	G-50/T-50	Low Annual, Low Winter Use	\$0.2701	\$0.2226	\$0.2701	\$0.2226	\$353,446	\$515,931	\$869,377	8.20%	\$812,951	(\$56,426)	-6.49%
20						40.66%							
21		Total Low Annual Use						\$4,771,474			\$5,634,922	\$863,448	
22													
23													
24	G-41/T-41	Medium Annual, High Winter Use	\$0.2016		\$0.1557		\$634,460	\$2,148,766	\$2,783,226	6.04%	\$3,214,824	\$431,598	15.51%
25						22.80%							
26	G-51/T-51	Medium Annual, Low Winter Use	\$0.1849	\$0.1482	\$0.1325	\$0.1011	\$270,675	\$628,077	\$898,752	5.19%	\$752,946	(\$145,806)	-16.22%
27						30.12%							
28		Total Medium Annual Use						\$3,681,977			3,967,770	\$285,792	
29													
30													
31	G-42/T-42	High Annual, High Winter Use	\$0.1933		\$0.1200		\$95,471	\$704,340	\$799,811	6.33%	\$764,995	(\$34,815)	-4.35%
32						11.94%							
33	G-52/T-52	High Annual, Low Winter Use	\$0.1480		\$0.0694		\$116,848	\$1,441,035	\$1,557,883	3.07%	\$1,415,742	(\$142,141)	-9.12%
34						7.50%							
35		Total Large Annual Use						\$2,357,694			\$2,180,738	(\$176,956)	
36													
37													
38		Total					\$7,001,484	\$14,270,381	\$21,271,865	5.01%	\$25,594,330	\$4,322,465	20.32%
39						Existing \$	32.91%					150% cap	1.50
40						Proposed \$	27.36%					Capped incr. on Base \$\$	30.48%
41												50% cap	0.50
42												Capped Minimum Increase	10.16%
43													
44													
45													
46													
47													

Notes:

(1) Column (S) includes a weather adjustment - see Workpapers

(2) Column (T) source Schedule PMN-1G-2, Page 7, Column 23 and Schedule PMN-1G-6, Pages 5 and 6, Line 19.

**NU - NH DIVISION PROPOSED GAS RATE DESIGN SETTLEMENT
CONFIDENTIAL - CORRECTED MODIFIED**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	
	Marginal Cost Study												
48	CURRENT & PROPOSED RATES (excl Special Contract)	Annual Customers ⁽¹⁾	Existing Customer Charge	@ Company ROR Cust \$ ⁽²⁾	Proposed Customer Charges	Proposed Cust Chg Increase	Existing Dist Charges Per Therm				Existing Block Differential		
49							Winter		Summer		Winter	Summer	
50							First	Second	First	Second			
51													
52													
53	R-5	Residential, Heating	242,818	\$13.73		\$19.00	38.38%	\$0.4410	\$0.3829	\$0.4410	\$0.4410	\$0.0581	\$0.0000
54	R-10	Residential Heating, Low Income	14,011	\$13.73		\$19.00	38.38%	\$0.4410	\$0.3829	\$0.4410	\$0.4410	\$0.0581	\$0.0000
55		Total Heating	256,829		\$37.39	\$19.00		\$0.4410	\$0.3829	\$0.4410	\$0.4410		
56													
57													
58	R-6	Residential, Non-Heating	17,454	\$13.73		\$19.00	38.38%	\$0.3296	\$0.3296	\$0.3296	\$0.3296	\$0.0000	\$0.0000
59	R-11	Residential Non-Heating, Low Income	216	\$13.73		\$19.00	38.38%	\$0.3296	\$0.3296	\$0.3296	\$0.3296	\$0.0000	\$0.0000
60		Total Non-Heating	17,670		\$37.04	\$19.00		\$0.3296	\$0.3296	\$0.3296	\$0.3296		
61													
62													
63	G-40/T-40	Low Annual, High Winter Use	56,106	\$31.40	\$45.86	\$60.00	91.08%	\$0.2701	\$0.2226	\$0.2701	\$0.2226	\$0.0475	\$0.0475
64													
65	G-50/T-50	Low Annual, Low Winter Use	11,256	\$31.40	\$46.19	\$60.00	91.08%	\$0.2701	\$0.2226	\$0.2701	\$0.2226	\$0.0475	\$0.0475
66													
67		Total Low Annual Use	67,362										
68													
69													
70	G-41/T-41	Medium Annual, High Winter Use	6,735	\$94.21	\$101.35	\$175.00	85.76%	\$0.2016		\$0.1557			
71													
72	G-51/T-51	Medium Annual, Low Winter Use	2,873	\$94.21	\$101.97	\$175.00	85.76%	\$0.1849	\$0.1482	\$0.1325	\$0.1011	\$0.0367	\$0.0314
73													
74		Total Medium Annual Use	9,608										
75													
76													
77	G-42/T-42	High Annual, High Winter Use	304	\$314.05	\$201.95	\$1,000.00	218.42%	\$0.1933		\$0.1200			
78													
79	G-52/T-52	High Annual, Low Winter Use	372	\$314.05	\$206.50	\$1,000.00	218.42%	\$0.1480		\$0.0694			
80													
81		Total Large Annual Use	676										
82													
83													
84		Total	352,144										

Note:

(1) See Workpapers - existing revenues

(2) Schedule PMN-2G-2, Table 14, Page 1 of 2, Line 9

**NU - NH DIVISION PROPOSED GAS RATE DESIGN SETTLEMEN
CONFIDENTIAL - CORRECTED MODIFIED**

	(A)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)
48												
49	CURRENT & PROPOSED RATES	Proposed Charges					Proposed	Proposed		Existing		
50	(excl Special Contract)	Winter		Summer			Average	Block Differential		Block Differential		
51		<u>First</u>	<u>Second</u>	<u>First</u>	<u>Second</u>		<u>Rate</u>	<u>Winter</u>	<u>Summer</u>	<u>Winter</u>	<u>Summer</u>	
52												
53	R-5 Residential, Heating	\$0.5550	\$0.4540	\$0.4847	\$0.4847			\$0.1010	\$0.0000	\$0.0581	\$0.0000	
54	R-10 Residential Heating, Low Income	\$0.5550	\$0.4540	\$0.4847	\$0.4847			\$0.1010	\$0.0000	\$0.0581	\$0.0000	
55	Total Heating	\$0.5550	\$0.4540	\$0.4847	\$0.4847		\$0.4951					
56		25.85%	18.57%	9.91%	9.91%							
57												
58	R-6 Residential, Non-Heating	\$0.3749	\$0.3749	\$0.3749	\$0.3749			\$0.0000	\$0.0000	\$0.0000	\$0.0000	
59	R-11 Residential Non-Heating, Low Income	\$0.3749	\$0.3749	\$0.3749	\$0.3749			\$0.0000	\$0.0000	\$0.0000	\$0.0000	
60	Total Non-Heating	\$0.3749	\$0.3749	\$0.3749	\$0.3749		\$0.6962					
61		13.74%	13.74%	13.74%	13.74%							
62												
63	G-40/T-40 Low Annual, High Winter Use	\$0.1437	\$0.1437	\$0.1437	\$0.1437			\$0.0000	\$0.0000	\$0.0475	\$0.0475	
64		-46.80%	-35.44%	-46.80%	-35.44%							
65	G-50/T-50 Low Annual, Low Winter Use	\$0.1437	\$0.1437	\$0.1437	\$0.1437			\$0.0000	\$0.0000	\$0.0475	\$0.0475	
66		-46.80%	-35.44%	-46.80%	-35.44%		\$0.1394					
67	Total Low Annual Use											
68												
69												
70	G-41/T-41 Medium Annual, High Winter Use	\$0.1866		\$0.1443			\$0.1782					
71		-7.44%		-7.32%								
72	G-51/T-51 Medium Annual, Low Winter Use	\$0.1352	\$0.1102	\$0.1052	\$0.0852		\$0.1140	\$0.0250	\$0.0200	\$0.0367	\$0.0314	
73		-26.88%	-25.64%	-20.60%	-15.73%							
74	Total Medium Annual Use											
75												
76												
77	G-42/T-42 High Annual, High Winter Use	\$0.1569		\$0.0948			\$0.1369					
78		-18.83%		-21.00%								
79	G-52/T-52 High Annual, Low Winter Use	\$0.1370		\$0.0629			\$0.1063					
80		-7.43%		-9.37%								
81	Total Large Annual Use											
82												
83												
84	Total											
85												
86												
87												
88	Note:											
89	Block Percentages are Proposed Increase to Existing Charges from Page 2 of 8											

**NU - NH DIVISION PROPOSED GAS RATE DESIGN SETTLEMENT
CONFIDENTIAL - CORRECTED MODIFIED**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
		Cost Study			Accounting Cost of Service Results @ 8.28% Equalized ROR (1)				Marginal Cost of Service Results @ 8.28% Equalized ROR (2)			
	CURRENT & PROPOSED RATES (excl Special Contract)	Existing Customer Charge	Proposed Customer Charges	Proposed Cust Chg Increase	Revenue Total \$	Percent Increase	Customer \$/Mo/Cust	FAC Charge(3) \$/Mo/Cust	Revenue Total \$	Percent Increase	Customer \$/Mo/Cust	FAC Charge(3) \$/Mo/Cust
90								24.40%				24.40%
91												
92												
93												
94												
95	R-5 Residential, Heating	\$13.73	\$19.00	38.38%								
96	R-10 Residential Heating, Low Income	\$13.73	\$19.00	38.38%								
97	Total Heating				\$12,051,489	19.29%	\$33.31	\$2.92	\$13,064,109	29.32%	\$37.39	\$3.43
98												
99	R-6 Residential, Non-Heating	\$13.73	\$19.00	38.38%								
100	R-11 Residential Non-Heating, Low Income	\$13.73	\$19.00	38.38%								
101	Total Non-Heating				\$703,327	96.23%	\$35.02	\$0.91	\$746,791	108.35%	\$37.04	\$0.82
102												
103	G-40/T-40 Low Annual, High Winter Use	\$31.40	\$60.00	91.08%	\$4,346,410	11.39%	\$41.99	\$8.02	\$4,821,971	23.57%	\$45.86	\$9.97
104	G-50/T-50 Low Annual, Low Winter Use	\$31.40	\$60.00	91.08%	\$873,268	0.45%	\$42.07	\$7.99	\$812,951	-6.49%	\$46.19	\$6.52
105	Total Low Annual Use											
106												
107	G-41/T-41 Medium Annual, High Winter Use	\$94.21	\$175.00	85.76%	\$3,181,226	14.30%	\$124.39	\$79.14	\$3,214,824	15.51%	\$101.35	\$92.00
108	G-51/T-51 Medium Annual, Low Winter Use	\$94.21	\$175.00	85.76%	\$1,102,981	22.72%	\$126.12	\$58.19	\$752,946	-16.22%	\$101.97	\$39.11
109												
110												
111												
112	Proposed Revenue Recovery											
113												
114	Total Medium Annual Use											
115												
116	G-42/T-42 High Annual, High Winter Use	\$314.05	\$1,000.00	218.42%	\$912,707	14.12%	\$343.23	\$2,482.27	\$764,995	-4.35%	\$201.95	\$585.62
117	G-52/T-52 High Annual, Low Winter Use	\$314.05	\$1,000.00	218.42%	\$2,422,921	55.53%	\$374.22	\$5,730.76	\$1,415,742	-9.12%	\$206.50	\$922.69
118	Total Large Annual Use											
119												
120	Total				\$25,594,330	20.32%			\$25,594,330	20.32%		
121												
122												
123												
124												
125												
126												

Notes:

(1) Accounting Cost - Schedule PMN-1G-6, Pages 5 and 6 of 8, Lines 19 and 21.

(2) Marginal Cost - Schedule PMN-2G-2, Table 14, Page 1 of 2, Lines 6 and 9.

(3) Facilities Charge(FC): Accounting Study Schedule PMN-1G-6, Marginal Study Schedule PMN-2G-2, Table 14

**NU - NH DIVISION PROPOSED GAS RATE DESIGN SETTLEMENT
CONFIDENTIAL - CORRECTED MODIFIED**

	(A)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)	(W)
90												
91	CURRENT & PROPOSED RATES	Proposed Charges					Proposed Charges					
92	(excl Special Contract)	Winter		Summer			Block Differential					
93		<u>First</u>	<u>Second</u>	<u>First</u>	<u>Second</u>	<u>Total</u>	<u>Winter</u>	<u>Summer</u>	<u>First</u>	<u>Second</u>		
94												
95	R-5 Residential, Heating											
96	R-10 Residential Heating, Low Income											
97	Total Heating											
98												
99	R-6 Residential, Non-Heating											
100	R-11 Residential Non-Heating, Low Income											
101	Total Non-Heating											
102												
103	G-40/T-40 Low Annual, High Winter Use											
104	G-50/T-50 Low Annual, Low Winter Use											
105	Total Low Annual Use											
106												
107	G-41/T-41 Medium Annual, High Winter Use											
108	G-51/T-51 Medium Annual, Low Winter Use	1,482,895	990,163	1,085,861	625,821	4,184,741						
109		0.05	0.025	0.02								
110		\$74,145	\$24,754	\$21,717		\$120,616	\$477,253					
111		0.1352	0.1102	0.1052	0.0852		\$356,637	0.0250	0.0200	0.0300	0.0250	
112	Proposed Revenue Recovery	\$200,487	\$109,116	\$114,233	\$53,320	\$477,156						
113						\$477,156						
114	Total Medium Annual Use											
115												
116	G-42/T-42 High Annual, High Winter Use											
117	G-52/T-52 High Annual, Low Winter Use											
118	Total Large Annual Use											
119												
120	Total											
121												
122												
123												
124												
125												
126												

NU - NH DIVISION PROPOSED GAS RATE DESIGN SETTLEMEN
CONFIDENTIAL - CORRECTED MODIFIED

	(A)	(X)	(Y)	(Z)	(AA)	(AB)	(AC)	(AD)	(AE)	(AF)	(AG)
1		Proposed						Initial	Final	Embedded COS Results	
2		Increases	Shortfall \$	Class	Class %	Target Rev		Base	Base	Using Marginal Revenues	
3	CURRENT RATES SETTLEMENT	Capped @	Allocation	Increase	Increase to	Req for Class		Percent	Percent	Proposed	Existing
4	(excl Special Contract)	<u>30.48%</u>	<u>To Equal ROR</u>	<u>Increase</u>	<u>Total Dollars</u>			<u>Increase</u>	<u>Increase</u>	<u>Rate of Returns</u>	
5		10.16%	ADJ FAC							Page 6, Col.AE	
6				1							
7	R-5	Residential, Heating	\$2,811,499	(\$308,485)	\$2,503,014	57.91%	\$12,092,592	26.10%	26.05%		
8	R-10	Residential Heating, Low Income	\$150,319	(\$16,493)	\$133,825	3.10%	\$646,538	26.10%	27.04%		
9		Total Heating	\$2,961,818	(\$324,979)	\$2,636,839	61.00%	\$12,739,130	26.10%	26.10%	9.45%	4.77%
10											
11											
12	R-6	Residential, Non-Heating	\$107,901		\$107,901	2.50%	\$461,906	30.48%	30.42%		
13	R-11	Residential Non-Heating, Low Income	\$1,348		\$1,348	0.03%	\$5,771	30.48%	30.25%		
14		Total Non-Heating	\$109,249		\$109,249	2.53%	\$467,678	30.48%	30.42%	0.62%	-2.82%
15											
16											
17	G-40/T-40	Low Annual, High Winter Use	\$919,874	(\$100,931)	\$818,943	18.95%	\$4,721,040	20.99%		9.70%	6.12%
18											
19	G-50/T-50	Low Annual, Low Winter Use	\$88,329	(\$9,692)	\$78,637	1.82%	\$948,014	9.05%		10.85%	8.20%
20											
21		Total Low Annual Use	\$1,008,203	(\$110,623)	\$897,580	20.77%	\$5,669,054		18.81%		
22											
23											
24	G-41/T-41	Medium Annual, High Winter Use	\$431,598	(\$47,356)	\$384,242	8.89%	\$3,167,468	13.81%		8.21%	6.04%
25											
26	G-51/T-51	Medium Annual, Low Winter Use	\$91,314	(\$10,019)	\$81,294	1.88%	\$980,046	9.05%		6.40%	5.19%
27											
28		Total Medium Annual Use	\$522,912	(\$57,375)	\$465,537	10.77%	\$4,147,514		12.65%		
29											
30											
31	G-42/T-42	High Annual, High Winter Use	\$81,261	(\$8,916)	\$72,345	1.67%	\$872,156	9.05%		7.62%	6.33%
32											
33	G-52/T-52	High Annual, Low Winter Use	\$158,282	(\$17,367)	\$140,915	3.26%	\$1,698,797	9.05%		3.92%	3.07%
34											
35		Total Large Annual Use	\$239,543	(\$26,283)	\$213,260	4.93%	\$2,570,953		9.06%		
36											
37											
38		Total	\$4,841,725		\$4,322,465	100.00%	\$25,594,330	20.32%	20.32%	8.28%	5.01%
39			(\$519,260)								
40		\$ Rev shortfall			\$4,841,725						
41		due to cap									
42					Notes:						
43					(1) Column (Z) = Page 2 of 8 Columns (W) + Page 3 of 8 Column (X) + Column (AC)						
44					(2) Column (AB) = Page 2 of 8 Column (R) + Page 3 of 8 Column (Y)						
45					(3) Column (AC) = Page 3 of 8 Column (Y) / Page 2 of 8 Column (R)						
46					(4) Column (AD) Class Revenue Adjustment to 25.14% Increase						
47					(5) Column (AE) Reference Accounting Workpapers - Rate Design						
					(6) Column (AF) Reference PMN-1G-2, Pages 1 and 2, Line 21						

**NU - NH DIVISION PROPOSED GAS RATE DESIGN SETTLEMEN
CONFIDENTIAL - CORRECTED MODIFIED**

	(A)	(X)	(Y)	(Z)	(AA)	(AB)	(AC)	(AD)	(AE)	(AF)	(AG)
48											
49	CURRENT & PROPOSED RATES			Proposed Revenue Recovery				Total	Final	Class Target	Variance
50	(excl Special Contract)	Customer	Customer	Winter Therms		Summer Therms		Revenues	Proposed	Rev Req	due to
51		<u>Costs</u>	<u>Charges</u>	<u>First Block</u>	<u>Second Block</u>	<u>First Block</u>	<u>Second Block</u>	<u>@ Proposed</u>	<u>Increase</u>		<u>Rounding</u>
52								Rates			
53	R-5 Residential, Heating	\$9,078,534	\$4,613,533	\$2,886,346	\$3,189,612	\$1,253,594	\$144,589	\$12,087,675	26.05%		
54	R-10 Residential Heating, Low Income	\$523,851	\$266,211	\$184,716	\$132,291	\$63,062	\$5,073	\$651,354	27.04%		
55	Total Heating		\$4,879,744	\$3,071,063	\$3,321,903	\$1,316,656	\$149,663	\$12,739,029	26.10%	\$12,739,130	-\$101
56			38.31%	24.11%	26.08%	10.34%	1.17%	100.00%			
57											
58	R-6 Residential, Non-Heating	\$646,501	\$331,632	\$24,335	\$64,996	\$22,661	\$18,083	\$461,706	30.42%		
59	R-11 Residential Non-Heating, Low Income	\$7,993	\$4,100	\$416	\$790	\$264	\$191	\$5,761	30.25%		
60	Total Non-Heating		\$335,732	\$24,751	\$65,786	\$22,925	\$18,275	\$467,468	30.42%	\$467,678	-\$210
61			71.82%	5.29%	14.07%	4.90%	3.91%	100.00%			C&I ADJ FCTR
62											100.00%
63	G-40/T-40 Low Annual, High Winter Use	\$2,573,085	\$3,366,337	242,239	\$870,995	94,311	\$102,368	\$4,676,250	19.84%	\$4,721,040	
64			71.99%	5.18%	18.63%	2.02%	2.19%	100.00%			
65	G-50/T-50 Low Annual, Low Winter Use	\$519,929	\$675,374	37,895	\$153,545	34,896	\$91,193	\$992,902	14.21%	\$948,014	
66			68.02%	3.82%	15.46%	3.51%	9.18%	100.00%			
67	Total Low Annual Use		\$4,041,711	\$280,133	\$1,024,540	\$129,208	\$193,560	\$5,669,152	18.81%	\$5,669,054	\$98
68				0.0037							
69											
70	G-41/T-41 Medium Annual, High Winter Use	\$682,566	\$1,178,543	1,672,584		316,709		\$3,167,835	13.82%	\$3,167,468	
71			37.20%	52.80%		10.00%		100.00%			
72	G-51/T-51 Medium Annual, Low Winter Use	\$292,976	\$502,793	200,487	\$109,116	114,233	\$53,320	\$979,949	9.03%	\$980,046	
73			51.31%	20.46%	11.13%	11.66%	5.44%	100.00%			
74	Total Medium Annual Use		\$1,681,336	\$1,873,071	\$109,116	\$430,942	\$53,320	\$4,147,785	12.65%	\$4,147,514	\$271
75											
76											
77	G-42/T-42 High Annual, High Winter Use	\$61,392	\$304,000	\$441,662		\$126,569		\$872,231	9.05%	\$872,156	
78			34.85%	50.64%		14.51%		100.00%			
79	G-52/T-52 High Annual, Low Winter Use	\$76,832	\$372,067	\$1,002,251		\$324,752		\$1,699,070	9.06%	\$1,698,797	
80			21.90%	58.99%		19.11%		100.00%			
81	Total Large Annual Use		\$676,067	\$1,443,913		\$451,321		\$2,571,301	9.06%	\$2,570,953	\$348
82											
83											
84	Total	\$14,463,659	\$11,614,590	\$6,692,931	\$4,521,344	\$2,351,052	\$414,818	\$25,594,735	20.32%	\$25,594,330	\$405
85		56.51%	45.38%	26.15%	17.67%	9.19%	1.62%	100.00%			
86											
87											
88											
89											

Note:
Revenue Recovery by Proposed Rate Components as a Percent of Total Proposed Revenues.

**NU - NH DIVISION YEAR END CUSTOMER ADJUSTMENT
 PER STAFF 2-34 & OCA 1-28
 CONFIDENTIAL**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1												
2	WITHOUT YEAR END CUSTOMER ADJ	Filed	Existing	Weather Normalized Sales								
3	CURRENT RATES	Annual	Customer	Winter	Summer	Total						
4	(excl Special Contract)	<u>Customers</u>	<u>Charge</u>	<u>(Therms)</u>	<u>(Therms)</u>	<u>Therms</u>						
5												
6												
7	R-5	Residential, Heating	238,802	\$13.73	12,024,186	2,836,974						
8	R-10	Residential Heating, Low Income	13,779	\$13.73	613,899	138,250						
9		Total Heating	252,581		12,638,085	2,975,224						
10												
11												
12	R-6	Residential, Non-Heating	18,213	\$13.73	248,825	113,489						
13	R-11	Residential Non-Heating, Low Income	225	\$13.73	3,358	1,268						
14		Total Non-Heating	18,438		252,183	114,758						
15												
16												
17	G-40/T-40	Low Annual, High Winter Use	55,456	\$31.40	7,657,338	1,352,851						
18												
19	G-50/T-50	Low Annual, Low Winter Use	11,126	\$31.40	1,316,808	867,297						
20												
21		Total Low Annual Use	66,582		8,974,146	2,220,148						
22												
23												
24	G-41/T-41	Medium Annual, High Winter Use	6,701	\$94.21	8,918,931	2,183,891						
25												
26	G-51/T-51	Medium Annual, Low Winter Use	2,859	\$94.21	2,460,770	1,703,177						
27												
28		Total Medium Annual Use	9,560		11,379,700	3,887,068						
29												
30												
31	G-42/T-42	High Annual, High Winter Use	309	\$314.05	2,863,461	1,358,136						
32												
33	G-52/T-52	High Annual, Low Winter Use	379	\$314.05	7,441,833	5,252,008						
34												
35		Total Large Annual Use	688		10,305,295	6,610,144						
36												
37												
38		Total	347,848		43,549,409	15,807,342						
39												
40												
41												
42												
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47												

**NU - NH DIVISION YEAR END CUSTOMER ADJUSTMENT
 PER STAFF 2-34 & OCA 1-28
 CONFIDENTIAL**

	(A)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
1											
2	WITHOUT YEAR END CUSTOMER ADJ										
3	CURRENT RATES										
4	(excl Special Contract)										
5											
6											
7	R-5 Residential, Heating	50	50	5,114,694	6,909,492	2,543,596	293,378				
8	R-10 Residential Heating, Low Income	50	50	327,323	286,576	127,956	10,294				
9	Total Heating			5,442,017	7,196,068	2,671,552	303,673				
10											
11											
12	R-6 Residential, Non-Heating	10	10	67,784	181,041	63,120	50,369				
13	R-11 Residential Non-Heating, Low Income	10	10	1,157	2,200	735	533				
14	Total Non-Heating			68,941	183,242	63,855	50,903				
15											
16											
17	G-40/T-40 Low Annual, High Winter Use	75	75	1,666,230	5,991,108	648,718	704,133				
18											
19	G-50/T-50 Low Annual, Low Winter Use	75	75	260,657	1,056,151	240,032	627,265				
20											
21	Total Low Annual Use			1,926,887	7,047,259	888,750	1,331,398				
22											
23											
24	G-41/T-41 Medium Annual, High Winter Use			8,918,931		2,183,891					
25											
26	G-51/T-51 Medium Annual, Low Winter Use	1,300	1,000	1,475,527	985,243	1,080,465	622,712				
27											
28	Total Medium Annual Use			10,394,457	985,243	3,264,356	622,712				
29											
30											
31	G-42/T-42 High Annual, High Winter Use			2,863,461		1,358,136					
32											
33	G-52/T-52 High Annual, Low Winter Use			7,441,833		5,252,008					
34											
35	Total Large Annual Use			10,305,295		6,610,144					
36											
37											
38	Total			28,137,597	15,411,812	13,498,657	2,308,685				
39											
40											
41											
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45											
46											
47											

**NU - NH DIVISION YEAR END CUSTOMER ADJUSTMENT
 PER STAFF 2-34 & OCA 1-28
 CONFIDENTIAL**

	(A)	(W)	(X)	(Y)	(Z)	(AA)	(AB)	(AC)	(AD)	(AE)	(AF)	(AG)
1												
2	WITHOUT YEAR END CUSTOMER ADJ	Existing Dist Charges Per Therm				Existing	Existing	Existing				
3	CURRENT RATES	Winter		Summer		Cust Charge	Volumetric	Revenues				
4	(excl Special Contract)	<u>First</u>	<u>Second</u>	<u>First</u>	<u>Second</u>	<u>Revenues</u>	<u>Revenues</u>	<u>Revenues</u>				
5												
6												
7	R-5 Residential, Heating	\$0.4410	\$0.3829	\$0.4410	\$0.4410	\$3,278,745	\$6,152,330	\$9,431,076				
8	R-10 Residential Heating, Low Income	\$0.4410	\$0.3829	\$0.4410	\$0.4410	\$189,187	\$315,048	\$504,235				
9	Total Heating	\$0.4410	\$0.3829	\$0.4410	\$0.4410	\$3,467,932	\$6,467,378	\$9,935,310				
10												
11												
12	R-6 Residential, Non-Heating	\$0.3296	\$0.3296	\$0.3296	\$0.3296	\$250,069	\$119,419	\$369,487				
13	R-11 Residential Non-Heating, Low Income	\$0.3296	\$0.3296	\$0.3296	\$0.3296	\$3,087	\$1,525	\$4,611				
14	Total Non-Heating	\$0.3296	\$0.3296	\$0.3296	\$0.3296	\$253,155	\$120,944	\$374,099				
15												
16												
17	G-40/T-40 Low Annual, High Winter Use	\$0.2701	\$0.2226	\$0.2701	\$0.2226	\$1,741,306	\$2,115,628	\$3,856,934				
18												
19	G-50/T-50 Low Annual, Low Winter Use	\$0.2701	\$0.2226	\$0.2701	\$0.2226	\$349,364	\$509,965	\$859,328				
20												
21	Total Low Annual Use							\$4,716,262				
22												
23												
24	G-41/T-41 Medium Annual, High Winter Use	\$0.2016		\$0.1557		\$631,257	\$2,138,088	\$2,769,345				
25												
26	G-51/T-51 Medium Annual, Low Winter Use	\$0.1849	\$0.1482	\$0.1325	\$0.1011	\$269,356	\$624,956	\$894,312				
27												
28	Total Medium Annual Use							\$3,663,657				
29												
30												
31	G-42/T-42 High Annual, High Winter Use	\$0.1933		\$0.1200		\$97,041	\$716,483	\$813,525				
32												
33	G-52/T-52 High Annual, Low Winter Use	\$0.1480		\$0.0694		\$119,046	\$1,465,881	\$1,584,927				
34												
35	Total Large Annual Use							\$2,398,452				
36												
37												
38	Total					\$6,928,458	\$14,159,322	\$21,087,780				
39												
40												
41												
42												
43												
44												
45												
46												
47												

**NU - NH DIVISION YEAR END CUSTOMER ADJUSTMENT
 PER STAFF 2-34 & OCA 1-28
 CONFIDENTIAL**

	(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)
1												
2	WITH YEAR END CUSTOMER ADJ	Filed	Existing	Year-End	Year-End	Year-End	Weather Normalized Sales Y/E					
3	CURRENT RATES	Annual	Customer	Customer	Customer	Sales	Winter	Summer	Total			
4	(excl Special Contract)	<u>Customers</u>	<u>Charge</u>	<u>Adjustment</u>	<u>Customers</u>	<u>Adjustment</u>	<u>(Therms)</u>	<u>(Therms)</u>	<u>Therms</u>			
5												
6												
7	R-5	Residential, Heating	238,802	\$13.73	4,016	242,818	249,677	12,226,200	2,884,638	15,110,838		
8	R-10	Residential Heating, Low Income	13,779	\$13.73	232	14,011	12,637	624,213	140,573	764,785		
9		Total Heating	252,581		4,248	256,829	262,314	12,850,413	3,025,210	15,875,623		
10												
11												
12	R-6	Residential, Non-Heating	18,213	\$13.73	(759)	17,454	(15,356)	238,279	108,679	346,958		
13	R-11	Residential Non-Heating, Low Income	225	\$13.73	(9)	216	(196)	3,216	1,215	4,430		
14		Total Non-Heating	18,438		(768)	17,670	(15,552)	241,494	109,894	351,388		
15												
16												
17	G-40/T-40	Low Annual, High Winter Use	55,456	\$31.40	650	56,106	105,421	7,746,930	1,368,679	9,115,609		
18												
19	G-50/T-50	Low Annual, Low Winter Use	11,126	\$31.40	130	11,256	25,554	1,332,215	877,444	2,209,660		
20												
21		Total Low Annual Use	66,582		780	67,362	130,975	9,079,145	2,246,124	11,325,269		
22												
23												
24	G-41/T-41	Medium Annual, High Winter Use	6,701	\$94.21	34	6,735	55,446	8,963,471	2,194,797	11,158,267		
25												
26	G-51/T-51	Medium Annual, Low Winter Use	2,859	\$94.21	14	2,873	20,794	2,473,058	1,711,682	4,184,741		
27												
28		Total Medium Annual Use	9,560		48	9,608	76,240	11,436,529	3,906,479	15,343,008		
29												
30												
31	G-42/T-42	High Annual, High Winter Use	309	\$314.05	(5)	304	(71,552)	2,814,928	1,335,117	4,150,045		
32												
33	G-52/T-52	High Annual, Low Winter Use	379	\$314.05	(7)	372	(215,150)	7,315,701	5,162,991	12,478,692		
34												
35		Total Large Annual Use	688		(12)	676	(286,702)	10,130,629	6,498,108	16,628,737		
36												
37												
38		Total	347,848		4,296	352,144	167,275	43,738,211	15,785,815	59,524,026		
39												
40												
41												
42												
43												
44												
45												
46												
47												

**NU - NH DIVISION YEAR END CUSTOMER ADJUSTMENT
 PER STAFF 2-34 & OCA 1-28
 CONFIDENTIAL**

	(A)	(M)	(N)	(O)	(P)	(Q)	(R)	(S)	(T)	(U)	(V)
1											
2	WITH YEAR END CUSTOMER ADJ										
3	CURRENT RATES										
4	(excl Special Contract)										
5											
6											
7	R-5 Residential, Heating	50	50	5,200,624	7,025,576	2,586,330	298,307				
8	R-10 Residential Heating, Low Income	50	50	332,822	291,390	130,105	10,467				
9	Total Heating			5,533,447	7,316,967	2,716,436	308,774				
10											
11											
12	R-6 Residential, Non-Heating	10	10	64,911	173,368	60,444	48,235				
13	R-11 Residential Non-Heating, Low Income	10	10	1,108	2,107	704	511				
14	Total Non-Heating			66,019	175,475	61,149	48,745				
15											
16											
17	G-40/T-40 Low Annual, High Winter Use	75	75	1,685,725	6,061,205	656,308	712,371				
18											
19	G-50/T-50 Low Annual, Low Winter Use	75	75	263,707	1,068,508	242,840	634,605				
20											
21	Total Low Annual Use			1,949,431	7,129,713	899,148	1,346,976				
22											
23											
24	G-41/T-41 Medium Annual, High Winter Use			8,963,471		2,194,797					
25											
26	G-51/T-51 Medium Annual, Low Winter Use	1,300	1,000	1,482,895	990,163	1,085,861	625,821				
27											
28	Total Medium Annual Use			10,446,366	990,163	3,280,658	625,821				
29											
30											
31	G-42/T-42 High Annual, High Winter Use			2,814,928		1,335,117					
32											
33	G-52/T-52 High Annual, Low Winter Use			7,315,701		5,162,991					
34											
35	Total Large Annual Use			10,130,629		6,498,108					
36											
37											
38	Total			28,125,892	15,612,319	13,455,498	2,330,317				
39											
40											
41											
42											
43											
44											
45											
46											
47											

**Northern Utilities, Inc. - New Hampshire
 Capital Expenditures - Eligible Facilities
 2013 Step Adjustment**

Rate Base

Utility Plant Additions	\$ 8,323,916
Plus: Cost of Removal	<u>659,856</u>
2013 Capital Expenditures - Eligible Facilities	\$ 8,983,772
Less: Accumulated Depreciation	<u>109,876</u>
Net Utility Plant	\$ 8,873,896
Less: Accumulated Deferred Income Taxes (ADIT)	<u>36,598</u>
Rate Base	<u><u>\$ 8,837,298</u></u>

Revenue Requirement

Rate Base	\$ 8,837,298
Pre-Tax Rate of Return	<u>11.51%</u>
Return and Related Income Taxes	\$ 1,016,912
Depreciation Expense	219,751
Property Taxes (\$13.32 / \$1,000)	<u>118,200</u>
Revenue Requirement	<u><u>\$ 1,354,863</u></u>

Supporting Calculations

<u>Book Depreciation</u>	
Utility Plant Additions	\$ 8,323,916
Book Depreciation Rate	<u>2.64%</u>
Book Depreciation	\$ 219,751
<u>Tax Depreciation</u>	
Utility Plant Additions	\$ 8,323,916
Tax Depreciation Rate	<u>3.75%</u>
Tax Depreciation	\$ 312,147
Tax-Book Timing Difference	\$ 92,395
Income Tax Rate	<u>39.61%</u>
Accumulated Deferred Income Taxes (ADIT)	\$ 36,598
Accumulated Depreciation = Book Depreciation * 0.5	<u><u>\$ 109,876</u></u>

**Northern Utilities, Inc. - New Hampshire
 Capital Expenditures - Eligible Facilities
 Projected 2014 Step Adjustment**

Rate Base

Utility Plant Additions *	\$ 9,435,353
Plus: Cost of Removal	<u>-</u>
2014 Capital Expenditures - Eligible Facilities	\$ 9,435,353
Less: Accumulated Depreciation	<u>124,547</u>
Net Utility Plant	\$ 9,310,806
Less: Accumulated Deferred Income Taxes (ADIT)	<u>41,485</u>
Rate Base	<u><u>\$ 9,269,322</u></u>

Revenue Requirement

Rate Base	\$ 9,269,322
Pre-Tax Rate of Return	<u>11.51%</u>
Return and Related Income Taxes	\$ 1,066,625
Depreciation Expense	249,093
Property Taxes (\$13.32 / \$1,000)	<u>124,020</u>
Revenue Requirement	<u><u>\$ 1,439,738</u></u>

Supporting Calculations

<u>Book Depreciation</u>	
Utility Plant Additions	\$ 9,435,353
Book Depreciation Rate	<u>2.64%</u>
Book Depreciation	\$ 249,093
<u>Tax Depreciation</u>	
Utility Plant Additions	\$ 9,435,353
Tax Depreciation Rate	<u>3.75%</u>
Tax Depreciation	\$ 353,826
Tax-Book Timing Difference	\$ 104,732
Income Tax Rate	<u>39.61%</u>
Accumulated Deferred Income Taxes (ADIT)	\$ 41,485
Accumulated Depreciation = Book Depreciation * 0.5	<u><u>\$ 124,547</u></u>

* Reflects capital budget of \$10,302,107 less 8.4% estimate to remove gas services from budget for Gas Mains Extensions.

**Northern Utilities, Inc. - New Hampshire
 Capital Expenditures - Eligible Facilities
 Projected 2014 Step Adjustment (Capped)**

Rate Base

Utility Plant Additions	\$ 12,000,000
Plus: Cost of Removal	<u>-</u>
2014 Capital Expenditures - Eligible Facilities	\$ 12,000,000
Less: Accumulated Depreciation	<u>158,400</u>
Net Utility Plant	\$ 11,841,600
Less: Accumulated Deferred Income Taxes (ADIT)	<u>52,761</u>
Rate Base	<u><u>\$ 11,788,839</u></u>

Revenue Requirement

Rate Base	\$ 11,788,839
Pre-Tax Rate of Return*	<u>11.72%</u>
Return and Related Income Taxes	\$ 1,381,925
Depreciation Expense	316,800
Property Taxes (\$13.32 / \$1,000)	<u>157,730</u>
Revenue Requirement	<u><u>\$ 1,856,455</u></u>

Supporting Calculations

<u>Book Depreciation</u>	
Utility Plant Additions	\$ 12,000,000
Book Depreciation Rate	<u>2.64%</u>
Book Depreciation	\$ 316,800
<u>Tax Depreciation</u>	
Utility Plant Additions	\$ 12,000,000
Tax Depreciation Rate	<u>3.75%</u>
Tax Depreciation	\$ 450,000
Tax-Book Timing Difference	\$ 133,200
Income Tax Rate	<u>39.61%</u>
Accumulated Deferred Income Taxes (ADIT)	\$ 52,761
Accumulated Depreciation = Book Depreciation * 0.5	<u><u>\$ 158,400</u></u>

* Reflects 9.75% incentive return on equity

Northern Utilities, Inc. - New Hampshire
2013 Eligible Facilities Project Detail

Budget Category	Work Order	Install	Removal	Total	In Service Date
Gas Main Extensions over \$30,000					
JAB	N-003036-00135022 - 539 541 Peverly Hill Rd	\$ 2,978	\$ -	\$ 2,978	07/2013
JAB	N-003029-00135014 - 10 Marjorie St	1,534	-	1,534	08/2013
JAB	N-003030-00135015 - 2 Lantern Ln	-	-	-	08/2013
JAB	N-003045-00135029 - 183-185 International Dr	9,769	-	9,769	09/2013
JAB	N-003049-00135032 - Freeman Ct Dover NH	3,792	-	3,792	09/2013
JAB	N-003052-00135034 - 712 Lafayette Rd Seabrook NH	41,522	-	41,522	09/2013
JAB	N-003053-00135035 - 6 Sterling Hill Ln Exeter NH	30,458	-	30,458	09/2013
JAB	N-003054-00135036 - 4 Mohawk Dr Dover	13,683	-	13,683	09/2013
JAB	N-003058-00135041 - Smalls Ave Seabrook NH	113,861	-	113,861	09/2013
JAB	N-003059-00135042 - 14 Cleveland St Rochester NH	4,488	-	4,488	09/2013
JAB	N-003034-00135019 - 85 Innovation Dr Rochester NH	2,715	-	2,715	10/2013
JAB	N-003060-00135043 - 5 Towle Ave Exeter NH	7,127	-	7,127	10/2013
JAB	N-003063-00135047 - 1110 Maplewood Ave Portsmouth NH	737	-	737	10/2013
JAB	N-003076-00135058 - 100 Grove St Dover NH	4,976	-	4,976	10/2013
JAB	N-003040-00135024 - 13 Lilac Ln	6,989	-	6,989	11/2013
JAB	N-003043-00135027 - Mineral Park Housing	7,128	26,484	33,612	11/2013
JAB	N-003067-00135050 - 3 Spruce Ct Exeter NH	7,601	-	7,601	11/2013
JAB	N-003068-00135051 - 6 Smalls Ave Seabrook NH	2,404	-	2,404	11/2013
JAB	N-003072-00135054 - 20 Keefe Ave Hampton	14,153	-	14,153	11/2013
JAB	N-003064-00135048 - 100 Arboretum Dr Newington	3,992	-	3,992	12/2013
JAB	N-003069-00135052 - 72 Kingston Rd Exeter NH	5,133	-	5,133	12/2013
JAB	N-003073-00135055 - 10-12 Braemoor Woods Salem NH	2,782	-	2,782	12/2013
JAB	N-003080-00135063 - 131 Milton Rd Rochester NH	21,423	-	21,423	12/2013
JAB	N-003081-00135064 - 41 Old Dover Rd Rochester NH	-	-	-	12/2013
JAB	N-003082-00135065 - Mt Vernon St Dover NH	9,962	-	9,962	12/2013
JAB	N-003083-00135066 - 12 and 14 Apache St Dover Nh	2,638	-	2,638	12/2013
Total Gas Main Extensions over \$30,000		\$ 321,847	\$ 26,484	\$ 348,331	
Gas Main Extensions Carryover					
JAC	N-001059-00001197 - Cottages of Durham	\$ 309,214	\$ -	\$ 309,214	01/2013
JAC	N-002048-00001284 - 253 Rochester Neck Rd	626,762	-	626,762	10/2013
JAC	N-002050-00001286 - 650 Peverly Hill Rd	346,618	-	346,618	04/2013
JAC	N-002067-00001305 - 1-24 Jefferson Rd	5,599	-	5,599	01/2013
JAC	N-002072-00001310 - 300 Constitution Ave	33,035	-	33,035	05/2013
JAC	N-002075-00001313 - 475 South Broadway	31,327	-	31,327	01/2013
JAC	N-002077-00001315 - 176-178 Drakeside Rd	4,944	-	4,944	01/2013
Total Gas Main Extensions Carryover		\$ 1,357,501	\$ -	\$ 1,357,501	
NH Main Replacement Program					
JCB	N-003017-00135008 - Howe St	\$ 43,135	\$ 4,215	\$ 47,350	07/2013
JCB	N-003017-00135012 - Portland Ave/ Coexeter Sq	149,713	13,827	163,540	07/2013
JCB	N-003017-00135002 - Main St - Spinny Ave to Haseltine St	414,656	34,875	449,531	08/2013
JCB	N-003017-00135003 - Salem St, Oak St, Park St	205,337	20,333	225,670	09/2013
JCB	N-003017-00135023 - Park St	71,664	7,332	78,996	09/2013
JCB	N-003017-00135038 - Middle Rd Portsmouth NH	37,641	3,657	41,297	09/2013
JCB	N-003017-00135004 - Thornton St, Robin Ln, Folsom St, Wheelwright	287,961	28,414	316,375	10/2013
JCB	N-003017-00135010 - Union St/Hawthorne St	216,662	22,698	239,360	10/2013
JCB	N-003017-00135021 - Peverly Hill Rd	248,548	25,174	273,722	10/2013
JCB	N-003017-00135001 - Main St - Kingshaw to Elm	691,281	62,519	753,800	11/2013
JCB	N-003017-00135009 - John Parsons Dr	379,065	39,258	418,323	11/2013
JCB	N-003017-00135044 - Water St Exeter NH	68,033	6,304	74,337	11/2013
JCB	N-003017-00135059 - Palmer St, Biery St, Sicard St Hampton NH	94,832	9,667	104,499	11/2013
Total NH Main Replacement Program		\$ 2,908,527	\$ 278,272	\$ 3,186,800	
Gas Highway Projects City State					
JHB	N-003032-00135017 - Ocean Rd Bridge Greenland NH 03840	\$ 121,881	\$ 6,483	\$ 128,364	06/2013
JHB	N-003031-00135016 - Lafayette Rd @ Ledgewood Dr Portsmouth NH 03801	70,026	6,473	76,499	07/2013
JHB	N-003035-00135020 - Brock St Rochester NH	83,580	6,934	90,514	07/2013
JHB	N-003046-00135030 - Pond St	41,558	5,056	46,613	08/2013
JHB	N-003028-00135013 - Daniel St	497,574	43,773	541,347	09/2013
JHB	N-003042-00135026 - Marcy Street Portsmouth	155,089	18,504	173,592	09/2013
JHB	N-003044-00135028 - Lincoln Ave Phase 3	422,196	47,595	469,791	11/2013
JHB	N-003051-00135033 - Pelham Rd Salem NH	37,904	3,868	41,772	11/2013
JHB	N-003055-00135037 - Shattuck Way Newington	570,958	49,081	620,039	11/2013
JHB	N-003033-00135018 - High St and Market St Somersworth NH	1,203,425	114,693	1,318,118	12/2013
JHB	N-003062-00135046 - Middle Rd Bridge Portsmouth NH	86,707	6,608	93,315	12/2013
JHB	N-003079-00135062 - Pelham Rd Salem - Policy St end	10,353	-	10,353	12/2013
JHO	N-002059-00001297 - Pleasant St	434,790	46,033	480,824	01/2013
Total Gas Highway Projects City State		\$ 3,736,041	\$ 355,100	\$ 4,091,141	
Total Closed to Plant		\$ 8,323,916	\$ 659,856	\$ 8,983,772	

Northern Utilities Inc. - New Hampshire Division
 Settlement Agreement - Temporary Rates and Step Adjusted Rates

Billing Determinants - Test Year Ending Annualized

Rate Class	Annual Customers	Winter Blocks		Summer Blocks		Total Therms
		First Therms	Excess Therms	First Therms	Excess Therms	
R-5 Residential, Heating	242,818	5,200,624	7,025,576	2,586,330	298,307	15,110,838
R-10 Residential Heating, Low Income	14,011	332,822	291,390	130,105	10,467	764,785
R-6 Residential, Non-Heating	17,454	64,911	173,368	60,444	48,235	346,958
R-11 Residential Non-Heating, Low Income	216	1,108	2,107	704	511	4,430
G-40/T-40 Low Annual, High Winter Use	56,106	1,685,725	6,061,205	656,308	712,371	9,115,609
G-50/T-50 Low Annual, Low Winter Use	11,256	263,707	1,068,508	242,840	634,605	2,209,660
G-41/T-41 Medium Annual, High Winter Use	6,735	8,963,471		2,194,797		11,158,267
G-51/T-51 Medium Annual, Low Winter Use	2,873	1,482,895	990,163	1,085,861	625,821	4,184,741
G-42/T-42 High Annual, High Winter Use	304	2,814,928		1,335,117		4,150,045
G-52/T-52 High Annual, Low Winter Use	372	7,315,701		5,162,991		12,478,692
Total	352,144	28,125,892	15,612,319	13,455,498	2,330,317	59,524,026

Permanent Settlement Rates Effective May 1, 2014 - Prior to Step Adjustment

Rate Class	Customers Charge	Winter Blocks		Summer Blocks		Revenue
		First Therms \$/thm	Excess Therms \$/thm	First Therms \$/thm	Excess Therms \$/thm	
R-5 Residential, Heating	\$19.00	\$0.5550	\$0.4540	\$0.4847	\$0.4847	\$12,087,675
R-10 Residential Heating, Low Income	\$19.00	\$0.5550	\$0.4540	\$0.4847	\$0.4847	\$651,354
Discount*	<u>-\$11.40</u>	<u>-\$0.3330</u>	<u>-\$0.2724</u>	<u>-\$0.2908</u>	<u>-\$0.2908</u>	
Total Residential Heating, Low Income	\$7.60	\$0.2220	\$0.1816	\$0.1939	\$0.1939	
R-6 Residential, Non-Heating	\$19.00	\$0.3749	\$0.3749	\$0.3749	\$0.3749	\$461,706
R-11 Residential Non-Heating, Low Income	\$19.00	\$0.3749	\$0.3749	\$0.3749	\$0.3749	\$5,761
Discount*	<u>-\$5.19</u>	<u>-\$0.0907</u>	<u>-\$0.0907</u>	<u>-\$0.0907</u>	<u>-\$0.0907</u>	
Total Residential Non-Heating, Low Income	\$13.81	\$0.2842	\$0.2842	\$0.2842	\$0.2842	
G-40/T-40 Low Annual, High Winter Use	\$60.00	\$0.1437	\$0.1437	\$0.1437	\$0.1437	\$4,676,250
G-50/T-50 Low Annual, Low Winter Use	\$60.00	\$0.1437	\$0.1437	\$0.1437	\$0.1437	\$992,902
G-41/T-41 Medium Annual, High Winter Use	\$175.00	\$0.1866		\$0.1443		\$3,167,835
G-51/T-51 Medium Annual, Low Winter Use	\$175.00	\$0.1352	\$0.1102	\$0.1052	\$0.0852	\$979,949
G-42/T-42 High Annual, High Winter Use	\$1,000.00	\$0.1569		\$0.0948		\$872,231
G-52/T-52 High Annual, Low Winter Use	\$1,000.00	\$0.1370		\$0.0629		\$1,699,070
Total						\$25,594,735

Northern Utilities Inc. - New Hampshire Division
 Settlement Agreement - Temporary Rates and Step Adjusted Rates

May 1, 2014 Step 1 Increase \$1,354,863
May 1, 2014 Step 1 Percent Increase 5.29%

Permanent Settlement Rates Effective May 1, 2014 - Including Step 1 Adjustment

Rate Class	Customers	Winter Blocks		Summer Blocks		Revenue	
		Charge	First Therms \$/thm	Excess Therms \$/thm	First Therms \$/thm		Excess Therms \$/thm
R-5 Residential, Heating		\$20.01	\$0.5844	\$0.4780	\$0.5104	\$0.5104	\$12,727,539
R-10 Residential Heating, Low Income		\$20.01	\$0.5844	\$0.4780	\$0.5104	\$0.5104	\$685,834
Discount*		<u>-\$12.00</u>	<u>-\$0.3506</u>	<u>-\$0.2868</u>	<u>-\$0.3062</u>	<u>-\$0.3062</u>	
Total Residential Heating, Low Income		\$8.00	\$0.2338	\$0.1912	\$0.2041	\$0.2041	
R-6 Residential, Non-Heating		\$20.01	\$0.3947	\$0.3947	\$0.3947	\$0.3947	\$486,147
R-11 Residential Non-Heating, Low Income		\$20.01	\$0.3947	\$0.3947	\$0.3947	\$0.3947	\$6,066
Discount*		<u>-\$5.46</u>	<u>-\$0.0955</u>	<u>-\$0.0955</u>	<u>-\$0.0955</u>	<u>-\$0.0955</u>	
Total Residential Non-Heating, Low Income		\$14.54	\$0.2993	\$0.2993	\$0.2993	\$0.2993	
G-40/T-40 Low Annual, High Winter Use		\$63.18	\$0.1513	\$0.1513	\$0.1513	\$0.1513	\$4,923,788
G-50/T-50 Low Annual, Low Winter Use		\$63.18	\$0.1513	\$0.1513	\$0.1513	\$0.1513	\$1,045,461
G-41/T-41 Medium Annual, High Winter Use		\$184.26	\$0.1965		\$0.1519		\$3,335,525
G-51/T-51 Medium Annual, Low Winter Use		\$184.26	\$0.1424	\$0.1160	\$0.1108	\$0.0897	\$1,031,823
G-42/T-42 High Annual, High Winter Use		\$1,052.94	\$0.1652		\$0.0998		\$918,403
G-52/T-52 High Annual, Low Winter Use		\$1,052.94	\$0.1443		\$0.0662		\$1,789,010
Total							\$26,949,598

Northern Utilities Inc. - New Hampshire Division
 Settlement Agreement - Temporary Rates and Step Adjusted Rates

May 1, 2015 Step 2 Increase (Projected)** \$1,856,455
May 1, 2015 Step 2 Percent Increase (Projected)** 6.89%

Permanent Settlement Rates Effective May 1, 2015 - Including Step 2 Adjustment

Rate Class	Customers	Winter Blocks		Summer Blocks		Revenue
		Charge	First Therms \$/thm	Excess Therms \$/thm	First Therms \$/thm	
R-5 Residential, Heating	\$21.38	\$0.6246	\$0.5110	\$0.5455	\$0.5455	\$13,604,291
R-10 Residential Heating, Low Income	\$21.38	\$0.6246	\$0.5110	\$0.5455	\$0.5455	\$733,078
Discount*	<u>-\$12.83</u>	<u>-\$0.3748</u>	<u>-\$0.3066</u>	<u>-\$0.3273</u>	<u>-\$0.3273</u>	
Total Residential Heating, Low Income	\$8.55	\$0.2499	\$0.2044	\$0.2182	\$0.2182	
R-6 Residential, Non-Heating	\$21.38	\$0.4219	\$0.4219	\$0.4219	\$0.4219	\$519,636
R-11 Residential Non-Heating, Low Income	\$21.38	\$0.4219	\$0.4219	\$0.4219	\$0.4219	\$6,484
Discount*	<u>-\$5.84</u>	<u>-\$0.1020</u>	<u>-\$0.1020</u>	<u>-\$0.1020</u>	<u>-\$0.1020</u>	
Total Residential Non-Heating, Low Income	\$15.54	\$0.3199	\$0.3199	\$0.3199	\$0.3199	
G-40/T-40 Low Annual, High Winter Use	\$67.53	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$5,262,970
G-50/T-50 Low Annual, Low Winter Use	\$67.53	\$0.1617	\$0.1617	\$0.1617	\$0.1617	\$1,117,479
G-41/T-41 Medium Annual, High Winter Use	\$196.96	\$0.2100		\$0.1624		\$3,565,297
G-51/T-51 Medium Annual, Low Winter Use	\$196.96	\$0.1522	\$0.1240	\$0.1184	\$0.0959	\$1,102,901
G-42/T-42 High Annual, High Winter Use	\$1,125.47	\$0.1766		\$0.1067		\$981,668
G-52/T-52 High Annual, Low Winter Use	\$1,125.47	\$0.1542		\$0.0708		\$1,912,249
Total						\$28,806,053

* Revenues associated with the low income discounts are reconciled and recovered in the Residential Low Income Assistance and Regulatory Assessment Clause (RLIARA). Discounts are based on the same discounts as in current permanent distribution rates (prior to temporary rate adjustment).

** Based on \$12,000,000 Capital Expenditures, Capped and ROE of 9.75%

Calculation of Recoupment														Total
	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Estimate	
	Jul ⁽¹⁾	Aug	Sep	Oct	Summer	Nov	Winter	Dec	Jan	Feb	Mar	Apr	May ⁽²⁾	
115	Revenue (Units x Permanent Rates):													
116	Dist Cust Chg Revenue													
117														
118	\$ 10,849	\$ 28,291	\$ 30,685	\$ 30,286	\$ 19,095	\$ 10,374	\$ 29,355	\$ 29,125	\$ 29,092	\$ 29,040	\$ 28,989	\$ 17,822	\$ 293,003	
119	83	138	152	97	55	41	97	110	110	124	138	69	1,215	
120	162,260	389,405	387,220	388,322	243,637	148,694	394,934	407,061	406,885	407,403	407,537	237,443	3,980,801	
121	4,051	8,276	8,026	7,608	4,271	3,215	8,436	7,805	8,170	8,459	8,596	4,416	81,328	
122	G/T 40	118,080	280,140	279,300	281,160	173,520	112,500	291,300	295,214	296,118	295,596	293,977	170,280	2,887,186
123	G/T 50	21,720	52,620	52,920	53,760	31,800	19,740	50,940	52,947	52,961	52,975	52,929	30,900	526,213
124	G/T 41	43,225	95,200	98,700	98,875	58,800	40,250	99,750	102,133	102,564	102,581	102,398	56,000	1,000,476
125	G/T 51	18,375	45,150	44,625	44,450	27,650	18,025	45,325	46,954	46,830	46,878	46,927	28,000	459,189
126	G/T 42	22,000	25,000	23,000	24,000	5,000	19,000	24,000	27,794	27,920	28,015	28,097	4,000	257,826
127	G/T 52	32,000	34,000	29,000	30,000	2,000	26,000	30,000	37,423	37,493	37,561	37,629	2,000	335,106
128	Total	\$ 432,643	\$ 958,221	\$ 953,628	\$ 958,557	\$ 565,828	\$ 397,839	\$ 974,137	\$ 1,006,567	\$ 1,008,143	\$ 1,008,632	\$ 1,007,217	\$ 550,930	\$ 9,822,341
129	Dist Therms Revenue													
130														
131	\$ 2,278	\$ 5,950	\$ 5,878	\$ 6,244	\$ 5,672	\$ 3,535	\$ 12,712	\$ 17,977	\$ 19,002	\$ 16,032	\$ 13,696	\$ 5,261	\$ 114,236	
132	R6	16	37	36	34	42	25	94	28	27	41	19	412	
133	R5	61,614	149,568	156,110	208,683	344,403	262,634	1,140,553	1,382,650	1,476,594	1,237,458	892,068	245,568	7,557,903
134	R10	1,337	2,769	2,897	3,878	5,770	5,243	21,424	25,655	29,275	26,629	18,906	5,881	149,664
135	G/T 40	8,046	20,986	17,998	27,896	51,799	47,514	207,014	260,986	290,493	235,107	153,848	36,930	1,358,617
136	G/T 50	6,794	18,551	18,947	16,896	12,341	8,047	24,132	27,249	28,147	24,874	27,756	11,131	524,865
137	G/T 41	14,410	32,532	36,485	55,728	74,421	92,983	330,118	388,325	428,657	355,965	236,874	6,622	2,053,120
138	G/T 51	10,967	30,618	34,213	33,283	22,965	23,965	61,722	65,336	67,148	62,261	54,487	26,381	493,346
139	G/T 42	20,523	25,503	16,816	29,240	3,748	77,942	113,803	121,264	122,036	112,423	57,553	20,596	721,446
140	G/T 52	55,295	58,493	67,012	75,298	16,255	165,501	185,877	252,197	213,453	230,060	188,699	5,587	1,511,999
141	Total	\$ 181,279	\$ 345,006	\$ 356,391	\$ 457,179	\$ 537,416	\$ 685,390	\$ 2,097,449	\$ 2,541,667	\$ 2,674,832	\$ 2,300,851	\$ 1,643,906	\$ 364,242	\$ 14,185,609
142	Revenue - Total Distribution (Cust+Therm)													
143														
144	\$ 13,127	\$ 34,241	\$ 36,563	\$ 36,530	\$ 24,767	\$ 13,909	\$ 42,067	\$ 47,102	\$ 48,094	\$ 45,072	\$ 42,685	\$ 23,083	\$ 407,239	
145	R6	99	175	187	130	97	67	190	139	138	166	157	82	1,628
146	R5	223,874	538,973	543,330	597,005	588,040	411,328	1,535,487	1,789,711	1,883,479	1,644,860	1,299,605	483,011	11,538,703
147	R10	5,387	11,045	10,922	11,486	10,041	8,458	29,860	33,461	37,445	35,088	27,502	10,297	230,992
148	G/T 40	126,126	301,126	297,298	309,056	225,319	160,014	498,314	556,201	586,611	530,703	447,824	207,210	4,245,803
149	G/T 50	28,514	71,171	71,867	70,656	44,141	27,787	75,072	80,196	81,108	77,850	80,685	42,031	751,078
150	G/T 41	57,635	127,732	135,185	154,603	133,221	133,233	429,868	490,458	531,221	458,546	339,273	62,622	3,053,596
151	G/T 51	29,342	75,768	78,838	77,733	50,615	41,990	107,047	112,291	113,978	109,140	101,414	54,381	952,535
152	G/T 42	42,523	50,503	39,816	53,240	8,748	96,942	137,803	149,058	149,956	140,438	85,650	24,596	979,272
153	G/T 52	87,295	92,493	96,012	105,298	18,255	189,501	215,877	289,620	250,946	267,621	226,328	7,857	1,847,104
154	Total Permanent Base Distribution Revenue	\$ 613,922	\$ 1,303,227	\$ 1,310,018	\$ 1,415,736	\$ 1,103,244	\$ 1,083,230	\$ 3,071,585	\$ 3,548,235	\$ 3,682,976	\$ 3,309,484	\$ 2,651,123	\$ 915,172	\$ 24,007,950
155	Actual Revenue													
156														
157														
158	\$ 10,093	\$ 26,345	\$ 28,068	\$ 28,083	\$ 19,433	\$ 11,003	\$ 33,796	\$ 38,870	\$ 39,862	\$ 36,880	\$ 34,528	\$ 18,095	\$ 325,056	
159	R11	72	138	142	104	79	60	169	109	108	132	119	63	1,296
160	R5	178,658	430,467	435,307	488,595	519,362	341,901	1,318,382	1,550,702	1,640,191	1,416,156	1,096,736	388,463	9,804,922
161	R10	4,440	9,108	9,067	9,884	9,574	7,617	28,108	32,124	36,210	33,497	25,476	9,063	214,168
162	G/T 40	78,103	188,615	182,852	203,831	192,853	151,333	548,838	651,608	706,085	603,894	451,313	162,269	4,121,595
163	G/T 50	24,576	63,547	64,454	60,946	40,479	25,859	72,959	79,951	81,567	75,520	81,340	37,777	708,977
164	G/T 41	43,011	95,827	103,108	129,567	133,635	143,104	484,870	562,135	615,041	520,115	364,484	38,796	3,233,693
165	G/T 51	28,178	75,312	81,097	79,436	53,135	50,343	129,127	136,101	139,221	130,821	117,543	59,775	1,080,089
166	G/T 42	41,952	51,459	35,976	57,410	7,870	123,024	178,279	190,431	191,627	177,253	95,061	32,118	1,182,461
167	G/T 52	108,134	114,366	127,897	142,846	27,128	235,128	267,197	361,699	307,960	331,025	273,655	8,756	2,305,791
168	Total Actual Revenue	\$ 517,217	\$ 1,055,185	\$ 1,067,968	\$ 1,200,702	\$ 1,003,547	\$ 1,089,372	\$ 3,061,725	\$ 3,603,730	\$ 3,757,874	\$ 3,325,296	\$ 2,540,256	\$ 755,176	\$ 22,978,048
169	Recoupment (Permanent Revenue - Actual Revenue)													
170														
171	\$ 3,034	\$ 7,896	\$ 8,495	\$ 8,447	\$ 5,334	\$ 2,906	\$ 8,271	\$ 8,232	\$ 8,231	\$ 8,192	\$ 8,157	\$ 4,988	\$ 82,183	
172	R11	27	37	46	26	18	7	21	30	30	33	38	19	331
173	R5	45,215	108,505	108,023	108,410	68,677	69,428	217,105	239,009	243,288	228,704	202,869	94,548	1,733,782
174	R10	948	1,937	1,856	1,602	468	841	1,751	1,336	1,235	1,591	2,026	1,234	16,824
175	G/T 40	48,023	112,511	114,447	105,225	32,466	8,680	(50,525)	(95,407)	(119,474)	(73,191)	(3,489)	44,941	124,208
176	G/T 50	3,938	7,624	7,413	3,662	1,928	2,114	245	(459)	2,329	(656)	4,254	42,101	
177	G/T 41	14,624	31,904	32,076	25,036	(413)	(9,870)	(55,002)	(71,678)	(83,821)	(61,569)	(25,211)	23,826	(180,098)
178	G/T 51	1,165	456	(2,260)	(1,703)	(2,520)	(8,353)	(22,081)	(23,810)	(25,243)	(21,681)	(16,129)	(5,394)	(127,553)
179	G/T 42	571	(956)	3,839	(4,170)	878	(26,082)	(40,475)	(41,373)	(41,672)	(36,816)	(9,411)	(7,522)	(203,189)
180	G/T 52	(20,839)	(21,873)	(31,885)	(37,548)	(8,873)	(45,626)	(51,320)	(72,079)	(57,014)	(63,404)	(47,327)	(898)	(458,687)
181	Total Recoupment	\$ 96,705	\$ 248,041	\$ 242,050	\$ 215,035	\$ 99,697	\$ (6,143)	\$ 9,860	\$ (55,496)	\$ (74,898)	\$ (15,812)	\$ 110,867	\$ 159,995	\$ 1,029,902

Calculation of Recoupment

	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Estimate	Estimate	Estimate	Estimate	Estimate	Total	
	Jul ⁽¹⁾	Aug	Sep	Oct	Summer	Nov	Winter	Dec	Jan	Feb	Mar	Apr	May ⁽²⁾	Total
182														
183	0.00121	0.00163	0.00153	0.00123	0.00114	0.00086	0.00112	0.00100	0.00106	0.00116	0.00135	0.00286		
184	(Factor above X Therms)													
185	Lost Income Revenue													
186	\$ 7	\$ 26	\$ 24	\$ 21	\$ 17	\$ 8	\$ 38	\$ 48	\$ 54	\$ 50	\$ 49	\$ 40	\$ 40	\$ 382
187	0	0	0	0	0	0	0	0	0	0	0	0	0	2
188	154	504	492	530	810	439	2,578	2,809	3,212	2,913	2,381	1,322	1,322	18,145
189	8	23	23	25	34	22	119	129	157	155	125	78	78	897
190	68	239	191	239	411	285	1,615	1,812	2,141	1,905	1,445	736	736	11,088
191	57	211	202	145	98	48	188	189	207	202	261	222	222	2,030
192	121	369	387	475	588	430	1,983	2,076	2,433	2,221	1,713	102	102	12,898
193	134	510	537	421	270	166	555	522	573	579	581	600	600	5,448
194	263	440	271	380	45	428	813	771	824	834	495	376	376	5,940
195	1,067	1,520	1,629	1,474	295	1,029	1,521	1,837	1,650	1,955	1,859	122	122	15,958
196	Total Lost Revenue													
197	\$ 1,879	\$ 3,842	\$ 3,756	\$ 3,709	\$ 2,569	\$ 2,856	\$ 9,411	\$ 10,193	\$ 11,252	\$ 10,814	\$ 8,908	\$ 3,598	\$ 3,598	\$ 72,787
198	Total Recoupment (Permanent Revenue - Actual Revenue + Lost Income)													
199	\$ 3,041	\$ 7,922	\$ 8,519	\$ 8,467	\$ 5,352	\$ 2,914	\$ 8,309	\$ 8,280	\$ 8,285	\$ 8,241	\$ 8,207	\$ 5,028	\$ 5,028	\$ 82,565
200	27	37	46	26	18	7	21	30	30	34	38	19	19	333
201	45,370	109,010	108,515	108,940	69,488	69,866	219,684	241,818	246,500	231,617	205,250	95,870	95,870	1,751,926
202	956	1,961	1,879	1,627	501	863	1,871	1,465	1,392	1,745	2,151	1,312	1,312	17,721
203	48,091	112,750	114,638	105,464	32,877	8,965	(48,910)	(93,595)	(117,333)	(71,286)	(2,044)	45,677	45,677	135,295
204	3,995	7,835	7,615	9,855	3,760	1,976	2,302	434	(251)	2,531	(395)	4,476	4,476	44,131
205	14,745	32,273	32,463	25,512	175	(9,440)	(53,019)	(69,601)	(81,387)	(59,348)	(23,498)	23,928	23,928	(167,199)
206	1,298	966	(1,722)	(1,262)	(2,250)	(8,186)	(21,526)	(23,289)	(24,670)	(21,102)	(15,548)	(4,795)	(4,795)	(122,106)
207	834	(516)	4,110	(3,790)	923	(25,654)	(39,662)	(40,602)	(40,848)	(35,981)	(8,916)	(7,146)	(7,146)	(197,249)
208	(19,773)	(20,353)	(30,256)	(36,075)	(8,578)	(44,597)	(49,799)	(70,243)	(55,364)	(61,449)	(45,468)	(776)	(776)	(442,729)
209	Total Recoupment													
	\$ 98,584	\$ 251,884	\$ 245,806	\$ 218,743	\$ 102,266	\$ (3,287)	\$ 19,271	\$ (45,303)	\$ (63,646)	\$ (4,998)	\$ 119,775	\$ 163,594	\$ 163,594	\$ 1,102,690

(1) July has been adjusted to reflect rates going into affect July 1, 2013 and affecting bills rendered after July 1
 (2) Reflects amounts recorded in May related to April usage

RPC = \$ 1,102,690 divided by Forecast Therms May 2014 through April 2015 68,607,390 equals \$ 0.0161

Northern Utilities, Inc.
Calculation of Rate Case Expense Rate

<u>Issue</u>			
Legal	Pierce Atwood	\$	32,862
Equity	FINANCO	\$	21,300
Rate Plan	Concentric	\$	58,201
Rates	Management Applications		
	a) Rate Design	\$	26,358
	b) Accounting Cost of Service Study	\$	64,307
	c) Marginal Cost Study	\$	77,050
Other	Ricoh	\$	3,340
	RAM Companies	\$	3,729
	Miscellaneous	\$	860
	NH State Consultants		TBD
TOTAL		\$	288,008
	Forecast Delivery (therms) May 2014 through April 2015		68,607,390
	Rate Case Expense Rate (RCE)		\$0.0042

State of New Hampshire
 Public Utilities Commission
 Concord

Rate Changes (\$000) - Impact of Permanent Rates May 1, 2014

Northern Utilities, Inc. -- New Hampshire Division

(A) <u>Class of Service</u>	(B) <u>Effect of Proposed Change</u>	(C) <u>Average Number of Customers</u>	(D) <u>Total Current Revenue</u>	(E) <u>Proposed Distribution & COGC Revenue Changes</u>	(F) <u>Total Revenue Under Proposed Rates</u>	(G) <u>Proposed Change Revenue</u>	(H) <u>Percent Change Revenue</u>
Residential Heating - R5	Increase	20,235	\$23,280	\$2,552	\$25,832	\$2,552	11.0%
Residential Low Income Heating - R10	Increase	1,168	\$900	\$58	\$958	\$58	6.5%
Residential Non-Heating - R6	Increase	1,455	\$654	\$109	\$763	\$109	16.7%
Residential Low Income Non-Heating - R11	Increase	18	\$7	\$1	\$8	\$1	14.0%
Subtotal Residential	Increase	22,875	\$24,840	\$2,721	\$27,561	\$2,721	11.0%
Commercial & Industrial Low Annual & High Winter Use G-40	Increase	4,675	\$12,184	\$807	\$12,991	\$807	6.6%
Commercial & Industrial Medium Annual & High Winter Use G-41	Increase	561	\$12,748	\$425	\$13,173	\$425	3.3%
Commercial & Industrial High Annual & High Winter Use G-42	Increase	25	\$4,334	\$87	\$4,421	\$87	2.0%
Commercial & Industrial Low Annual & Low Winter Use G-50	Increase	938	\$2,523	\$131	\$2,654	\$131	5.2%
Commercial & Industrial Medium Annual & Low Winter Use G-51	Increase	239	\$4,015	\$96	\$4,111	\$96	2.4%
Commercial & Industrial High Annual & Low Winter Use G-52	Increase	31	\$10,832	\$186	\$11,018	\$186	1.7%
Subtotal Commercial & Industrial	Increase	6,470	\$46,635	\$1,733	\$48,368	\$1,733	3.7%
Total	Increase	29,345	\$71,475	\$4,454	\$75,929	\$4,454	6.2%

(D) Revenue under previous permanent seasonal rates assuming all customers take Company supplied gas service.

(E) Distribution revenue change reflecting low income discounts and COGC Indirect Gas Costs. Would be \$4,322 if not reflecting low income discounts.

(F) Column D + Column E

(G) Column F - Column D

(H) Column G / Column D

State of New Hampshire
 Public Utilities Commission
 Concord

Rate Changes (\$000) - Impact of Step 1 Adjusted Rates May 1, 2014

Northern Utilities, Inc. -- New Hampshire Division

(A) <u>Class of Service</u>	(B) <u>Effect of Proposed Change</u>	(C) <u>Average Number of Customers</u>	(D) <u>Total Current Revenue</u>	(E) <u>Proposed Distribution & COGC Revenue Changes</u>	(F) <u>Total Revenue Under Proposed Rates</u>	(G) <u>Proposed Change Revenue</u>	(H) <u>Percent Change Revenue</u>
Residential Heating - R5	Increase	20,235	\$23,280	\$3,192	\$26,472	\$3,192	13.7%
Residential Low Income Heating - R10	Increase	1,168	\$900	\$72	\$972	\$72	8.0%
Residential Non-Heating - R6	Increase	1,455	\$654	\$133	\$787	\$133	20.4%
Residential Low Income Non-Heating - R11	Increase	18	\$7	\$1	\$8	\$1	17.2%
Subtotal Residential	Increase	22,875	\$24,840	\$3,399	\$28,239	\$3,399	13.7%
Commercial & Industrial Low Annual & High Winter Use G-40	Increase	4,675	\$12,184	\$1,055	\$13,238	\$1,055	8.7%
Commercial & Industrial Medium Annual & High Winter Use G-41	Increase	561	\$12,748	\$592	\$13,340	\$592	4.6%
Commercial & Industrial High Annual & High Winter Use G-42	Increase	25	\$4,334	\$134	\$4,467	\$134	3.1%
Commercial & Industrial Low Annual & Low Winter Use G-50	Increase	938	\$2,523	\$184	\$2,707	\$184	7.3%
Commercial & Industrial Medium Annual & Low Winter Use G-51	Increase	239	\$4,015	\$148	\$4,163	\$148	3.7%
Commercial & Industrial High Annual & Low Winter Use G-52	Increase	31	\$10,832	\$276	\$11,108	\$276	2.5%
Subtotal Commercial & Industrial	Increase	6,470	\$46,635	\$2,389	\$49,024	\$2,389	5.1%
Total	Increase	29,345	\$71,475	\$5,788	\$77,263	\$5,788	8.1%

(D) Revenue under previous permanent seasonal rates assuming all customers take Company supplied gas service.

(E) Distribution revenue change reflecting low income discounts and COGC Indirect Gas Costs. Would be \$5,677 if not reflecting low income discounts.

(F) Column D + Column E

(G) Column F - Column D

(H) Column G / Column D

State of New Hampshire
 Public Utilities Commission
 Concord

Rate Changes (\$000) - Impact of estimated (high scenario) Step 2 Adjusted Rates May 1, 2015

Northern Utilities, Inc. -- New Hampshire Division

(A) <u>Class of Service</u>	(B) <u>Effect of Proposed Change</u>	(C) <u>Average Number of Customers</u>	(D) <u>Total Current Revenue</u>	(E) <u>Proposed Distribution & COGC Revenue Changes</u>	(F) <u>Total Revenue Under Proposed Rates</u>	(G) <u>Proposed Change Revenue</u>	(H) <u>Percent Change Revenue</u>
Residential Heating - R5	Increase	20,235	\$23,280	\$4,069	\$27,349	\$4,069	17.5%
Residential Low Income Heating - R10	Increase	1,168	\$900	\$91	\$991	\$91	10.1%
Residential Non-Heating - R6	Increase	1,455	\$654	\$167	\$821	\$167	25.5%
Residential Low Income Non-Heating - R11	Increase	18	\$7	\$2	\$9	\$2	21.6%
Subtotal Residential	Increase	22,875	\$24,840	\$4,328	\$29,169	\$4,328	17.4%
Commercial & Industrial Low Annual & High Winter Use G-40	Increase	4,675	\$12,184	\$1,394	\$13,577	\$1,394	11.4%
Commercial & Industrial Medium Annual & High Winter Use G-41	Increase	561	\$12,748	\$822	\$13,570	\$822	6.4%
Commercial & Industrial High Annual & High Winter Use G-42	Increase	25	\$4,334	\$197	\$4,530	\$197	4.5%
Commercial & Industrial Low Annual & Low Winter Use G-50	Increase	938	\$2,523	\$256	\$2,779	\$256	10.2%
Commercial & Industrial Medium Annual & Low Winter Use G-51	Increase	239	\$4,015	\$219	\$4,234	\$219	5.5%
Commercial & Industrial High Annual & Low Winter Use G-52	Increase	31	\$10,832	\$399	\$11,231	\$399	3.7%
Subtotal Commercial & Industrial	Increase	6,470	\$46,635	\$3,287	\$49,922	\$3,287	7.0%
Total	Increase	29,345	\$71,475	\$7,616	\$79,091	\$7,616	10.7%

(D) Revenue under previous permanent seasonal rates assuming all customers take Company supplied gas service.

(E) Distribution revenue change reflecting low income discounts and COGC Indirect Gas Costs. Would be \$7,534 if not reflecting low income discounts.

(F) Column D + Column E

(G) Column F - Column D

(H) Column G / Column D

Northern Utilities - NH Division
 Residential Heating Customer - R5
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills @ Present Rates	Monthly Bills @ Proposed Rates	\$ Difference	% Difference
<u>Delivery and Supply</u>					
10.0%	7.61	\$24.48	\$32.03	\$7.55	30.8%
20.0%	25.49	\$49.72	\$60.26	\$10.54	21.2%
30.0%	40.57	\$71.03	\$84.09	\$13.06	18.4%
40.0%	54.59	\$90.56	\$105.74	\$15.19	16.8%
50.0%	68.89	\$109.92	\$126.81	\$16.89	15.4%
60.0%	84.49	\$131.03	\$149.78	\$18.74	14.3%
70.0%	102.91	\$155.99	\$176.93	\$20.94	13.4%
80.0%	125.74	\$186.90	\$210.56	\$23.66	12.7%
90.0%	157.56	\$229.98	\$257.43	\$27.44	11.9%
100.0%	239.91	\$341.48	\$378.73	\$37.24	10.9%
Average	90.78	\$139.55	\$159.05	\$19.49	14.0%

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills @ Present Rates	Monthly Bills @ Proposed Rates	\$ Difference	% Difference
<u>Distribution Only</u>					
10.0%	7.61	\$17.09	\$24.46	\$7.37	43.1%
20.0%	25.49	\$24.97	\$34.90	\$9.93	39.8%
30.0%	40.57	\$31.62	\$43.72	\$12.09	38.2%
40.0%	54.59	\$37.54	\$51.42	\$13.88	37.0%
50.0%	68.89	\$43.01	\$58.26	\$15.24	35.4%
60.0%	84.49	\$48.98	\$65.71	\$16.73	34.1%
70.0%	102.91	\$56.04	\$74.52	\$18.48	33.0%
80.0%	125.74	\$64.78	\$85.43	\$20.65	31.9%
90.0%	157.56	\$76.97	\$100.64	\$23.68	30.8%
100.0%	239.91	\$108.50	\$140.01	\$31.51	29.0%
Average	90.78	\$51.39	\$68.72	\$17.32	33.7%

Present Rates

Customer Charge (\$/customer)	\$13.73 (1)
Distribution Charge - First 50 therms (\$/thm)	\$0.4410 (1)
Distribution Charge - Excess 50 therms (\$/thm)	\$0.3829 (1)
LDAC (\$/thm)	\$0.0489 (1)
COG (\$/thm)	\$0.9223 (2)

Proposed Rates

Customer Charge (\$/customer)	\$20.01 (3)
Distribution Charge - First 50 therms (\$/thm)	\$0.5844 (3)
Distribution Charge - Excess 50 therms (\$/thm)	\$0.4780 (3)
LDAC (\$/thm)	\$0.0692 (4)
COG (\$/thm)	\$0.9259 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 Residential Heating Customer - R5
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Proposed Rates		
<u>Delivery and Supply</u>					
10.0%	0.20	\$13.95	\$20.24	\$6.29	45.1%
20.0%	4.26	\$18.29	\$24.97	\$6.67	36.5%
30.0%	8.66	\$23.00	\$30.09	\$7.08	30.8%
40.0%	12.19	\$26.78	\$34.19	\$7.41	27.7%
50.0%	15.59	\$30.42	\$38.15	\$7.73	25.4%
60.0%	19.03	\$34.10	\$42.15	\$8.05	23.6%
70.0%	23.11	\$38.47	\$46.90	\$8.43	21.9%
80.0%	28.71	\$44.47	\$53.42	\$8.95	20.1%
90.0%	38.20	\$54.63	\$64.47	\$9.84	18.0%
100.0%	71.12	\$89.87	\$102.78	\$12.91	14.4%
Average	22.11	\$37.40	\$45.74	\$8.34	22.3%
<u>Distribution Only</u>					
10.0%	0.20	\$13.82	\$20.11	\$6.29	45.5%
20.0%	4.26	\$15.61	\$22.18	\$6.57	42.1%
30.0%	8.66	\$17.55	\$24.43	\$6.88	39.2%
40.0%	12.19	\$19.11	\$26.23	\$7.12	37.3%
50.0%	15.59	\$20.61	\$27.96	\$7.36	35.7%
60.0%	19.03	\$22.12	\$29.72	\$7.60	34.3%
70.0%	23.11	\$23.92	\$31.80	\$7.88	32.9%
80.0%	28.71	\$26.39	\$34.66	\$8.27	31.3%
90.0%	38.20	\$30.58	\$39.50	\$8.93	29.2%
100.0%	71.12	\$45.09	\$56.30	\$11.21	24.9%
Average	22.11	\$23.48	\$31.29	\$7.81	33.3%

Present Rates

Customer Charge (\$/customer)	\$13.73 (1)
Distribution Charge - First 50 therms (\$/thm)	\$0.4410 (1)
Distribution Charge - Excess 50 therms (\$/thm)	\$0.4410 (1)
LDAC (\$/thm)	\$0.0489 (1)
COG (\$/thm)	\$0.5807 (2)

Proposed Rates

Customer Charge (\$/customer)	\$20.01 (3)
Distribution Charge - First 50 therms (\$/thm)	\$0.5104 (3)
Distribution Charge - Excess 50 therms (\$/thm)	\$0.5104 (3)
LDAC (\$/thm)	\$0.0692 (4)
COG (\$/thm)	\$0.5843 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 Residential Low Income Heating Customer - R10
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills @ Present Rates	Monthly Bills @ Present Rates	\$ Difference	% Difference
<u>Delivery and Supply</u>					
10.0%	14.54	\$22.19	\$25.87	\$3.68	16.6%
20.0%	32.34	\$42.62	\$47.75	\$5.13	12.0%
30.0%	44.08	\$56.09	\$62.17	\$6.08	10.8%
40.0%	55.29	\$68.82	\$75.71	\$6.89	10.0%
50.0%	66.53	\$81.47	\$89.06	\$7.59	9.3%
60.0%	78.21	\$94.59	\$102.90	\$8.31	8.8%
70.0%	92.39	\$110.54	\$119.73	\$9.19	8.3%
80.0%	111.05	\$131.52	\$141.87	\$10.34	7.9%
90.0%	137.04	\$160.74	\$172.69	\$11.95	7.4%
100.0%	203.63	\$235.61	\$251.69	\$16.08	6.8%
Average	83.51	\$100.56	\$109.20	\$8.64	8.6%
<u>Distribution Only</u>					
10.0%	14.54	\$8.07	\$11.40	\$3.34	41.4%
20.0%	32.34	\$11.21	\$15.56	\$4.36	38.9%
30.0%	44.08	\$13.28	\$18.31	\$5.03	37.9%
40.0%	55.29	\$15.13	\$20.70	\$5.57	36.8%
50.0%	66.53	\$16.85	\$22.85	\$6.00	35.6%
60.0%	78.21	\$18.64	\$25.08	\$6.44	34.6%
70.0%	92.39	\$20.81	\$27.80	\$6.98	33.5%
80.0%	111.05	\$23.67	\$31.36	\$7.69	32.5%
90.0%	137.04	\$27.65	\$36.33	\$8.68	31.4%
100.0%	203.63	\$37.86	\$49.07	\$11.21	29.6%
Average	83.51	\$19.45	\$26.10	\$6.64	34.2%

Present Rates

Customer Charge (\$/customer)	\$5.50 (1)
Distribution Charge - First 50 therms (\$/thm)	\$0.1764 (1)
Distribution Charge - Excess 50 therms (\$/thm)	\$0.1532 (1)
LDAC (\$/thm)	\$0.0489 (1)
COG (\$/thm)	\$0.9223 (2)

Proposed Rates

Customer Charge (\$/customer)	\$8.00 (3)
Distribution Charge - First 50 therms (\$/thm)	\$0.2338 (3)
Distribution Charge - Excess 50 therms (\$/thm)	\$0.1912 (3)
LDAC (\$/thm)	\$0.0692 (4)
COG (\$/thm)	\$0.9259 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 Residential Low Income Heating Customer - R10
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Present Rates		
<u>Delivery and Supply</u>					
10.0%	0.30	\$5.74	\$8.26	\$2.52	43.9%
20.0%	4.93	\$9.47	\$12.23	\$2.76	29.1%
30.0%	8.91	\$12.68	\$15.65	\$2.96	23.4%
40.0%	12.30	\$15.42	\$18.55	\$3.14	20.4%
50.0%	15.37	\$17.89	\$21.19	\$3.30	18.4%
60.0%	18.69	\$20.56	\$24.03	\$3.47	16.9%
70.0%	22.35	\$23.51	\$27.17	\$3.66	15.6%
80.0%	27.31	\$27.51	\$31.43	\$3.91	14.2%
90.0%	35.25	\$33.91	\$38.24	\$4.32	12.7%
100.0%	60.83	\$54.53	\$60.17	\$5.64	10.3%
Average	20.62	\$22.12	\$25.69	\$3.57	16.1%
<u>Distribution Only</u>					
10.0%	0.30	\$5.55	\$8.06	\$2.51	45.2%
20.0%	4.93	\$6.37	\$9.01	\$2.64	41.4%
30.0%	8.91	\$7.07	\$9.82	\$2.75	38.9%
40.0%	12.30	\$7.67	\$10.51	\$2.84	37.1%
50.0%	15.37	\$8.21	\$11.14	\$2.93	35.7%
60.0%	18.69	\$8.80	\$11.82	\$3.02	34.3%
70.0%	22.35	\$9.44	\$12.56	\$3.12	33.1%
80.0%	27.31	\$10.32	\$13.58	\$3.26	31.6%
90.0%	35.25	\$11.72	\$15.20	\$3.48	29.7%
100.0%	60.83	\$16.23	\$20.42	\$4.19	25.8%
Average	20.62	\$9.14	\$12.21	\$3.07	33.6%

Present Rates

Customer Charge (\$/customer)	\$5.50 (1)
Distribution Charge - First 50 therms (\$/thm)	\$0.1764 (1)
Distribution Charge - Excess 50 therms (\$/thm)	\$0.1764 (1)
LDAC (\$/thm)	\$0.0489 (1)
COG (\$/thm)	\$0.5807 (2)

Proposed Rates

Customer Charge (\$/customer)	\$8.00 (3)
Distribution Charge - First 50 therms (\$/thm)	\$0.2041 (3)
Distribution Charge - Excess 50 therms (\$/thm)	\$0.2041 (3)
LDAC (\$/thm)	\$0.0692 (4)
COG (\$/thm)	\$0.5843 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 Residential Non-Heating Customer - R6
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills @ Present Rates	Monthly Bills @ Present Rates	\$ Difference	% Difference
<u>Delivery and Supply</u>					
10.0%	0.05	\$13.80	\$20.08	\$6.28	45.5%
20.0%	1.47	\$15.64	\$22.05	\$6.41	41.0%
30.0%	4.17	\$19.15	\$25.80	\$6.65	34.7%
40.0%	8.31	\$24.55	\$31.56	\$7.02	28.6%
50.0%	12.02	\$29.36	\$36.71	\$7.35	25.0%
60.0%	15.75	\$34.21	\$41.89	\$7.68	22.4%
70.0%	20.05	\$39.81	\$47.87	\$8.06	20.3%
80.0%	26.40	\$48.07	\$56.70	\$8.63	17.9%
90.0%	41.89	\$68.21	\$78.22	\$10.01	14.7%
100.0%	121.07	\$171.21	\$188.26	\$17.06	10.0%
Average	25.12	\$46.40	\$54.91	\$8.51	18.3%
<u>Distribution Only</u>					
10.0%	0.05	\$13.75	\$20.03	\$6.28	45.7%
20.0%	1.47	\$14.21	\$20.59	\$6.37	44.8%
30.0%	4.17	\$15.10	\$21.65	\$6.55	43.3%
40.0%	8.31	\$16.47	\$23.29	\$6.82	41.4%
50.0%	12.02	\$17.69	\$24.75	\$7.06	39.9%
60.0%	15.75	\$18.92	\$26.22	\$7.30	38.6%
70.0%	20.05	\$20.34	\$27.92	\$7.58	37.3%
80.0%	26.40	\$22.43	\$30.43	\$8.00	35.6%
90.0%	41.89	\$27.54	\$36.54	\$9.00	32.7%
100.0%	121.07	\$53.63	\$67.80	\$14.16	26.4%
Average	25.12	\$22.01	\$29.92	\$7.91	35.9%

Present Rates

Customer Charge (\$/customer)	\$13.73 (1)
Distribution Charge - First 10 therms (\$/thm)	\$0.3296 (1)
Distribution Charge - Excess 10 therms (\$/thm)	\$0.3296 (1)
LDAC (\$/thm)	\$0.0489 (1)
COG (\$/thm)	\$0.9223 (2)

Proposed Rates

Customer Charge (\$/customer)	\$20.01 (3)
Distribution Charge - First 10 therms (\$/thm)	\$0.3947 (3)
Distribution Charge - Excess 10 therms (\$/thm)	\$0.3947 (3)
LDAC (\$/thm)	\$0.0692 (4)
COG (\$/thm)	\$0.9259 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 Residential Non-Heating Customer - R6
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Present Rates		
<u>Delivery and Supply</u>					
10.0%	0.05	\$13.78	\$20.06	\$6.28	45.6%
20.0%	1.37	\$15.04	\$21.44	\$6.40	42.5%
30.0%	3.25	\$16.84	\$23.41	\$6.56	39.0%
40.0%	5.73	\$19.23	\$26.01	\$6.79	35.3%
50.0%	8.18	\$21.58	\$28.59	\$7.00	32.5%
60.0%	10.45	\$23.76	\$30.96	\$7.21	30.3%
70.0%	12.82	\$26.03	\$33.44	\$7.42	28.5%
80.0%	15.77	\$28.85	\$36.53	\$7.68	26.6%
90.0%	20.51	\$33.40	\$41.51	\$8.10	24.3%
100.0%	43.17	\$55.14	\$65.26	\$10.12	18.4%
Average	12.13	\$25.37	\$32.72	\$7.36	29.0%
<u>Distribution Only</u>					
10.0%	0.05	\$13.75	\$20.03	\$6.28	45.7%
20.0%	1.37	\$14.18	\$20.55	\$6.36	44.9%
30.0%	3.25	\$14.80	\$21.29	\$6.49	43.8%
40.0%	5.73	\$15.62	\$22.27	\$6.65	42.6%
50.0%	8.18	\$16.43	\$23.24	\$6.81	41.4%
60.0%	10.45	\$17.18	\$24.13	\$6.96	40.5%
70.0%	12.82	\$17.95	\$25.07	\$7.11	39.6%
80.0%	15.77	\$18.93	\$26.23	\$7.30	38.6%
90.0%	20.51	\$20.49	\$28.10	\$7.61	37.1%
100.0%	43.17	\$27.96	\$37.05	\$9.09	32.5%
Average	12.13	\$17.73	\$24.79	\$7.07	39.9%

Present Rates

Customer Charge (\$/customer)	\$13.73 (1)
Distribution Charge - First 10 therms (\$/thm)	\$0.3296 (1)
Distribution Charge - Excess 10 therms (\$/thm)	\$0.3296 (1)
LDAC (\$/thm)	\$0.0489 (1)
COG (\$/thm)	\$0.5807 (2)

Proposed Rates

Customer Charge (\$/customer)	\$20.01 (3)
Distribution Charge - First 10 therms (\$/thm)	\$0.3947 (3)
Distribution Charge - Excess 10 therms (\$/thm)	\$0.3947 (3)
LDAC (\$/thm)	\$0.0692 (4)
COG (\$/thm)	\$0.5843 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 Residential Low Income Non-Heating Customer - R11
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Present Rates		
<u>Delivery and Supply</u>					
9.8%	0.79	\$10.95	\$15.57	\$4.62	42.2%
20.3%	5.16	\$16.28	\$21.22	\$4.94	30.3%
30.1%	8.80	\$20.73	\$25.93	\$5.21	25.1%
39.8%	10.64	\$22.97	\$28.32	\$5.34	23.3%
50.4%	15.68	\$29.12	\$34.83	\$5.71	19.6%
60.2%	18.18	\$32.17	\$38.07	\$5.89	18.3%
69.9%	21.90	\$36.72	\$42.89	\$6.17	16.8%
79.7%	28.81	\$45.16	\$51.83	\$6.67	14.8%
90.2%	42.92	\$62.39	\$70.09	\$7.71	12.4%
100.0%	96.87	\$128.26	\$139.92	\$11.66	9.1%
Average	24.97	\$40.48	\$46.87	\$6.39	15.8%
<u>Distribution Only</u>					
9.8%	0.79	\$10.18	\$14.78	\$4.60	45.2%
20.3%	5.16	\$11.27	\$16.09	\$4.82	42.7%
30.1%	8.80	\$12.18	\$17.18	\$5.00	41.0%
39.8%	10.64	\$12.64	\$17.73	\$5.09	40.2%
50.4%	15.68	\$13.90	\$19.23	\$5.34	38.4%
60.2%	18.18	\$14.52	\$19.98	\$5.46	37.6%
69.9%	21.90	\$15.45	\$21.10	\$5.64	36.5%
79.7%	28.81	\$17.18	\$23.16	\$5.98	34.8%
90.2%	42.92	\$20.71	\$27.39	\$6.68	32.3%
100.0%	96.87	\$34.19	\$43.53	\$9.35	27.3%
Average	24.97	\$16.22	\$22.02	\$5.80	35.7%

Present Rates

Customer Charge (\$/customer)	\$9.98 (1)
Distribution Charge - First 10 therms (\$/thm)	\$0.2499 (1)
Distribution Charge - Excess 10 therms (\$/thm)	\$0.2499 (1)
LDAC (\$/thm)	\$0.0489 (1)
COG (\$/thm)	\$0.9223 (2)

Proposed Rates

Customer Charge (\$/customer)	\$14.54 (3)
Distribution Charge - First 10 therms (\$/thm)	\$0.2993 (3)
Distribution Charge - Excess 10 therms (\$/thm)	\$0.2993 (3)
LDAC (\$/thm)	\$0.0692 (4)
COG (\$/thm)	\$0.9259 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 Residential Low Income Non-Heating Customer - R11
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Present Rates		
<u>Delivery and Supply</u>					
10.5%	1.55	\$11.34	\$16.01	\$4.68	41.2%
20.0%	5.84	\$15.11	\$20.10	\$4.99	33.0%
30.5%	7.51	\$16.59	\$21.70	\$5.11	30.8%
40.0%	9.38	\$18.23	\$23.48	\$5.25	28.8%
50.5%	11.95	\$20.49	\$25.93	\$5.44	26.5%
60.0%	13.39	\$21.75	\$27.30	\$5.54	25.5%
70.5%	14.73	\$22.93	\$28.57	\$5.64	24.6%
80.0%	19.44	\$27.08	\$33.06	\$5.99	22.1%
90.5%	22.13	\$29.44	\$35.62	\$6.18	21.0%
100.0%	33.76	\$39.67	\$46.71	\$7.04	17.7%
Average	13.97	\$22.26	\$27.85	\$5.59	25.1%
<u>Distribution Only</u>					
10.5%	1.55	\$10.37	\$15.00	\$4.64	44.7%
20.0%	5.84	\$11.44	\$16.29	\$4.85	42.4%
30.5%	7.51	\$11.86	\$16.79	\$4.93	41.6%
40.0%	9.38	\$12.32	\$17.35	\$5.03	40.8%
50.5%	11.95	\$12.97	\$18.12	\$5.15	39.7%
60.0%	13.39	\$13.33	\$18.55	\$5.22	39.2%
70.5%	14.73	\$13.66	\$18.95	\$5.29	38.7%
80.0%	19.44	\$14.84	\$20.36	\$5.52	37.2%
90.5%	22.13	\$15.51	\$21.16	\$5.65	36.5%
100.0%	33.76	\$18.42	\$24.65	\$6.23	33.8%
Average	13.97	\$13.47	\$18.72	\$5.25	39.0%

Present Rates

Customer Charge (\$/customer)	\$9.98 (1)
Distribution Charge - First 10 therms (\$/thm)	\$0.2499 (1)
Distribution Charge - Excess 10 therms (\$/thm)	\$0.2499 (1)
LDAC (\$/thm)	\$0.0489 (1)
COG (\$/thm)	\$0.5807 (2)

Proposed Rates

Customer Charge (\$/customer)	\$14.54 (3)
Distribution Charge - First 10 therms (\$/thm)	\$0.2993 (3)
Distribution Charge - Excess 10 therms (\$/thm)	\$0.2993 (3)
LDAC (\$/thm)	\$0.0692 (4)
COG (\$/thm)	\$0.5843 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - Low Annual, High Winter Use - G40
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Proposed Rates		
<u>Delivery and Supply</u>					
10.0%	2.41	\$34.36	\$65.91	\$31.55	91.8%
20.0%	20.19	\$56.20	\$86.06	\$29.86	53.1%
30.0%	44.77	\$86.40	\$113.93	\$27.53	31.9%
40.0%	73.93	\$122.22	\$146.99	\$24.76	20.3%
50.0%	111.55	\$166.70	\$189.62	\$22.93	13.8%
60.0%	159.57	\$223.41	\$244.06	\$20.65	9.2%
70.0%	223.56	\$298.98	\$316.60	\$17.62	5.9%
80.0%	312.10	\$403.54	\$416.96	\$13.42	3.3%
90.0%	461.29	\$579.73	\$586.08	\$6.35	1.1%
100.0%	1,036.32	\$1,258.82	\$1,237.92	(\$20.90)	-1.7%
Average	244.57	\$323.79	\$340.41	\$16.62	5.1%
<u>Distribution Only</u>					
10.0%	2.41	\$32.05	\$63.54	\$31.49	98.2%
20.0%	20.19	\$36.85	\$66.23	\$29.38	79.7%
30.0%	44.77	\$43.49	\$69.95	\$26.46	60.8%
40.0%	73.93	\$51.37	\$74.36	\$22.99	44.8%
50.0%	111.55	\$59.79	\$80.05	\$20.26	33.9%
60.0%	159.57	\$70.48	\$87.32	\$16.84	23.9%
70.0%	223.56	\$84.73	\$97.00	\$12.28	14.5%
80.0%	312.10	\$104.44	\$110.40	\$5.96	5.7%
90.0%	461.29	\$137.65	\$132.97	(\$4.67)	-3.4%
100.0%	1,036.32	\$265.65	\$219.98	(\$45.67)	-17.2%
Average	244.57	\$89.40	\$100.18	\$10.78	12.1%

Present Rates

Customer Charge (\$/customer)	\$31.40 (1)
Distribution Charge - First 75 therms (\$/thm)	\$0.2701 (1)
Distribution Charge - First 75 therms (\$/thm)	\$0.2226 (1)
LDAC (\$/thm)	\$0.0227 (1)
COG (\$/thm)	\$0.9357 (2)

Proposed Rates

Customer Charge (\$/customer)	\$63.18 (3)
Distribution Charge - First 75 therms (\$/thm)	\$0.1513 (3)
Distribution Charge - First 75 therms (\$/thm)	\$0.1513 (3)
LDAC (\$/thm)	\$0.0430 (4)
COG (\$/thm)	\$0.9393 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - Low Annual, High Winter Use - G40
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Proposed Rates		
<u>Delivery and Supply</u>					
10.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
20.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
30.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
40.0%	1.76	\$32.98	\$64.58	\$31.61	95.9%
50.0%	6.00	\$36.78	\$67.99	\$31.21	84.8%
60.0%	11.32	\$41.54	\$72.25	\$30.70	73.9%
70.0%	22.13	\$51.23	\$80.91	\$29.68	57.9%
80.0%	42.45	\$69.44	\$97.19	\$27.75	40.0%
90.0%	85.29	\$107.35	\$131.52	\$24.17	22.5%
100.0%	293.29	\$283.88	\$298.19	\$14.31	5.0%
Average	46.22	\$72.83	\$100.22	\$27.39	37.6%
<u>Distribution Only</u>					
10.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
20.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
30.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
40.0%	1.76	\$31.87	\$63.44	\$31.57	99.0%
50.0%	6.00	\$33.02	\$64.08	\$31.06	94.1%
60.0%	11.32	\$34.46	\$64.89	\$30.43	88.3%
70.0%	22.13	\$37.38	\$66.52	\$29.15	78.0%
80.0%	42.45	\$42.86	\$69.60	\$26.73	62.4%
90.0%	85.29	\$53.95	\$76.08	\$22.13	41.0%
100.0%	293.29	\$100.25	\$107.55	\$7.30	7.3%
Average	46.22	\$43.88	\$70.17	\$26.29	59.9%
<u>Present Rates</u>			<u>Proposed Rates</u>		
Customer Charge (\$/customer)		\$31.40 (1)	Customer Charge (\$/customer)		\$63.18 (3)
Distribution Charge - First 75 therms (\$/thm)		\$0.2701 (1)	Distribution Charge - First 75 therms (\$/thm)		\$0.1513 (3)
Distribution Charge - First 75 therms (\$/thm)		\$0.2226 (1)	Distribution Charge - First 75 therms (\$/thm)		\$0.1513 (3)
LDAC (\$/thm)		\$0.0227 (1)	LDAC (\$/thm)		\$0.0430 (4)
COG (\$/thm)		\$0.6034 (2)	COG (\$/thm)		\$0.6070 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - Low Annual, Low Winter Use - G50
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Proposed Rates		
<u>Delivery and Supply</u>					
10.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
20.0%	3.42	\$35.29	\$66.74	\$31.45	89.1%
30.0%	11.82	\$44.86	\$75.51	\$30.65	68.3%
40.0%	27.55	\$62.76	\$91.92	\$29.16	46.5%
50.0%	54.75	\$93.72	\$120.30	\$26.58	28.4%
60.0%	99.55	\$143.55	\$167.05	\$23.50	16.4%
70.0%	189.68	\$241.86	\$261.08	\$19.22	7.9%
80.0%	312.69	\$376.04	\$389.43	\$13.39	3.6%
90.0%	451.83	\$527.80	\$534.60	\$6.80	1.3%
100.0%	1,095.84	\$1,230.27	\$1,206.55	(\$23.72)	-1.9%
Average	224.71	\$280.07	\$297.64	\$17.56	6.3%
<u>Distribution Only</u>					
10.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
20.0%	3.42	\$32.32	\$63.69	\$31.37	97.0%
30.0%	11.82	\$34.59	\$64.97	\$30.37	87.8%
40.0%	27.55	\$38.84	\$67.34	\$28.50	73.4%
50.0%	54.75	\$46.19	\$71.46	\$25.27	54.7%
60.0%	99.55	\$57.12	\$78.24	\$21.12	37.0%
70.0%	189.68	\$77.19	\$91.88	\$14.69	19.0%
80.0%	312.69	\$104.57	\$110.49	\$5.92	5.7%
90.0%	451.83	\$135.54	\$131.54	(\$4.00)	-3.0%
100.0%	1,095.84	\$278.90	\$228.98	(\$49.91)	-17.9%
Average	224.71	\$84.98	\$97.18	\$12.19	14.3%
<u>Present Rates</u>			<u>Proposed Rates</u>		
Customer Charge (\$/customer)		\$31.40 (1)	Customer Charge (\$/customer)		\$63.18 (3)
Distribution Charge - First 75 therms (\$/thm)		\$0.2701 (1)	Distribution Charge - First 75 therms (\$/thm)		\$0.1513 (3)
Distribution Charge - First 75 therms (\$/thm)		\$0.2226 (1)	Distribution Charge - First 75 therms (\$/thm)		\$0.1513 (3)
LDAC (\$/thm)		\$0.0227 (1)	LDAC (\$/thm)		\$0.0430 (4)
COG (\$/thm)		\$0.8455 (2)	COG (\$/thm)		\$0.8491 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
 (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
 (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
 (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
 (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - Low Annual, Low Winter Use - G50
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Proposed Rates		
<u>Delivery and Supply</u>					
10.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
20.0%	2.18	\$33.22	\$64.79	\$31.57	95.0%
30.0%	7.90	\$38.01	\$69.03	\$31.03	81.6%
40.0%	16.80	\$45.44	\$75.63	\$30.18	66.4%
50.0%	33.40	\$59.33	\$87.94	\$28.61	48.2%
60.0%	62.45	\$83.62	\$109.47	\$25.85	30.9%
70.0%	127.76	\$135.73	\$157.89	\$22.16	16.3%
80.0%	234.04	\$219.55	\$236.68	\$17.12	7.8%
90.0%	368.70	\$325.76	\$336.50	\$10.74	3.3%
100.0%	680.15	\$571.41	\$567.39	(\$4.02)	-0.7%
Average	153.34	\$155.90	\$176.85	\$20.95	13.4%
<u>Distribution Only</u>					
10.0%	0.00	\$31.40	\$63.18	\$31.78	101.2%
20.0%	2.18	\$31.99	\$63.51	\$31.52	98.5%
30.0%	7.90	\$33.53	\$64.37	\$30.84	92.0%
40.0%	16.80	\$35.94	\$65.72	\$29.78	82.9%
50.0%	33.40	\$40.42	\$68.23	\$27.81	68.8%
60.0%	62.45	\$48.27	\$72.63	\$24.36	50.5%
70.0%	127.76	\$63.40	\$82.51	\$19.11	30.1%
80.0%	234.04	\$87.06	\$98.59	\$11.53	13.2%
90.0%	368.70	\$117.03	\$118.96	\$1.93	1.6%
100.0%	680.15	\$186.36	\$166.09	(\$20.28)	-10.9%
Average	153.34	\$69.10	\$86.38	\$17.28	25.0%
<u>Present Rates</u>			<u>Proposed Rates</u>		
Customer Charge (\$/customer)		\$31.40 (1)	Customer Charge (\$/customer)		\$63.18 (3)
Distribution Charge - First 75 therms (\$/thm)		\$0.2701 (1)	Distribution Charge - First 75 therms (\$/thm)		\$0.1513 (3)
Distribution Charge - First 75 therms (\$/thm)		\$0.2226 (1)	Distribution Charge - First 75 therms (\$/thm)		\$0.1513 (3)
LDAC (\$/thm)		\$0.0227 (1)	LDAC (\$/thm)		\$0.0430 (4)
COG (\$/thm)		\$0.5434 (2)	COG (\$/thm)		\$0.5470 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - Medium Annual, High Winter Use - G41
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Proposed Rates		
<u>Delivery and Supply</u>					
10.0%	221.11	\$350.69	\$444.89	\$94.21	26.9%
20.0%	657.46	\$856.84	\$959.24	\$102.40	12.0%
30.0%	965.49	\$1,214.14	\$1,322.32	\$108.18	8.9%
40.0%	1,269.23	\$1,566.48	\$1,680.37	\$113.89	7.3%
50.0%	1,533.21	\$1,872.68	\$1,991.52	\$118.84	6.3%
60.0%	1,846.18	\$2,235.72	\$2,360.44	\$124.72	5.6%
70.0%	2,311.10	\$2,775.01	\$2,908.46	\$133.45	4.8%
80.0%	3,110.96	\$3,702.82	\$3,851.29	\$148.47	4.0%
90.0%	4,440.89	\$5,245.50	\$5,418.94	\$173.44	3.3%
100.0%	7,802.38	\$9,144.71	\$9,381.27	\$236.56	2.6%
Average	2,415.80	\$2,896.46	\$3,031.88	\$135.42	4.7%
<u>Distribution Only</u>					
10.0%	221.11	\$138.79	\$227.71	\$88.92	64.1%
20.0%	657.46	\$226.75	\$313.44	\$86.69	38.2%
30.0%	965.49	\$288.85	\$373.96	\$85.11	29.5%
40.0%	1,269.23	\$350.09	\$433.64	\$83.55	23.9%
50.0%	1,533.21	\$403.30	\$485.50	\$82.20	20.4%
60.0%	1,846.18	\$466.40	\$547.00	\$80.60	17.3%
70.0%	2,311.10	\$560.13	\$638.34	\$78.22	14.0%
80.0%	3,110.96	\$721.38	\$795.50	\$74.12	10.3%
90.0%	4,440.89	\$989.49	\$1,056.80	\$67.31	6.8%
100.0%	7,802.38	\$1,667.17	\$1,717.26	\$50.09	3.0%
Average	2,415.80	\$581.24	\$658.91	\$77.68	13.4%

Present Rates

Customer Charge (\$/customer)	\$94.21 (1)
Distribution Charge - All therms (\$/thm)	\$0.2016 (1)
LDAC (\$/thm)	\$0.0227 (1)
COG (\$/thm)	\$0.9357 (2)

Proposed Rates

Customer Charge (\$/customer)	\$184.26 (3)
Distribution Charge - All therms (\$/thm)	\$0.1965 (3)
LDAC (\$/thm)	\$0.0430 (4)
COG (\$/thm)	\$0.9393 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - Medium Annual, High Winter Use - G41
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Proposed Rates		
<u>Delivery and Supply</u>					
10.0%	0.09	\$94.28	\$184.33	\$90.06	95.5%
20.0%	9.48	\$101.62	\$191.87	\$90.24	88.8%
30.0%	43.98	\$128.59	\$219.53	\$90.94	70.7%
40.0%	118.12	\$186.56	\$278.99	\$92.43	49.5%
50.0%	223.32	\$268.81	\$363.36	\$94.55	35.2%
60.0%	361.30	\$376.68	\$474.01	\$97.33	25.8%
70.0%	526.98	\$506.21	\$606.88	\$100.67	19.9%
80.0%	779.04	\$703.28	\$809.02	\$105.74	15.0%
90.0%	1,241.03	\$1,064.47	\$1,179.51	\$115.05	10.8%
100.0%	2,827.79	\$2,305.02	\$2,452.03	\$147.00	6.4%
Average	613.11	\$573.55	\$675.95	\$102.40	17.9%

<u>Distribution Only</u>					
10.0%	0.09	\$94.22	\$184.28	\$90.05	95.6%
20.0%	9.48	\$95.69	\$185.70	\$90.02	94.1%
30.0%	43.98	\$101.06	\$190.95	\$89.89	88.9%
40.0%	118.12	\$112.60	\$202.21	\$89.61	79.6%
50.0%	223.32	\$128.98	\$218.20	\$89.21	69.2%
60.0%	361.30	\$150.46	\$239.16	\$88.69	58.9%
70.0%	526.98	\$176.26	\$264.33	\$88.07	50.0%
80.0%	779.04	\$215.51	\$302.63	\$87.12	40.4%
90.0%	1,241.03	\$287.44	\$372.82	\$85.39	29.7%
100.0%	2,827.79	\$534.50	\$613.91	\$79.42	14.9%
Average	613.11	\$189.67	\$277.42	\$87.75	46.3%

Present Rates

Customer Charge (\$/customer)	\$94.21 (1)
Distribution Charge - All therms (\$/thm)	\$0.1557 (1)
LDAC (\$/thm)	\$0.0227 (1)
COG (\$/thm)	\$0.6034 (2)

Proposed Rates

Customer Charge (\$/customer)	\$184.26 (3)
Distribution Charge - All therms (\$/thm)	\$0.1519 (3)
LDAC (\$/thm)	\$0.0430 (4)
COG (\$/thm)	\$0.6070 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - Medium Annual, Low Winter Use - G51
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Proposed Rates		
<u>Delivery and Supply</u>					
10.0%	210.01	\$315.37	\$401.51	\$86.14	27.3%
20.0%	625.32	\$752.71	\$831.11	\$78.40	10.4%
30.0%	806.05	\$943.03	\$1,018.06	\$75.03	8.0%
40.0%	949.65	\$1,094.25	\$1,166.60	\$72.35	6.6%
50.0%	1,090.16	\$1,242.22	\$1,311.95	\$69.73	5.6%
60.0%	1,270.07	\$1,431.67	\$1,498.05	\$66.38	4.6%
70.0%	1,550.28	\$1,717.58	\$1,781.32	\$63.75	3.7%
80.0%	1,997.90	\$2,172.52	\$2,232.57	\$60.05	2.8%
90.0%	2,712.18	\$2,898.49	\$2,952.63	\$54.14	1.9%
100.0%	5,239.14	\$5,466.80	\$5,500.06	\$33.25	0.6%
Average	1,645.07	\$1,813.92	\$1,876.88	\$62.96	3.5%
<u>Distribution Only</u>					
10.0%	210.01	\$133.04	\$214.16	\$81.12	61.0%
20.0%	625.32	\$209.83	\$273.28	\$63.45	30.2%
30.0%	806.05	\$243.25	\$299.01	\$55.76	22.9%
40.0%	949.65	\$269.80	\$319.45	\$49.65	18.4%
50.0%	1,090.16	\$295.78	\$339.46	\$43.67	14.8%
60.0%	1,270.07	\$329.05	\$365.07	\$36.02	10.9%
70.0%	1,550.28	\$371.67	\$398.37	\$26.70	7.2%
80.0%	1,997.90	\$438.01	\$450.31	\$12.30	2.8%
90.0%	2,712.18	\$543.86	\$533.19	(\$10.68)	-2.0%
100.0%	5,239.14	\$918.36	\$826.40	(\$91.96)	-10.0%
Average	1,645.07	\$385.72	\$409.37	\$23.65	6.1%
<u>Present Rates</u>			<u>Proposed Rates</u>		
Customer Charge (\$/customer)		\$94.21 (1)	Customer Charge (\$/customer)		\$184.26 (3)
Distribution Charge - First 1,300 therms (\$/thm)		\$0.1849 (1)	Distribution Charge - First 1,300 therms (\$/thm)		\$0.1424 (3)
Distribution Charge - Excess 1,300 therms (\$/thm)		\$0.1482 (1)	Distribution Charge - Excess 1,300 therms (\$/thm)		\$0.1160 (3)
LDAC (\$/thm)		\$0.0227 (1)	LDAC (\$/thm)		\$0.0430 (4)
COG (\$/thm)		\$0.8455 (2)	COG (\$/thm)		\$0.8491 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - Medium Annual, Low Winter Use - G51
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills		\$ Difference	% Difference
		@ Present Rates	Monthly Bills @ Proposed Rates		
<u>Delivery and Supply</u>					
10.0%	48.63	\$128.19	\$218.34	\$90.16	70.3%
20.0%	404.66	\$376.91	\$467.84	\$90.93	24.1%
30.0%	613.82	\$523.04	\$614.42	\$91.38	17.5%
40.0%	713.91	\$592.96	\$684.56	\$91.60	15.4%
50.0%	792.73	\$648.02	\$739.80	\$91.77	14.2%
60.0%	908.56	\$728.94	\$820.97	\$92.02	12.6%
70.0%	1,131.88	\$880.82	\$974.69	\$93.87	10.7%
80.0%	1,370.33	\$1,039.92	\$1,136.77	\$96.86	9.3%
90.0%	1,831.67	\$1,347.73	\$1,450.36	\$102.63	7.6%
100.0%	3,939.25	\$2,753.95	\$2,882.94	\$128.99	4.7%
Average	1,175.55	\$909.95	\$1,004.37	\$94.42	10.4%
<u>Distribution Only</u>					
10.0%	48.63	\$100.65	\$189.65	\$89.00	88.4%
20.0%	404.66	\$147.83	\$229.09	\$81.26	55.0%
30.0%	613.82	\$175.54	\$252.26	\$76.71	43.7%
40.0%	713.91	\$188.80	\$263.34	\$74.54	39.5%
50.0%	792.73	\$199.25	\$272.07	\$72.83	36.6%
60.0%	908.56	\$214.59	\$284.90	\$70.31	32.8%
70.0%	1,131.88	\$240.04	\$306.86	\$66.82	27.8%
80.0%	1,370.33	\$264.15	\$328.26	\$64.10	24.3%
90.0%	1,831.67	\$310.79	\$369.64	\$58.85	18.9%
100.0%	3,939.25	\$523.87	\$558.71	\$34.84	6.7%
Average	1,175.55	\$244.46	\$310.78	\$66.32	27.1%
<u>Present Rates</u>		<u>Proposed Rates</u>			
Customer Charge (\$/customer)		\$94.21 (1)		Customer Charge (\$/customer)	\$184.26 (3)
Distribution Charge - First 1,000 therms (\$/thm)		\$0.1325 (1)		Distribution Charge - First 1,000 therms (\$/thm)	\$0.1108 (3)
Distribution Charge - Excess 1,000 therms (\$/thm)		\$0.1011 (1)		Distribution Charge - Excess 1,000 therms (\$/thm)	\$0.0897 (3)
LDAC (\$/thm)		\$0.0227 (1)		LDAC (\$/thm)	\$0.0430 (4)
COG (\$/thm)		\$0.5434 (2)		COG (\$/thm)	\$0.5470 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - High Annual, High Winter Use - G42
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills @ Present Rates	Monthly Bills @ Proposed Rates	\$ Difference	% Difference
<u>Delivery and Supply</u>					
10.1%	1,390.20	\$1,915.10	\$2,648.15	\$733.05	38.3%
20.2%	4,399.27	\$5,380.54	\$6,100.97	\$720.43	13.4%
29.8%	6,485.82	\$7,783.55	\$8,495.23	\$711.68	9.1%
39.9%	8,324.84	\$9,901.49	\$10,605.46	\$703.97	7.1%
50.0%	10,113.63	\$11,961.58	\$12,658.04	\$696.46	5.8%
60.1%	11,568.00	\$13,636.53	\$14,326.90	\$690.36	5.1%
70.2%	13,365.63	\$15,706.80	\$16,389.63	\$682.82	4.3%
79.8%	15,495.01	\$18,159.13	\$18,833.03	\$673.89	3.7%
89.9%	21,252.86	\$24,790.26	\$25,440.00	\$649.74	2.6%
100.0%	79,682.14	\$92,081.31	\$92,485.97	\$404.66	0.4%
Average	17,207.74	\$20,131.63	\$20,798.34	\$666.71	3.3%
<u>Distribution Only</u>					
10.1%	1,390.20	\$582.78	\$1,282.60	\$699.83	120.1%
20.2%	4,399.27	\$1,164.43	\$1,779.72	\$615.29	52.8%
29.8%	6,485.82	\$1,567.76	\$2,124.43	\$556.67	35.5%
39.9%	8,324.84	\$1,923.24	\$2,428.25	\$505.00	26.3%
50.0%	10,113.63	\$2,269.01	\$2,723.76	\$454.75	20.0%
60.1%	11,568.00	\$2,550.14	\$2,964.03	\$413.89	16.2%
70.2%	13,365.63	\$2,897.63	\$3,261.01	\$363.38	12.5%
79.8%	15,495.01	\$3,309.24	\$3,612.80	\$303.56	9.2%
89.9%	21,252.86	\$4,422.23	\$4,564.02	\$141.80	3.2%
100.0%	79,682.14	\$15,716.61	\$14,216.87	(\$1,499.74)	-9.5%
Average	17,207.74	\$3,640.31	\$3,895.75	\$255.44	7.0%

Present Rates

Customer Charge (\$/customer)	\$314.05 (1)
Distribution Charge - All therms (\$/thm)	\$0.1933 (1)
LDAC (\$/thm)	\$0.0227 (1)
COG (\$/thm)	\$0.9357 (2)

Proposed Rates

Customer Charge (\$/customer)	\$1,052.94 (3)
Distribution Charge - All therms (\$/thm)	\$0.1652 (3)
LDAC (\$/thm)	\$0.0430 (4)
COG (\$/thm)	\$0.9393 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - High Annual, High Winter Use - G42
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills @ Present Rates	Monthly Bills @ Proposed Rates	\$ Difference	% Difference
<u>Delivery and Supply</u>					
9.9%	2.06	\$315.59	\$1,054.48	\$738.89	234.1%
19.9%	205.60	\$467.45	\$1,207.10	\$739.65	158.2%
29.8%	684.63	\$824.86	\$1,566.30	\$741.43	89.9%
39.7%	1,189.70	\$1,201.71	\$1,945.02	\$743.31	61.9%
50.4%	2,105.45	\$1,884.96	\$2,631.67	\$746.71	39.6%
60.3%	3,109.83	\$2,634.34	\$3,384.79	\$750.45	28.5%
70.2%	4,020.05	\$3,313.48	\$4,067.31	\$753.83	22.8%
80.1%	5,065.90	\$4,093.80	\$4,851.53	\$757.72	18.5%
90.1%	7,457.24	\$5,878.02	\$6,644.64	\$766.61	13.0%
100.0%	64,602.07	\$48,514.73	\$49,493.82	\$979.09	2.0%
Average	8,844.25	\$6,912.90	\$7,684.67	\$771.77	11.2%
<u>Distribution Only</u>					
9.9%	2.06	\$314.30	\$1,053.14	\$738.84	235.1%
19.9%	205.60	\$338.72	\$1,073.46	\$734.74	216.9%
29.8%	684.63	\$396.21	\$1,121.27	\$725.07	183.0%
39.7%	1,189.70	\$456.81	\$1,171.69	\$714.87	156.5%
50.4%	2,105.45	\$566.70	\$1,263.10	\$696.39	122.9%
60.3%	3,109.83	\$687.23	\$1,363.35	\$676.12	98.4%
70.2%	4,020.05	\$796.46	\$1,454.21	\$657.75	82.6%
80.1%	5,065.90	\$921.96	\$1,558.60	\$636.65	69.1%
90.1%	7,457.24	\$1,208.92	\$1,797.30	\$588.39	48.7%
100.0%	64,602.07	\$8,066.30	\$7,501.40	(\$564.90)	-7.0%
Average	8,844.25	\$1,375.36	\$1,935.75	\$560.39	40.7%

Present Rates

Customer Charge (\$/customer)	\$314.05 (1)
Distribution Charge - All therms (\$/thm)	\$0.1200 (1)
LDAC (\$/thm)	\$0.0227 (1)
COG (\$/thm)	\$0.6034 (2)

Proposed Rates

Customer Charge (\$/customer)	\$1,052.94 (3)
Distribution Charge - All therms (\$/thm)	\$0.0998 (3)
LDAC (\$/thm)	\$0.0430 (4)
COG (\$/thm)	\$0.6070 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - High Annual, Low Winter Use - G52
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Winter

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills @ Present Rates	Monthly Bills @ Proposed Rates	\$ Difference	% Difference
<u>Delivery and Supply</u>					
9.9%	3,217.00	\$3,583.06	\$4,386.77	\$803.71	22.4%
20.2%	6,919.70	\$7,345.61	\$8,223.95	\$878.33	12.0%
30.0%	10,263.29	\$10,743.26	\$11,688.98	\$945.71	8.8%
39.9%	14,303.30	\$14,848.58	\$15,875.71	\$1,027.13	6.9%
50.2%	21,998.36	\$22,668.05	\$23,850.25	\$1,182.20	5.2%
60.1%	33,454.66	\$34,309.56	\$35,722.63	\$1,413.07	4.1%
70.0%	43,727.72	\$44,748.70	\$46,368.79	\$1,620.09	3.6%
79.8%	51,473.73	\$52,619.94	\$54,396.13	\$1,776.19	3.4%
90.1%	67,708.59	\$69,117.26	\$71,220.62	\$2,103.36	3.0%
100.0%	133,178.79	\$135,645.90	\$139,068.62	\$3,422.72	2.5%
Average	38,624.51	\$39,562.99	\$41,080.24	\$1,517.25	3.8%
<u>Distribution Only</u>					
9.9%	3,217.00	\$790.17	\$1,516.99	\$726.83	92.0%
20.2%	6,919.70	\$1,338.17	\$2,051.12	\$712.95	53.3%
30.0%	10,263.29	\$1,833.02	\$2,533.44	\$700.42	38.2%
39.9%	14,303.30	\$2,430.94	\$3,116.22	\$685.28	28.2%
50.2%	21,998.36	\$3,569.81	\$4,226.25	\$656.44	18.4%
60.1%	33,454.66	\$5,265.34	\$5,878.84	\$613.50	11.7%
70.0%	43,727.72	\$6,785.75	\$7,360.75	\$575.00	8.5%
79.8%	51,473.73	\$7,932.16	\$8,478.13	\$545.97	6.9%
90.1%	67,708.59	\$10,334.92	\$10,820.04	\$485.12	4.7%
100.0%	133,178.79	\$20,024.51	\$20,264.26	\$239.75	1.2%
Average	38,624.51	\$6,030.48	\$6,624.60	\$594.13	9.9%

Present Rates

Customer Charge (\$/customer)	\$314.05 (1)
Distribution Charge - All therms (\$/thm)	\$0.1480 (1)
LDAC (\$/thm)	\$0.0227 (1)
COG (\$/thm)	\$0.8455 (2)

Proposed Rates

Customer Charge (\$/customer)	\$1,052.94 (3)
Distribution Charge - All therms (\$/thm)	\$0.1443 (3)
LDAC (\$/thm)	\$0.0430 (4)
COG (\$/thm)	\$0.8491 (5)

- (1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
- (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
- (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
- (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
- (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - NH Division
 General Service - High Annual, Low Winter Use - G52
 Settlement - May 1, 2014 Permanent Rates including First Step Adjustment and Surcharges versus Present Rates (excluding Temporary Rate Adjustment)
 Summer

Cumulative Percentage of Bills	Average Monthly Usage (Therms)	Monthly Bills @ Present Rates	Monthly Bills @ Proposed Rates	\$ Difference	% Difference
<u>Delivery and Supply</u>					
10.2%	956.28	\$921.78	\$1,680.49	\$758.71	82.3%
19.9%	3,662.43	\$2,641.58	\$3,456.39	\$814.81	30.8%
30.1%	6,270.83	\$4,299.27	\$5,168.15	\$868.88	20.2%
39.8%	10,535.62	\$7,009.61	\$7,966.89	\$957.28	13.7%
50.0%	19,792.82	\$12,892.72	\$14,041.90	\$1,149.18	8.9%
60.2%	24,596.05	\$15,945.25	\$17,194.00	\$1,248.75	7.8%
69.9%	30,506.70	\$19,701.57	\$21,072.85	\$1,371.28	7.0%
80.1%	35,245.68	\$22,713.27	\$24,182.78	\$1,469.51	6.5%
89.8%	48,770.69	\$31,308.64	\$33,058.52	\$1,749.88	5.6%
100.0%	88,252.20	\$56,399.80	\$58,968.12	\$2,568.32	4.6%
Average	26,858.93	\$17,383.35	\$18,679.01	\$1,295.66	7.5%
<u>Distribution Only</u>					
10.2%	956.28	\$380.42	\$1,116.27	\$735.85	193.4%
19.9%	3,662.43	\$568.22	\$1,295.50	\$727.27	128.0%
30.1%	6,270.83	\$749.25	\$1,468.25	\$719.00	96.0%
39.8%	10,535.62	\$1,045.22	\$1,750.71	\$705.48	67.5%
50.0%	19,792.82	\$1,687.67	\$2,363.81	\$676.13	40.1%
60.2%	24,596.05	\$2,021.02	\$2,681.92	\$660.91	32.7%
69.9%	30,506.70	\$2,431.22	\$3,073.38	\$642.17	26.4%
80.1%	35,245.68	\$2,760.10	\$3,387.24	\$627.14	22.7%
89.8%	48,770.69	\$3,698.74	\$4,283.00	\$584.26	15.8%
100.0%	88,252.20	\$6,438.75	\$6,897.85	\$459.09	7.1%
Average	26,858.93	\$2,178.06	\$2,831.79	\$653.73	30.0%
<u>Present Rates</u>			<u>Proposed Rates</u>		
Customer Charge (\$/customer)		\$314.05 (1)	Customer Charge (\$/customer)	\$1,052.94 (3)	
Distribution Charge - All therms (\$/thm)		\$0.0694 (1)	Distribution Charge - All therms (\$/thm)	\$0.0662 (3)	
LDAC (\$/thm)		\$0.0227 (1)	LDAC (\$/thm)	\$0.0430 (4)	
COG (\$/thm)		\$0.5434 (2)	COG (\$/thm)	\$0.5470 (5)	

(1) Current seasonal rates, not including temporary rate adjustment of \$0.0421/thm
 (2) 6 month average seasonal COG, 5/13 - 4/14 (2/14 - 4/14 estimated based on current)
 (3) Proposed Rates including 1st step adjustment, eff. May 1, 2014
 (4) Current LDAC adjusted for RPC @ \$0.0161/thm and RCE @ \$0.0042/thm adjustments
 (5) 6 month average seasonal COG adjusted for change in Indirect Gas Costs due to rate proposal

Northern Utilities - New Hampshire Division
Typical Residential Heating Bill (R-5)
Bill Impacts Illustrating Changes on a Monthly Basis - May 1, 2014 Step 1 Adjusted rates with Surcharges versus Current Rates (excluding Temporary Rate Adjustment)
Current Rates and Proposed Rates, using 6 month average COGC

Line		Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total Peak	Total Off-Peak	Annual Nov-Oct
<u>No.</u>	<u>Residential Heating (R-5)</u>	<u>(1)</u>	<u>(2)</u>	<u>(3)</u>	<u>(4)</u>	<u>(5)</u>	<u>(6)</u>	<u>(7)</u>	<u>(8)</u>	<u>(9)</u>	<u>(10)</u>	<u>(11)</u>	<u>(12)</u>	<u>(13)</u>	<u>(14)</u>	<u>(15)</u>
1	Test Year Monthly Weather Normalized Therm per Customer	50	92	134	135	115	80	42	26	17	15	16	23	607	139	747
2	Average First Block Therm per Customer	37	44	46	46	45	40	35	24	16	14	15	21	257	127	384
3	Average Excess Block Therm per Customer	13	48	88	89	71	41	7	2	1	1	1	2	350	13	363
4																
5	<u>Current November - October Rates</u>															
6	Customer Charge	\$13.73	\$13.73	\$13.73	\$13.73	\$13.73	\$13.73	\$13.73	\$13.73	\$13.73	\$13.73	\$13.73	\$13.73			
7	Distribution - First 50 therm @	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410
8	Distribution - Over 50 therm @	\$0.3829	\$0.3829	\$0.3829	\$0.3829	\$0.3829	\$0.3829	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410	\$0.4410
9																
10	LDAC (\$/therm)	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489	\$0.0489
11	COGC (\$/therm)	\$0.9223	\$0.9223	\$0.9223	\$0.9223	\$0.9223	\$0.9223	\$0.5807	\$0.5807	\$0.5807	\$0.5807	\$0.5807	\$0.5807	\$0.5807	\$0.5807	\$0.5807
12																
13	TOTAL BILL	\$84.16	\$140.55	\$198.29	\$199.42	\$172.69	\$124.72	\$58.95	\$41.32	\$32.23	\$29.62	\$31.19	\$38.26	\$920	\$232	\$1,151
14																
15																
16	<u>Proposed November - October Rates</u>															
17	Customer Charge	\$20.01	\$20.01	\$20.01	\$20.01	\$20.01	\$20.01	\$20.01	\$20.01	\$20.01	\$20.01	\$20.01	\$20.01			
18	Distribution - First 50 therm @	\$0.5844	\$0.5844	\$0.5844	\$0.5844	\$0.5844	\$0.5844	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104
19	Distribution - Over 50 therm @	\$0.4780	\$0.4780	\$0.4780	\$0.4780	\$0.4780	\$0.4780	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104	\$0.5104
20																
21	LDAC (\$/therm) inc. RPC (\$0.0161) and RCE (\$0.0042)	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692	\$0.0692
22	COGC (\$/therm) inc. increment	\$0.9259	\$0.9259	\$0.9259	\$0.9259	\$0.9259	\$0.9259	\$0.5843	\$0.5843	\$0.5843	\$0.5843	\$0.5843	\$0.5843	\$0.5843	\$0.5843	\$0.5843
23																
24	TOTAL BILL	\$98.22	\$159.87	\$222.77	\$224.00	\$194.86	\$142.46	\$69.16	\$50.00	\$40.11	\$37.28	\$38.99	\$46.68	\$1,042	\$282	\$1,324
25																
26	<u>Proposed Bill less Current Bill</u>															
27	Total Bill increase/(decrease)	\$14.06	\$19.33	\$24.48	\$24.58	\$22.17	\$17.74	\$10.21	\$8.68	\$7.89	\$7.66	\$7.80	\$8.41	\$122	\$51	\$173
28	Percentage increase/(decrease)	16.7%	13.8%	12.3%	12.3%	12.8%	14.2%	17.3%	21.0%	24.5%	25.9%	25.0%	22.0%	13.3%	21.9%	15.0%

Service Quality Metrics

The service quality metrics established by the Commission in Order Number 24,075 in Docket DG 01-182 and modified by the Commission in Order Number 24,906 in Docket DG 08-048 are further modified by this settlement agreement as shown below. The Settling Parties agree that Unitil shall continue to be subject to an automatic penalty of \$5,000 per month for failing to meet any one of the performance goals listed in below in any given month. Multiple failures to meet performance goals within any given month shall not constitute multiple finable violations, and Unitil's maximum monthly penalty exposure shall be \$5,000. Under no circumstances shall Unitil's annual maximum penalties for performance with respect to all service quality categories exceed \$60,000.

- a. Telephone Service Factor (non-emergency): 80 percent of calls on an annual basis to the billing, service or credit queues will be answered within 20 seconds. The calls included in this calculation will be those that are not resolved by the Interactive Voice Response ("IVR"). Performance shall be reported monthly; however, performance will be subject to penalties only if the cumulative performance in any given 12 month period falls short of the target.
- b. Telephone Service Factor (emergency): 90 percent of the emergency calls on a monthly basis will be answered within 20 seconds. Performance shall be reported monthly and will be subject to penalties if the performance in a month falls short of the target.
- c. In any given month, 95 percent of all mutually agreed upon appointments for service shall be met on the day scheduled. Customer initiated postponements shall not be included in this measurement.
- d. 95 percent of complaints referred to the Company by the Commission Staff will be resolved to the satisfaction of the Commission Staff within 30 days of receipt of the complaint.

Monthly performance relative to the following reporting-only service quality measurements will continue as will Unitil's commitment to a call abandon percentage that does not exceed 3.0%. Failure to meet the call abandon percentage standard shall not be subject to an automatic penalty at this time.

- a. Monthly average speed of answer for its billing, credit and service lines;
- b. Monthly number of calls abandoned;
- c. Monthly average time to abandon;
- d. Percentage of calls that abandon.

NHPUC No. 10 – Gas
Northern Utilities, Inc.

Supplement No. 2
Second Revised Page 1
Superseding First Revised Page 1

SUPPLEMENT NO. 2
TEMPORARY RATES

This Schedule has been deleted.

Issued: March 4, 2014
Effective: May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. _____ in Docket No. DG 13-086, dated _____

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Issued: March 4, 2014

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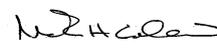

Treasurer

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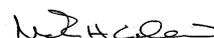
Treasurer

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Issued: March 4, 2014

Issued by:



Effective: May 1, 2014

Title:

Treasurer

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III. LINE EXTENSIONS

1. Original Installation and Extension

In areas in which operation by the Company is authorized, service and main extensions will be extended for new customers and/or system improvements will be undertaken for customer initiated load increases pursuant to the Company's Tariff, Rules and Regulations and will be subject to the results of a discounted cash flow ("DCF") (i.e., a Net Present Value ("NPV")) analysis.

The Company uses a DCF method to evaluate main and service line extensions. This method considers an estimate of the cost of capital expenditures associated with the proposed extension, an estimate of the net revenue (revenues exclusive of related gas costs recoveries) to be derived from the expected new customer(s), an estimate of the associated operation and maintenance expenses, depreciation and property and other taxes. These amounts are reflected on an annual basis and result in the annual cash flow (after-tax) associated with the proposed new main or service line extension. These annual cash flows are discounted (over ten (10) years for commercial and industrial service and twenty (20) years for residential service) to a present value at a rate representative of the Company's updated after-tax weighted cost of capital. If the NPV is zero or greater, then no contribution is required. However, if the NPV is negative, then the excess cost is required as a Contribution in Aid of Construction ("CIAC") by the Initial Customer(s).

Payment will be required in advance or in accordance with installment program provisions in effect at the time that the installment contract is signed.

For administrative efficiency the Company has a "Standard Offer Service" ("SOS") and will apply the SOS when a single new service is required for residential gas heating. The SOS provides for the installation of 100 feet of service pipe, under normal installation conditions as determined by the Company, from a gas main at no charge to serve residential heating loads.

For the installation of additional feet of service pipe, the Company will calculate annually the cost per additional foot from a gas main, under normal installation conditions as determined by the Company. The cost per additional foot above of the SOS offered will be calculated using the DCF method above. The inputs for calculating the cash flows will be the average net revenue derived from a typical residential heating rate class customer and an estimate of capital cost such that the NPV is zero. The estimate of capital cost will then be applied to determine the cost per additional foot of service pipe above the SOS.

Issued: March 4, 2014
Effective: May 1, 2014

Issued by: W. H. Cole
Title: Treasurer

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

III. LINE EXTENSIONS

2. Subsequent Customer Contributions and Refunds

If during the period of five (5) years immediately following the date of construction completion, additional Customers or Subsequent Customers, whose gas use was not reflected in any previous computation or re-computation of the CIAC, are connected to an extension which was installed subject to a CIAC, the CIAC will be recomputed. Such re-computation will result in a refund of some or all of the CIAC to the Initial Customer(s) if such Subsequent Customer(s) produces a positive NPV. A refund will be made by the Company to the Customer(s) who made the original payment and who continue to be customers of the Company.

3. Easements

The Company shall not be required to construct extensions hereunder other than on public ways unless the prospective Customer shall provide without expense or cost to the Company, the necessary permits, consents or easements for a satisfactory right-of-way for the construction, maintenance and operation of the main.

4. Winter Construction

Ordinarily no new service pipes or main extensions are installed during winter conditions (when frost is in the ground) unless the Customer defrays the extra expenses.

5. Title

Title of all extensions constructed in accordance with the above shall be vested in the Company.

6. Reasonable Duration

Under none of the foregoing provisions will the Company be required to install service pipes or to construct main extensions where the business to be secured will not be of reasonable duration.

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Effective: May 1, 2014

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IV. COST OF GAS CLAUSE

- (21) **Summer Season** – The months May through October.
- (22) **Winter Commodity** - The gas supplies procured by the Company to serve firm load in the Winter Season.
- (23) **Winter Demand** - Gas supply demand, peaking demands, storage and transmission capacity procured by the Company to service firm load in the Winter Season.
- (24) **Winter Season** – The months November through April.
- (25) **Working Capital Carrying Charge Rate**- the monthly prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates.

6. **Cost of Gas Calculations by Customer Classification**

6.1 **Approved Cost Figures**

The Cost of Gas calculation utilizes information periodically established by the New Hampshire Public Utilities Commission. The table below lists the approved cost factors:

<u>VARIABLE</u>	<u>DESCRIPTION</u>	<u>CURRENTLY APPROVED FIGURES</u>
MISC	Miscellaneous Overhead	\$512,686
PS	Production and Storage Capacity	\$420,658
WCA%	Working Capital Allowance Percentage	9.25 supply related net lag days / 365 days x WCCCR

Where WCCCR=Working Capital Carrying Charge Rate

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IV. COST OF GAS CLAUSE

- UCwl Unit Cost of Winter Commodity associated with the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- UDEMwl Unit Cost of Winter Demand associated with the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- DEMwh Costs of Winter Demand allocated to the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- UCwh Unit Cost of Winter Commodity associated with the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- UDEMwh Unit Cost of Winter Demand associated with the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- W:Sales Total Forecasted firm sales volumes associated with the Winter Season.
- WH:Sales Total Winter Season forecasted Commercial and Industrial high winter use sales volumes.
- WL:Sales Total Winter Season forecasted Commercial and Industrial low winter use sales volumes.
- WSCl Commodity charges associated with gas supply sent out in Winter Season allocated to the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- WSCh Commodity charges associated with gas supply sent out in Winter Season allocated to the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.

6.4 **Summer Season Cost of Gas (COG) Formula (CGs)**

The Summer Season COG shall be comprised of Summer demand costs and Summer commodity costs, Summer reconciliation costs, Summer working capital reconciliation costs, plus a Summer bad debt charge, and miscellaneous and A&G costs calculated at the beginning of the Summer Season according to the following formulas:

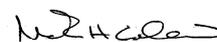
$$CGs = Ds + Cs + Rs + WCRs + BDs + (MISC \times S: Sales / A: Sales)$$

Summer Demand Cost (Ds) Formula

$$Ds = DEMs - NCSMs + WCsd - R1d - R2d$$

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IV. COST OF GAS CLAUSE

and:

$$\text{NCSMs} = \text{CRRs} + \text{ISM}s + \text{OSSMs}$$

and:

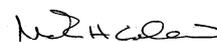
$$\text{WCsd} = (\text{DEMs} - \text{NCSMs}) \times \text{WCA}\%$$

Where:

- A:Sales Forecasted annual sales volumes.
- BDs Bad debt expense for Summer Season.
- Cs Commodity-related direct gas costs for the Summer Season.
- CGs The total cost of gas for the Summer Season for the Company's firm sales customers previously defined.
- CRRs The returnable Capacity Release Revenues allocated to the Summer Season. See Part IV, Section 7.
- Ds Demand costs allowable for the Summer Season.
- DEMs Demand charges allocated to the Summer Season defined in Part IV, Section 5.
- ISM}s The returnable Interruptible Sales Margins allocated to the Summer Season.
- MISC The total dollar amount of costs associated with acquisition, dispatching, Administrative and General expenses and overheads as determined in the Company's most recent rate proceeding. Refer to Part IV, Section 6.1 for this dollar amount.
- NCSMs The sum of the Summer Season returnable Interruptible Non-Core Sales Margins, the Capacity Release Revenues and Off-System Margins.
- OSSMs The returnable Off-System Sales Margins allocated to the Summer Season. See Part IV, Section 7.
- R1d, R2d Supplier refunds from pipeline demand charges - The per unit supplier refunds associated with refund program credits derived from Account 242, "Undistributed Gas Suppliers' Refunds." See Part IV, Section 8.

Issued: March 4, 2014

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IV. COST OF GAS CLAUSE

13. **Other Rules**

- (1) The NHPUC may, where appropriate, on petition or on its own motion, grant an exception from the provisions of these regulations, upon such terms that it may determine to be in the public interest.
- (2) The Company may, without further NHPUC action, adjust the approved COG upward or downward monthly based on the Company's calculation of the projected over or under-collection for the period, but the cumulative upward adjustments shall not exceed twenty-five percent of the approved COG.
- (3) The Company may, at any time, file with the NHPUC an amended COG. An amended COG filing must be submitted 45 days before the first day of the month in which it is proposed to take effect.
- (4) The operation of the Cost of Gas Clause is subject to all powers of suspension and investigation vested in the NHPUC.

14. **Reconciliation Adjustment Accounts**

- 191.10 **Summer Season Gas Cost Reconciliation Adjustment for COGC**
This account shall be used to record the cumulative difference between Summer Season gas revenues and Summer Season gas costs. Entries to this account shall be determined as outlined in the Cost of Gas Clause.
- 182.22 **Summer Season Bad Debt Reconciliation Adjustment for COGC**
This account shall be used to record the cumulative difference between Summer Season bad debt revenues and Summer Season bad debt costs. Entries to this account shall be determined as outlined in the Cost of Gas Clause.

Issued: November 23, 2009

Issued By: 

Effective: December 23, 2009

Title: Treasurer

Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008, and Order No. 25,028 in Docket No. DG 07-072, dated October 22, 2009

IV. COST OF GAS CLAUSE

- 191.20 Winter Season Gas Cost Reconciliation Adjustment for COGC
This account shall be used to record the cumulative difference between Winter Season gas revenues and Winter Season gas costs. Entries to this account shall be determined as outlined in the Cost of Gas Clause.
- 182.16 Winter Season Bad Debt Reconciliation Adjustment for COGC
This account shall be used to record the cumulative difference between Winter Season bad debt revenues and Winter Season bad debt costs. Entries to this account shall be determined as outlined in the Cost of Gas Clause.
- 182.21 Summer Season Gas Working Capital Allowance Reconciliation Adjustment for COGC
This account shall be used to record the cumulative difference between Summer Season gas working capital allowance revenues and Summer Season gas working capital allowance. Entries to this account shall be determined as outlined in the Cost of Gas Clause.
- 182.11 Winter Season Gas Working Capital Allowance Reconciliation Adjustment for COGC
This account shall be used to record the cumulative difference between Winter Season gas working capital allowance revenues and Winter Season gas working capital allowance. Entries to this account shall be determined as outlined in the Cost of Gas Clause.
- 242 Undistributed Purchase Capacity/Product Demand Refunds
This account shall be used to record the refunds from upstream capacity supplies and suppliers of product demand and transfer of credits in the semiannual calculation of the COG. Entries to this account shall be determined as outlined in the Cost of Gas Clause.
- 242 Commodity Undistributed Gas Suppliers Refunds
This account shall be used to record the refunds from upstream commodity supplies and suppliers of product commodity and transfers of credits in the semiannual calculation of the COG. Entries to this account shall be determined as outlined in the Cost of Gas Clause.

Issued: November 23, 2009

Issued By: 

Effective: December 23, 2009

Title: Treasurer

Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008, and Order No. 25,028 in Docket No. DG 07-072, dated October 22, 2009

IV. COST OF GAS CLAUSE

CANCELED
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Effective: May 1, 2014

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Issued by: *Mark H Collin*
Title: Treasurer

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V. LOCAL DELIVERY ADJUSTMENT CLAUSE

7.5 Definition

The **RCE** includes all rate case-related expenses approved by the NHPUC. This includes legal expenses, costs for bill inserts, costs for legal notices, consulting fees, processing expenses, and other approved expenses.

7.6 Rate Case Expense (RCE) Factor Formulas

The RCE will be calculated according to the Commission Order issued in an individual proceeding to establish details including the number of years over which the RCE shall be amortized and the allocation of recovery among rate classes. In general, the RCE Factor will be derived by dividing the annual portion of the total RCE, plus the RCE Reconciliation Adjustment, by forecast firm annual throughput.

7.7 Reconciliation Adjustments

Account 175.7 shall contain the accumulated difference between revenues toward Rate Case Expenses as calculated by multiplying the Rate Case Expense Factor (RCEF) times the appropriate monthly volumes and Rate Case Expense allowed.

At the end of the recovery period, any under or over recovery will be included in an active LDAC component, as approved by the Commission.

7.8 Application of RCE to Bills

The RCE (\$ per therm) shall be calculated to the nearest one one-hundredth of a cent per therm and will be applied to the monthly firm sales and firm delivery service throughput of tariffed customers.

7.9 Information to be Filed with the NHPUC

Information pertaining to the RCE will be filed with the NHPUC consistent with the filing requirements of all cost and revenue information included in the LDAC. The RCE filing will contain the calculation of the new RCE and will include the updated RCE reconciliation balance.

Issued: March 4, 2014

Effective: May 1, 2014

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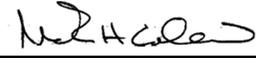
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Local Delivery Adjustment Clause

Rate Schedule	RLIARA	DSM	ERC	ITM	RCE	RPC	LDAC
Residential Heating	\$0.0065	\$0.0393	\$0.0031	\$0.0000	\$0.0042	\$0.0161	\$0.0692
Residential Non-Heating	\$0.0065	\$0.0393	\$0.0031	\$0.0000	\$0.0042	\$0.0161	\$0.0692
Small C&I	\$0.0065	\$0.0131	\$0.0031	\$0.0000	\$0.0042	\$0.0161	\$0.0430
Medium C&I	\$0.0065	\$0.0131	\$0.0031	\$0.0000	\$0.0042	\$0.0161	\$0.0430
Large C&I	\$0.0065	\$0.0131	\$0.0031	\$0.0000	\$0.0042	\$0.0161	\$0.0430
No Previous Sales Service							

Issued: March 4, 2014
Effective: With Service Rendered On and After May 1, 2014

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VI. RATE SCHEDULES

RATE SCHEDULE R-5 - RESIDENTIAL HEATING SERVICE

CHARACTER OF SERVICE

Natural Gas or its equivalent having a nominal heat content of 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

Service hereunder is available under this rate at single, domestic locations for all purposes in individual private dwellings and individual apartments including condominiums and their facilities which use gas as the principal household heating fuel or at locations which are otherwise deemed ineligible for non-heating service based on availability.

RATE – MONTHLY

Customer Charge				\$20.01 per month
Summer	-	First 50 therms	@	\$0.5104 per therm
	-	Excess 50 therms	@	\$0.5104 per therm
Winter	-	First 50 therms	@	\$0.5844 per therm
	-	Excess 50 therms	@	\$0.4780 per therm

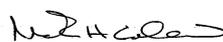
MINIMUM BILL

The minimum monthly bill for gas service will be the Customer Charge Per Month.

COST OF GAS FACTOR AND LOCAL DELIVERY ADJUSTMENT CLAUSE

The provisions of the Company's Cost of Gas Clause, Part IV, and the Local Delivery Adjustment Clause, Part V, apply to gas sold under this rate schedule.

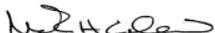
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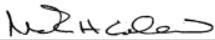
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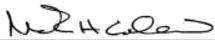
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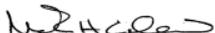
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Effective: May 1, 2014

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

electronic bulletin board that its customers will be required to adhere to a maximum hourly flow rate, the Supplier will be deemed to have notice that maximum hourly flows will be in effect on the Company's distribution facilities as of the same time and for the same period as maximum hourly flows are in effect on the Transporting Pipeline. The Supplier's maximum hourly flow will be established based on an allocation of even hourly flows of daily receipts of Gas scheduled in the relevant period in accordance with the applicable transportation tariff of the Transporting Pipeline. All Gas Usage in excess of the Supplier's maximum hourly flow rate shall be subject to an additional charge of 5 times the Daily Index for each Dekatherm in excess of the Supplier's maximum hourly flow. The Company will notify the Supplier of the Supplier's maximum hourly flow.

- 9.6.6 If, during any fifteen (15) consecutive Gas Days, the Supplier delivers an amount less than 70% of the sum of the aggregated Gas Usage of Customers in the Aggregation Pool in said Gas Days, the Company may declare the Supplier ineligible to nominate Gas for the following thirty (30) Gas Days. The Supplier shall have the opportunity to cure the imbalance with the demonstration of verifiable imbalance trades or otherwise within twenty-four (24) hours of notification by the Company. If the Supplier is declared ineligible to nominate Gas for such 30 Gas Days, the Supplier may be reinstated at the end of the 30 Gas Days, provided it posts security equal to the product of: (1) the maximum aggregate daily Gas Usage of Customers in the Aggregation Pool expressed in MMBtu and (2) \$300. If, within twelve (12) months of the first offense, such Supplier is declared ineligible to nominate Gas pursuant to this Section, the Supplier will be disqualified from service under this tariff for one (1) full year from the time of the second disqualification. If the Supplier defaults on its obligations under this tariff, the Company shall have the right to use such security to satisfy the Supplier's obligations. Such security may be used by the Company to secure Gas, transportation, and storage, and to cover other related costs incurred as a result of the Supplier's default. The security may also be used to satisfy any outstanding claims that the Company may have against the Supplier including imbalance charges, cash-out charges, pipeline penalty charges, and other charges.

9.7 Cash Out

For each Aggregation Pool, the Supplier must maintain total Monthly receipts within a reasonable tolerance of total Monthly Gas Usage. Any differences between total Monthly receipts for an Aggregation Pool and the aggregated Gas Usage of Customers in the Aggregation Pool, expressed as a percentage of total Monthly receipts, will be cashed out according to the following schedule:

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

Transporting Pipeline, the lower volume will be deemed confirmed. The Company will allocate such discrepancy based on a predetermined allocation method set forth in the Supplier Service Agreement. If no predetermined allocation method has been established prior to the event of such discrepancy, the Company will allocate the discrepancy on a pro rata basis. The Company will not confirm any volume nominated by the Supplier in excess of the ATV.

10.3.7 In the event that the Supplier is unable to deliver a confirmed ATV Nomination, the Supplier may make intra-Gas Day Nominations relating to changes to existing Nominations within a given Gas Day no later than two (2) hours prior to the intra-Gas Day Nomination deadline for the Transporting Pipeline on which the Nomination is to be effective, or such lesser period as determined by the Company; provided, however, that the Nomination must be in conformance with the requirements of and must be permitted by the Transporting Pipeline. Intra-Gas Day Nominations on weekends, holidays, and non-business hours will be accepted by the Company on a basis consistent with that utilized by the Company for its own operations. The Company shall not adjust the ATV applied for that Gas Day.

10.3.8 Nominations may be rejected if they do not satisfy the conditions for Delivery Service in effect from time to time.

10.3.9 All quantities of Gas over-delivered or under-delivered to the Company's system in violation of an Operational Flow Order ("OFO") declared by the Company pursuant to Part VII, Section 16 will be subject to the Critical Day provisions of Part VII, Section 10.6.1 of this tariff, and the delivered quantity specified in the OFO will replace the ATV.

10.4 Determination of Receipts

10.4.1 The quantity of Gas deemed received by the Company for the Supplier's Aggregation Pool at the Designated Receipt Point(s) will equal the volume so scheduled by the Transporting Pipeline(s).

10.4.2 The Company Gas Allowance will be assessed against receipts pursuant to Part VII, Section 8 of this tariff.

10.5 Metering and the Determination of Deliveries

The Company shall record the Customer's Gas Usage at the Delivery Point by making actual meter reads on a monthly or bi-monthly basis. In the event that the

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Effective: May 1, 2014

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

- (b) for receipts in excess of 25% above the ATV, the Supplier shall be charged 0.8 times the Daily Index for the difference.

Critical Day That Will Be Aggravated By Over-delivery.

Supplier who over-delivers. A Supplier who over-delivers on a Critical Day that will be aggravated by over-delivery shall be charged 0.4 times the Daily Index for receipts greater than the ATV.

Supplier who under-delivers. A Supplier who under-delivers on a Critical Day that will be aggravated by over-delivery shall be charged the following amounts--for receipts less than the ATV but greater than or equal to 75% of the ATV, the Supplier shall be charged the Daily Index for the first 25% difference, and the Supplier shall be charged 1.1 times the Daily Index for the remaining difference.

10.6.2 In addition to the charges set forth in Part VII, Section 10.6.1, the Company shall use a daily balancing charge calculation to account for balancing costs it incurs in serving each Aggregation Pool due to differences in forecast versus actual Effective Degree Days. The daily balancing charge shall be based on the sum of the absolute values of the daily differences between the Aggregation Pool's ATV and the recalculated ATV value described in Part VII, Section 10.7.1 below. Such charge shall be billed to the Supplier monthly and shall reflect the cost of resources used by the Company to balance such differences for each Gas Day of the Month. The Company shall calculate such charge annually in its Peak Season cost of Gas filing according to a formula as set forth in Appendix A.

In the event that the Transporting Pipeline requires its customers to balance on a point-specific basis, the Supplier must balance pursuant to this Section at each Designated Receipt Point.

10.6.3 In addition to the charges set forth in Part VII, Sections 10.6.1 and 10.6.2, the Company shall flow through to the Supplier any pipeline imbalance penalty charges attributable to the Supplier.

10.7 Cash Out

10.7.1 The Company shall use a daily cash out calculation to account for imbalances due to differences in forecast versus actual Effective Degree Days. Using a Consumption Algorithm, the Company will recalculate the ATV for each Aggregation Pool for each Gas Day of the Month,

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Effective: May 1, 2014

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Title: Treasurer

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

Customer again elects to take Supplier Service after returning to Sales Service, unless otherwise established herein.

- 11.3.7 The Company shall determine the pro-rata shares of Pipeline Capacity, Storage Withdrawal Capacity, and Peaking Capacity assignable to a Supplier on behalf of a Customer as the product of the Customer's TCQ times the applicable Capacity Allocators. The Capacity Allocators for each class of Customers billed under the Company's Rate Schedule shall be set forth annually in Appendix C to this tariff.
- 11.3.8 The Company shall determine the pro-rata share of Seasonal Storage Capacity assignable to a Supplier on behalf of a Customer consistent with the tariffs governing the associated Storage Withdrawal Capacity.
- 11.3.9 The Company shall determine the pro-rata shares of Peaking Supply assignable to a Supplier in accordance with Part VII, Section 14 of this tariff.

11.4 Capacity Assignments

- 11.4.1 On each Assignment Date, the Company will assign to the Supplier the pro-rata shares of Capacity on behalf of each Customer as determined by the Company in accordance with Part VII, Sections 11.2, 11.3 and 11.7.
- (a) The total amount of Pipeline Capacity, Storage Withdrawal Capacity, and Peaking Capacity assigned to the Supplier on behalf of the Customers in an Aggregation Pool shall be at least equal to the cumulative sum of the pro-rata shares of Pipeline Capacity, Storage Withdrawal Capacity, and Peaking Capacity for all Customers enrolled in said Aggregation Pool as of five (5) Business Days prior to the Assignment Date.
- (b) Storage Withdrawal Capacity shall be subject to Operational Flow Orders that are issued by the Company pursuant to Part VII, Section 16 of this tariff, in the event that the Company requires the Supplier to deliver or to store quantities of Gas for the purposes of managing system imbalances and maintaining Delivery Service. Whenever the Company assigns incremental Storage Withdrawal Capacity to the Supplier, the Company shall also assign to that Supplier additional Seasonal Storage Capacity pursuant to Part VII, Section 11.8.
- (c) The Peaking Capacity assigned to the Supplier shall establish the Maximum Daily Peaking Quantity ("MDPQ") for the Aggregation Pool in the Supplier's Service Agreement. In the event that the

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Effective: May 1, 2014

Issued by: N. Zucconi
Title: Treasurer

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

16.5 All quantities of Gas over-delivered or under-delivered to the Company's system in violation of an OFO will be subject to the Critical Day provisions of Part VII, Sections 9.6 and 10.6 of this tariff.

17. Force Majeure and Limitation of Liability

17.1 Neither the Company nor the Supplier will be liable to the other for any act, omission, or circumstance occasioned by or in consequence of any event constituting force majeure, and unless it is otherwise expressly provided herein, the obligations of the Company and the Supplier then existing hereunder will be excused during the period thereof to the extent affected by such event of force majeure, provided that reasonable diligence is exercised to overcome such event. As used herein, force majeure will mean the inability of the Company or the Supplier to fulfill its contractual or regulatory obligations: as a result of compliance by either party with an order, regulation, law, code, or operating standard imposed by a governmental authority; by reason of any act of God or public enemy; by reason of storm, flood, fire, earthquake, explosion, civil disturbance, labor dispute, or breakage or accident to machinery or pipeline (which breakage or accident is not the result of the negligence or misconduct of the party claiming force majeure); by reason of any declaration of force majeure by upstream Transporting Pipelines; or by reason of any other cause, whether the kind enumerated herein or otherwise, not within the control of the party claiming force majeure and which by the exercise of reasonable diligence such party is unable to prevent or overcome. Notwithstanding the foregoing, the Customer's and the Supplier's obligation to make any payments required under this tariff will in no case be excused by an event of force majeure. Nor will a failure to settle or prevent any labor dispute or other controversy with employees or with anyone purporting or seeking to represent employees be considered to be a matter within the control of the party claiming excuse. The party claiming force majeure will, on request, provide the other party with a written explanation thereof and of the remedy being undertaken.

17.2 The Company shall be liable only for direct damages resulting from the Company's conduct of business when the Company, its employees, or agents have acted in a negligent or intentionally wrongful manner. In no event shall the Company be liable to any party for any indirect, consequential, or special damages, whether arising in tort, contract, or otherwise, by reason of any services performed, or undertaken to be performed, or actions taken by the Company, or its agents or employees, under this tariff or in accordance with or required by law, including, without limitation, termination of the Customer's service.

17.3 If the Company is unable to render firm Delivery Service to the Customer taking such service as contemplated by this tariff as a result of force majeure and such inability continues for a period of thirty (30) Gas Days, the Customer may provide

Issued: March 4, 2014
Effective: May 1, 2014

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

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

- 18.4 If the Company is required to curtail or interrupt service due to capacity constraints, the Company's Interruptible Delivery Service shall have a priority subordinate to the Company's firm Delivery Service and Sales Service Customers.
- 18.5 In any case where the Company determines in its judgment that a curtailment or interruption of firm services is necessary, the Company will curtail and/or interrupt firm Delivery Service and Sales Service Customers on a nondiscriminatory basis.

19. Taxes

- 19.1 In the event a tax of any kind is imposed or removed by any governmental authority on the distribution of Gas or on the gross revenues derived from the distribution of Gas at retail (exclusive, however, of taxes based on the Company's net income), the rate for service herein stated will be adjusted to reflect said tax. Similarly, the effective rate for service hereunder will be adjusted to reflect any refund of imposition of any surcharges or penalties applicable to service hereunder, which are imposed or authorized by any governmental or regulatory authorities.
- 19.2 The Customer will be responsible for all taxes or assessments that may now or hereafter be levied with respect to the Gas or the handling or subsequent disposition thereof after its delivery to the Delivery Point. However, if the Company is required by law to collect and/or remit such taxes, the Customer will reimburse the Company for all amounts so paid. If the Customer claims exemption from any such taxes, the Customer will provide the Company in writing its tax exemption number and other appropriate documentation. If the Company collected any taxes or assessments from the Customer and is later informed by the Customer that the Customer is exempt from such taxes, it shall be the Customer's responsibility to obtain any refund from the appropriate governmental taxing agency.
- 19.3 The Supplier will be responsible for all production, severance, ad valorem, or similar taxes levied on the production or transportation of the Gas before its delivery to the Designated Receipt Point. The Supplier will also be responsible for sales taxes imposed on Gas delivered for the Customer's account. However, if the Company is required by law to remit such taxes to the collecting authority, it will do so and invoice the Supplier for such taxes paid on the Supplier's behalf.

20. Supplier Terms and Conditions

20.1 Applicability

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Effective: May 1, 2014

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

20.8.3 The Supplier shall have ten (10) Business Days from the date of such statement to render payment to the Company. The Supplier shall render payment by means of electronic funds transfer to the Company. The late payment rate will apply to all amounts outstanding after ten (10) days.

20.8.4 If the correctness of the Company's bill to the Supplier is questioned or disputed by the Supplier, an explanation should be promptly requested from the Company. If the bill is determined to be incorrect, the Company shall issue a corrected bill. In the event that the Supplier and the Company fail to agree on the amount of the bill, the Supplier may file a complaint with the Commission to resolve such complaint.

21. Customer Designated Representative

21.1 The Customer may appoint a Designated Representative to satisfy or undertake the Customer's duties and obligations; including, but not limited to submitting and/or receiving notices, making nominations, arranging for trades of imbalances, and performing operational and administrative tasks; provided, however, that under no circumstances will the appointment of a Designated Representative relieve the Customer of the responsibility to make full and timely payment to the Company for all Delivery Service provided under this tariff.

21.2 A request by a Designated Representative to the Company that contains the Customer's Authorization Number will be deemed to be confirmation that the Customer has designated such person or entity as a Designated Representative. A Customer may appoint only one (1) Designated Representative per account.

21.3 Under any agency established hereunder, the Company shall rely upon information concerning the applicable Customer's Delivery Service that is provided by the Designated Representative. All such information shall be deemed to have been provided by the Customer. Similarly, any notice or other information provided by the Company to the Designated Representative concerning the provision of Delivery Service to such Customer shall be deemed to have been provided to the Customer. The Customer shall rely upon any information concerning Delivery Service that is provided to the Designated Representative as if that information had been provided directly to the Customer.

21.4 The Customer shall agree to indemnify the Company and hold it harmless from any liability (including reasonable legal fees and expenses) that the Company incurs as a result of the Designated Representative's negligence or willful misconduct in its performance of agency functions on the Customer's behalf.

Issued: March 4, 2014
Effective: May 1, 2014

Issued by: NZucod
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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

22. Appendices

Appendix A (pg. 154) Schedule of Administrative Fees and Charges

Appendix B (pg. 155) Supplier Service Agreement

Appendix C (pg. 169) Capacity Allocators

Appendix D (pg. 170) Firm Sales Service Re-Entry Fee Bill Adjustment

Appendix E (pg. 171) Capacity Reserve Charge Rate Adjustment

Issued: March 4, 2014
Effective: May 1, 2014

Issued by: _____
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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX D

Firm Sales Service Re-Entry Fee Bill Adjustment

I. Purpose:

In order to assess a fee to Customers of the Company who elect to switch from Firm Delivery Service to Firm Sales Service after June 30, 2006, for the purpose of recovering costs associated with capacity resources on-hand to serve the unassigned capacity portion of the requirements of such Customers, there shall be a monthly Re-Entry Fee charged for the first twelve months under, and after switching to, Firm Sales Service. The Re-Entry Fee under this Tariff is pursuant to the Stipulation and Settlement in Docket DG 05-080.

II. Application of Re-entry Fee:

A Re-Entry Fee shall be calculated for an individual Customer, once the Customer has switched to Firm Sales Service, for the first billing month under such service. The Company's annual system average unit capacity cost from which the Re-Entry Fee is derived shall be filed by September 15 of every year and be subject to review and approval by the Commission. The Re-Entry Fee shall be calculated as a separate monthly charge to the nearest one-cent and will be applied to the individual Customer's monthly Firm Sales Service bill for the initial twelve (12) consecutive billing months.

III. Re-Entry Fee Costs Allowable:

The Re-Entry Fee costs allowable for recovery shall be those costs derived from applying twenty-five percent (25%) of the Company's annual average unit cost of system capacity resources, derived once a year for the upcoming period of November through October, to the Customer's unassigned capacity portion of its Peak Day Gas Usage under its previous Firm Delivery Service.

IV. Calculation of Re-Entry Fee:

The monthly Re-Entry Fee shall be an amount equal to one-twelfth of the product of 25% of the Company's annual system average unit capacity cost and the Customer's unassigned capacity portion of its Peak Day Gas Usage at the time the Customer was taking Firm Delivery Service prior to switching to Firm Sales Service.

Issued: March 4, 2014

Effective: May 1, 2014

Issued by:

Title: N. J. H. Cole
Treasurer

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

NHPUC No. 10 – GAS
Superseding NHPUC 9 – Gas

NORTHERN UTILITIES, INC.

Issued: ~~August 17, 2001~~ March 4, 2014

Issued by: *Stephen H. Bryant*

Effective: ~~November 1, 2001~~ May 1, 2014

Title: *Bryant* *W. H. Cole*

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

NHPUC No. 10 – Gas
Northern Utilities, Inc.

Supplement No. 2
~~First~~ Second Revised Page 1
~~Issued in lieu of Original~~ Superseding First
Revised Page 1

SUPPLEMENT NO. 2 TEMPORARY RATES

~~A temporary rate delivery charge of \$0.0421 per therm shall be billed by the Company to all customers taking service under all Rate Schedules of this tariff. This Schedule has been~~
deleted.

Issued: ~~July 2, 2013~~ March 4, 2014
Effective: ~~July 1, 2013~~ May 1, 2014

Issued By:
Title: Treasurer

Authorized by NHPUC Order No. ~~25,529~~ _____ in Docket No. DG_13-086, dated ~~June 26, 2013~~ _____

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Issued: ~~August 17, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~ May 1, 2014

Title: Vice President ~~Treasurer~~

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

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Issued: ~~February 9, 2007~~March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2006~~May 1, 2014

Title: President~~Treasurer~~

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

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Issued by:

Stephen H. Bryant

Effective: ~~November 1, 2006~~May 1, 2014

Title:

President~~Treasurer~~

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Issued: ~~February 9, 2007~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2006~~ May 1, 2014

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Issued: ~~February 9, 2007~~^{March 4, 2014}

Issued by:

Stephen H. Bryant 

Effective: ~~November 1, 2006~~^{May 1, 2014}

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President~~Treasurer~~

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Issued: ~~February 9, 2007~~ March 4, 2014

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Effective: ~~November 1, 2006~~ May 1, 2014

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I. SERVICE AREA

The territory authorized to be served by the Company and to which this Tariff applies is as follows:

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Pelham, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, Stratham, and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

Limited areas of the towns so identified above are as shown on the maps filed separately with the Commission and incorporated in this Tariff by reference.

—Issued: ~~August 17, 2001~~ March 4, 2014

Effective: ~~November 1, 2004~~ May 1, 2014

Issued by: Stephen H. Bryant 

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II. GENERAL TERMS AND CONDITIONS

1. General

The Company shall furnish service under its Tariff for Gas Supply and Delivery Service in the State of New Hampshire as approved from time to time by the New Hampshire Public Utilities Commission which shall govern all service except as specifically modified by written agreements. Copies of the currently effective Tariff for Gas Supply and Delivery Service in the State of New Hampshire are available at the office of the Company.

2. Definitions

When used herein the following terms shall have the meaning defined below:

- Btu:** One British thermal unit; i.e., the amount of heat required to raise the temperature of one pound of water one degree Fahrenheit at sixty degrees (60°) Fahrenheit.
- Commission:** New Hampshire Public Utilities Commission.
- Company:** Northern Utilities, Inc.
- Customer:** Any person, firm, partnership, corporation, cooperative marketing association, tenant, governmental unit, or a subdivision of a municipality, or the State of New Hampshire or other entity (a) who is currently purchasing as a Customer of record, or (b) whose application for service has been accepted, or (c) who is receiving the benefit of the use when no other party is, or has made application to be, a Customer.
- Delivery Service:** The distribution of Gas by the Company on any Gas Day from the Designated Receipt Point to the Customer's Delivery Point and related Customer services.
- Main Line:** The pipe(s) used by the Company for the distribution of gas other than the service line.
- Meter:** The device installed to measure the quantity of gas used.
- Sales Service:** Commodity service provided on a firm basis to a Customer who is not receiving Supplier Service, in accordance with the provisions set forth in this tariff. The provision of Sales Service shall be the responsibility of the Company and shall be provided

—Issued: ~~August 17, 2004~~ March 4, 2014

Effective: ~~November 1, 2004~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: Vice President ~~Treasurer~~

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II. GENERAL TERMS AND CONDITIONS (continued)

to the Customer by the Company or its designated Supplier pursuant to law or regulation.

Service: The activity carried out by the Company to provide the use of vaporized combustible gas for the benefit of and requested by the Customer.

Service Line: All piping between the main tap and up to but not including the first valve or fitting of the meter or regulator setting.

Supplier: Any entity that has met the Company's requirements set forth in Part VII, Section 20 and that has been designated by a Customer to supply Gas to a Designated Receipt Point for the Customer's account; provided, however, that a Customer may act as its own Supplier in accordance with Part VII, Section 5.2 .

Supplier Service: The sale of Gas to a customer by a Supplier.

Tariff: The current schedules of rates, charges, terms and conditions filed by Northern Utilities and either approved by the Commission or effective by operation of law.

Therm: An amount of Gas having a thermal content of 100,000 Btus .

3. Service Classifications

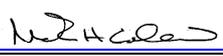
A. Residential Service (including Heating, Non-Heating, Low Income Heating and Low Income Non-Heating) - a service supplied for residential purposes in a single family dwelling or building, or in an individual flat or apartment in a multiple family dwelling or building or portion thereof occupied as the home, residence, or dwelling place of one or more persons, including:

- i. A rooming house of less than six (6) rooms for rent.
- ii. A structure used for commercial and residential purposes on the same premises where the commercial use in a ratio of square footage is less than fifty percent (50%) of the total square footage.

B. Commercial and Industrial Sales Services - Services including the sales and Delivery of natural gas supply provided to all commercial and industrial customers.

—Issued: ~~August 17, 2001~~ March 4, 2014

Effective: ~~November 1, 2004~~ May 1, 2014

Issued by: Stephen H. Bryant 

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II. GENERAL TERMS AND CONDITIONS (continued)

- i. Rate G-40 - A Customer receiving service under this schedule must have annual usage less than or equal to 8,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.
- ii. Rate G-41 - A Customer receiving service under this schedule must have annual usage of greater than 8,000 therms but less than or equal to 80,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.
- iii. Rate G-42 - A Customer receiving service under this schedule must have annual usage greater than 80,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.
- iv. Rate G-50 - A Customer receiving service under this schedule must have annual usage less than or equal to 8,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.
- v. Rate G-51 - A Customer receiving service under this schedule must have annual usage of greater than 8,000 therms but less than or equal to 80,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.
- vi. Rate G-52 - A Customer receiving service under this schedule must have annual usage greater than 80,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.

C. Commercial and Industrial Firm Delivery Services - Natural Gas Delivery services provided to all firm commercial and industrial customers.

- i. Rate T-40 - A Customer receiving service under this schedule must have annual usage less than or equal to 8,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.
- ii. Rate T-41 - A Customer receiving service under this schedule must have annual usage of greater than 8,000 therms but less than or equal to 80,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.
- iii. Rate T-42 - A Customer receiving service under this schedule must have

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Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2004~~ May 1, 2014

Title: Vice President ~~Treasurer~~

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II. GENERAL TERMS AND CONDITIONS (continued)

annual usage greater than 80,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.

- iv. Rate T-50 - A Customer receiving service under this schedule must have annual usage less than or equal to 8,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.
- v. Rate T-51 - A Customer receiving service under this schedule must have annual usage of greater than 8,000 therms but less than or equal to 80,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.
- vi. Rate T-52 - A Customer receiving service under this schedule must have annual usage greater than 80,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.

- D. Service to Other Utilities - a service supplied to other privately owned utility companies, governmental agencies or utilities (municipal, county, state or federal), rural cooperatives, etc., for distribution and resale.
- E. Any other service classifications or contracts that may be approved by the Commission from time to time.

4. Application and Contract

Application for service may be made at any business office of the Company. Whether or not a signed application for service is made by the Customer and accepted by the Company, the rendering of the service by the Company and its use by the Customer shall be deemed a contract between the parties and subject to all provisions of the Tariff, as in effect from time to time, applicable to the service. Application for service to a multi-unit dwelling which is supplied through a single meter, must be made by the building owner who will be the customer of record.

The application or the depositing of any sum of money by the applicant shall not require the Company to render service until the expiration of such time as may be reasonably required by the Company to determine if the applicant has complied with the provisions of these Terms and Conditions and as may reasonably be required by the Company to install the required service facilities.

The Company shall not be required to serve any applicant if the distance of the premises

—Issued: ~~August 17, 2004~~ March 4, 2014

Effective: ~~November 1, 2004~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: Vice President ~~Treasurer~~

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II. GENERAL TERMS AND CONDITIONS (continued)

to be served from an existing suitable distribution main, or the difficulty of access thereto, is such that the estimated income (revenue excluding gas costs) from the service applied for is insufficient to yield a reasonable return to the Company unless such application is accompanied by a cash payment or an undertaking satisfactory to the Company guaranteeing a stipulated revenue for a definite period of time or both.

Where service under the Rate Schedules is to be used for temporary purposes only, the Customer may be required to pay the cost of installation and removal of equipment required to render service in addition to payments for gas consumed. Said costs of installation and removal may be required to be paid in advance of any construction by the Company. If, in the Company's sole judgment, any such installation presents unusual difficulties as to metering the service supplied, the Company may estimate consumption for purposes of applying the Rate Schedule, and the Company will notify the Customer prior to turn-on of the estimated amount to be billed.

5. Assignment of Rate Schedule

Rates are available for various classes of Customers. The conditions under which they are applicable are set forth in the Rate Schedules in this Tariff.

Upon application for service or upon request, the applicant or Customer shall be assigned the applicable rate schedule according to its estimated requirements. The Company shall not be held responsible for inaccurate estimates of Customer's requirements and will not refund the difference in charge(s) under different rate schedules.

Upon notification of any material changes in the Customer's installation or load conditions, the Company will assist in determining if a reclassification to a different rate class is warranted, but not more than one (1) such change in rates will be made within any twelve (12) month period unless such subsequent change is ordered or approved by the NHPUC or required by an emergency condition beyond the control of the Customer.

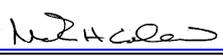
Each year the Company will evaluate each customer's annual usage and percent peak period consumption based on the twelve months usage ended August. Customers who have experienced changes in their load characteristics will be reclassified to the proper customer class.

Upon application with the Commission for a general rate change, the Company shall send to its customers a clear and concise statement of the rate change applied for and indicate which schedules are applicable to such customers. Not less than once each year, the Company shall transmit to each of its customers a clear and concise statement of its existing rate schedules, to new customers as a statement upon application for service, and to existing customers as a bill enclosure.

—Issued: ~~August 17, 2004~~ March 4, 2014

Effective: ~~November 1, 2004~~ May 1, 2014

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

Issued by: Stephen H. Bryant 

Title: Vice President ~~Treasurer~~

II. GENERAL TERMS AND CONDITIONS (continued)

6. Credit and Deposits

Until a Customer has established satisfactory credit relations or when unsatisfactory credit relations exist, the Company may require, in accordance with Chapter PUC 1203.03 of the New Hampshire Code of Administrative Rules, security in the form of a cash deposit or an irrevocable written guarantee from a responsible party. A deposit shall not be less than \$10.00 nor more than the estimated bill for a period of two (2) high-use months. The highest use month will not be used in determining the amount of deposit.

All deposits shall accrue simple annual interest at a rate equal to the prime rate, from the date of deposit to the date of termination. When a deposit has been held longer than 12 months, interest shall be paid to the customer or credited to the customer's current bill not less than annually. The entire deposit plus interest accrued shall be refunded when all bills have been paid without arrearages for 12 consecutive months for a residential customer and 24 months for a non-residential customer. Deposits shall cease to bear interest upon discontinuance of service and no interest shall apply on deposits held less than six months.

The Company may discontinue service for non-payment after a bill becomes sixty (60) days overdue, or for other good cause, in accordance with the applicable statutes and rules and regulations of the New Hampshire Public Utilities Commission in effect at the time. Where good cause exist, the Company shall give proper notice of disconnection to its customer pursuant to Rules PUC 1203.11 and PUC 1203.12; and for arrearages resulting from non-payment of bills for service rendered during the winter months of December through March, proper notice of disconnection shall be given pursuant to Rules PUC 1204.2 and PUC 1204.3. When the cause for such disconnection has been removed, the Company will reconnect service upon the Customer's request, in accordance with Rule PUC 1203.13. The Company may make a reasonable charge for reconnection before service is restored.

Subject to Rule 1203.15, the Company may reject any application for service made by, or for the benefit of, a former Customer who is indebted to the Company for gas service previously furnished him and may also refuse to transfer a residential account from one member of a household to another unless all amounts due for service previously rendered have been paid.

Whenever a Customer makes payment for gas service with a check or draft that is not accepted by the institution on which it is written, the Company shall make a charge to the Customer the greater of \$5.00 or the actual administrative cost of recovery.

—Issued: ~~August 17, 2001~~ March 4, 2014

Effective: ~~November 1, 2001~~ May 1, 2014

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

Issued by: Stephen H. Bryant 

Title: Vice President/Treasurer

II. GENERAL TERMS AND CONDITIONS (continued)

7. Customer Installation

The Customer shall make or procure satisfactory conveyance to the Company of all necessary easements and rights-of-way, including right of convenient access to the Company's property for furnishing adequate, safe and continuous service or for the removal of the Company's property upon termination of service.

All Customer's piping and equipment beyond Company's meter and accessories thereto, necessary to utilize service furnished by the Company shall be installed and maintained by a plumber or gas pipefitter and be owned and maintained by the Customer at his expense. The Customer shall bring his piping to a point for connection to the Company's meter or meters at a location satisfactory to the Company.

Upon written request of the Customer, the Company will make repairs to, replacements of, or clear obstructions in lines of the Customer and shall charge the Customer for such labor and material as is necessary to place his lines in good operating condition.

The Company reserves the right to inspect and approve the Customer's installation of all pipe and equipment to utilize the Company's gas, but such inspection or failure to make inspection, or the fact that the Company may connect to such installation, shall not make the Company liable for any loss or damage which may be occasioned by the use of such installation or equipment used therefrom or of the Company's service. The Company will refuse to provide gas service to any installation it considers to be unsafe.

8. Service Connections

The Company reserves the right to designate the locations and specifications for all its piping, meters, fixtures, and fittings and to determine the amount of space which must be left unobstructed for the installation and maintenance thereof.

Applicant may request an alteration of such designation but, if consented to by the Company, the excess cost of such revised designation over and above the cost of the original Company design shall be borne by applicant.

The Company shall not be required to install Service(s) where the business to be secured will not be of reasonable duration.

The Company reserves the right to postpone to a more favorable season the extensions of mains and connection of services during seasons of the year when climatic conditions would cause abnormally high construction costs.

—Issued: ~~August 17, 2004~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2004~~ May 1, 2014

Title: Vice President ~~Treasurer~~

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

II. GENERAL TERMS AND CONDITIONS (continued)

9. Customer Use of Service

The Company shall have the right to enter the premises of the Customer at all reasonable hours for the purpose of making such inspection of the Customer's installation as may be necessary for the proper application of the Company's Rate Schedules and Terms and Conditions; for installing, removing, testing or replacing its apparatus or property; for reading meters and for the entire removal of the Company's property in event of termination of service to the Customer for any reasons.

All property of the Company installed in or upon the Customer's premises used and useful in supplying service is placed there under the Customer's protection. All reasonable care shall be exercised to prevent loss of or damage to such property and, ordinary wear and tear excepted, the Customer will be held liable for any such loss of property or damage thereto and shall pay to the Company the cost of necessary repairs or replacements.

The Customer will be held responsible for breaking the seals, tampering or interfering with the Company's meter or meters or other equipment of the Company installed on the Customer's premises and no one except employees of the Company will be allowed to make any repairs or adjustments to any meter or other piece of apparatus belonging to the Company except in case of emergency.

The Customer shall not, directly or indirectly, sell, sublet, assign, or otherwise dispose of to others gas purchased from the Company or any part thereof without the consent of the Company. This rule does not apply to a public utility company purchasing gas in bulk expressly for the purpose of distributing it to others. Gas service must not be used in such a manner as to cause unusual fluctuations, or disturbances in the Company's supply system, and, in the case of violation of this rule, the Company may discontinue service, or require the Customer to modify his installation and/or equip it with approved controlling devices. The service supply pipe, regulators, meters and equipment supplied by the Company for each Customer have definite capacities. The Customer shall notify the Company of any substantial changes in service requirements or location of appliances.

10. Service Continuity

The Company will use reasonable diligence in furnishing an uncurtailed and uninterrupted supply of gas except where Rate Schedules provide otherwise. The Company may interrupt its service hereunder, however, for the purpose of making necessary alterations and repairs but only for such time as may be reasonable or unavoidable; and pursuant to Rule PUC 1203.7, the Company shall give to the Customer, except in case of emergency, reasonable notice of its intention to do so and shall

—Issued: ~~August 17, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~ May 1, 2014

Title: Vice President Treasurer

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

II. GENERAL TERMS AND CONDITIONS (continued)

endeavor to arrange such interruption so as to inconvenience the Customer as little as possible.

Whenever the Company deems an emergency warrants interruption or limitation in the service being rendered, such interruption or limitation shall not constitute a breach of contract and shall not render the Company liable for damages suffered thereby or excuse the Customer from further fulfillment of the contract.

In the event that the supply of gas shall be interrupted from causes other than the foregoing or as provided under Limitations of Liability and such interruption is due to the negligence of Company, and Company is liable because thereof, that liability shall be limited to twice the amount which Customer would have paid for gas during the period of such interruption. However, Company shall not be liable to Customer for any loss, injury or damage resulting from use of Customer's equipment or from the use of gas furnished by Company or from the connection of Company's facility with Customer's house piping and appliances.

11. Limitations of Liability

Neither Company nor Customer shall be liable in damage to the other for any act, omission or circumstances occasioned by or in consequence of any acts of God, strikes, lockouts, acts of the public enemy, wars, blockades, insurrections, riots, epidemics, landslides, lightning, earthquakes, fires, storms, floods, unforeseeable or unusual weather conditions, washouts, arrests and restraint of rulers and peoples, civil disturbances, explosions, breakage or accident to machinery or lines of pipe, line freeze-ups, temporary failure of gas supply, the binding order of any court or governmental authority which has been resisted in good faith by all reasonable legal means, and any other cause except willful default or neglect, whether of the kind herein enumerated, or otherwise, and whether caused or occasioned by or happening on account of the act or omission of Company or Customer or any other person or concern not a party thereto, not reasonably within the control of the party claiming suspension and which by the exercise of due diligence such party is unable to prevent or overcome. A failure to settle or prevent any strike or other controversy with employees or with anyone purporting or seeking to represent employees shall not be considered to be a matter within the control of the party claiming suspension.

12. Meter Reading, Billing and Payment

The Company's filed rates for service are predicated on the sale and/or Delivery of natural gas, as far as practicable, for a thirty (30) day period. Bills for service will be rendered at regular intervals.

—Issued: ~~October 20, 2004~~March 4, 2014

Issued by:

W. J. C. O. O. O.

Effective: ~~November 1, 2004~~May 1, 2014

Title:

President/Treasurer

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

II. GENERAL TERMS AND CONDITIONS (continued)

The Company may, however, at its option, read some or all meters in alternate months, and render a bi-monthly or monthly bill. If a monthly bill is rendered in the intervening months it shall be based upon an estimated consumption of gas, which bill will be due and payable when rendered. When a meter reading is obtained and an actual quantity of gas is determined, that quantity previously billed the Customer on an estimated basis will be deducted from the total quantity used during the period and a bill rendered for the remaining quantity.

In the event a meter reading cannot be obtained at the regularly scheduled time, whether monthly or in alternate months, postcards (postage pre-paid) may be used by the Company to obtain the reading. If the Customer marks the card accurately and returns it in the time described thereon, the pertinent bill will be based on the card reading; otherwise, it will be estimated. Bills rendered for service on an estimated basis shall have the same force and effect as those based upon actual meter readings.

Bills are due and payable upon presentation. A late payment charge shall be assessed at a rate of one percent per month or fraction thereof on balances unpaid within thirty days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

When a residential customer is unable to pay the total arrearage due, but such customer agrees to a payment arrangement, the Company shall continue to provide service to the customer in accordance with the guidelines set forth in Rule PUC 1203.07 of the New Hampshire PUC Regulations.

13. Meter Accuracy and Testing

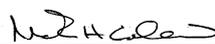
The Company will provide each Customer with a meter or meters for each applicable Rate Schedule, as appropriate.

The Company may furnish and install such regulating and/or flow control equipment and devices as it deems to be in the best interests of the Customer served, or of the gas system as a whole.

Before installation and periodically thereafter, each meter shall be tested and shall be considered commercially accurate if it measures within two percent (2%) of accuracy. After each test each meter shall be sealed and this seal shall not be broken by any person not expressly authorized by the Company.

Meters in use shall be tested at the request of the Customer and in his presence, if desired, within fifteen (15) days from the time the request is made. If the meter has been tested within the preceding six months, the deposit of a fee of five dollars (\$5.00) will be required for the test.

—Issued: ~~August 17, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~ May 1, 2014

Title: Vice President Treasurer

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

II. GENERAL TERMS AND CONDITIONS (continued)

If the meter is found to be in error by more than two percent (2%), the deposit shall be promptly refunded. If the meter is not found to be in error by as much as two percent (2%), such deposit shall be retained by the Company.

If on test the meter is found to register in excess of two percent (2%) fast, billings will be adjusted to compensate for the excess for a period equal to one-half (1/2) of the time elapsed since the previous meter test, but not to exceed twelve (12) months. If on test the meter is found to register a negative average error in excess of two percent (2%), the Company shall charge the Customer for the unbilled gas supplied for the previous six (6) months or since the last test, whichever is the shorter period. No part of the minimum charge will be refunded.

In the event of stoppage or failure of any meter to register, the Customer will be billed for such period on an estimated consumption based upon his use of gas in a similar period of like use or on the basis of check meter readings, if available and accurate.

A separate bill will be rendered for each meter used by the Customer unless, for the convenience of the Company, multiple meters are used for measurement of the same class or service, in which case a bill will be rendered for the total amount registered by all meters. If the Company (as it may under unusual circumstances) permits more than one Customer to be served through one meter, the minimum bill and each billing block of the applicable Rate Schedule shall be multiplied by the number of the dwelling units so served and the number of cubic feet in each succeeding block of the Rate Schedule shall be increased in the same proportion.

14. Termination of Service

If a Customer wishes the gas service to be terminated, he shall give notice at the office of the Company at least four (4) days prior to the time that such termination shall become effective, subject to any existing agreement between Customer and Company. Customer will be held liable both for any gas that may pass through the meter and safe custody of the Company's property until expiration of such notice period, provided that the meter and/or other movable equipment shall not have been removed within that time by the Company.

15. Limitations of Supply

Company reserves the right, subject to regulatory authority having jurisdiction, to limit, restrict or refuse service that will result in additions to its distribution system and/or production capacity and/or alterations in its contractual requirements of supply from non-affiliated companies that may jeopardize service to existing Customers.

—Issued: ~~August 17, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2004~~ May 1, 2014

Title: Vice President Treasurer

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

II. GENERAL TERMS AND CONDITIONS (continued)

16. Gas Shortage Allocation Policy

A. Definitions

The following are definitions of terms used in this sub-section and applicable only to this sub-section:

Residential: Service to Customers which consists of direct natural gas usage in a residential dwelling for space heating, air conditioning, cooking, water heating and other residential uses.

Commercial: Service to Customers engaged primarily in the sale of goods or services including institutions and local, state and federal government agencies for uses other than those involving manufacturing or electric power generation.

Industrial: Service to Customers engaged primarily in a process which creates or changes raw or unfinished materials into another form or product including the generation of electric power.

Firm Service: Service from schedules or contracts under which seller is expressly obligated to deliver specific volumes within a given time period and which anticipates no interruptions but which may permit unexpected interruption in case the supply to higher priority Customers is threatened.

Interruptible Service: Service from schedules or contracts under which Seller is not expressly obligated to deliver specific volumes within a given time period, and which anticipates and permits interruption on short notice, or service under schedules or contracts which expressly or implied require installation of alternate fuel capability.

Plant Protection Gas: Is defined as minimum volumes required to prevent physical harm to the plant facilities or danger to plant personnel when such protection cannot be afforded through the use of alternate fuel. This includes the protection of such material in process as would otherwise be destroyed but shall not include deliveries required to maintain plant production. For the purpose of this definition propane and other gaseous fuels shall not be considered alternate fuels.

—Issued: ~~August 17, 2004~~ March 4, 2014

Effective: ~~November 1, 2004~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: Vice President ~~Treasurer~~

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

II. GENERAL TERMS AND CONDITIONS (continued)

Feedstock Gas: Is defined as natural gas used as a raw material for its chemical properties in creating an end product.

Process Gas: Is defined as gas use for which alternate fuels are not technically feasible such as in applications requiring precise temperature controls and precise flame characteristics. For the purpose of this definition, propane and other gaseous fuels shall not be considered alternate fuels.

Boiler Fuel: Is considered to be natural gas used as a fuel for the generation of steam or electricity including the utilization of gas turbines for the generation of electricity.

Alternate Fuel Capabilities: Is defined as a situation where an alternate fuel could have been utilized whether or not the facilities for such use have actually been installed; provided however, where the use of natural gas is for plant protection, feedstock, or process uses and the only alternate fuel is propane or other gaseous fuel, then the consumer will be treated as if he had no alternate fuel capability.

B. Policy

In the event that, due to gas supply restrictions, the Company is unable to deliver the total requirements of its firm rate Customers, the available volumes of gas will be allocated to the Company's firm rate Customers in accordance with the provisions of this policy. Curtailment of gas deliveries to the Company's firm rate Customers will not be made until all deliveries to the Company's interruptible rate Customers are discontinued.

As curtailment becomes necessary through each succeeding category, the Company will implement full or partial curtailment by Customer, or by groups of Customers, taking into consideration Customer load characteristics, the Company's distribution system design and Company's load characteristics in a manner which is believed to be in the best interest of Customers in general.

C. Priorities

Firm rate Customers shall be serviced according to the following preference categories with the first and each succeeding category having preference over the succeeding categories:

- (0) Company use for fuel and loss and unaccounted for.

—Issued: ~~August 17, 2004~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2004~~ May 1, 2014

Title: Vice President ~~Treasurer~~

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

II. GENERAL TERMS AND CONDITIONS (continued)

- (1) High priority uses for residential including apartment buildings and other multi-unit building, small commercial establishments using less than 50 Mcf on a peak day, schools, hospitals, police protection, fire protection, sanitation facilities and correctional facilities.
- (2) Essential agricultural uses, as defined by the Secretary of Agriculture, for full food and natural fiber production, process and feedstock use for fertilizer and agricultural chemicals, process and feedstock for animal feeds and food, food quality maintenance, food packaging, marketing and distribution for food related products and on farm uses.
- (3) Large commercial requirements (50 Mcf or more on a peak day), firm industrial requirements for plant protection, feedstock and process needs and firm industrial sales up to 300 Mcf per day.
- (4) All industrial requirements not specified in (2), (3), (5) or (6).
- (5) Firm industrial requirements for boiler fuel use at less than 3,000 Mcf per day, but more than 1,500 Mcf per day, where alternate fuel capabilities can meet such requirements.
- (6) Firm industrial requirements for large volume (3,000 Mcf or more per day) boiler fuel use where alternate fuel capabilities can meet such requirements.

D. Storage Injection

Within each category, storage injection required to meet the needs of higher priorities may be given preference over all other uses within that category.

E. Penalty

For all unauthorized volumes of gas taken by a Customer, the Customer shall pay the Company a penalty of \$2.50 per therm for each therm taken. Such penalty shall be added to the regular rates in effect. The Company shall have the right, without obligation, to waive any penalty for unauthorized use of gas if on the day when the penalty was incurred deliveries to other of the Company's Customers were not adversely affected. Continued unauthorized use, at the sole discretion of the Company, may result in termination of service.

—Issued: ~~August 17, 2004~~ March 4, 2014

Effective: ~~November 1, 2004~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: Vice President/Treasurer

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

III. LINE EXTENSIONS

1. Original Installation and Extension

In areas in which operation by the Company is authorized, service and main extensions will be extended for new customers and/or system improvements will be undertaken for customer initiated load increases pursuant to the Company's Tariff, Rules and Regulations and will be subject to the results of a discounted cash flow ("DCF") (i.e., a Net Present Value ("NPV")) analysis.

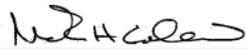
The Company uses a DCF method to evaluate main and service line extensions. This method considers an estimate of the cost of capital expenditures associated with the proposed extension, an estimate of the net revenue (revenues exclusive of related gas costs recoveries) to be derived from the expected new customer(s), an estimate of the associated operation and maintenance expenses, depreciation and property and other taxes. These amounts are reflected on an annual basis and result in the annual cash flow (after-tax) associated with the proposed new main or service line extension. These annual cash flows are discounted (over ten (10) years for commercial and industrial service and twenty (20) years for residential service) to a present value at a rate representative of the Company's updated after-tax weighted cost of capital. If the NPV is zero or greater, then no contribution is required. However, if the NPV is negative, then the excess cost is required as a Contribution in Aid of Construction ("CIAC") by the Initial Customer(s).

Payment will be required in advance or in accordance with installment program provisions in effect at the time that the installment contract is signed.

For administrative efficiency the Company ~~will calculate~~^{has} a "Standard Offer Service" ("SOS") and ~~will~~ apply the SOS when a single new service is required for residential gas heating. ~~The SOS will provide~~ for the installation of ~~100 feet a pre-determined length~~ of service pipe, under normal installation conditions as determined by the ~~C~~company, from a gas main at no charge to serve residential heating loads.

~~For the installation of additional feet of service pipe, the Company will calculate annually the cost per additional foot from a gas main, under normal installation conditions as determined by the Company. The cost per additional foot above~~^{pre-determined length} of the SOS offered will be calculated ~~by the Company from time to time~~ using the DCF method above. The inputs for calculating the cash flows will be the average net revenue derived from a typical residential heating rate class customer and an estimate of capital cost such that the NPV is zero. ~~The estimate of capital cost will then be applied to determine the~~ ~~length of~~^{cost per additional foot of service pipe above} the SOS.

Issued: ~~April 27, 2012~~^{March 4, 2014}
Effective: ~~May 1, 2012~~²⁰¹⁴

Issued by: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

III. LINE EXTENSIONS

2. Subsequent Customer Contributions and Refunds

If during the period of five (5) years immediately following the date of construction completion, additional Customers or Subsequent Customers, whose gas use was not reflected in any previous computation or re-computation of the CIAC, are connected to an extension which was installed subject to a CIAC, the CIAC will be recomputed. Such re-computation will result in a refund of some or all of the CIAC to the Initial Customer(s) if such Subsequent Customer(s) produces a positive NPV. A refund will be made by the Company to the Customer(s) who made the original payment and who continue to be customers of the Company.

3. Easements

The Company shall not be required to construct extensions hereunder other than on public ways unless the prospective Customer shall provide without expense or cost to the Company, the necessary permits, consents or easements for a satisfactory right-of-way for the construction, maintenance and operation of the main.

4. Winter Construction

Ordinarily no new service pipes or main extensions are installed during winter conditions (when frost is in the ground) unless the Customer defrays the extra expenses.

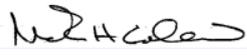
5. Title

Title of all extensions constructed in accordance with the above shall be vested in the Company.

6. Reasonable Duration

Under none of the foregoing provisions will the Company be required to install service pipes or to construct main extensions where the business to be secured will not be of reasonable duration.

Issued: ~~April 27, 2012~~March 4, 2014
Effective: ~~May 1, 2012~~2014

Issued by: 
Title: _____ Treasurer

Authorized by NHPUC Order No. 25,352 in Docket No. DG 11-069, dated April 24, 2012

IV. COST OF GAS CLAUSE

and miscellaneous and A&G costs calculated at the beginning of the Winter Season according to the following formulas:

$$CGw = Dw + Cw + Rw + WCRw + BDw + PS + (MISC \times W:Sales / A:Sales)$$

Winter Demand Cost (Dw) Formula

$$Dw = DEMw - NCSMw - CARw - CRCRw + WCwd - R1d - R2d$$

and:

$$NCSMw = CRRw + ISMw + OSSMw$$

and:

$$WCwd = (DEMw - NCSMw) \times WCA\%$$

Where:

- A:Sales Forecasted annual firm sales volumes.
- BDw Bad debt expense for the Winter Season.
- CARw The Capacity Assignment Revenues, pursuant to the Capacity Assignment provisions in the Company's Delivery Service Terms and Conditions, allocated to the Winter Season.
- CRCRw The Capacity Reserve Charge Revenues allocated to firm Sales Service and allocated to the Winter Season.
- Cw Commodity-related direct gas cost for the Winter Season.
- CGw The total cost of gas for the Winter Season for the Company's firm sales customers previously defined.
- CRRw The returnable Capacity Release Revenues allocated to the Winter Season. See Part IV, Section 7.
- Dw Demand costs allowable for the Winter Season.
- DEMw Demand Charges allocated to the Winter Season defined in Part IV, Section 5.
- ISMw The returnable Interruptible Sales Margins allocated to the Winter Season. See Part IV, Section 7.
- MISC The total dollar amount of gas costs associated with acquisition, dispatching,

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By:

Stephen H. Bryant 

Effective: ~~May 1, 2008~~ May 1, 2014

Title:

President Treasurer

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

IV. COST OF GAS CLAUSE

Administrative and General expenses and overheads as determined in the Company's most recent rate proceeding. Refer to Part IV, Section 6.1 for this dollar amount.

- NCSMw The sum of the Winter Season returnable Interruptible Sales Margins, the Capacity Release Revenues and the Off-System Sales Margins.
- OSSMw The returnable Off-System Sales Margins allocated to the Winter Season. See Part IV, Section 7.
- PS The total dollar amount of costs associated with the local production and storage capacity gas less any production and storage capacity assignment revenues. Refer to Part IV, Section 6.1 for this dollar amount.
- R1d, R2d Supplier demand-related refunds - The Supplier refunds associated with refund program credits derived from Account 242, "Undistributed Gas Suppliers' Refunds." See Part IV, Section 8.
- Rw Reconciliation Costs – Winter Season deferred gas costs, Account 191.20 balance, inclusive of the associated Account 191.20 interest, as outlined in Part IV, Section 9.
- WCA % Ratio of working capital allowance associated with gas cost to total direct gas costs. Refer to Part IV, Section 6.1 for this percentage.
- WCwd Working Capital allowable associated with demand charges allocated to the Winter Season as defined in Part IV, Section 10.
- WCRw Working Capital reconciliation adjustment associated with Winter Gas Costs - Account 182.11 balance as outlined in Part IV, Section 10.
- W:Sales Total Forecasted firm sales volumes associated with the Winter Season.

Winter Season Commodity (Cw) Formula

$$Cw = WSC - NCCCw + FC + WCwc - R1c - R2c$$

and:

$$WCwc = (WSC - NCCCw + FC) \times WCA \%$$

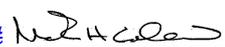
Where:

- Cw Allowable commodity costs for the Winter Season.
- FC Annual Inventory finance charges as defined in Part IV, Section 5.

Authorized by NHPUC Order No. 24,743 in Docket No. DG-07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG-08-041, dated April 23, 2008

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By:

Stephen H. Bryant 

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President Treasurer

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

IV. COST OF GAS CLAUSE

$$\text{COGwr} = \frac{\text{CGw}}{\text{W:Sales}}$$

Where:

- CGw The total cost of gas for the Winter Season for the Company's firm sales customers previously defined.
- r Designates the Residential Heating and Residential Non-Heating customer classes.
- W:Sales Total Forecasted firm sales volumes associated with the Winter Season.

Commercial and Industrial Winter Season Cost of Gas

The Commercial and Industrial customer groups' Winter Season Cost of Gas will be based on the SMBA method of allocating gas costs to each of the two Commercial and Industrial load factor based customer groups: Rates G-50, G-51 and G-52 high load factor or Low Winter Use and Rates G-40, G-41 and G-42 low load factor or High Winter Use.

$$\text{COGwl} = \text{UDEMwl} + \text{UCwl}$$

$$\text{COGwh} = \text{UDEMwh} + \text{UCwh}$$

and

$$\text{UDEMwl} = \frac{\text{DEMwl} - \text{NCSMwl} - \text{CARwl} - \text{CRCRwl}}{\text{WL:Sales}}$$

and

$$\text{UCwl} = \frac{\text{WSCl} - \text{NCCCwl} + \text{FCl}}{\text{WL:Sales}}$$

and

$$\text{UDEMwh} = \frac{\text{DEMwh} - \text{NCSMwh} - \text{CARwh} - \text{CRCRwh}}{\text{WH:Sales}}$$

and

$$\text{UCwh} = \frac{\text{WSCh} - \text{NCCCwh} + \text{FCh}}{\text{WH:Sales}}$$

Where:

- COGwr Residential Winter Season Cost of Gas as previously defined.
- DEMwl Costs of Winter Demand allocated to the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By: Stephen H. Bryant 

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President Treasurer

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

IV. COST OF GAS CLAUSE

UCwl	Unit Cost of Winter Commodity associated with the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
UDEMwl	Unit Cost of Winter Demand associated with the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
DEMwh	Costs of Winter Demand allocated to the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
UCwh	Unit Cost of Winter Commodity associated with the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
UDEMwh	Unit Cost of Winter Demand associated with the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
W:Sales	Total Forecasted firm sales volumes associated with the Winter Season.
WH:Sales	Total Winter Season forecasted Commercial and Industrial high winter use sales volumes.
WL:Sales	Total Winter Season forecasted Commercial and Industrial low winter use sales volumes.
WSCl	Commodity charges associated with gas supply sent out in Winter Season allocated to the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
WSCh	Commodity charges associated with gas supply sent out in Winter Season allocated to the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.

6.4 Summer Season Cost of Gas (COG) Formula (CGs)

The Summer Season COG shall be comprised of Summer demand costs and Summer commodity costs, Summer reconciliation costs, Summer working capital reconciliation costs, plus a Summer bad debt charge, and miscellaneous and A&G costs calculated at the beginning of the Summer Season according to the following formulas:

$$CGs = Ds + Cs + Rs + WCRs + BDs + (MISC \times S: Sales / A: Sales)$$

Summer Demand Cost (Ds) Formula

$$Ds = DEMs - NCSMs + WCsd - R1d - R2d$$

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By: Stephen H. Bryant 

Effective: ~~May 1, 2008~~ May 1, 2014

Title: PresidentTreasurer

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

IV. COST OF GAS CLAUSE

and:

$$\text{NCSMs} = \text{CRRs} + \text{ISMs} + \text{OSSMs}$$

and:

$$\text{WCsd} = (\text{DEMs} - \text{NCSMs}) \times \text{WCA}\%$$

Where:

- A:Sales Forecasted annual sales volumes.
- BDs Bad debt expense for Summer Season.
- Cs Commodity-related direct gas costs for the Summer Season.
- CGs The total cost of gas for the Summer Season for the Company's firm sales customers previously defined.
- CRRs The returnable Capacity Release Revenues allocated to the Summer Season. See Part IV, Section 7.
- Ds Demand costs allowable for the Summer Season.
- DEMs Demand charges allocated to the Summer Season defined in Part IV, Section 5.
- ISMs The returnable Interruptible Sales Margins allocated to the Summer Season.
- MISC The total dollar amount of costs associated with acquisition, dispatching, Administrative and General expenses and overheads as determined in the Company's most recent rate proceeding. Refer to Part IV, Section 6.1 for this dollar amount.
- NCSMs The sum of the Summer Season returnable Interruptible Non-Core Sales Margins, the Capacity Release Revenues and Off-System Margins.
- OSSMs The returnable Off-System Sales Margins allocated to the Summer Season. See Part IV, Section 7.
- R1d, R2d Supplier refunds from pipeline demand charges - The per unit supplier refunds associated with refund program credits derived from Account 242, "Undistributed Gas Suppliers' Refunds." See Part IV, Section 8.

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By: Stephen H. Bryant 

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President Treasurer

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

IV. COST OF GAS CLAUSE

$$\text{COGsl} = \text{UDEMsl} + \text{UCsl}$$

$$\text{COGsh} = \text{UDEMsh} + \text{UCsh}$$

and

$$\text{UDEMsl} = \frac{\text{DEMsl} - \text{NCSMsl} - \text{CARsl} - \text{CRCRsl}}{\text{SL:Sales}}$$

and

$$\text{UCsl} = \frac{\text{SSCl} - \text{NCCCsl} + \text{FCI}}{\text{SL:Sales}}$$

and

$$\text{UDEMsh} = \frac{\text{DEMsh} - \text{NCSMsh} - \text{CARsh} - \text{CRCRsh}}{\text{SH:Sales}}$$

and

$$\text{UCsh} = \frac{\text{SSCh} - \text{NCCCsh} + \text{FCh}}{\text{SH:Sales}}$$

Where:

- COGsr Residential Summer Season Cost of Gas as previously defined.
- SH:Sales Total Summer Season forecasted Commercial and Industrial High Winter use sales volumes.
- SL:Sales Total Summer Season forecasted Commercial and Industrial Low Winter use sales volumes.
- DEMsl Costs of Summer Demand allocated to the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- SSCl Commodity charges associated with gas supply sent out in Summer Season allocated to the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- UCsl Unit Cost of Summer Commodity associated with the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- UDEMsl Unit Cost of Summer Demand associated with the Low Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- DEMsh Costs of Summer Demand allocated to the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By:

Stephen H.

Bryant W. H. [Signature]

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President/Treasurer

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

IV. COST OF GAS CLAUSE

- SSCh Commodity charges associated with gas supply sent out in Summer Season allocated to the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- UCsh Unit Cost of Summer Commodity associated with the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.
- UDEMsh Unit Cost of Summer Demand associated with the High Winter Use Commercial and Industrial customer group as defined in Part IV, Section 5.

7. Non-Core Sales Margins (“NCSM”)

One hundred percent (100%) of margins from Interruptible Sales and Off-System Sales, and all revenues from Capacity Release will be credited to firm sales customers through operation of the COG.

8. Gas Suppliers' Refunds - Accounts 242

Refunds from upstream capacity suppliers and suppliers of product demand are credited to Account 242, "Undistributed Purchased Capacity/Product Demand Refunds." Refunds from suppliers of gas are credited to account 242, "Commodity Undistributed Gas Suppliers' Refunds." Transfers from these accounts will be reflected as a credit in the semiannual calculation of the COG to be calculated as follows:

Refund programs shall be initiated with each semiannual COG filing and shall remain in effect for a period of one year. The total dollars to be placed into a given refund program shall be net of over/under-returns from expired programs plus refunds received from suppliers since the previous program was initiated. Refunds shall be segregated by demand and commodity charges and distributed volumetrically, producing per unit refund that will return the principal amount with interest as calculated using the monthly prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates, to the average of the beginning and end of month balances of refunds. The Company shall track and report on all Account 242 and Account 242 activities as specified in Part IV, Section 10.

9. Reconciliation Adjustments - Account 182

(1) The following **definitions** pertain to reconciliation adjustment calculations:

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By:

Stephen H.

Bryant

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President/Treasurer

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

IV. COST OF GAS CLAUSE

a. **Capacity Costs Allowable per Winter Season Formula** shall be:

- i. Charges associated with upstream storage transmission capacity and product demand procured by the Company to serve firm load in the Winter Season, plus a reallocation of a portion of such charges incurred in the Summer Season to serve firm load.
- ii. Charges associated with peaking, downstream production and storage capacity to serve firm load, dispatching costs, and other administrative and general expenses in connection with purchasing gas supplies allocated to firm sales service and allocated to the Winter Season. These expenses are from the test year of the Company's most recent rate proceeding.
- iii. Non-Core Sales Margins or economic benefits associated with returnable capacity release, off-system sales and interruptible sales margins allocated to the firm sales service.
- iv. Credits associated with daily imbalance charges and the fixed component of penalty charges billed Delivery Service customers in the Winter Season, as well as revenues associated with: (a) mandatory assignment of capacity to meet the requirements of firm transportation customers (non-grandfathered customers); (b) the billing of the Capacity Reservation Charge; and (c) the billing of the Delivery-to-Sales Service Fee to firm customers switching from transportation to sales service.
- v. Winter Season Demand Cost Carrying Charges.

b. **Gas Costs Allowable Per Winter Season Formula** shall be:

- i. Charges associated with gas supplies, including any applicable taxes, purchased by the Company to serve firm load in the Winter Season.
- ii. Credit non-core commodity costs assigned to non-core customers to which the COGC does not apply, as defined in Part IV, Section 6.3 (NCCCw), as well as the commodity costs of all supplies nominated by third party Suppliers associated with the assignment of Company-Managed resources, as defined in the Company's Delivery Service Terms and Conditions.
- iii. Inventory finance charges (FC).
- iv. Winter Season commodity cost Carrying Charges.

c. **Capacity Costs Allowable Per Summer Season Formula** shall be:

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By:

Stephen H.

Bryant W. H. Cole

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President/Treasurer

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

IV. COST OF GAS CLAUSE

Summer Season Gas Costs (Account 191.10). Account 191.20 shall contain the accumulated difference between revenues toward gas costs calculated by multiplying the Winter Season Gas Cost for each Customer Classification, (COGwr, COGwl and COGwh) times monthly firm sales volumes for each Customer Classification, and the total costs allowable per the Winter Season gas cost formula. Account 191.10 shall contain the accumulated difference between revenues toward gas costs calculated by multiplying the Summer Season Gas Cost for each Customer Classification, (COGsr, COGsl and COGsh) times monthly firm sales volumes for each Customer Classification, and the total gas costs allowable per the Summer Season gas cost formula.

Carrying Charges shall be calculated on the average monthly balance of each subaccount. The interest rate is to be adjusted each quarter using the prime interest rate as reported by the Wall Street Journal on the first date of the month preceding the first month of the quarter. Effective on and after May 1, 2006, the interest rate is to be adjusted monthly using the monthly prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates on the first date of the month preceding the first month of the quarter.

The seasonal bad debt reconciliation adjustments Rbdw and Rbds shall be determined for use in each season incorporating the bad debt balances in Account 182.16 and 182.22 respectively.

The bad debt account balance for each season shall be calculated by taking the bad debt expense of gas costs for sales service and multiplying by the difference between the Cost of Gas in the Company's Seasonal COG filing, less the actual costs for the same season.

The Winter Season reconciliation filing date shall coincide with the next Winter period COG filing on September 16 of each year.

The Summer Season reconciliation filing date shall coincide with the next Summer period COG filing on March 16 of each year.

10. Working Capital Reconciliation Adjustments - Account 182

- (1) The following **definitions** pertain to reconciliation adjustment calculations:
 - a. **Working Capital Demand Gas Costs Allowable per Winter Season Gas Formula** shall be:
 - i. Charges associated with upstream storage, transmission capacity, and product demand procured by the Company to serve firm load in the peak period, plus a reallocation of a portion of such charges incurred in the Summer Season to serve firm load.

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG-07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG-08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By: Stephen H. Bryant 

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President Treasurer

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

IV. COST OF GAS CLAUSE

- ii. Carrying Charges.
 - b. **Working Capital Commodity Gas Costs Allowable per Winter Season Gas Formula** shall be:
 - i. Charges associated with gas supplies, including any applicable taxes, purchased by the Company to serve firm load in the Winter Season.
 - ii. Non-core commodity costs associated with non-core sales to which the COG is not applied, as defined in Part IV, Section 5.
 - iii. Carrying charges.
 - c. **Working Capital Demand Gas Costs Allowable per Summer Season Gas Formula** shall be:
 - i. Charges associated with upstream storage and transmission capacity procured by the Company to serve firm load in the Summer Season.
 - ii. Carrying Charges.
 - d. **Working Capital Commodity Gas Costs Allowable per Summer Season Gas Formula** shall be:
 - i. Charges associated with gas supplies, including any applicable taxes, procured by the Company to serve firm load in the Summer Season.
 - ii. Non-core commodity costs associated with non-core sales to which the COG is not applied, as defined in Part IV, Section 5.
 - iii. Carrying Charges.
- (2) The Winter and Summer Cost of Gas working capital allowances shall be calculated by applying the Working Capital Allowance percentage (WCA %).
- (3) Calculation of the Reconciliation Adjustments

Accounts 182.11 and 182.21 contain the accumulated difference between working capital allowance revenues and the actual monthly working capital allowance cost. The actual monthly working capital allowance shall be calculated by multiplying the actual gas costs times the Working Capital Allowance Percentage (WCA%) set forth in Part IV, Section 6.1, to the actual Direct Gas Costs allowable.

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By:

Stephen H. Bryant 

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President/Treasurer

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

IV. COST OF GAS CLAUSE

The Winter Season working capital reconciliation adjustment (WCRw) shall be determined for use in the Winter Season Gas Cost calculations incorporating the Winter Season working capital account 182.11. A Summer Season working capital reconciliation adjustment (WCRs) shall be determined for use in the Summer Season Gas Cost calculations incorporating the Summer Season working capital account 182.21 balance.

11. Application of COGs to Bills

The Company will employ the COG as follows: The COGs (\$/therm) for each customer group for each season shall be calculated to the nearest hundredth of a cent per unit and will be applied to each customer's monthly sales volume within the corresponding customer classification. The Cost of Gas will be applicable to gas consumed on or after the first day of the month in which the Cost of Gas becomes effective.

12. Information Required to be Filed with the NHPUC

(1) Reconciliation Adjustments

Information pertaining to the Cost of Gas shall be filed with the NHPUC in accordance with the format established by the NHPUC. Reporting requirements include filing the Company's monthly calculation of the projected over or under-collection with the NHPUC, along with notification by the Company to the NHPUC of any revised COG for the subsequent month, not less than five (5) business days prior to the first day of the subsequent month.

Additionally the Company shall file with the NHPUC a seasonal reconciliation of gas costs and gas cost collections containing information in support of the reconciliation calculation set out in Part IV, Section 09 (2). Such information shall include the complete list of gas costs claimed as recoverable through the COG over the previous season. This seasonal reconciliation shall be submitted with each seasonal COG filing, along with complete documentation of the reconciliation adjustment calculations.

The Company shall file with the NHPUC a seasonal reconciliation of bad debt expense and bad debt collections containing information in support of the reconciliation calculation set out in Part IV, Section 9 (1). Such information shall detail the revenues collected as an allowance for bad debt as well as the per books actual gas cost bad debt expense claimed as recoverable through the COGC over the previous season. This seasonal reconciliation of bad debt expenses shall be included with the respective seasonal COG reconciliation filing, along with supporting documentation.

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By: Stephen H. Bryant 

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President Treasurer

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

IV. COST OF GAS CLAUSE

CANCELED
RESERVED FOR FUTURE USE

~~Authorized by NHPUC Order No. 24,743 in Docket No. DG 07-033, dated April 27, 2007, Order No. 24,853 in Docket No. DG 08-041, dated April 23, 2008~~

Issued: ~~April 30, 2008~~ March 4, 2014

Issued By: Stephen H. Bryant 

Effective: ~~May 1, 2008~~ May 1, 2014

Title: President ~~Treasurer~~

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

INTENTIONALLY LEFT BLANK FOR FUTURE USE

(N)

Northern Utilities, Inc. – Pelham Division

(D)

Calculation of Cost of Gas Adjustment

(D)

Period Covered: November 1, 2006 through April 30, 2007

(D)

Total Anticipated Cost of Gas:

(D)

	<u>Volume</u>	<u>Rate</u>	
Propane: From Inventory	55,205 Therms	\$1.3905	\$76,763
SUBTRACT: Prior Period Undercollection	\$8,366		
Interest	\$529		
— Prior Period Adjustment			<u>\$8,895</u>
Total Anticipated Period Costs:			\$85,658
Nov 06 through Apr 07 Firm Sales			53,597
Total Anticipated Costs: Nov 06 – Apr 07			
Unit Cost of Gas sold =			\$1.5982 /Therm
Projected Gas Sales: Nov 06 – Apr 07			
Rate Adjustment – 11/01/06			\$0.3196 /Therm
Total Rate – 11/01/06			\$1.9178 /Therm

(D)

=====
 Pursuant to tariff Original Page 36, the Company may adjust the approved CGA rate upward or downward on a monthly basis as follows:

Maximum \$1.9178 /Therm
 Minimum \$1.2786 /Therm

(D)

Issued: October 26, 2006
 Effective: With Service Rendered On and After November 1, 2006

Issued by:

Stephen H. Bryant

(D)

Issued by: Stephen H. Bryant
 Title: President

(D)

(D)

Issued: March 4, 2014
Effective: May 1, 2014

Issued by: Mark H. Collin
Title: Treasurer

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

INTENTIONALLY LEFT BLANK FOR FUTURE USE

Issued: ~~September 27, 2002~~March 4, 2014

Effective: ~~September 16, 2002~~May 1, 2014

Authorized by NHPUC Order No. ~~24,037~~ _____ in Docket DG ~~02-137~~ _____, dated ~~August 16, 2002~~ _____

Issued by: 

Title: Vice President~~Treasurer~~

NHPUC No. 10 - Gas
NORTHERN UTILITIES, INC.
Northern Utilities, Inc.

~~First~~Second Revised Page 42
Superseding ~~Original~~First Revised Page 42

INTENTIONALLY LEFT BLANK FOR FUTURE USE

Issued: ~~September 27, 2002~~March 4, 2014

Effective: ~~September 16, 2002~~May 1, 2014

Authorized by NHPUC Order No. 24,037 in
Docket DG 02-137, dated August 16, 2002

Issued by: ~~Stephen H. Bryant~~Mark H. Collin
Title: ~~Stephen H. Bryant~~
~~Vice President~~Treasurer

V. LOCAL DELIVERY ADJUSTMENT CLAUSE

7.5 Definition

The **RCE** includes all rate case-related expenses approved by the NHPUC. This includes legal expenses, costs for bill inserts, costs for legal notices, consulting fees, processing expenses, and other approved expenses.

7.6 Rate Case Expense (RCE) Factor Formulas

The RCE will be calculated according to the Commission Order issued in an individual proceeding to establish details including the number of years over which the RCE shall be amortized and the allocation of recovery among rate classes. In general, the RCE Factor will be derived by dividing the annual portion of the total RCE, plus the RCE Reconciliation Adjustment, by forecast firm annual throughput.

7.7 Reconciliation Adjustments

Account 175.7 shall contain the accumulated difference between revenues toward Rate Case Expenses as calculated by multiplying the Rate Case Expense Factor (RCEF) times the appropriate monthly volumes and Rate Case Expense allowed, ~~plus carrying charges added to the end of month balance. The carrying charges shall be calculated beginning on the first month of the recovery period by applying the Wall Street Journal prime lending rate to the average monthly balance.~~

At the end of the recovery period, any under or over recovery will be included in an active LDAC component, as approved by the Commission.

7.8 Application of RCE to Bills

The RCE (\$ per therm) shall be calculated to the nearest one one-hundredth of a cent per therm and will be applied to the monthly firm sales and firm delivery service throughput of tariffed customers.

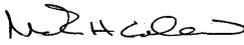
7.9 Information to be Filed with the NHPUC

Information pertaining to the RCE will be filed with the NHPUC consistent with the filing requirements of all cost and revenue information included in the LDAC. The RCE filing will contain the calculation of the new RCE and will include the updated RCE reconciliation balance.

Issued: - ~~April 27, 2012~~ March 4, 2014

Effective: May 1, ~~2012~~ 2014

Authorized by NHPUC Order No. 25,352 in Docket No. DG-~~11-069~~ , dated April 24, 2012

Issued By: 

Title: Treasurer

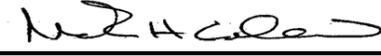
Local Delivery Adjustment Clause

Rate Schedule	RLIARA	DSM	ERC	ITM	RCE	RCE	RPC	RPC	LDAC	LDAC
Residential Heating	\$0.0065	\$0.0393	\$0.0031	\$0.0000	\$0.0000	\$0.0042	\$0.0000	\$0.0161	\$0.0489	\$0.0692
Residential Non-Heating	\$0.0065	\$0.0393	\$0.0031	\$0.0000	\$0.0000	\$0.0042	\$0.0000	\$0.0161	\$0.0489	\$0.0692
Small C&I	\$0.0065	\$0.0131	\$0.0031	\$0.0000	\$0.0000	\$0.0042	\$0.0000	\$0.0161	\$0.0227	\$0.0430
Medium C&I	\$0.0065	\$0.0131	\$0.0031	\$0.0000	\$0.0000	\$0.0042	\$0.0000	\$0.0161	\$0.0227	\$0.0430
Large C&I	\$0.0065	\$0.0131	\$0.0031	\$0.0000	\$0.0000	\$0.0042	\$0.0000	\$0.0161	\$0.0227	\$0.0430
No Previous Sales Service										

Issued: November 4, 2013 March 4, 2014

Effective: With Service Rendered On and After November 1, 2013 May 1, 2014

Authorized by NHPUC Order No. 25,590 _____ in Docket No. DG 13-257 _____, dated October 31, 2013 _____

Issued by: 
Title: _____ Treasurer

VI. RATE SCHEDULES

RATE SCHEDULE R-5 - RESIDENTIAL HEATING SERVICE

CHARACTER OF SERVICE

Natural Gas or its equivalent having a nominal heat content of 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

Service hereunder is available under this rate at single, domestic locations for all purposes in individual private dwellings and individual apartments including condominiums and their facilities which use gas as the principal household heating fuel or at locations which are otherwise deemed ineligible for non-heating service based on availability.

RATE – MONTHLY

Customer Charge	Per Month			\$ 13.73 <u>20.01</u> per month	(I)
Summer	-	First 50 therms	@	\$0. 4410 <u>5104</u> per therm	(I)
	-	Excess 50 therms	@	\$0. 4410 <u>5104</u> per therm	(I)
Winter	-	First 50 therms	@	\$0. 4410 <u>5844</u> per therm	(I)
	-	Excess 50 therms	@	\$0. 3829 <u>4780</u> per therm	(I)

MINIMUM BILL

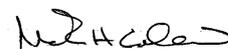
The minimum monthly bill for gas service will be the Customer Charge Per Month.

COST OF GAS FACTOR AND LOCAL DELIVERY ADJUSTMENT CLAUSE

The provisions of the Company's Cost of Gas Clause, Part IV, and the Local Delivery Adjustment Clause, Part V, apply to gas sold under this rate schedule.

Issued: ~~April 27, 2012~~March 4, 2014

Issued By:



Effective: ~~May 1, 2012~~May 1, 2014

Title:

Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~, dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE R-5 - RESIDENTIAL HEATING SERVICE

(continued)

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October

Winter - Defined as being the Company's billing cycles November through April.

TERMS OF PAYMENT

(C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

TERM OF CONTRACT

Contract for service shall be for a period of one year.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions of the Company as filed with the New Hampshire Public Utilities Commission and set forth in Part II herein.

Issued: ~~April 27, 2012~~March 4, 2014

Issued By:

Effective: ~~May 1, 2012~~May 1, 2014

Title:


Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~, dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE R-6 - RESIDENTIAL NON-HEATING SERVICE

CHARACTER OF SERVICE

Natural Gas or its equivalent having a nominal heat content of 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, , Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

Service hereunder is available for any residential purpose other than for use as the principal heating fuel except that this rate is not available at locations where usage in the six winter months of November through April is greater than or equal to 80% of annual usage and usage exceeds 100 therms in any winter month.

RATE - MONTHLY

Customer Charge	Per Month		\$ 13.73 ^{20.01} per month (I)
Summer	-	First 10 therms	@ \$0. 3296 ³⁹⁴⁷ per therm (I)
	-	Excess 10 therms	@ \$0. 3296 ³⁹⁴⁷ per therm (I)
Winter	-	First 10 therms	@ \$0. 3296 ³⁹⁴⁷ per therm (I)
	-	Excess 10 therms	@ \$0. 3296 ³⁹⁴⁷ per therm (I)

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~, dated ~~April 24, 2012~~

RATE SCHEDULE R-6 - RESIDENTIAL NON-HEATING SERVICE
(continued)

MINIMUM BILL

The minimum charge for gas service will be the Customer Charge per month.

COST OF GAS CLAUSE AND LOCAL DELIVERY ADJUSTMENT CLAUSE

The provisions of the Company's Cost of Gas Clause, Part IV, and the Local Delivery Adjustment Cost Clause, Part V, apply to gas sold under this rate schedule.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October

Winter - Defined as being the Company's billing cycles November through April.

TERMS OF PAYMENT

(C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~^{twenty five} days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

TERM OF CONTRACT

Contract for service shall be for a period of one year.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions of the Company as filed with the New Hampshire Public Utilities Commission and set forth in Part II herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Issued By: 
Title: Treasurer

Effective: ~~May 1, 2012~~ May 1, 2014

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE R-11 - LOW INCOME RESIDENTIAL NON-HEATING SERVICE

CHARACTER OF SERVICE

Natural Gas or its equivalent having a nominal heat content of 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

Service hereunder is available for any residential purpose other than for use as the principal heating fuel to Customers who qualify for the federally funded "Heat Energy Assistance Program" and who are sixty-five (65) years of age or older. Verification of Customer's age must be submitted to the Community Action Program Agency (CAP) prior to taking service on this Rate Schedule.

Service hereunder is only available to customers receiving service according to this Rate Schedule (R-11) on May 1, 2001. Ongoing service to customers of record on May 1, 2001 is subject to an annual verification of eligibility through the CAP Agency.

RATE - MONTHLY

Customer Charge Per Month			<u>\$9.9814.54 per month</u> (I)
Summer	-	First 10 therms	@ \$0. 2499 ²⁹⁹³ per therm (I)
	-	Excess 10 therms	@ \$0. 2499 ²⁹⁹³ per therm (I)
Winter	-	First 10 therms	@ \$0. 2499 ²⁹⁹³ per therm (I)
	-	Excess 10 therms	@ \$0. 2499 ²⁹⁹³ per therm (I)

Issued: ~~April 27, 2012~~ March 4, 2014
Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE G-40 - COMMERCIAL AND INDUSTRIAL SALES SERVICE (Low Annual Use, High Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing one thousand (1,000) Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

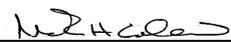
Customer Charge			\$ 31.40 <u>63.18</u> per month _____ (I)
Summer	-	First 75 therms	@ \$ 0.2701 <u>1513</u> per therm _____ (R)
	-	Excess 75 therms	@ \$ 0.2226 <u>1513</u> per therm _____ (R)
Winter	-	First 75 therms	@ \$ 0.2701 <u>1513</u> per therm _____ (R)
	-	Excess 75 therms	@ \$ 0.2226 <u>1513</u> per therm _____ (R)

RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Cost of Gas Clause, Part IV, and the Local Delivery Adjustment Clause, Part V.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ _____ in Docket No. DG ~~11-069~~ _____, dated ~~April 24, 2012~~ _____

VI. RATE SCHEDULES

RATE SCHEDULE G-40 - COMMERCIAL AND INDUSTRIAL SALES SERVICE (Low Annual Use, High Winter Use) (continued)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage less than or equal to 8,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT (C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions of the Company as filed with the New Hampshire Public Utilities Commission and set forth in Part II herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE G-41 - COMMERCIAL AND INDUSTRIAL SALES SERVICE
(Medium Annual Use, High Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

Customer Charge		\$ 94.21 ^{184.26} per month _____ (I)
Summer	- All therms	@ \$ 0.1557 ¹⁵¹⁹ per therm _____ (R)
Winter	- All therms	@ \$ 0.2016 ¹⁹⁶⁵ per therm _____ (R)

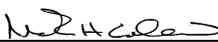
RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Cost of Gas Clause, Part IV, and the Local Delivery Adjustment Clause, Part V.

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage of greater than 8,000 therms but less than or equal to 80,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.

Issued: ~~April 27, 2012~~ March 4, 2014
Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ _____ in Docket No. DG ~~11-069~~ _____, dated ~~April 24, 2012~~ _____

VI. RATE SCHEDULES

3**RATE SCHEDULE G-42 - COMMERCIAL AND INDUSTRIAL SALES SERVICE** (High Annual Use, High Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

Customer Charge			\$ 314.05 <u>1,052.94</u> per month <u>(I)</u>
Summer	-	All therms	@ \$0. 1200 <u>0998</u> per therm <u>(R)</u>
Winter	-	All therms	@ \$0. 1933 <u>1652</u> per therm <u>(R)</u>

RATE ADJUSTMENT

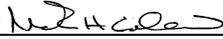
The above rate is subject to adjustment according to the provisions of the Cost of Gas Clause, Part IV, and the Local Delivery Adjustment Clause, Part V.

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage greater than 80,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE G-42 - COMMERCIAL AND INDUSTRIAL SALES SERVICE (High Annual Use, High Winter Use) (continued)

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT (C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

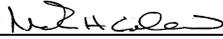
Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions of the Company as filed with the New Hampshire Public Utilities Commission and set forth in Part II herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE G-50 - COMMERCIAL AND INDUSTRIAL SALES SERVICE (Low Annual Use, Low Winter Use) (continued)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage less than or equal to 8,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT (C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions of the Company as filed with the New Hampshire Public Utilities Commission and set forth in Part II herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE G-51 - COMMERCIAL AND INDUSTRIAL SALES SERVICE (Medium Annual Use, Low Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

Customer Charge			\$ 94.21 <u>184.26</u> per month	<u>(I)</u>
Summer	-	First 1,000 therms	@ \$ 0.1325 <u>1.108</u> per therm	<u>(R)</u>
	-	Excess 1,000 therms	@ \$ 0.1011 <u>0.897</u> per therm	<u>(R)</u>
Winter	-	First 1,300 therms	@ \$ 0.1849 <u>1.424</u> per therm	<u>(R)</u>
	-	Excess 1,300 therms	@ \$ 0.1482 <u>1.160</u> per therm	<u>(R)</u>

RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Cost of Gas Clause, Part IV, and the Local Delivery Adjustment Clause, Part V.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE G-51 - COMMERCIAL AND INDUSTRIAL SALES SERVICE (Medium Annual Use, Low Winter Use) (continued)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage of greater than 8,000 therms but less than or equal to 80,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT (C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions of the Company as filed with the New Hampshire Public Utilities Commission and set forth in Part II herein.

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Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE G-52 - COMMERCIAL AND INDUSTRIAL SALES SERVICE
(High Annual Use, Low Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

Customer Charge			\$ 314.05 ^{1,052.94} per month <u>(I)</u>
Summer	-	All therms	@ \$ 0.0694 ^{0.662} per therm <u>(R)</u>
Winter	-	All therms	@ \$ 0.1480 ^{1.443} per therm <u>(R)</u>

RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Cost of Gas Clause, Part IV, and the Local Delivery Adjustment Clause, Part V.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE G-52 - COMMERCIAL AND INDUSTRIAL SALES SERVICE (High Annual Use, Low Winter Use)

(continued) (C)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage greater than 80,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT (C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~^{twenty five} days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

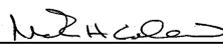
Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions of the Company as filed with the New Hampshire Public Utilities Commission and set forth in Part II herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. 25,352 in Docket No. DG 11-069, dated April 24, 2012

VI. RATE SCHEDULES

RATE SCHEDULE T-40 - COMMERCIAL AND INDUSTRIAL FIRM
-DELIVERY SERVICE
(Low Annual Use, High Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

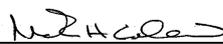
Customer Charge			\$ <u>31.4063.18</u> per month _____ (I)
Summer	-	First 75 therms	@ \$0. <u>27011513</u> per therm _____ (R)
	-	Excess 75 therms	@ \$0. <u>22261513</u> per therm _____ (R)
Winter	-	First 75 therms	@ \$0. <u>27011513</u> per therm _____ (R)
	-	Excess 75 therms	@ \$0. <u>22261513</u> per therm _____ (R)

RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Company's Delivery Service Terms and Conditions, Part VII, and the Local Delivery Adjustment Clause, Part V.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. 25,352 in Docket No. DG 11-069, dated April 24, 2012

RATE SCHEDULE T-40 - COMMERCIAL AND INDUSTRIAL FIRM
-DELIVERY SERVICE (continued)
(Low Annual Use, High Winter Use)
(continued)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage less than or equal to 8,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT (C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions of the Company, Part II, and the Delivery Service Terms and Conditions, Part VII, as filed with the New Hampshire Public Utilities Commission and set forth herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. 25,352 in Docket No. DG 11-069, dated April 24, 2012

VI. RATE SCHEDULES

RATE SCHEDULE T-41 - COMMERCIAL AND INDUSTRIAL FIRM
-DELIVERY SERVICE

(Medium Annual Use, High Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, , Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

Customer Charge			\$ 94.21 ^{184.26} per month <u>(I)</u>
Summer	-	All therms	@ \$ 0.4557 ¹⁵¹⁹ per therm <u>(R)</u>
Winter	-	All therms	@ \$ 0.2016 ¹⁹⁶⁵ per therm <u>(R)</u>

RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Company's Delivery Service Terms and Conditions, Part VII, and the Local Delivery Adjustment Clause, Part V.

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Effective: ~~May 1, 2012~~ May 1, 2014

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Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ _____ in Docket No. DG ~~11-069~~ _____, dated ~~April 24, 2012~~ _____

RATE SCHEDULE T-41 - COMMERCIAL AND INDUSTRIAL FIRM
-DELIVERY SERVICE-(continued)
(Medium Annual Use, High Winter Use)
(continued)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage of greater than 8,000 therms but less than or equal to 80,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT (C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~ twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions of the Company, Part II, and the Delivery Service Terms and Conditions, Part VII, as filed with the New Hampshire Public Utilities Commission and set forth herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. 25,352 in Docket No. DG 11-069, dated April 24, 2012

VI. RATE SCHEDULES

RATE SCHEDULE T-42 - COMMERCIAL AND INDUSTRIAL FIRM
-DELIVERY SERVICE
(High Annual Use, High Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

Customer Charge			\$ 314.05 <u>1,052.94</u> per month <u>(I)</u>
Summer	-	All therms	@ \$ 0.1200 <u>0.998</u> per therm <u>(R)</u>
Winter	-	All therms	@ \$ 0.1933 <u>1.652</u> per therm <u>(R)</u>

RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Company's Delivery Service Terms and Conditions, Part VII, and the Local Delivery Adjustment Clause, Part V.

Issued: ~~April 27, 2012~~ March 4, 2014
Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

RATE SCHEDULE T-42 - COMMERCIAL AND INDUSTRIAL FIRM

DELIVERY SERVICE ~~(continued)~~
(High Annual Use, High Winter Use)
(continued)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage greater than 80,000 therms and peak period usage greater than or equal to 67% of annual usage, as determined by the Company's records and procedures.

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT (C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~ twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions, Part II, and the Delivery Service Terms and Conditions, Part VII, of the Company as filed with the New Hampshire Public Utilities Commission and set forth herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. 25,352 in Docket No. DG 11-069, dated April 24, 2012

VI. RATE SCHEDULES

RATE SCHEDULE T-50 - COMMERCIAL AND INDUSTRIAL FIRM
-DELIVERY SERVICE

(Low Annual Use, Low Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

Customer Charge			\$ 31.40 <u>63.18</u> per month _____ (I)
Summer	-	First 75 therms	@ \$ 0.2701 <u>1513</u> per therm _____ (R)
	-	Excess 75 therms	@ \$ 0.2226 <u>1513</u> per therm _____ (R)
Winter	-	First 75 therms	@ \$ 0.2701 <u>1513</u> per therm _____ (R)
	-	Excess 75 therms	@ \$ 0.2226 <u>1513</u> per therm _____ (R)

RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Company's Delivery Service Terms and Conditions, Part VII and the Local Delivery Adjustment Clause, Part V.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Authorized by NHPUC Order No. ~~25,352~~ _____ in Docket No. DG ~~11-069~~ _____, dated ~~April 24, 2012~~ _____

Issued By: _____
Title: Treasurer

VI. RATE SCHEDULES

RATE SCHEDULE T-50 - COMMERCIAL AND INDUSTRIAL FIRM

-DELIVERY SERVICE ~~(continued)~~

(Low Annual Use, Low Winter Use)

(continued)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage less than or equal to 8,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT

(C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~ twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions, Part II, and the Delivery Service Terms and Conditions, Part VII, of the Company as filed with the New Hampshire Public Utilities Commission and set forth herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. 25,352 in Docket No. DG 11-069, dated April 24, 2012

VI. RATE SCHEDULES

RATE SCHEDULE T-51 - COMMERCIAL AND INDUSTRIAL FIRM
-DELIVERY SERVICE

(Medium Annual Use, Low Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

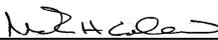
Customer Charge			\$ 94.21 <u>184.26</u> per month	<u>(I)</u>
Summer	-	First 1,000 therms	@ \$ 0.1325 <u>1.108</u> per therm	<u>(R)</u>
	-	Excess 1,000 therms	@ \$ 0.1011 <u>0.897</u> per therm	<u>(R)</u>
Winter	-	First 1,300 therms	@ \$ 0.1849 <u>1.424</u> per therm	<u>(R)</u>
	-	Excess 1,300 therms	@ \$ 0.1482 <u>1.160</u> per therm	<u>(R)</u>

RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Company's Delivery Terms and Conditions, Part VII, and the Local Delivery Adjustment Clause, Part V.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ _____ in Docket No. DG ~~11-069~~ _____, dated ~~April 24, 2012~~ _____

VI. RATE SCHEDULES

RATE SCHEDULE T-51 - COMMERCIAL AND INDUSTRIAL FIRM

-DELIVERY SERVICE-(continued)

(Medium Annual Use, Low Winter Use)

(continued)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage of greater than 8,000 therms but less than or equal to 80,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT

(C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

Summer - Defined as being the Company's billing cycles May through October.

Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions, Part II, and the Delivery Service Terms and Conditions, Part VII, of the Company as filed with the New Hampshire Public Utilities Commission and set forth herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ _____ in Docket No. DG ~~11-069~~ _____, dated April 24, 2012 _____

VI. RATE SCHEDULES

RATE SCHEDULE T-52 - COMMERCIAL AND INDUSTRIAL FIRM
-DELIVERY SERVICE
(High Annual Use, Low Winter Use)

CHARACTER OF SERVICE

The standard gas unit is defined as 100 cubic feet of gas containing 1,000 Btu per cubic foot.

APPLICABILITY

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, and Stratham and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

AVAILABILITY

This schedule is available at single locations throughout the territory served by the Company to Commercial and Industrial customers having certain characteristics, as defined below, for all purposes when gas is for their exclusive use and not for resale.

RATE - MONTHLY

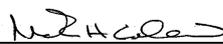
Customer Charge			\$ 314.05 ^{1,052.94} per month <u>(I)</u>
Summer	-	All therms	@ \$ 0.0694 ^{0.662} per therm <u>(R)</u>
Winter	-	All therms	@ \$ 0.1480 ^{1.443} per therm <u>(R)</u>

RATE ADJUSTMENT

The above rate is subject to adjustment according to the provisions of the Company's Delivery Service Terms and Conditions, Part VII, and the Local Delivery Adjustment Clause, Part V.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. ~~25,352~~ in Docket No. DG ~~11-069~~ , dated ~~April 24, 2012~~

VI. RATE SCHEDULES

RATE SCHEDULE T-52 - COMMERCIAL AND INDUSTRIAL FIRM

-DELIVERY SERVICE ~~(continued)~~ (High Annual Use, Low Winter Use) (continued)

CHARACTERISTICS OF CUSTOMER

A Customer receiving service under this schedule must have annual usage greater than 80,000 therms and peak period usage less than 67% of annual usage, as determined by the Company's records and procedures.

MINIMUM BILL

Customer charge per month.

TERMS OF PAYMENT (C)

Bills are due and payable upon presentation. A late payment charge at a rate to be determined by the NHPUC from time to time will be assessed from the date of the bill on balances unpaid within ~~thirty~~ twenty five days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

DEFINITIONS

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Winter - Defined as being the Company's billing cycles November through April.

TURN-ON CHARGE

Where service is established or re-established during regular working hours, a service charge of \$12.50 will be required; after hours and on Saturday, Sunday or holidays a charge of \$18.00 will be required.

TERMS AND CONDITIONS

Service under this Rate Schedule is subject to the General Terms and Conditions, Part II, and the Delivery Service Terms and Conditions, Part VII, of the Company as filed with the New Hampshire Public Utilities Commission and set forth herein.

Issued: ~~April 27, 2012~~ March 4, 2014

Effective: ~~May 1, 2012~~ May 1, 2014

Issued By: 
Title: Treasurer

Authorized by NHPUC Order No. 25,352 in Docket No. DG 11-069, dated April 24, 2012

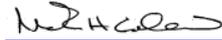
~~INTENTIONALLY LEFT BLANK~~ RESERVED FOR FUTURE USE

Issued: ~~September 27,~~
~~2002~~ March 4, 2014
Effective: ~~September 16,~~
~~2002~~ May 1, 2014

Issued by:

Stephen H. Bryant

Stephen H. Bryant



Title:

Vice President Treasurer

Authorized by NHPUC Order No. 24,037 in Docket DG 02-137, dated August 16, 2002

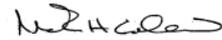
~~INTENTIONALLY LEFT BLANK~~ RESERVED FOR FUTURE USE

Issued: ~~September 27,~~
~~2002~~ March 4, 2014
Effective: ~~September 16,~~
~~2002~~ May 1, 2014

Issued by:

Stephen H. Bryant

Stephen H. Bryant



Title:

Vice President Treasurer

Authorized by NHPUC Order No. 24,037 in Docket DG 02-137, dated August 16, 2002

RESERVED FOR FUTURE USE

Issued: ~~November 10, 2005~~
March 4, 2014
Effective: ~~November 1, 2005~~ May
1, 2014

Issued by: 
Title: Stephen H. Bryant
President ~~Treasurer~~
Authorized by NHPUC Order No. _____ in Docket DG _____, dated _____

RESERVED FOR FUTURE USE

(D)

NORTHERN UTILITIES - PELHAM DIVISION
 WINTER SEASON C&I RATES

	Winter Season November 2005 - April 2006	Tariff Rates	Total Delivery Rates (Includes LDAC)	Total Billed Rates Tariff Rates, LDAC Plus Cost of Gas
C&I Low Annual/High Winter	Tariff Rate G 40: Monthly Customer Charge First 75 therms All usage over 75 therms LDAC Gas Cost Adjustment: Cost of Gas	\$18.70 \$0.3077 \$0.2007 \$0.0234 \$1.9178	\$18.70 \$0.3311 \$0.2241	\$18.70 \$2.2489 \$2.1419
C&I Low Annual/Low Winter	Tariff Rate G 50: Monthly Customer Charge First 75 therms All usage over 75 therms LDAC Gas Cost Adjustment: Cost of Gas	\$18.70 \$0.3018 \$0.1969 \$0.0234 \$1.9178	\$18.70 \$0.3252 \$0.2203	\$18.70 \$2.2430 \$2.1381
C&I Medium Annual/High Winter	Tariff Rate G 41: Monthly Customer Charge All usage (Winter) LDAC Gas Cost Adjustment: Cost of Gas	\$60.30 \$0.1942 \$0.0234 \$1.9178	\$60.30 \$0.2176	\$60.30 \$2.1354
C&I Medium Annual/Low Winter	Tariff Rate G 51: Monthly Customer Charge First 1300 therms All usage over 1300 therms LDAC Gas Cost Adjustment: Cost of Gas	\$60.30 \$0.1862 \$0.1467 \$0.0234 \$1.9178	\$60.30 \$0.2096 \$0.1701	\$60.30 \$2.1274 \$2.0879
C&I High Annual/High Winter	Tariff Rate G 42: Monthly Customer Charge All usage (Winter) LDAC Gas Cost Adjustment: Cost of Gas	\$254.00 \$0.1725 \$0.0234 \$1.9178	\$254.00 \$0.1959	\$254.00 \$2.1137
C&I High Annual/Low Winter	Tariff Rate G 52: Monthly Customer Charge All usage (Winter) LDAC Gas Cost Adjustment: Cost of Gas	\$254.00 \$0.1262 \$0.0234 \$1.9178	\$254.00 \$0.1496	\$254.00 \$2.0674

Issued: ~~November 22, 2006~~
March 4, 2014

Issued by: Stephen H. Bryant

Effective: ~~With Service Rendered~~
On and After November 1,
2006 May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,685 in Docket No. DG 06-128, dated October 7, 2006

RESERVED FOR FUTURE USE

Issued: ~~August 17, 2001~~ March 4,
2014

Issued by: Stephen H Bryant



Effective: ~~November 1, 2001~~ May 1,
2014

Title: Vice President~~Treasurer~~

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

VII. DELIVERY SERVICE TERMS AND CONDITIONS

1. Rates and Charges

- 1.1 The Company shall apply this tariff on a non-discriminatory and non-preferential basis to all Customers who obtain service from the Company, except as this tariff is explicitly modified by order of the NHPUC. The provisions of Part VII, Section 20 will specifically apply to all entities designated by the Customer as set forth in Part VII, Section 20.5 to supply Gas to a Designated Receipt Point for the Customer's account.
- 1.2 The Company reserves the right to impose reasonable fees and charges pursuant to the various provisions of this tariff.
- 1.3 In the event that the Company incurs minimum bill, inventory, transition, take or pay, imbalance, or any other charges associated with the provision of Delivery Service to Customers, the Company may impose an additional charge on the Suppliers serving said Customers as approved by the NHPUC.

2. Definitions

Adjusted Target Volume (“ATV”):

The volume of Gas determined by the Company using a Consumption Algorithm and required to be nominated and delivered each Gas Day by the Supplier on behalf of Customers taking non-daily metered Delivery Service.

Aggregation Pool:

One or more Customer accounts whose Gas Usage is served by the same Supplier and aggregated pursuant to Part VII, Section 20.6 of this tariff for operational purposes, including but not limited to nominating, scheduling, and balancing Gas deliveries to Designated Receipt Point(s) within the associated Gas Service Area.

Annual Reassignment Date: Five (5) Business Days prior to November 1 of each year when the Company reassigns Capacity to Suppliers pursuant to Part VII, Section 11.6 of this tariff.

Assignment Date: Five (5) Business Days prior to the first Gas Day of each month when the Company assigns Capacity to Suppliers pursuant to Part VII, Section 11.4 of this tariff.

Authorization Number: A number unique to the Customer generated by the Company and printed on the Customer's bill that the Customer must furnish to the Supplier to enable the Supplier to obtain the Customer's Gas Usage information pursuant to Part VII,

Issued: ~~August 17, 2001~~ March 4, 2014
Effective: ~~November 1, 2001~~ May 1, 2014
Authorized by NHPUC Order No. _____

Issued by: Stephen H. Bryant 
Title: Vice President ~~Treasurer~~
in Docket DG _____, dated _____

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

Section 20.4, and to initiate or terminate Supplier Service as set forth in Part VII, Section 20.5 of this tariff.

- Btu:** See Part II, Section 2.
- Business Day:** Monday through Friday excluding holidays recognized by the Company. Where relevant, a Business Day shall consist of the hours during which the Company is open for business with the public. If any performance date referenced in this Tariff is not a Business Day, such performance shall be the next succeeding Business Day.
- Capacity:** Pipeline Capacity, Storage Withdrawal Capacity, and Peaking Capacity as defined in this tariff.
- Capacity Allocators:** The estimated proportions of the Customer's Total Capacity Quantity that comprise Pipeline Capacity, Storage Withdrawal Capacity and Peaking Capacity.
- Capacity Mitigation Service:** The service available to Suppliers in accordance with Part VII, Section 11.10.
- City Gate:** The interconnection between a Delivering Pipeline and the Company's distribution facilities.
- Commodity:** See Gas.
- Company:** Northern Utilities, Inc.
- Company Gas Allowance:** The difference between the sum of all amounts of Gas received into the Company's distribution system (including Gas produced by the Company) and the sum of all amounts of Gas delivered from the Company's distribution system divided by said amount of Gas received. Such difference shall include but not be limited to Gas consumed by the Company for its own purposes, line losses, and Gas vented and lost as a result of force majeure, excluding Gas otherwise accounted for.
- Company-Managed Supplies:** Capacity and Supply contracts held and managed by the Company and made available to the Supplier pursuant to Part VII, Section 11.9 of this tariff including Supply-sharing contracts and load-management contracts.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

- Consumption Algorithm:** A mathematical formula used to estimate a Customer’s daily consumption.
- Critical Day:** In accordance with Part VII, Section 16 of this tariff, a day declared at any time by the Company in its reasonable discretion when unusual operating conditions may jeopardize operation of the Company’s distribution system.
- Customer:** The recipient of Delivery Service whose Gas Usage is recorded by a meter or group of meters at a specific location and who is a customer of record of the Company.
- Daily Baseload:** The Customer’s average usage per Gas Day that is assumed to be unrelated to weather.
- Daily Index:** The mid-point of the range of prices as published by Gas Daily under the heading “Daily Price Survey, Midpoint, Citygates, Tennessee/Zone 6 (delivered)” for the relevant Gas Day listed under “Flow date(s)”.

In the event that the Gas Daily index becomes unavailable, the Company shall apply its daily marginal cost of Gas as the basis for this calculation until such time that the NHPUC approves a suitable replacement.
- Dekatherm:** Ten Therms.
- Delivery Point:** The interconnection between the Company’s facilities and the Customer’s facilities.
- Delivery Service:** See Part II Section 2
- Design Peak Season:** The forecasted Peak Season during which the Company’s system experiences the highest aggregate Gas Usage.
- Designated Receipt Point:** For each Customer, the Company designated interconnection between a Transporting Pipeline and the Company’s distribution facilities at which point, or such other point as the Company may designate from time to time for operational purposes, the Supplier will make deliveries of Gas for the Customer’s account.
- Designated Representative:** The designated representative of the Customer, who shall be authorized to act for, and conclusively bind, the Customer

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

regarding Delivery Service in accordance with the provisions of Part VII, Section 21 of this tariff.

- Effective Degree Day:** A measure used to estimate weather-sensitive Gas consumption calculated by subtracting the average temperature for each day from the number 65, plus factoring in wind speed. Each degree day that represents a degree below 65 is considered an Effective Degree Day.
- Gas:** Natural Gas that is received by the Company from a Transporting Pipeline at the Designated Receipt Point and delivered by the Company to the Delivery Point for the Customer's account. In addition, the term shall include amounts of vaporized liquefied natural Gas and/or propane-air vapor that are introduced by the Company into its system and made available to the Customer as the equivalent of natural Gas that the Customer is otherwise entitled to have delivered by the Company.
- Gas Day:** A period of twenty-four (24) consecutive hours beginning at 10:00 a.m., E.T., and ending at 10:00 a.m., E.T., the next calendar day, or other such hours used by the Transporting Pipeline.
- Gas Service Area:** An area within the Company's distribution system as defined in Part VII, Section 4 of this tariff, for the purposes of administering Capacity assignments, Nominations, balancing, imbalance trading, and Aggregation Pools.
- Gas Usage:** The actual quantity of Gas used by the Customer as measured by the Company's metering equipment at the Delivery Point.
- Heating Factor:** The Customer's estimated weather-sensitive Gas consumption per Heating Degree Day.
- Interruptible Delivery Service:** Delivery Service provided to the Customer by the Company on less than a year-round basis, or as local distribution operating conditions permit.
- MMBtu :** One million Btus.
- Maximum Daily Peaking Quantity ("MDPQ"):** The portion of a Customer's Total Capacity Quantity identified and allocated as Peaking Capacity, such that the maximum daily amount of Gas that can be withdrawn from a Supplier's Peaking Service Account

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

pursuant to Part VII, Section 14 of this tariff shall be equal to the sum of the MDPQs for all Customers in that Supplier's Aggregation Pool.

- Month:** A calendar month of Gas Days.
- Monthly Index:** The average of the Daily Index numbers for all Gas Days in a Month.
- NHPUC:** The New Hampshire Public Utilities Commission.
- Nomination:** The notice given by the Supplier to the Company that specifies, in accordance with the Standard Nomination Form attached as Appendix B, an intent to deliver a quantity of Gas to the Designated Receipt Point(s) on behalf of one or more Customers, including the volume to be received, the Designated Receipt Point(s), the Transporting Pipeline, the delivering contract(s), the shipper, and other such non-confidential information as may be reasonably required by the Company.
- Off-Peak Season:** The consecutive months of May to October, inclusive.
- Operational Flow Order (“OFO”):** The Company’s instructions to the Supplier to take such action as conditions require including, but not limited to, diverting Gas to or from the Company’s distribution system pursuant to Part VII, Section 16 of this tariff.
- Peak Day:** The forecasted Gas Day during which the Company’s system experiences the highest aggregate Gas Usage.
- Peak Season:** The consecutive months of November to April, inclusive.
- Peaking Capacity:** Capacity in addition to upstream pipeline and underground storage Capacity normally used by the Company to meet daily requirements during a Design Peak Season and acquired specifically for the Peak Season.
- Peaking Service:** A Company-managed resource consisting of Peaking Capacity and Peaking Supply.
- Peaking Service Account:** An account whose balance indicates the total volumes of Peaking Service resources available to a Supplier, where the maximum balance in the account shall equal the Peaking Supply assigned to the Supplier pursuant to this tariff.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

Peaking Service Rule Curve: A system of operational parameters associated with the use of the Company's Peaking Capacity including, but not limited to, indicators of the necessary levels of Peaking Supply that must be maintained in Suppliers' Peaking Service Accounts in order for the Company to meet system demands under Design Peak Season conditions. The Company will communicate, by electronic means as determined by the Company or, in the event of failure of such electronic means, by facsimile or other agreeable alternative means, the Peaking Service Rule Curve as identified in Part VII, Section 14 of this tariff.

Peaking Supply: The aggregate amount of Supply in excess of upstream pipeline and underground storage Supply required to meet the Company's forecasted Supply needs during a Design Peak Season and acquired specifically for the Peak Season.

Peaking Supply Allocator: An allocation factor that represents the proportion of a Customer's estimated Gas Usage during the Design Peak Season that is generally served with Peaking Service supplies.

Pipeline Capacity: Transportation capacity on interstate pipeline systems normally used for deliveries of Gas to the Company's city gates, exclusive of Storage Withdrawal Capacity.

Pre-Determined Allocation: Instructions from the Supplier to the Company for the method allocation of discrepancies in confirmed Nominations among the Supplier's Aggregation Pools and/or Customers as set forth in the Supplier Service Agreement.

Rate Schedule: The schedule of rates included in this tariff.

Reference Period: A period of at least twelve (12) months for which a Customer's Gas Usage information is typically available to the Company.

Sales Service: See Part II, Section 2.

Seasonal Storage Capacity: Contracts for Capacity in off-system storage facilities used to accumulate and maintain Gas inventories for re-delivery to the Company's city gates normally during the Peak Season.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

Storage Withdrawal Capacity: Capacity for the withdrawal of Gas inventories maintained in off-system storage facilities, as well as the Pipeline Capacity used to deliver such Gas to the Company's city gates.

Supplier: See Part II, Section 2.

Supplier Service: See Part II, Section 2.

Supplier Service Agreement: An agreement, substantially in the form set forth in Appendix B, which must be executed by the Company and a Supplier in order for the Supplier to serve Customers on the Company's system.

Supply: See Gas.

Therm: See Part II, Section 2

Total Capacity Quantity ("TCQ"): The total amount of Capacity assignable to a Supplier on behalf of a Customer.

Transporting Pipeline: The interstate pipeline company that transports and delivers Gas to the Designated Receipt Point.

3. Character of Service

3.1 All rates within the Rate Schedule are predicated upon service to a Customer at a single Delivery Point and metering installation, except as otherwise specifically provided by a given rate. Where service is supplied to a Customer at more than one Delivery Point or metering installation, each single Delivery Point or metering installation shall be considered to be a separate Customer for purposes of applying the Rate Schedule, except when a Customer is served through multiple points of delivery or metering installations for the Company's own convenience.

3.2 The Company may refuse to supply service to loads of unusual characteristics which, in its sole reasonable judgment, might adversely affect the quality of service supplied to other Customers, the public safety or the safety of the Company's personnel. In lieu of such refusal, the Company may require a Customer to install any necessary regulating and protective equipment in accordance with the requirements and specifications of the Company.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

4. Gas Service Areas And Designated Receipt Points

4.1 There shall be one (1) Gas Service Area defined for purposes of administering Capacity assignments, Nominations, balancing, imbalance trading, and Aggregation Pools pursuant to this tariff. Each such Gas Service Area shall be defined to include the municipalities listed within each such Gas Service Area, as follows:

(1) Area 1: Northern Utilities' Inc. New Hampshire Gas Service Area

The towns of Dover, Durham, East Kingston, East Rochester, Exeter, Gonic, Greenland, Hampton, Hampton Falls, Kensington, Madbury, Newington, North Hampton, Pelham, Plaistow, Portsmouth, Rochester, Salem, Seabrook, Somersworth, Stratham, and limited areas of Atkinson, Rollinsford and the contiguous territory served by the Company.

4.2 For each Aggregation Pool as set forth by Part VII, Section 20.6, the Company will designate at least one specific interconnection between a Transporting Pipeline and the Company's distribution facilities, at which point, or such other point as the Company may designate from time to time, the Supplier will make deliveries for the Aggregation Pool. The interconnections that the Company may assign as the Customer's Designated Receipt Point for the Aggregation Pool are as follows:

(1) Name Transporting Pipeline: Granite State Gas Transmission, Inc.

Names of City Gates: Forrest Street, Plaistow, East Kingston, Exeter West, Exeter – Newfield Rd., Greenland, Ocean Road, Panaway, Portsmouth, Pease Development, Gosling Rd., Varney Brook, Newington, Dover Point, Bellimy Lane.

5. Customer Request for Service From Company

5.1 Application for Delivery Service, Sales Service, or any other service offered by the Company to a Customer will be received by any duly authorized representative or agent of the Company.

5.2 Before any service from the Company may commence, the Customer must request such service. A Customer applying for Delivery Service only must also arrange for Supplier Service with a Supplier pursuant to Part VII, Section 20. A Customer may act as its own Supplier provided it meets all of the Supplier requirements delineated in Part VII, Section 20.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

6. Quality and Condition of Gas

- 6.1 Gas delivered to the Company by or for the Customer shall conform, in all respects, to the Gas quality standards of the Transporting Pipeline. All Gas tendered by a Supplier at a Designated Receipt Point shall be of merchantable quality and shall be interchangeable with Gas purchased by the Company from its Suppliers. The Company reserves the right to refuse non-conforming Gas.
- 6.2 In no event shall the Company be obligated to accept and deliver any Gas that does not meet the quality standards of the Transporting Pipeline.
- 6.3 The Company reserves the right to commingle Gas tendered by a Supplier at a Designated Receipt Point with other Gas, including liquefied natural Gas and propane-air vapor.
- 6.4 Gas tendered by a Supplier at a Designated Receipt Point will be at a pressure sufficient to enter the Company's distribution system without requiring the Company to adjust its normal operating pressures to receive the Gas. The Company has no obligation to receive Gas at a pressure that exceeds the maximum allowable operating pressure of the Company's distribution system at the Designated Receipt Point.

7. Possession of Gas

- 7.1 Gas shall be deemed to be in the control and possession of the Company after such Gas is delivered to the Designated Receipt Point and until the Gas is delivered to the Customer at the Delivery Point. The Company shall not be responsible for the Gas when the Gas is not in the Company's control and possession.
- 7.2 The Company shall not be liable to the Supplier or the Customer for any loss arising from or out of Delivery Service, including loss of Gas in the possession of the Company or for any other cause, except for the negligence of the Company's own employees or agents.

8. Company Gas Allowance

- 8.1 The amount of Gas tendered by the Supplier to the Designated Receipt Point will be reduced, upon delivery to the Customer's Delivery Point, by the Company Gas Allowance. The Company Gas Allowance shall be in effect from November 1 through October 31. Such adjustment shall be recalculated prior to the Company's Peak Season cost of Gas filing with the NHPUC.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

9. Daily Metered Delivery Service

9.1 Applicability

Part VII, Section 9 of this tariff shall be applicable in the following conditions:

- 9.1.1 All Customers whose service may be interrupted at any time during the year shall be required to take daily metered Delivery Service.
- 9.1.2 Any Customer, regardless of annual Gas Usage, may elect daily metered Delivery Service.
- 9.1.3 Customers under Rate Schedules G-42 and G-52 wishing to take Delivery Service are required to take Daily Metered Delivery Service. In addition, the Company may require a Customer to take daily metered Delivery Service if the Company determines that the daily Gas Usage characteristics of the Customer cannot be accurately modeled using the Company's Consumption Algorithm or if the volumes reasonably anticipated by the Company to be used by the Customer are of a size that may materially affect the integrity of the Company's distribution system.

9.2 Delivery Service Provided

This service provides delivery of Customer purchased Gas from the Designated Receipt Point to the Delivery Point on any Gas Day. For Customers taking Delivery Service under Rate Schedules Rate T-42 and Rate T-52, this service provides firm, year-round delivery of Customer purchased Gas from the Designated Receipt Point to the Delivery Point.

9.3 Nominations and Scheduling of Service

- 9.3.1 The Supplier is responsible for nominating and delivering to the Designated Receipt Point(s) every Gas Day an amount of Gas that equals the aggregated Gas Usage of Customers in the Aggregation Pool plus the Company Gas Allowance in accordance with Part VII, Section 8 of this tariff.
- 9.3.2 Nominations shall be communicated to the Company by electronic means as determined by the Company or, in the event of failure of such electronic means, by facsimile or other agreeable alternative means.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

- 9.3.3 Nominations for the first Gas Day of a Month shall be submitted to the Company no later than two (2) hours prior to the deadline for first of the Month Nominations of the Transporting Pipeline or such lesser period as determined by the Company. The Company will make available, from time to time, a schedule of Nomination due dates. Nominations on weekends, holidays, and non-business hours will be accepted by the Company on a basis consistent with that utilized for its own operations.
- 9.3.4 The Supplier may make daily Nominations including, but not limited to, changes to existing Nominations, within a given Month no later than two (2) hours prior to the deadline for daily Nominations of the Transporting Pipeline for the Gas Day on which the Nomination is to be effective, or such lesser period as determined by the Company. Nominations on weekends, holidays, and non-business hours will be accepted by the Company on a basis consistent with that utilized for its own operations.
- 9.3.5 The Supplier may make intra-Gas Day Nominations, including but not limited to changes to existing Nominations, within a given Gas Day no later than two (2) hours prior to the intra-Gas Day Nomination deadline for the Transporting Pipeline on which the Nomination is to be effective, or such lesser period as determined by the Company. Intra-Gas Day Nominations on weekends, holidays, and non-business hours will be accepted by the Company on a basis consistent with that utilized for its own operations.
- 9.3.6 Nominations will be conditionally accepted by the Company pending confirmation by the Transporting Pipeline. The Company will attempt to confirm the nominated volume with the Transporting Pipeline. In the event of a discrepancy between the volume nominated to the Company by the Supplier and the volume nominated by the Supplier to the Transporting Pipeline, the lower volume will be deemed confirmed. The Company will allocate such discrepancy based on a predetermined allocation method set forth in the Supplier Service Agreement. If no predetermined allocation method has been established prior to the event of such discrepancy, the Company will allocate the discrepancy on a pro rata basis.
- 9.3.7 Nominations may be rejected, at the sole reasonable discretion of the Company, if they do not satisfy the conditions for Delivery Service in effect from time to time.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

9.4 Determination of Receipts

9.4.1 The quantity of Gas deemed received by the Company for the Supplier's Aggregation Pool at the Designated Receipt Point(s) will equal the volume so scheduled by the Transporting Pipeline(s).

9.4.2 The Company Gas Allowance will be assessed against receipts pursuant to Part VII, Section 8 of this tariff.

Issued: ~~August 17, 2001~~ March 4, 2014

Effective: ~~November 1, 2001~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: ~~Vice President~~ Treasurer

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

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

9.5 Metering and Determination of Deliveries

9.5.1 The Company shall furnish and install, at the Customer's expense, telemetering equipment and any related equipment for the purpose of measuring Gas Usage at each Customer's Delivery Point. Telemetering equipment shall remain the property of the Company at all times. The Company shall require each Customer to install and maintain, at the Customer's expense, reliable telephone lines and electrical connections that meet the Company's operating requirements. The Company may require the Customer to furnish a dedicated telephone line. If the Customer fails to maintain such telephone lines and electrical connections for fourteen (14) consecutive days after notification by the Company, the Company may discontinue service to the Customer.

9.5.2 Should a Customer or a Supplier request that additional telemetering equipment or a communication device be attached to the existing telemetering equipment in addition to that provided pursuant to Part VII, Section 9.5.1, the Company shall install, test, and maintain the requested telemetering equipment or communication device; provided that such telemetering equipment or communication device does not interfere with the operation of the equipment required for the Company's purposes and otherwise meet the Company's requirements. The Customer or Supplier shall provide such telemetering equipment or communication device, unless the Company elects to do so. The Customer or Supplier shall bear the cost of providing and installing the telemetering equipment, communication device, or any other related equipment, and shall have electronic access to the Customer's Gas Usage information. Upon installation, the telemetering equipment or communication device shall become the property of the Company and will be maintained by the Company. The Company shall bill the Customer or Supplier after installation.

9.5.3 The Company shall complete installation of telemetering equipment and communication devices, if reasonably possible, within sixty (60) days of receiving a written request from the Customer or Supplier provided that the Customer completes the installation of any required telephone or electrical connections within ten (10) days of such request.

9.5.4 The Company may, at its sole discretion, bill the Customer on a calendar month or cycle month basis.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

9.6 Balancing

9.6.1 The Supplier must maintain a balance between daily receipts and daily Gas Usage within the following tolerances:

Off-Peak Season: The difference between the Supplier's aggregate actual receipts on the Transporting Pipeline to each Gas Service Area and the aggregated Gas Usage of Customers in the Aggregation Pool shall be within 15% of said receipts. The Supplier shall be charged 0.1 times the Daily Index for all differences not within the 15% tolerance.

Peak Season: The difference between the Supplier's aggregate actual receipts on the Transporting Pipeline to each Gas Service Area and the aggregated Gas Usage of Customers in the Aggregation Pool shall be within 10% of said receipts. The Supplier shall be charged 0.5 times the Daily Index for all differences not within the 10% tolerance.

Critical Day(s): The Company will determine if the Critical Day will be aggravated by an under-delivery or an over-delivery, and so notify the Supplier when a Critical Day is declared pursuant to Part VII, Section 16.

Critical Day That Will Be Aggravated by Under-delivery.

Supplier who under-delivers. A Supplier who under-delivers on a Critical Day that will be aggravated by under-delivery shall be charged 5 times the Daily Index for the aggregated Gas Usage of Customers in the Aggregation Pool that exceeds 102% of the Supplier's aggregate actual receipts on the Transporting Pipeline to each Gas Service Area.

Supplier who over-delivers. A Supplier who over-delivers on a Critical Day that will be aggravated by under-delivery shall be charged 0.1 times the Daily Index to the extent that the difference between the Supplier's aggregate actual receipts on the Transporting Pipeline to each Gas Service Area and the aggregated Gas Usage of Customers in the Aggregation Pool exceeds 20% of said receipts [(Receipts - Usage) > (20% x Receipts)].

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

Critical Day That Will Be Aggravated by Over-delivery.

Supplier who under-delivers. A Supplier who under-delivers on a Critical Day that will be aggravated by over-delivery shall be charged 0.1 times the Daily Index to the extent that the difference between the Supplier's aggregated Gas Usage of Customers in the Aggregation Pool exceeds 120% of the Supplier's aggregate actual receipts on the Transporting Pipeline to each Gas Service Area.

Supplier who over-delivers. A Supplier who over-delivers on a Critical Day that will be aggravated by over-delivery shall be charged 5 times the Daily Index to the extent that the difference between the Supplier's actual receipts on the Transporting Pipeline to each Gas Service Area and the Supplier's aggregated Gas Usage of Customers in the Aggregation Pool exceeds 2% of said receipts [(Receipts - Usage > (2% x Receipts)].

Point Specific In the event that the Transporting Pipeline requires its customers to

Balancing: balance on a point-specific basis, the Supplier must balance pursuant to this Section at each Designated Receipt Point.

- 9.6.2 If the Supplier has an accumulated imbalance within a Month, the Supplier may nominate to reconcile such imbalance, subject to the Company's approval, which approval shall not be unreasonably withheld.
- 9.6.3 In addition to the charges set forth in Part VII, Section 9.6.1, the Company shall flow through to the Supplier any pipeline imbalance penalty charges attributable to the Supplier.
- 9.6.4 If, as a result of the Company interrupting or curtailing service pursuant to Part VII, Section 18 of this tariff, the Supplier incurs a daily imbalance penalty due to over-delivery, the Company will waive such penalty for the First Day of the interruption or curtailment period. If the Company has issued notice of an interruption or curtailment in service and the Supplier is unable to change its Nomination, or if the Supplier's Gas has been delivered to the Designated Receipt Point, then the Company will credit such Gas against the Supplier's imbalance.
- 9.6.5 The Supplier will maintain a balance between receipts at the Designated Receipt Point(s) and the aggregated Gas Usage of Customers in each Aggregation Pool. If the Transporting Pipeline posts notice on its

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

electronic bulletin board that its customers will be required to adhere to a maximum hourly flow rate, the Supplier will be deemed to have notice that maximum hourly flows will be in effect on the Company's distribution facilities as of the same time and for the same period as maximum hourly flows are in effect on the Transporting Pipeline. The Supplier's maximum hourly flow will be established based on an allocation of even hourly flows of daily receipts of Gas scheduled in the relevant period in accordance with the applicable transportation tariff of the Transporting Pipeline. All Gas Usage in excess of the Supplier's maximum hourly flow rate shall be subject to an additional charge of 5 times the Daily Index for each Dekatherm in excess of the Supplier's maximum hourly flow. The Company will notify the Supplier of the Supplier's maximum hourly flow.

- 9.6.6 If, during any fifteen (15) consecutive Gas Days, the Supplier delivers an amount less than 70% of the sum of the aggregated Gas Usage of Customers in the Aggregation Pool in said Gas Days, the Company may declare the Supplier ineligible to nominate Gas for the following thirty (30) Gas Days. The Supplier shall have the opportunity to cure the imbalance with the demonstration of verifiable imbalance trades or otherwise within twenty-four (24) hours of notification by the Company. If the Supplier is declared ineligible to nominate Gas for such 30 Gas Days, the Supplier may be reinstated at the end of the 30 Gas Days, provided it posts security equal to the product of: (1) the maximum aggregate daily Gas Usage of Customers in the Aggregation Pool expressed in MMBtu and (2) \$300. If, within twelve (12) months of the first offense, such Supplier is declared ineligible to nominate Gas pursuant to this Section, the Supplier will be disqualified from service under this tariff for one (1) full year from the time of the second disqualification. If the Supplier defaults on its obligations under this tariff, the Company shall have the right to use such security to satisfy the Supplier's obligations. Such security may be used by the Company to secure Gas, transportation, and storage, and to cover other related costs incurred as a result of the Supplier's default. The security may also be used to satisfy any outstanding claims that the Company may have against the Supplier including imbalance charges, cash-out charges, pipeline penalty charges, and other charges.

9.7 Cash Out

For each Aggregation Pool, the Supplier must maintain total Monthly receipts within a reasonable tolerance of total Monthly Gas Usage. Any differences between total Monthly receipts for an Aggregation Pool and the aggregated Gas Usage of Customers in the Aggregation Pool, expressed as a percentage of total Monthly receipts, will be cashed out according to the following schedule:

Issued: ~~August 17, 2001~~ March 4, 2014

Effective: ~~November 1, 2001~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: Vice President~~Treasurer~~

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

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

<u>Imbalance Tier</u>	<u>Over-deliveries</u>	<u>Under-deliveries</u>
0% <= 5%	The average of the Daily Indices for the relevant Month	The highest average of seven consecutive Daily Indices for the relevant Month.
> 5% <= 10%	0.85 times the above stated rate.	1.15 times the above stated rate.
> 10% <= 15%	0.60 times the above stated rate.	1.4 times the above stated rate.
> 15%	0.25 times the above stated rate.	1.75 times the above stated rate.

For purposes of determining the tier at which an imbalance will be cashed out, the price will apply only to volumes within a tier. For example, if there is a 7% under-delivery on a Transporting Pipeline, volumes that make up the first 5% of the imbalance are priced at the highest average of the seven (7) consecutive Daily Indices. Volumes making up the remaining 2% of the imbalance are priced at 1.15 times the average of the seven (7) consecutive Daily Indices.

10. Non-Daily Metered Delivery Service

10.1 Applicability

Part VII, Section 10 of this tariff applies to Customers taking Delivery Service under Rate Schedules T-40, T-41, T-50, and T-51 and their Suppliers.

10.2 Delivery Service Provided

This service provides firm, year-round delivery of Customer purchased Gas from the Designated Receipt Point to the Delivery Point on any Gas Day for Customers, without the requirement of recording Gas Usage at the Delivery Point on a daily basis. Daily Nominations are calculated by the Company on the basis of a Consumption Algorithm and the Supplier is obligated to deliver to the Designated Receipt Point(s) such quantities.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

10.3 Nominations and Scheduling of Service

- 10.3.1 The Supplier is obligated to nominate and deliver the Adjusted Target Volume (“ATV”), as determined in Part VII, Section 10.3.2, to the Designated Receipt Points on every Gas Day for each Aggregation Pool.
- 10.3.2 The Company shall determine the ATV for each Aggregation Pool of Customers taking non-daily metered Delivery Service for each Gas Day using a Consumption Algorithm. The ATV shall include the Company Gas Allowance. On each Business Day, the Company will communicate, electronically, by facsimile, or by other agreeable alternative means, the forecasted ATV to the Supplier for at least the subsequent four (4) Gas Days. The ATV in effect for any Gas Day shall be the most recent ATV for that Gas Day communicated to the Supplier by the Company. The ATV for a given Gas Day shall not be effective unless it has been communicated to the Supplier at least two (2) hours prior to the Company’s Supplier Nomination deadline for that Gas Day, which shall be at least two (2) hours prior to the deadline for nominations on the Transporting Pipeline, or such lesser period as determined by the Company.
- 10.3.3 Nominations will be communicated to the Company electronically, by facsimile, or other agreeable alternative means.
- 10.3.4 Nominations for the first Day of a Month shall be submitted to the Company no later than two (2) hours prior to the deadline for first of the Month Nominations of the Transporting Pipeline or such lesser period as determined by the Company. The Company will make available, from time to time, a schedule of Nomination due dates. Nominations on weekends, holidays, and non-business hours will be accepted by the Company on a basis consistent with that utilized for its own operations.
- 10.3.5 The Supplier shall provide an intra-Month Nomination no later than two (2) hours prior to the deadline of the Transporting Pipeline for the next Gas Day, or such lesser period as determined by the Company. Nominations on weekends, holidays, and non-business hours will be accepted by the Company on a basis consistent with that utilized for its own operations.
- 10.3.6 Nominations will be conditionally accepted by the Company pending confirmation by the Transporting Pipeline. The Company will attempt to confirm the nominated volume with the Transporting Pipeline. In the event of a discrepancy between the volume nominated to the Company by the Supplier and the volume nominated by the Supplier to the

Issued: ~~August 17, 2001~~ March 4, 2014

Effective: ~~November 1, 2001~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: Vice President~~Treasurer~~

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

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

Transporting Pipeline, the lower volume will be deemed confirmed. The Company will allocate such discrepancy based on a predetermined allocation method set forth in the Supplier Service Agreement. If no predetermined allocation method has been established prior to the event of such discrepancy, the Company will allocate the discrepancy on a pro rata basis. The Company will not confirm any volume nominated by the Supplier in excess of the ATV.

10.3.7 In the event that the Supplier is unable to deliver a confirmed ATV Nomination, the Supplier may make intra-Gas Day Nominations relating to changes to existing Nominations within a given Gas Day no later than two (2) hours prior to the intra-Gas Day Nomination deadline for the Transporting Pipeline on which the Nomination is to be effective, or such lesser period as determined by the Company; provided, however, that the Nomination must be in conformance with the requirements of and must be permitted by the Transporting Pipeline. Intra-Gas Day Nominations on weekends, holidays, and non-business hours will be accepted by the Company on a basis consistent with that utilized by the Company for its own operations. The Company shall not adjust the ATV applied for that Gas Day.

10.3.8 Nominations may be rejected if they do not satisfy the conditions for Delivery Service in effect from time to time.

10.3.9 All quantities of Gas over-delivered or under-delivered to the Company's system in violation of an Operational Flow Order ("OFO") declared by the Company pursuant to Part VII, Section 16 will be subject to the Critical Day provisions of Part VII, Section 10.6.1 of this tariff, and the delivered quantity specified in the OFO will replace the ATV.

10.4 Determination of Receipts

10.4.1 The quantity of Gas deemed received by the Company for the Supplier's Aggregation Pool at the Designated Receipt Point(s) will equal the volume so scheduled by the Transporting Pipeline(s).

10.4.2 The Company Gas Allowance will be assessed against receipts pursuant to Part VII, Section 8 of this tariff.

10.5 Metering and the Determination of Deliveries

The Company shall record the Customer's Gas Usage at the Delivery Point by making actual meter reads on a monthly or bi-monthly basis. In the event that the

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

Customer's Gas Usage is metered on a bi-monthly basis, the Company shall make available to the Supplier estimates of the Customer's Gas Usage for each of the two billing months.

10.6 Balancing

10.6.1 Any difference between the Supplier's ATV for an Aggregation Pool and the receipts on the Transporting Pipeline to the appropriate Designated Receipt Point(s) will be cashed out by the Company according to the following:

Off-Peak Season: For receipts less than the ATV, the Supplier shall be charged 1.1 times the Daily Index for the difference. For receipts greater than the ATV, the Supplier shall be charged 0.8 times the Daily Index for the difference.

Peak Season: For receipts less than the ATV but greater than or equal to 95% of the ATV, the Supplier shall be charged 1.1 times the Daily Index for the difference. For receipts less than 95% of the ATV, the Supplier shall be charged 1.1 times the Daily Index for the first 5% difference, and the Supplier shall be charged two (2) times the Daily Index for the remaining difference. For receipts greater than the ATV, the Supplier shall be charged 0.8 times the Daily Index for the difference.

Critical Day(s): The Company will determine if the Critical Day will be aggravated by an under-delivery or an over-delivery, and so notify the Supplier when a Critical Day is declared pursuant to Part VII, Section 16.

Critical Day That Will Be Aggravated by Under-delivery

Supplier who under-delivers. A Supplier who under-delivers on a Critical Day that will be aggravated by under-delivery shall be charged five (5) times the Daily Index for the difference between the ATV and actual receipts.

Supplier who over-delivers. A Supplier who over-delivers on a Critical Day that will be aggravated by under-delivery shall be charged the following amounts for all receipts in excess of the ATV:

- (a) up to 25% in excess of the ATV, the Supplier shall be charged the Daily Index for the difference.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

- (b) for receipts in excess of 25% above the ATV, the Supplier shall be charged 0.8 times the Daily Index for the difference.

Critical Day That Will Be Aggravated By Over-delivery.

Supplier who over-delivers. A Supplier who over-delivers on a Critical Day that will be aggravated by over-delivery shall be charged 0.4 times the Daily Index for receipts greater than the ATV.

Supplier who under-delivers. A Supplier who under-delivers on a Critical Day that will be aggravated by over-delivery shall be charged the following amounts--for receipts less than the ATV but greater than or equal to 75% of the ATV, the Supplier shall be charged the Daily Index for the first 25% difference, and the Supplier shall be charged 1.1 times the Daily Index for the remaining difference.

- 10.6.2 In addition to the charges set forth in Part VII, Section 10.6.1, the Company shall use a daily balancing charge calculation to account for balancing costs it incurs in serving each Aggregation Pool due to differences in forecast versus actual Effective Degree Days. The daily balancing charge shall be based on the sum of the absolute values of the daily differences between the Aggregation Pool's ATV and the recalculated ATV value described in Part VII, Section 10.7.1 below. Such charge shall be billed to the Supplier monthly and shall reflect the cost of resources used by the Company to balance such differences for each Gas Day of the Month. The Company shall calculate such charge annually in its Peak Season cost of Gas filing according to a formula as set forth in Appendix A.

In the event that the Transporting Pipeline requires its customers to balance on a point-specific basis, the Supplier must balance pursuant to this Section at each Designated Receipt Point.

- 10.6.3 In addition to the charges set forth in Part VII, Sections 10.6.1 and 10.6.2, the Company shall flow through to the Supplier any pipeline imbalance penalty charges attributable to the Supplier.

10.7 Cash Out

- 10.7.1 The Company shall use a daily cash out calculation to account for imbalances due to differences in forecast versus actual Effective Degree Days. Using a Consumption Algorithm, the Company will recalculate the ATV for each Aggregation Pool for each Gas Day of the Month,

Issued: ~~March 4, 2002~~ March 4, 2014

Effective: ~~April 1, 2002~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: Vice President~~Treasurer~~

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

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substituting actual Effective Degree Days for forecast Effective Degree Days. Daily recalculations shall be compared to the Aggregation Pool's daily ATV, and the difference shall be cashed out at 100% of the Daily Index.

10.7.2 During the processing of both the June and December Supplier billings, the Company shall use a six-month cash-out calculation to account for differences in forecast usage versus billed usage. The Company may cash-out differences in forecast usage versus billed usage at intervals that are less than six months as provided by the Supplier Service Agreement.

(1) During the processing of the June Supplier billings, using the recalculated ATV values described in Section 10.7.1, the Company will compare the sum of the recalculated ATV values for each Aggregation Pool for the six-month period of November 1 through April 30 to the sum of billed usage volumes used by each Aggregation Pool for that same period. The differences shall be cashed out at 100% of the average of the Daily Index weighted by actual degree days over the same period. The Peak period cash-out shall be calculated and provided to Suppliers within 60 days of rendering Supplier billings, in accordance with Section 20.8, for the month of April.

(2) During the processing of the December Supplier billings, using the recalculated ATV values described in Section 10.7.1, the Company will compare the sum of the recalculated ATV values for each Aggregation Pool for the six-month period of May 1 through October 31 to the sum of billed usage volumes used by each Aggregation Pool for that same period. The differences shall be cashed out at 100% of the average of the Daily Index over the same period. The Off-Peak period cash-out shall be calculated and provided to Suppliers within 60 days of rendering Supplier billings, in accordance with Section 20.8, for the month of October.

10.7.3 The Company shall allow Suppliers to trade seasonal differences. Prior to the seasonal cash out, the Company shall make available a list of Suppliers. Aggregation Pools affected by the transaction must be located within the same Gas Service Area as defined in Part VII, Section 4, unless waived by the Company. All trades must be communicated to the Company within three (3) Business Days following receipt of the list.

10.7.4 If, during any fifteen (15) consecutive Gas Days, the Supplier delivers an amount less than 70% of the sum of the ATVs of the Aggregation Pool in said Gas Days, the Company may declare the Supplier ineligible to nominate Gas for the following thirty (30) Gas Days. The Supplier shall have the opportunity to cure the imbalance with the demonstration of

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

verifiable imbalance trades or otherwise within twenty-four (24) hours of notification by the Company. If the Supplier is declared ineligible to nominate Gas for such 30 Gas Days, the Supplier may be reinstated at the end of the 30 Gas Days, provided it posts security equal to the product of: (1) the Supplier's estimated maximum aggregate daily Gas Usage of Customers in the Aggregation Pool expressed in MMBtu and (2) \$300. If, within twelve (12) months of the first offense, such Supplier is declared ineligible to nominate Gas pursuant to this Section, the Supplier will be disqualified from service under this tariff for one (1) full year from the time of the second disqualification. If the Supplier defaults on its obligations under this tariff, the Company shall have the right to use such security to satisfy the Supplier's obligations. Such security may be used by the Company to secure Gas, transportation, storage, and to cover other related costs incurred as a result of the Supplier's default. The security may also be used to satisfy any outstanding claims that the Company may have against the Supplier including imbalance charges, cash-out charges, pipeline penalty charges, and other charges.

Issued: ~~March 4, 2002~~ March 4, 2014
Effective: ~~April 1, 2002~~ May 1, 2014

Issued by: Stephen H. Bryant 
Title: ~~Vice President~~ Treasurer
Authorized by NHPUC Order No. _____ in Docket DG _____, dated _____

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11. Capacity Assignment

11.1 Applicability

Part VII, Section 11 of this tariff applies to all Suppliers that have enrolled one or more Customers into one or more Aggregation Pools and shall include Customers acting as their own Supplier. The Company shall assign and the Supplier shall accept each Customer's pro-rata share of Capacity, if any, as established in accordance with this Section.

11.2 Identification of Capacity for Assignment

11.2.1 On or before September 15 of each year, the Company shall communicate, by electronic means as determined by the Company or, in the event of failure of such electronic means, by facsimile or other agreeable alternative means, the Capacity to be made available for assignment to Suppliers on each of twelve Assignment Dates beginning in October.

11.2.2 The Company shall identify, by Gas Service Area, the specific contracts and resources for assignment to Suppliers based on the Company's Capacity and resource plans. Such identified contracts and resources shall be used to determine the pro-rata shares of Capacity assignable to a Supplier on behalf of the Customers enrolled in its Aggregation Pool.

11.2.3 Capacity assigned by the Company may include Company-Managed Supplies that effectuate, at maximum tariff rates, the assignment of certain Capacity contracts including Canadian, Federal Energy Regulatory Commission, 15 U.S.C. § 717(c) or Section 7(c) [Part 157 of the FERC regulations (18 C.F.R. part 157)] and other contracts that are not assignable to third-parties due to governing tariffs.

11.3 Determination of Pro-Rata Shares of Capacity

11.3.1 The Company shall establish a Total Capacity Quantity ("TCQ") for each Customer taking Delivery Service. The TCQ represents the total amount of Capacity assignable to a Supplier on behalf of a Customer.

11.3.2 For a Customer receiving Sales Service on or after March 14, 2000, the TCQ shall be the Customer's estimated Gas Usage on the Peak Day as determined by the Company each October prior to the Customer's enrollment into Supplier Service. The Company shall derive such estimate using a Daily Baseload and a Heating Factor based upon the Customer's historic Gas Usage during the Reference Period, or the best

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estimates available to the Company should actual Gas Usage information be partially or wholly unavailable.

11.3.3 For a Customer that was either receiving Supplier Service (or the equivalent form of service at the time) on March 14, 2000, or had an executed contract for firm transportation service (i.e., the equivalent of Delivery Service) on file with the Company on or before March 14, 2000, the TCQ shall be zero.

11.3.4

(a) A Customer that was either receiving Supplier Service (or the equivalent form of service at the time) on March 14, 2000, or had a written request on file with the Company on or before March 14, 2000 may elect for its Supplier to accept assignment of its pro-rata share of Capacity as determined by the Company in accordance with Part VII, Section 11.2 and, subject to availability, as determined by the Company in its sole reasonable discretion. Such election may be for any portion or the total of the Customer's Gas Usage on the Peak Day. In order to make such election, the Customer must have submitted to the Company, on or before ten (10) days prior to the first Assignment Date prior to the original effective date of this tariff, a completed application for Capacity that is signed by both the Customer and Supplier. All assignments of Capacity made on behalf of such electing Customer shall be executed in accordance with Part VII, Sections 11 and 14 of this tariff as if the Customer had been receiving Sales Service on or after March 14, 2000. Any short-term elective assignment of capacity shall be assigned for a term no longer than one year, and such assignment shall not result in Customer losing its capacity exemption status in the future.

(b) A Customer that was either receiving Supplier Service (or the equivalent form of service at the time) on March 14, 2000, or had a written request on file with the Company on or before March 14, 2000 may choose for its Supplier to accept assignment of its pro-rata share of the Total Capacity Quantity for longer than one year as determined by the Company in accordance with Part VII, Section 11.2 and, subject to availability, as determined by the Company in its sole reasonable discretion. In order to choose such assignment, the Customer must have submitted to the Company, on or before ten (10) days prior to the first Assignment Date prior to the original effective date of this tariff, a completed application for Capacity that is signed by both the Customer and Supplier. All assignments of Capacity made on behalf of such electing Customer shall be executed in accordance with Part VII, Sections 11 and 14 of this tariff as if the Customer had been receiving Sales Service on or after March 14, 2000. Such request for long-term

Issued: ~~June 1, 2006~~ March 4, 2014

Effective: ~~January 1, 2006~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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assignment of capacity shall remain in effect until such time that the Customer returns to Sales Service, and therefore, the Customer shall lose its capacity exemption status.

- 11.3.5 For a new Customer taking Supplier Service as its initial service after March 14, 2000, the TCQ shall be zero except in cases where the Customer is a new Customer of record at a meter location where a former Customer of record received firm service from the Company any time during the preceding twenty-four (24) months, in which case the TCQ established by the Company for the former Customer shall become the TCQ for the new Customer. The Company may reduce said TCQ value for the new Customer, if, in its sole reasonable discretion, the Company determines that the old Customer's TCQ exceeds the new Customer's estimated future consumption on the Peak Day. In the event that Sales Service is provided at a new meter location for Gas Usage associated with new construction, the TCQ shall be zero, provided that the Customer initiates Supplier Service upon the completion of said new construction in accordance with Part VII, Section 20.5 of this tariff.

Any new Customer taking Supplier Service as its initial service and whose TCQ is zero may at a later time either: (a) elect assignment of capacity for any portion or the total of the Customer's Gas Usage on the Peak Day for a period no longer than one year or; (b) choose long-term permanent assignment of capacity, either of which is subject to the Company accepting such request, in accordance with Part VII, Section 11.3.4. Any request for, and associated assignment of capacity for a term no longer than one year shall not result in Customer losing capacity exemption status in the future. Any request for assignment of Capacity for a term greater than one year shall become a permanent assignment and remain in effect until such time that the Customer returns to Sales Service. In order to either make such short-term election or choose permanent assignment of capacity, the Customer must have submitted to the Company, on or before ten (10) days prior to the first Assignment Date prior to the original effective date of this tariff, a completed application for Capacity that is signed by both the Customer and Supplier. All assignments of Capacity made on behalf of such electing Customer shall be executed in accordance with Part VII, Sections 11 and 14 of this tariff as if the Customer had been receiving Sales Service on or after March 14, 2000.

- 11.3.6 Once the Company establishes a TCQ for a Customer pursuant to this Part VII, Section 11.3, it shall remain in effect for the purpose of determining the Customer's pro-rata shares of Capacity until such time that the Customer returns to Sales Service. The Company shall establish a new TCQ value for the Customer pursuant to Part VII, Section 11.3.2 if the

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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Customer again elects to take Supplier Service after returning to Sales Service, unless otherwise established herein.

- 11.3.7 The Company shall determine the pro-rata shares of Pipeline Capacity, Storage Withdrawal Capacity, and Peaking Capacity assignable to a Supplier on behalf of a Customer as the product of the Customer's TCQ times the applicable Capacity Allocators. The Capacity Allocators for each class of Customers billed under the Company's Rate Schedule shall be set forth annually in Appendix C to this tariff.
- 11.3.8 The Company shall determine the pro-rata share of Seasonal Storage Capacity assignable to a Supplier on behalf of a Customer consistent with the tariffs governing the associated Storage Withdrawal Capacity.
- 11.3.9 The Company shall determine the pro-rata shares of Peaking Supply assignable to a Supplier in accordance with Part VII, Section 14 of this tariff.

11.4 Capacity Assignments

- 11.4.1 On each Assignment Date, the Company will assign to the Supplier the pro-rata shares of Capacity on behalf of each Customer as determined by the Company in accordance with Part VII, Sections 11.2, 11.3 and 11.7.
- (a) The total amount of Pipeline Capacity, Storage Withdrawal Capacity, and Peaking Capacity assigned to the Supplier on behalf of the Customers in an Aggregation Pool shall be at least equal to the cumulative sum of the pro-rata shares of Pipeline Capacity, Storage Withdrawal Capacity, and Peaking Capacity for all Customers enrolled in said Aggregation Pool as of five (5) Business Days prior to the Assignment Date.
- (b) Storage Withdrawal Capacity shall be subject to Operational Flow Orders that are issued by the Company pursuant to Part VII, Section 16 of this tariff, in the event that the Company requires the Supplier to deliver or to store quantities of Gas for the purposes of managing system imbalances and maintaining Delivery Service. Whenever the Company assigns incremental Storage Withdrawal Capacity to the Supplier, the Company shall also assign to that Supplier additional Seasonal Storage Capacity pursuant to Part VII, Section 11.8.
- (c) The Peaking Capacity assigned to the Supplier shall establish the Maximum Daily Peaking Quantity ("MDPQ") for the Aggregation Pool in the Supplier's Service Agreement. In the event that the

Issued: ~~June 1, 2006~~ March 4, 2014

Effective: ~~January 1, 2006~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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Company increases a Supplier's MDPQ, the Company shall also assign to that Supplier additional Peaking Supply pursuant to Part VII, Section 14.

11.4.2 The Company shall execute Capacity assignments in increments of 200 MMBtus. The Supplier shall accept an initial increment of Capacity on the first Assignment Date when the sum of the pro-rata shares of Capacity assigned to the Supplier pursuant to Part VII, Section 11.4.1 exceeds 150 MMBtus. The Supplier shall accept additional increments of Capacity on the following Assignment Dates commensurate with any cumulative increase in the sum of pro-rata shares of Capacity assigned to the Supplier, as rounded to the nearest 200 MMBtus. Each increment of Capacity accepted by the Supplier shall comprise Pipeline Capacity, Storage Withdrawal Capacity, and Peaking Capacity in proportion to the cumulative increase of the pro-rata shares of assigned Capacity as established in accordance with Part VII, Section 11.4.1. Part VII, Section 11.4.2 shall not apply to a Customer that is acting as its own Supplier.

11.4.3 If a Customer is acting as its own Supplier, the Company shall assign Capacity to the Customer in an amount equal to the Customer's TCQ, as established pursuant to Part VII, Section 11.3.

11.5 Release of Contracts

11.5.1 With the exception of Company-Managed Supplies and Peaking Capacity, Capacity contracts shall be released by the Company to the Supplier, at the maximum tariff rate or lesser rate paid by the Company and including all surcharges, through pre-arranged Capacity releases, pursuant to applicable laws and regulations and the terms of the governing tariffs.

11.5.2 Capacity contracts released to a Supplier on an Assignment Date shall be released for a term beginning on the first Gas Day of the Month following the Assignment Date through the expiration date of the respective capacity contract being assigned.

11.5.3 The Company reserves the right to adjust releases of Storage Withdrawal Capacity in the event that fifty percent (50%) or more of the total Storage Withdrawal Capacity serving a Gas Service Area has been assigned to Suppliers. Such adjustments may include, but are not limited to, the reassignment of certain Storage Withdrawal Capacity as Company-Managed Supplies in order for the Company to maintain operational control over Capacity resources associated with system balancing, and/or the retention of specific Capacity resources associated with system

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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balancing and the implementation of a balancing charge to offset the associated costs.

11.6 Annual Reassignment of Capacity

- 11.6.1 On each Annual Reassignment Date, the Company shall adjust the Capacity assignments previously made to a Supplier to conform with the Company's resource and requirements plans. Such previously assigned Capacity shall be replaced by the assignment to the Supplier of the pro-rata shares of the same or similarly situated Capacity on behalf of the Customers enrolled in the Supplier's Aggregation Pools (as of the first Gas Day of the Month following the Annual Reassignment Date).
- 11.6.2 If the reassignment of Storage Withdrawal Capacity requires adjustments to the Seasonal Storage Capacity previously assigned to a Supplier, the Company shall reassign Seasonal Storage Capacity to such Supplier, and the Company and the Supplier shall address any associated increments and decrements to inventories in place pursuant to Part VII, Section 11.8 of this tariff.
- 11.6.3 If the reassignment of Peaking Capacity requires adjustments to the MDPQ for the Supplier's Aggregation Pool, the Company shall reassign Peaking Supply to such Supplier, and the Company and the Supplier shall address any associated increments and decrements to supplies pursuant to Part VII, Section 14 of this tariff.

11.7 Recall of Capacity

11.7.1 If the pro-rata shares of Capacity assignable to a Supplier decline because one or more of the Supplier's Customers has returned to Sales Service, the Company shall have the right, but not the obligation, to recall from the Supplier the pro-rata shares of Capacity previously assigned to the Supplier on behalf of such Customers. The decision on whether to exercise its Capacity-recall rights shall be made by the Company in its sole reasonable discretion. If the Company elects to recall Capacity from a Supplier pursuant to this Section, such recall shall be made on the Assignment Date following the effective date of the Customer's return to Sales Service. Notwithstanding the foregoing, in the following circumstances the Company shall be required to recall Capacity associated with Customers returning to Sales Service:

- (a) The Supplier returning the Customers to Sales Service certifies that it is ceasing all business operations in New Hampshire;

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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- (b) The Supplier returning the Customers to Sales Service certifies that it will no longer offer service to a particular market sector (e.g., small commercial and industrial Customers) and, therefore, once such Customers are returned to Sales Service, the Supplier is not eligible to re-enroll Customers of that type; or
- (c) The Supplier demonstrates that it has provided Supplier Service to the Customer for a 12-month period, and for a period of no less than any 12-month increment, prior to the Customer's return to Sales Service.

11.7.2 If the Company elects to recall Storage Withdrawal Capacity from the Supplier pursuant to this Section, the Company shall reduce the Seasonal Storage Capacity associated with the affected Aggregation Pool in accordance with Part VII, Section 11.8 of this tariff. If the Company elects to reduce the MDPQ in the Supplier Service Agreement, the Company shall reduce the Peaking Supply associated with the affected Aggregation Pool in accordance with Part VII, Section 14 of this tariff.

11.7.3 In the event that a Customer in a Supplier's Aggregation Pool switches to another Supplier, the Company shall recall from the former Supplier said Customer's pro-rata shares of Capacity for reassignment to the new Supplier pursuant to Part VII, Section 11.4. There shall be no change in the Customer's TCQ used to determine the Customer's pro-rata shares of Capacity for reassignment to the new Supplier. The recall of such Capacity from the Customer's former Supplier and the assignment of Capacity to the new Supplier shall be made on the Assignment Date following the effective date of the Customer's switch in Suppliers.

Issued: ~~June 1, 2006~~ March 4, 2014

Effective: ~~January 1, 2006~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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- 11.7.4 If the Company recalls Storage Withdrawal Capacity from the Customer's former Supplier, the Company shall reduce the Seasonal Storage Capacity associated with the affected Aggregation Pool in accordance with Part VII, Section 11.8 of this tariff. If the Company reduces the MDPQ in the Customer's former Supplier's Service Agreement, the Company shall also reduce the Peaking Supply associated with the affected Aggregation Pool in accordance with Part VII, Section 14 of this tariff.
- 11.7.5 The recall of Capacity by the Company shall entail the recall of released contracts pursuant to governing tariffs and/or the reduction in assigned quantities set forth in the Supplier Service Agreement. The recall of Capacity shall be executed in decrements of 200 MMBtus, commensurate with the cumulative reduction in the pro-rata shares of Capacity assigned to the Supplier, rounded to the nearest 200 MMBtus. Each decrement of Capacity assigned to the Supplier shall comprise Pipeline Capacity, Storage Withdrawal Capacity, and Peaking Capacity in proportion to the cumulative decrease in the pro-rata shares of Capacity recalled from the Supplier.
- 11.7.6 In the event that a Supplier is declared ineligible to nominate Gas for thirty (30) Gas Days pursuant to Part VII, Sections 9.6.6 or 10.7.4 of this tariff, the Company shall have the right to recall any or all Capacity assigned to said Supplier. If the Supplier is reinstated at the end of such 30 Gas Days, the Company shall reassign Capacity to the Supplier on the next Assignment Date pursuant to Part VII, Sections 11.4 and 11.5. There shall be no change in the TCQ values used to determine the Supplier's Customers' pro-rata shares of Capacity for reassignment.
- 11.7.7 In the event that a Supplier is disqualified from service for one (1) full year pursuant to Part VII, Sections 9.6.6 or 10.7.4 of this tariff, the Company shall have the right to recall any or all Capacity assigned to said Supplier. If the Supplier is reinstated at the end of such period, the Company shall reassign Capacity to the Supplier on the next Assignment Date pursuant to Part VII, Sections 11.4 and 11.5
- 11.7.8 In the event that the Supplier fails to meet the applicable registration and licensing requirements established by law or regulation, fails to satisfy the requirements and practices as set forth in Part VII, Section 20.3 of this tariff, fails to be and remain an approved shipper on the upstream pipelines and underground storage facilities on which the Company will assign capacity, fails to make timely payment under the assigned contracts, or fails to comply with or perform any of the obligations on its part established in this tariff or in the Supplier Service Agreement, the Company shall have the right to recall permanently any or all Capacity

Issued: ~~June 1, 2006~~ March 4, 2014

Effective: ~~January 1, 2006~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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assigned to said Supplier. This section shall also apply to a Customer acting as its own Supplier.

11.7.9 The Supplier shall forfeit its rights to Capacity recalled by the Company pursuant to this Section. Such forfeiture shall be effected in accordance with applicable laws and regulations and the governing tariffs. In the event of Capacity forfeiture pursuant to this Section, the Supplier shall be responsible to compensate the Company for any payments due under the contracts prior to forfeiture, as well as any interest due thereon. The Company will not exercise discretion in the application of the forfeiture provisions of this Section. This section shall also apply to a Customer acting as its own Supplier.

11.8 Seasonal Storage Capacity

11.8.1 On each Assignment Date, the Company shall release Seasonal Storage Capacity to a Supplier that accepts the assignment of Storage Withdrawal Capacity pursuant to Part VII, Section 11.4. The Company shall assign such Seasonal Storage Capacity consistent with the tariffs governing the release of the associated Storage Withdrawal Capacity.

11.8.2 If the Company assigns Seasonal Storage Capacity to a Supplier pursuant to Part VII, Section 11.8.1 above, the Company shall transfer in-place Gas inventories to the Supplier. The quantity of inventories to be transferred from the Company to the Supplier shall be determined by multiplying the incremental Seasonal Storage Capacity assigned to the Supplier on the Assignment Date times the applicable storage inventory percentage described in Part VII, Section 11.8.5. The Supplier shall be charged the Company's weighted average cost of inventories in off-system storage facilities for each Dekatherm transferred from the Company to the Supplier. The Company shall communicate, by electronic means as determined by the Company or, in the event of failure of such electronic means, by facsimile or other agreeable alternative means, the Company's weighted average cost of inventories, by Gas Service Area, at least two Business Days prior to each Assignment Date.

11.8.3 In the event that the Company recalls Storage Withdrawal Capacity from the Supplier pursuant to Part VII, Section 11.7, the Company shall also recall Seasonal Storage Capacity from the Supplier. The Company shall determine the total Seasonal Storage Capacity to be recalled from the Supplier in accordance with the tariffs governing the Storage Withdrawal Capacity returned to the Company.

Issued: ~~June 1, 2006~~ March 4, 2014

Effective: ~~January 1, 2006~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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11.8.4 If the Company recalls Seasonal Storage Capacity from a Supplier pursuant to Part VII, Section 11.8.3, the Supplier shall transfer in-place Gas inventories to the Company. The quantity of inventories to be transferred from the Supplier to the Company shall be determined by multiplying the decremental Seasonal Storage Capacity times the applicable storage inventory percentage described in Part VII, Section 11.8.5. The Supplier shall be reimbursed at the Company's weighted average cost of inventories in off-system storage facilities as of the Assignment Date, for each Dekatherm transferred from the Supplier to the Company. The Company shall communicate, by electronic means as determined by the Company or, in the event of failure of such electronic means, by facsimile or other agreeable alternative means, the Company's weighted average cost of inventories, by Gas Service Area, at least two (2) Business Days prior to each Assignment Date.

11.8.5 Seasonal storage inventory percentages shall represent the amount of Seasonal Storage Capacity in each assigned storage resource that is assumed to be filled with inventories as of the first Gas Day of the month following the Assignment Date. Each September, the Company shall communicate, by electronic means as determined by the Company or, in the event of failure of such electronic means, by facsimile or other agreeable alternative means, the storage inventory percentages for each resource that shall be applied to incremental or decremental Seasonal Storage Capacity assignments executed on each of the twelve (12) Assignment Dates beginning in October.

11.9 Company-Managed Supplies

11.9.1 The Company shall provide access to and ascribe cost responsibility for the pro-rata shares of certain Capacity contracts including Canadian, Federal Energy Regulatory Commission, 15 U.S.C. § 717(c) or Section 7(c) [Part 157 of the FERC regulations (18 C.F.R. part 157)], and other contracts that are not assignable to third-parties.

11.9.2 The Supplier's Service Agreement shall set forth the quantity of each Company-Managed Supply assigned to the Supplier pursuant to Part VII, Sections 11.4 and 11.8.

11.9.3 The Company shall notify the Supplier of the conditions and/or restrictions on the use of Company-Managed Supplies pursuant to the tariffs governing the resources.

11.9.4 The Company shall invoice the Supplier for its pro-rata shares of the demand charges for Capacity contracts assigned to the Supplier as

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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Company-Managed Supplies. The Company shall also flow through to the Supplier all costs, including Supply costs, incurred from the utilization of Company-Managed Supplies on behalf of the Supplier.

11.9.5 The Company shall nominate quantities to the Transporting Pipeline and/or other interstate pipelines and off-system storage operators on behalf of Suppliers to which the Company has assigned Company-Managed Supplies, provided that the requested Nomination conforms to the tariffs governing the resource. The Supplier shall communicate its desired Nomination quantities to the Company subject to the provisions in Part VII, Sections 9.3 and 10.3 of this tariff.

11.10 Capacity Mitigation Service

11.10.1 Capacity Mitigation Service is available to Suppliers that have been assigned Capacity pursuant to Part VII, Section 11 of this tariff. Such Suppliers shall have the option to take Capacity Mitigation Service from the Company for contracts that would otherwise be released to the Supplier in accordance with this tariff.

11.10.2 Within five (5) Business Days prior to the Annual Reassignment Date, the Supplier must designate those contracts that would otherwise be released to the Supplier pursuant to Part VII, Section 11.5, as contracts to be managed by the Company for cost mitigation in accordance with the Company's Capacity Mitigation Service. Such designation will be effective for the period November 1 through October 31. Such notice shall be communicated in accordance with the Supplier's Service Agreement.

11.10.3 The Supplier shall pay to the Company the maximum-tariff rate or lesser rate paid by the Company, including all surcharges, for the Capacity contracts that are retained and managed by the Company. The Company shall bill the Supplier monthly for such charges.

11.10.4 The Company will market Capacity contracts designated by Suppliers for mitigation through the Capacity Mitigation Service. The Supplier shall receive a credit on its bill for Capacity Mitigation Service equal to the pro-rata share of the proceeds earned from the Company in exchange for such contract management. Such credit shall be determined on a contract-specific basis at the end of each Month and will be included in the bill sent to the Supplier in the following Month.

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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12. Billing and Security Deposits

12.1 The Customer shall be responsible for all charges for service furnished by the Company under the Company's applicable rates, as filed from time to time with the NHPUC, from the time service is commenced until it is terminated. The Company shall provide a single bill, reflecting unbundled charges, to Customers for Sales Service.

12.2 The Company shall offer two billing service options to Customers taking only Delivery Service: standard complete billing service and standard passthrough billing service. The Supplier shall inform the Company of the selected billing option in accordance with the provisions set forth in Part VII, Section 20.5.

12.2.1 Standard Complete Billing Service

The Customer shall receive a single bill from the Company for both Delivery Service and Supplier Service. The Company shall use the rates supplied by the Supplier to calculate the Supplier's portion of the single bill and integrate this billing within a single mailing to the Customer. The Company may charge a fee to the Supplier for providing this billing service as approved by the NHPUC.

The Supplier shall adhere to the Customer classes and rate structure as specified in the Company's then current Rate Schedule on file with and approved by the NHPUC. The Company shall reasonably accommodate, at the Supplier's expense, different Customer classes or rate structures as agreed to by the Company and the Supplier in the Supplier Service Agreement.

The Company shall provide an electronic file to the Supplier that will, in addition to the usage being billed, contain the calculated Supplier billing amounts for the current billing cycle. Customer revenue due the Supplier shall be transferred to the Supplier in accordance with the Supplier Service Agreement. Upon receipt of Customer payments, the Company shall provide a file for the Supplier summarizing all revenue from Supplier sales, which have been received and recorded that day.

If a Customer pays the Company less than the full amount billed, the Company shall apply the payment first to Delivery Service, and if any payment remains, it shall be applied to Supplier Service.

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12.2.2 Standard Passthrough Billing Service

The Customer taking Delivery Service shall receive two (2) bills: the Company shall issue one bill for Delivery Service and the Supplier shall issue a second bill for Supplier Service.

The Supplier shall be responsible for the collection of amounts due to the Supplier from the Customer. Customer payment responsibility with Suppliers shall be governed by the particular Customer/Supplier contract.

Within three (3) Business Days following the end of the Customer's billing cycle, the Company shall provide an electronic file for the Supplier that will contain the Customer's usage being billed including the current and previous meter readings.

- 12.3 The Company shall inform a Customer when Supplier Service has been initiated by a Supplier along with information on how the Customer may file a complaint regarding an unauthorized initiation of Service. This information shall be included on the first bill rendered to the Customer after such initiation.
- 12.4 Customer acting as its own Supplier will be subject to the billing and payment requirements in Part VII, Section 20.8 of this tariff.
- 12.5 Readings taken by an automated meter reading device will be considered actual readings for billing purposes.

13. Sales Service

- 13.1 Sales Service is the Commodity service provided by the Company for Customers not electing to subscribe to Supplier Service and shall be provided by the Company, or its designated Supplier, in accordance with this tariff. Each Customer receiving Sales Service shall receive one bill from the Company reflecting delivery and Commodity charges.
- 13.2 A Customer receiving Sales Service on March 14, 2000 shall continue to receive Sales Service unless the Customer elects to take Supplier Service and until such time that Supplier Service is initiated for the Customer in accordance with Part VII, Section 20.5 of this tariff. If the Customer terminates Supplier Service, if a Supplier terminates service to the Customer, or if the Customer's designated Supplier becomes ineligible to serve the Customer pursuant to Part VII, Sections 9.6.6, 10.7.4, or 20.3 of this tariff, the Company will provide Sales Service to the Customer. Pursuant to Part VII, Section 20.5 of this tariff, the Company will initiate Sales Service for the Customer and will provide Sales Service to the

Issued: ~~June 1, 2006~~ March 4, 2014

Effective: ~~January 1, 2006~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: President/Treasurer

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Customer until such time that Supplier Service is initiated for the Customer by a new Supplier.

- 13.3 Any Customer whose Supplier has been assigned Capacity on behalf of said Customer pursuant to Part VII, Section 11 of this tariff may elect to return to Sales Service if the Customer is no longer receiving Supplier Service. If necessary, the Company will initiate Sales Service for the Customer pursuant to Part VII, Section 20.5 of this tariff and will provide the Customer with Sales Service until such time that Supplier Service is initiated for the Customer by a new Supplier. The Company will provide Sales Service to said Customer up to a maximum daily level of Gas Usage not to exceed the Total Capacity Quantity (“TCQ”) of recallable Capacity assigned to the Customer’s former Supplier.
- 13.4 In the event that a Supplier that has been assigned Capacity on behalf of a Customer pursuant to Part VII, Section 11 of this tariff terminates Supplier Service to the Customer, the Customer may select another Supplier. If necessary, the Company will initiate Sales Service for the Customer pursuant to Part VII, Section 20.5 of this tariff and will provide the Customer with Sales Service until Supplier Service is initiated for the Customer by a new Supplier. The Company will provide Sales Service to the Customer up to a maximum daily level of Gas Usage not to exceed the TCQ of recallable Capacity assigned to the Customer’s former Supplier.
- 13.5 In the event that a Supplier that has been assigned Capacity on behalf of a Customer pursuant to Part VII, Section 11 of this tariff becomes ineligible to serve the Customer pursuant to Part VII, Sections 9.6.6, 10.7.4, or 20.3 of this tariff, the Company will provide the Customer with Sales Service up to a maximum daily level of Gas Usage not to exceed the TCQ of recallable Capacity assigned to the Customer’s Supplier.
- 13.6 The Company shall be under no obligation to provide Sales Service to a Customer at a maximum daily level in excess of the TCQ of recallable Capacity assigned to a Supplier on behalf of the Customer. The Company may elect to provide Sales Service to the Customer if, and to the extent that, adequate system Capacity and Supplies are available and upon the same terms and subject to the same conditions as any new Customer seeking to take Sales Service.
- 13.7 Any Customer switching from Firm Delivery Service to Sales Service after June 30, 2006, shall pay a Re-Entry Fee for twelve (12) months beginning with the first billing month cycle on Sales Service. The monthly Re-Entry Fee shall be based on the Customer’s portion of Peak Day Gas Usage that has no associated Capacity assignment times 25% of the Company’s then-current monthly component of the November through October annual average unit capacity cost. Such annual average unit capacity cost shall be determined once a year, prior to November 1.

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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Any Customer who switches to Sales Service shall be required to remain on Sales Service for a minimum of one year.

14. Peaking Service

14.1 Applicability

Part VII, Section 14 of this tariff applies to all Suppliers, and to all Customers acting as their own Supplier, that have been assigned, or have elected to be assigned, Capacity on behalf of themselves or Customers in their Aggregation Pools pursuant to Part VII, Section 11 of this tariff.

14.2 Character of Service

14.2.1 Peaking Service shall be provided by the Company subject to an executed Supplier Service Agreement that sets forth the Maximum Daily Peaking Quantity (“MDPQ”) and the assigned Peaking Supply for each of the Supplier’s Aggregation Pools.

14.2.2 The Company shall provide quantities of Gas, at the Supplier’s request, from the Supplier’s Peaking Service Account as established in accordance with Part VII, Section 14.4. Such quantities shall be deemed delivered by the Company and received by the Company at the Designated Receipt Point(s) for the Aggregation Pool. Peaking Service shall be firm and available to the Supplier each Gas Day in accordance with the balance of the Supplier’s Peaking Service Account and the parameters of the Company’s Peaking Service Rule Curve.

14.3 Rates and Charges

14.3.1 The applicable rates for Peaking Service shall be established in the Company’s tariff. The Supplier shall pay a peaking demand charge based on its MDPQ of assigned Peaking Capacity as billed by the Company for the Peak Season. Such unit demand charge shall be equal to the total Capacity costs and other fixed costs associated with the Company’s peaking resources, excluding costs collected through Delivery rates, divided by the estimated peaking resources needed to meet the Company’s total system Peak Day requirement.

14.3.2 The Supplier shall pay a Commodity charge equal to the estimated weighted average cost of peaking supplies, including fuel retention and carrying charges. The Company shall communicate electronically, by facsimile or by other agreeable alternative means the Company’s estimated weighted average cost of peaking supplies by the 15th of the

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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month preceding the next Assignment Date. The Commodity charge will be multiplied by the volumes of Peaking Service Gas nominated by the Supplier during each Month.

14.4 Peaking Supply

14.4.1 The Customer's portion of the Peaking Supply that shall be assigned to the Supplier on behalf of the Customer shall be equal to the Peaking Supply multiplied by the ratio of the Customer's MDPQ to the aggregate MDPQ of the total system.

14.4.2 On each Assignment Date, the Company shall assign Peaking Supply to a Supplier whose MDPQ has been increased pursuant to Part VII, Section 11.4. If the Company assigns incremental Peaking Supply to a Supplier, the Company shall credit the balance of the Supplier's Peaking Service Account for volumes available through October 31 in accordance with the Peaking Service Rule Curve. The amount credited to the Supplier's Peaking Service Account shall be determined by multiplying the incremental Peaking Supply by the peaking inventory percentage described in Part VII, Section 14.4.5.

14.4.3 On each Assignment Date, the Company shall recall Peaking Supply from a Supplier whose MDPQ has been decreased pursuant to Part VII, Section 11.7. The Company shall determine the Supplier's total Peaking Supply for recall to be equal to the difference between the cumulative total Peaking Supply assigned to the Supplier as of the previous Assignment Date and the total Peaking Supply that is assignable to the Supplier in accordance with Part VII, Section 14.4.1 above.

14.4.4 If the Company recalls Peaking Supply from a Supplier pursuant to Part VII, Section 14.4.3, the Company shall debit the balance of the Supplier's Peaking Service Account for volumes available through October 31 in accordance with the Peaking Service Rule Curve. The amount debited from the Supplier's Peaking Service Account shall be determined by multiplying the decremental Peaking Supply by the peaking inventory percentage described in Part VII, Section 14.4.5.

14.4.5 The peaking inventory percentage shall represent the level of Peaking Supply assumed to be available to a Supplier in its Peaking Service Account as of the first Gas Day of the Month following the Assignment Date for incremental and decremental assignments of Peaking Supply. Each September, the Company shall communicate electronically, by facsimile or by other agreeable alternative means the Peaking Inventory Percentages that shall be applied to incremental or decremental Peaking

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Issued by: Stephen H. Bryant 

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Supply assignments executed on each of the twelve (12) Assignment Dates beginning in October.

14.4.6 On each Annual Reassignment Date, the Company shall reset the balance in the Supplier's Peaking Service Account to equal the total Peaking Supply assignable to the Supplier on behalf of Customers enrolled in its Aggregation Pool (as of the first Gas Day of the Month following the Annual Reassignment Date) as determined in accordance with Part VII, Section 14.4.1 above.

14.5 Nomination of Peaking Service

14.5.1 The Supplier shall nominate with the Company the quantity of Peaking Supply, not in excess of the amount determined pursuant to Part VII, Section 14.4.2, that the Supplier desires to be provided from its Peaking Service Account for the applicable Gas Day. For an Aggregation Pool of Customers taking daily metered Delivery Service, the notice given by the Supplier to the Company for an applicable Gas Day shall be made in accordance with Part VII, Section 9.3 of this tariff. For an Aggregation Pool of Customers taking non-daily metered Delivery Service, the notice given by the Supplier to the Company for an applicable Gas Day shall be made in accordance with Part VII, Section 10.3 of this tariff.

14.5.2 In response to a valid Nomination for Peaking Service, the Company shall provide the requested quantity of Gas, which shall be deemed to be delivered by the Company and received by the Company at the Designated Receipt Point(s) of the Supplier's Aggregation Pool, subject to the limitations herein. Nominated quantities shall be included in the determination of receipts at the Designated Receipt Point(s) for the Supplier's Aggregation Pool, which factors into the daily balancing provisions set forth in this tariff.

Issued: ~~June 1, 2006~~ March 4, 2014

Effective: ~~January 1, 2006~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: President/Treasurer

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14.5.3 The Company may reject a Supplier's Nomination for Peaking Service if the nominated quantity would cause the balance of the Supplier's Peaking Service Account to fall to a level that is 10% or more below the minimum allowable account balance for the Month in which the Nomination is requested, as computed in accordance with the Peaking Service Rule Curve. Under such circumstances, the Company shall require the Supplier to nominate the pipeline and/or storage resources, within the contract entitlements assigned to the Supplier under Part VII, Section 11, required to maintain the Supplier's Peaking Service Account above the minimum allowable account balance described above. The balance of the Supplier's Peaking Service Account may not in any event fall below zero (0).

14.5.4 The Company shall provide Peaking Service supplies to the Supplier only when the volumes in the Peaking Service Account for the Aggregation Pool are greater than zero (0).

14.6 Peaking Service Critical Day Provisions

14.6.1 In the event that the volumes in a Supplier's Peaking Service Account for an Aggregation Pool are reduced to a level below the minimum allowable account balance as computed in accordance with the Company's Peaking Service Rule Curve, the Company may issue an OFO to such Supplier pursuant to Part VII, Section 16 of this tariff.

14.6.2 In the event that the total volumes of all Peaking Service Accounts within one or more of the Company's Gas Service Areas are reduced to levels below the total minimum allowable account balances as computed in accordance with the Company's Peaking Service Rule Curve, the Company may declare a Critical Day and issue a blanket OFO pursuant to Part VII, Section 16 of this tariff.

14.6.3 If, on a Critical Day, the Company projects, based on the Supplier's Nominations, that the Supplier's scheduled deliveries to the Designated Receipt Point(s) of an Aggregation Pool are less than the maximum feasible volumes for deliveries on the Transporting Pipeline, the Company may issue an OFO to the Supplier in accordance with Part VII, Section 16 of this tariff.

15. Discontinuance of Service

The Company shall notify a Customer's Supplier of record that it has initiated any applicable billing and termination procedures as prescribed by the NHPUC. In the event that the Company discontinues Delivery Service to a Customer in accordance with the provisions set forth above, the Company shall provide electronic notification to the

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

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Customer’s Supplier of record upon final billing to the Customer. The Company shall not be liable for any revenue loss to the Supplier as a result of any such disconnection.

16. Operational Flow Orders and Critical Days

- 16.1 In the event of a material and significant threat to the operational integrity of the Company’s system, the Company may declare a Critical Day.
- 16.2 Circumstances constituting a threat to the operational integrity of the system that may cause the Company to declare a Critical Day shall include, but not be limited to: (1) a failure of the Company’s distribution, storage, or production facilities; (2) near-maximum utilization of the Company’s distribution, storage, production, and Supply resources; (3) inability to fulfill firm service obligations; and (4) issuance of an OFO or similar notice by upstream transporters. A Critical Day may not be declared on all or a portion of the system for the purpose of maintaining Interruptible Delivery Service on that portion of the system, but interruptible Gas may flow at times or on portions of the system when such flow would not violate any operational control restrictions or provisions of this tariff.
- 16.3 In the event that the Company has declared a Critical Day, the Company will have the right to issue an Operational Flow Order (“OFO”) in which the Company may instruct Suppliers to take such action as conditions require, including, but not limited to, diverting Gas to or from the Company’s distribution system, within the contract entitlements, if any, assigned to the Supplier under Part VII, Section 11 hereof. An OFO may be issued on a pipeline or point-specific basis. An OFO may be issued by the Company as a blanket order to all Suppliers or to an individual Supplier whose actions are determined by the Company to jeopardize system integrity. The Company may issue an OFO to an individual Supplier if the Company faces Gas cost exposure in excess of daily cashout or imbalance penalties as set forth in Part VII, Sections 9.6, 9.7, 10.6, and 10.7 for any under-deliveries or over-deliveries caused by that Supplier.
- 16.4 The Company will provide the Supplier with as much notice as is reasonably practicable of the issuance and removal of a Critical Day or an OFO; under most circumstances, the Company intends to provide at least twenty-two (22) hours notice prior to the start of the Gas Day for the issuance of the Critical Day or OFO. Notification of the issuance and removal of a Critical Day or an OFO will be made by means as established in the Supplier Service Agreement. The Supplier will be responsible for coordinating with its Customers any change to the Customer’s quantity of Gas Usage. An OFO or Critical Day will remain in effect until its removal by the Company.

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16.5 All quantities of Gas over-delivered or under-delivered to the Company's system in violation of an OFO will be subject to the Critical Day provisions of Part VII, Sections 9.6 and 10.6 of this tariff.

17. Force Majeure and Limitation of Liability

17.1 Neither the Company nor the Supplier will be liable to the other for any act, omission, or circumstance occasioned by or in consequence of any event constituting force majeure, and unless it is otherwise expressly provided herein, the obligations of the Company and the Supplier then existing hereunder will be excused during the period thereof to the extent affected by such event of force majeure, provided that reasonable diligence is exercised to overcome such event. As used herein, force majeure will mean the inability of the Company or the Supplier to fulfill its contractual or regulatory obligations: as a result of compliance by either party with an order, regulation, law, code, or operating standard imposed by a governmental authority; by reason of any act of God or public enemy; by reason of storm, flood, fire, earthquake, explosion, civil disturbance, labor dispute, or breakage or accident to machinery or pipeline (which breakage or accident is not the result of the negligence or misconduct of the party claiming force majeure); by reason of any declaration of force majeure by upstream Transporting Pipelines; or by reason of any other cause, whether the kind enumerated herein or otherwise, not within the control of the party claiming force majeure and which by the exercise of reasonable diligence such party is unable to prevent or overcome. Notwithstanding the foregoing, the Customer's and the Supplier's obligation to make any payments required under this tariff will in no case be excused by an event of force majeure. Nor will a failure to settle or prevent any labor dispute or other controversy with employees or with anyone purporting or seeking to represent employees be considered to be a matter within the control of the party claiming excuse. The party claiming force majeure will, on request, provide the other party with a written explanation thereof and of the remedy being undertaken.

17.2 The Company shall be liable only for direct damages resulting from the Company's conduct of business when the Company, its employees, or agents have acted in a negligent or intentionally wrongful manner. In no event shall the Company be liable to any party for any indirect, consequential, or special damages, whether arising in tort, contract, or otherwise, by reason of any services performed, or undertaken to be performed, or actions taken by the Company, or its agents or employees, under this tariff or in accordance with or required by law, including, without limitation, termination of the Customer's service.

17.3 If the Company is unable to render firm Delivery Service to the Customer taking such service as contemplated by this tariff as a result of force majeure and such inability continues for a period of thirty (30) Gas Days, the Customer may provide

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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written notice to the Company of its desire to terminate Delivery Service at the expiration of thirty (30) Gas Days from the Company's receipt of such notice, but no sooner than sixty (60) Gas Days following the outset of the force majeure. If the Company has not restored Delivery Service to the Customer at the end of such notice period, the Customer's Delivery Service will terminate and both parties will be released from further performance hereunder, except for obligations to pay sums due and owing as of the date of termination.

- 17.4 The Company and the Supplier shall indemnify and hold the other and their respective affiliates, and the directors, officers, employees, and agents of each of them (collectively, "affiliates") harmless from and against any and all damages, costs (including attorney's fees), fines, penalties, and liabilities, in tort, contract, or otherwise (collectively, "liabilities"), resulting from claims of third parties arising, or claimed to have arisen, from the acts or omissions of either party in connection with the performance of the indemnifying party's obligations under this tariff. The Company and the Supplier shall waive recourse against the other party and its affiliates for or arising from the non-negligent performance by such other party in connection with the performance of its obligations under this tariff.

18. Curtailment

- 18.1 Whenever the integrity of the Company's system or the Supply of the Company's Customers taking Sales Service or Delivery Service is believed to be threatened by conditions on its system or upon the systems with which it is directly or indirectly interconnected, the Company may, in its sole reasonable judgment, curtail or interrupt Gas service or reduce pressure as set out in Part II.16 of this tariff. Such action shall not be construed to constitute a default nor shall the Company be liable therefor in any respect. The Company will use efforts reasonable under the circumstances to overcome the cause of such curtailment, interruption, or reduction and to resume full performance.
- 18.2 The Company shall communicate notice of curtailment as soon as practicable to the Suppliers of affected Customers by means as specified in the Supplier Service Agreement.
- 18.3 The Company shall take reasonable care in providing regular and uninterrupted service to its firm Customers, but whenever the Company deems that the situation warrants any interruption or limitation in the service to be rendered, such interruption or limitation shall not constitute a breach of the contract and shall not render the Company liable for any damages suffered thereby by any person, or excuse the Customer from further fulfillment of the contract.

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Issued by: Stephen H. Bryant 

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- 18.4 If the Company is required to curtail or interrupt service due to capacity constraints, the Company's Interruptible Delivery Service shall have a priority subordinate to the Company's firm Delivery Service and Sales Service Customers.
- 18.5 In any case where the Company determines in its judgment that a curtailment or interruption of firm services is necessary, the Company will curtail and/or interrupt firm Delivery Service and Sales Service Customers on a nondiscriminatory basis.

19. Taxes

- 19.1 In the event a tax of any kind is imposed or removed by any governmental authority on the distribution of Gas or on the gross revenues derived from the distribution of Gas at retail (exclusive, however, of taxes based on the Company's net income), the rate for service herein stated will be adjusted to reflect said tax. Similarly, the effective rate for service hereunder will be adjusted to reflect any refund of imposition of any surcharges or penalties applicable to service hereunder, which are imposed or authorized by any governmental or regulatory authorities.
- 19.2 The Customer will be responsible for all taxes or assessments that may now or hereafter be levied with respect to the Gas or the handling or subsequent disposition thereof after its delivery to the Delivery Point. However, if the Company is required by law to collect and/or remit such taxes, the Customer will reimburse the Company for all amounts so paid. If the Customer claims exemption from any such taxes, the Customer will provide the Company in writing its tax exemption number and other appropriate documentation. If the Company collected any taxes or assessments from the Customer and is later informed by the Customer that the Customer is exempt from such taxes, it shall be the Customer's responsibility to obtain any refund from the appropriate governmental taxing agency.
- 19.3 The Supplier will be responsible for all production, severance, ad valorem, or similar taxes levied on the production or transportation of the Gas before its delivery to the Designated Receipt Point. The Supplier will also be responsible for sales taxes imposed on Gas delivered for the Customer's account. However, if the Company is required by law to remit such taxes to the collecting authority, it will do so and invoice the Supplier for such taxes paid on the Supplier's behalf.

20. Supplier Terms and Conditions

20.1 Applicability

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

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The following terms and conditions shall apply to every Supplier providing Supplier Service in the State of New Hampshire, to every Customer doing business with said Suppliers, and to Customers acting as their own Supplier.

20.2 Obligations of Parties

20.2.1 Customer

Unless otherwise agreed to by the Company and the Customer, a Customer shall select one Supplier for each account at any given time. A Customer electing Supplier Service must provide the selected Supplier with its applicable Authorization Number. A Customer may choose only a Supplier who meets the terms described in Part VII, Sections 20.2.3 and 20.3 below and who meets any applicable registration requirements established by law or regulation.

20.2.2 Company

The Company shall deliver Customer purchased Gas from the Designated Receipt Point to the Delivery Point in accordance with the service selected by the Customer pursuant to this tariff and, among other things, shall:

- (a) Provide Customer service and support, including call center functions, for services provided by the Company under this tariff;
- (b) Respond to service interruptions, reported Gas leaks, and to other Customer safety calls;
- (c) Handle connections, curtailments, and terminations for services provided by the Company under this tariff;
- (d) Read meters;
- (e) Submit bills to Customers for Delivery Service and if contracted by the Supplier, for Supplier Service in accordance with Part VII, Section 12.2.1;
- (f) Address billing inquiries for Delivery Service;
- (g) Answer general questions about Delivery Service;
- (h) Provide to Suppliers, on request, the data format and procedures for electronic information transfers and funds transfers;

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

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- (i) Arrange for or provide Sales Service to the Customer at the request of the Customer in accordance with the Company’s tariff; and
- (j) Provide information regarding, at a minimum, rate tariffs, billing cycles, Capacity assignment methods, and Consumption Algorithms.

20.2.3 Supplier

The Supplier shall act on behalf of the Customer to acquire Supplies and to deliver them to the Designated Receipt Point pursuant to the service selected by the Customer and the requirements of this tariff.

The Supplier is responsible for enrolling Customers pursuant to Part VII, Section 20.5 of this tariff.

The Supplier must request, complete and sign a Supplier Service Agreement to act as a Supplier on the Company’s system, satisfy the Supplier requirements and practices as set forth in Part VII, Section 20.3 of this tariff, be and remain an approved shipper on the upstream pipelines and underground storage facilities on which the Company will assign Capacity, if any, under Part VII, Section 11, and be and remain eligible to provide service to Customers in New Hampshire.

The Supplier is responsible for completing all transactions with the Company and for all applicable charges associated with Customer enrollment and changes in the Customer’s service as set forth in Part VII, Section 20.5 and Appendix A.

20.3 Supplier Requirements and Practices

20.3.1 The Company shall have the right to establish reasonable financial and non-discriminatory credit standards for qualifying Suppliers. Accordingly, in order to serve Customers on the Company’s system, the Supplier shall provide the Company, on a confidential basis, with audited balance sheet and other financial statements, such as annual reports to shareholders and 10-K reports, for the previous three (3) years, as well as two (2) trade and two (2) banking references. To the extent that such annual reports to shareholders are not publicly available, the Supplier shall provide the Company with a comparable list of all corporate affiliates, parent companies, and subsidiaries. The Supplier shall also provide its most recent reports from credit reporting and bond rating agencies. The Supplier shall be subject to a credit investigation by the Company. The Company shall review the Supplier’s financial position periodically.

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

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20.3.2 The Supplier shall also confirm in the Supplier Service Agreement that:

- (a) The Supplier is not operating under any chapter of bankruptcy laws and is not subject to liquidation or debt reduction procedures under state laws, such as an assignment for the benefit of creditors, or any information creditors' committee agreement.
- (b) The Supplier is not aware of any change in business conditions which would cause a substantial deterioration in its financial conditions, a condition of insolvency, or the inability to exist as an ongoing business entity.
- (c) The Supplier has no delinquent balances outstanding for services previously provided by the Company, and the Supplier has paid its account according to the established terms and not made deductions or withheld payment for claims not authorized by contract.
- (d) No significant collection lawsuits or judgments are outstanding which would materially affect the Supplier's ability to remain solvent as a business entity.
- (e) The Supplier's New Hampshire business advertising and marketing materials conform to all applicable state and federal laws and regulations.

20.3.3 In the event the Supplier has not demonstrated to the Company's satisfaction that it has met the Company's credit evaluation standards, the Company shall require the Supplier to provide one of the following at the Maximum Financial Liability as calculated below:

- (a) Advance deposit;
- (b) Letter of credit;
- (c) Surety bond; or
- (d) Financial guaranty from a parent company that meets the creditworthiness criteria.

The Company shall base the Supplier's maximum financial liability as two (2) times the highest month's aggregated Gas Usage of all Customers currently served by the Supplier at the highest Monthly Index in the preceding twenty-four (24) Months. This amount may be updated continuously, and at minimum, whenever the aggregated Gas Usage of all

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Customers served by the Supplier changes by more than 25%. The Supplier agrees that the Company has the right to access and apply the deposit, letter of credit, or bond to any payment of any outstanding claims that the Company may have against the Supplier, including imbalance charges, cash-out charges, pipeline penalty charges, and other amounts owed to the Company, or to secure additional Gas supplies, including payment of the costs of the Gas supplies themselves, the cost of transportation storage, and other related costs incurred in bringing those Gas supplies into the Company's system. The Supplier shall continue its obligation to maintain its financial security instrument until it has satisfied all of its outstanding claims with the Company. The Supplier's financial security as established above must be in place no later than five (5) Business Days prior to the first day of each calendar month in order for the Supplier to maintain its eligibility to provide service to Customers.

- 20.3.4 The Supplier shall warrant that it has or will have entered into the necessary arrangements for the purchase of Supplies which it desires the Company to transport to its Customers, and that it has or will have entered into the necessary upstream transportation arrangements for the delivery of these Gas supplies to the Designated Receipt Point.
- 20.3.5 The Supplier shall warrant to the Company that it has good title to or lawful possession of all Gas delivered to the Company at the Designated Receipt Point on behalf of the Supplier or the Supplier's Customers. The Supplier shall indemnify the Company and hold it harmless from all suits, actions, debts, accounts, damages, costs, losses, taxes, and expenses arising from or out of any adverse legal claims of third parties to or against said Gas.
- 20.3.6 The Supplier shall be responsible for making all necessary arrangements and securing all required regulatory or governmental approvals, certificates, or permits to enable Gas to be delivered to the Company's system.
- 20.3.7 By agreeing to provide service under this tariff, the Supplier acknowledges that adherence to any applicable law regarding unfair trade practices, truth in advertising law, or law of similar import is required. Any Supplier found by a court of competent jurisdiction to have willfully or repeatedly violated the New Hampshire Consumer Protection Act, N.H.R.S.A. Ch. 358-A; the Federal Trade Commission Telemarketing Sales Rules, 16 C.F.R. Part 310; or the regulations promulgated pursuant to the Federal Trade Commission Act, 15 U.S.C. § 45 (a) (1), may be suspended or disqualified from acting as a Supplier on the Company's system.

Issued: ~~June 1, 2006~~ March 4, 2014

Effective: ~~January 1, 2006~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: President/Treasurer

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20.3.8 If the Supplier fails to comply with or perform any of the obligations on its part established in this tariff or in the Supplier Service Agreement (e.g., failure to deliver Gas or late payment of bills rendered or failure to execute a capacity assignment), the Company maintains the right to terminate the Supplier's eligibility to act as a Supplier on the Company's system. Written notice of such an intent to terminate the Supplier's eligibility shall be given to the Supplier, its Customers, and the NHPUC. Notification to the Supplier shall be via Registered U.S. Mail - Return Receipt Requested or other means of documented delivery. Upon issuance of such written notice, the Company shall have the right to terminate the Supplier's eligibility to act as a Supplier on the Company's system at the expiration of ten (10) Gas Days after the giving of such notice, unless within such ten (10) Gas Day period the Supplier shall remedy to the full satisfaction of the Company such failure. Termination of such Supplier eligibility for any such cause shall be a cumulative remedy as to the Company, and shall not release the Supplier from its obligation to make payment of any amount or amounts due or to become due from the Supplier to the Company under the Company's applicable tariffs. Customers whose Supplier's deliveries have been terminated will be placed on Sales Service pursuant Part VII, Section 13 of this tariff.

20.4 Access to Usage History and Current Billing Information

The Supplier shall be responsible for obtaining the necessary Authorization Number from each Customer prior to requesting the Company to release the Company's historic usage information specific to that Customer to such Supplier.

The Company shall be required to provide the most recent twelve (12) months of a Customer's historic usage data to a Supplier, provided that the Supplier has received the appropriate authorization as set forth above.

20.5 Enrollment, Cancellation, and Termination of Supplier Service

20.5.1 The Supplier shall be responsible for obtaining the necessary Authorization Number from each Customer prior to initiating Supplier Service to the Customer.

20.5.2 The Supplier must provide the Company with the following minimum information in the Company's predetermined format prior to the commencement or termination of service by the Supplier pursuant to Part VII, Section 20.5 of this tariff:

- (a) The Customer's name and current Authorization Number;
- (b) The name of the Supplier;

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

- (c) The Customer’s billing option (for commencement of service);
- (d) The type of change in Supplier Service (e.g., commencement of service, termination of service, or cancellation of service due to the rescission of an agreement with the Supplier by the Customer); and
- (e) Any additional information reasonably required by the Company.

The Company shall determine whether each Customer’s enrollment request as provided by a Supplier is complete and accurate, and matches the Customer’s account record. In the event that the enrollment request is incomplete, inaccurate, or does not match the Customer’s account record, then the Company will notify the Supplier so that the Supplier can resolve any discrepancies.

20.5.3 A change in Supplier Service will normally be made on a monthly metering and billing cycle basis, with changes taking effect on the date of the Customer’s next scheduled meter read. Enrollment forms must be transmitted no less than ten (10) Business Days prior to the Customer’s next scheduled meter read. If more than one Supplier submits a Supplier Service transaction for a given Customer during the monthly billing cycle, the first completed transaction that is received during the cycle shall be accepted. All other transactions shall be rejected. Rejected transactions may be resubmitted after the Customer’s next scheduled meter read.

20.5.4 If the Supplier submits information to the Company to terminate Supplier Service to a Customer less than ten (10) Gas Days before the next scheduled meter read, Supplier Service shall be terminated on the date of the Customer’s subsequent scheduled meter read. The Company shall confirm the termination date for Supplier Service.

20.5.5 In those instances when a Customer who is receiving Supplier Service from an existing Supplier initiates such service with a new Supplier, the Company shall send the date for the Customer’s change in Supplier Service to the existing Supplier.

20.5.6 To terminate Supplier Service with a Supplier and to initiate Sales Service, a Customer shall so inform the Company and the Supplier. Supplier Service shall be terminated on the date of the Customer’s next scheduled meter read provided that the Company receives notice of such termination no less than ten (10) days in advance of the next scheduled meter read. Where such notice is received by the Company in less than ten (10) days in advance of the next scheduled read, the termination shall be effective as

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

of the date of the following scheduled read. The Company shall send the Customer's termination date for Supplier Service to the Supplier.

20.5.7 A Customer who moves within the Company's service territory shall have the opportunity to notify its existing Supplier that it seeks to continue Supplier Service with said Supplier. Upon such notification, the Supplier may enroll the Customer pursuant to the provisions set forth in this Section in order to initiate Supplier Service for the Customer at the new location. The Company shall make the necessary adjustments to the Supplier's affected Aggregation Pools, including but not limited to, changes to Designated Receipt Points, and quantities of Capacity for assignment, if any, pursuant to this tariff and the Supplier's Service Agreement with the Company. In the event that the existing Supplier does not enroll the Customer for Supplier Service at the new location, the Company shall arrange for or provide Sales Service to the Customer.

20.5.8 In those instances when a new Customer moves to the Company's service territory, the Customer's Supplier must enroll the Customer pursuant to the provisions set forth in this Section in order to initiate Supplier Service for the Customer. Otherwise, the Customer shall receive Sales Service in accordance with Part VII, Section 13.

20.5.9 The Company may charge fees to the Supplier for processing the transactions described in this Section, as approved by the NHPUC. These fees are included in Appendix A.

20.6 Aggregation Pools

20.6.1 The aggregation of Customer accounts into an Aggregation Pool is limited by the Delivery Service of the respective Customers. Non-daily metered Customers subscribing to Delivery Service under Rate Schedules T-40, T-41, T-50, T-51 must be aggregated in a separate pool from Customers subscribing to daily metered service under Rate Schedules T-42, T-52 and IT.

20.6.2 Non-daily metered Customers taking Delivery Service pursuant to Part VII, Section 10 of this tariff shall be combined by a Supplier into a single Aggregation Pool within each of the Company's designated Gas Service Areas.

20.6.3 Daily metered Customers taking Delivery Service pursuant to Part VII, Section 9 of this tariff shall be combined by a Supplier into a single Aggregation Pool within each of the Company's designated Gas Service Areas.

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~January 1, 2006~~ May 1, 2014

Title: President ~~Treasurer~~

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

- 20.6.4 A separate Supplier account will be established for each Supplier Aggregation Pool.
- 20.6.5 The election of any service from the Company by the Supplier shall apply to the entire Aggregation Pool and not just an individual customer in the Aggregation Pool.
- 20.6.6 The Company may charge a monthly fee to the Supplier for each Aggregation Pool pursuant to Appendix A.

20.7 Imbalance Trading

- 20.7.1 Prior to the imposition of imbalance charges, the Supplier may engage in trading daily and monthly imbalances for the previous Month, provided that daily imbalance trades are communicated to the Company within three (3) Business Days upon the Company's provision of information on Supplier imbalances for said Month.
- 20.7.2 The Company will make available a list of Suppliers by Gas Service Area making deliveries during the previous Month.
- 20.7.3 Aggregation Pools affected by the transaction must be located within the same Gas Service Area as defined in Part VII, Section 4, unless waived by the Company.
- 20.7.4 Daily imbalance trades must be point-specific on those Gas Days when the Transporting Pipeline required the Company to balance on a point-specific basis.

20.8 Billing and Payment

- 20.8.1 By the tenth (10th) Business Day of the calendar month, the Company shall render to the Supplier a statement of the quantities delivered and amounts owed by the Supplier for the prior Month. The Company will provide Suppliers with their Customers' consumption data based on estimated or actual meter readings at the appropriate cycle read dates for each Customer in the Aggregation Pool pursuant to Part VII, Section 12 of this tariff. This data will be provided on a rolling basis as readings or estimates are made.
- 20.8.2 Calculation of the charges applicable to the Aggregation Pool will be based on aggregated Gas Usage and other such indicators of all Customers in the Aggregation Pool. Billing for charges applicable to an Aggregation Pool, including but not limited to imbalance charges, credits or penalties, shall be billed to the Supplier on a calendar month basis.

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

20.8.3 The Supplier shall have ten (10) Business Days from the date of such statement to render payment to the Company. The Supplier shall render payment by means of electronic funds transfer to the Company. The late payment rate will apply to all amounts outstanding after ten (10) days.

20.8.4 If the correctness of the Company's bill to the Supplier is questioned or disputed by the Supplier, an explanation should be promptly requested from the Company. If the bill is determined to be incorrect, the Company shall issue a corrected bill. In the event that the Supplier and the Company fail to agree on the amount of the bill, the Supplier may file a complaint with the Commission to resolve such complaint.

21. Customer Designated Representative

21.1 The Customer may appoint a Designated Representative to satisfy or undertake the Customer's duties and obligations; including, but not limited to submitting and/or receiving notices, making nominations, arranging for trades of imbalances, and performing operational and administrative tasks; provided, however, that under no circumstances will the appointment of a Designated Representative relieve the Customer of the responsibility to make full and timely payment to the Company for all Delivery Service provided under this tariff.

21.2 A request by a Designated Representative to the Company that contains the Customer's Authorization Number will be deemed to be confirmation that the Customer has designated such person or entity as a Designated Representative. A Customer may appoint only one (1) Designated Representative per account.

21.3 Under any agency established hereunder, the Company shall rely upon information concerning the applicable Customer's Delivery Service that is provided by the Designated Representative. All such information shall be deemed to have been provided by the Customer. Similarly, any notice or other information provided by the Company to the Designated Representative concerning the provision of Delivery Service to such Customer shall be deemed to have been provided to the Customer. The Customer shall rely upon any information concerning Delivery Service that is provided to the Designated Representative as if that information had been provided directly to the Customer.

21.4 The Customer shall agree to indemnify the Company and hold it harmless from any liability (including reasonable legal fees and expenses) that the Company incurs as a result of the Designated Representative's negligence or willful misconduct in its performance of agency functions on the Customer's behalf.

Issued: ~~June 1, 2006~~ March 4, 2014

Effective: ~~January 1, 2006~~ May 1, 2014

Issued by: Stephen H. Bryant 

Title: President/Treasurer

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

22. Appendices

Appendix A (pg. 154) Schedule of Administrative Fees and Charges

Appendix B (pg. 155) Supplier Service Agreement

Appendix C (pg. 169) Capacity Allocators

Appendix D (pg. 170) Firm Sales Service Re-Entry Fee Bill Adjustment

Appendix E (pg. 171) Capacity Reserve Charge Rate Adjustment

Issued: ~~November 7, 2007~~March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2007~~May 1, 2014

Title: President~~Treasurer~~

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

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B

SUPPLIER SERVICE AGREEMENT

This Agreement is made as of the ___ day of _____, 200_, by and between Northern Utilities, Inc., a New Hampshire corporation with a principal place of business at 300 Friberg Parkway, Westborough, Massachusetts ~~6 Liberty Lane West, Hampton, New Hampshire~~ ("Company") and

_____, a _____
_____, with a principal place of business at _____
_____, ("Supplier") (Referred to herein collectively as the "Parties.").

I. BASIC UNDERSTANDINGS

Company operates a local gas distribution company and provides transportation of third party gas on its distribution system. Company's General and Delivery Service Terms and Conditions and related rate schedules on file with, and approved from time to time, by the New Hampshire Public Utilities Commission (collectively, "Terms and Conditions") permit transportation customers to assign their rights of nominating and scheduling delivery of gas for transportation on Company's system to a third party natural gas supplier.

Supplier seeks to nominate and schedule delivery of gas for transportation on Company's system on behalf of one or more customers ("Aggregation Pool") being served on Company's distribution system.

Company's Terms and Conditions require Supplier to enter into a Supplier Service Agreement ("Agreement") with Company prior to the initiation of Supplier Service, as defined therein, for the provision of such services.

Supplier represents that it has met and shall continue to meet all applicable Company, regulatory, state, and federal requirements regarding natural gas aggregation and transportation including, but not limited to, credit worthiness under the terms of this Agreement and under Company's Terms and Conditions.

NOW THEREFORE, in consideration of mutual promises contained herein, the Parties agree as follows:

II. SCOPE

Company and Supplier, pursuant to this Agreement and subsequent amendments hereto and Company's Terms and Conditions, agree to exchange and act on information relative to the nominating and the scheduling of gas for transportation on behalf of the members of the Aggregation Pool. Supplier recognizes that its transportation rights under this Agreement are solely those that have been assigned to it by the members of its Aggregation Pool pursuant to Company's Terms and Conditions.

Issued: ~~October 30, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~ May 1, 2014

Title: Vice President ~~Treasurer~~

Authorized by NHPUC Order No. 23,823 in Docket No. DE 98-124, dated November 1, 2001

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
SUPPLIER SERVICE AGREEMENT
(continued)

Supplier further recognizes and agrees that Company shall have no obligation to honor any nomination or scheduling request from Supplier that, in Company's reasonable judgment, exceeds the scope of Supplier's assigned rights or where such nominations or requests could be reasonably refused, directly or indirectly, based on the terms of this Agreement or Company's Terms and Conditions.

III. TERMS AND CONDITIONS

Company's Terms and Conditions, and any and all definitions contained therein, are incorporated herein and made a part hereof to the extent they are applicable hereto and not inconsistent with the provisions of this Agreement. In the event of a conflict, the terms of the Company's Tariff shall control.

IV. CONDITIONS PRECEDENT

The following requirements shall be conditions precedent to Company's obligations hereunder:

- Supplier shall provide Company with all information requested in Exhibit A attached hereto and incorporated herein.
- Company has confirmed Supplier's credit worthiness, and any reasonable deposit requested by Company from Supplier has been received by Company.
- Supplier shall register and obtain the necessary certification, authorization and/or licenses from the New Hampshire Public Utilities Commission ("NHPUC"). Supplier shall, as may be required from time to time, periodically provide evidence of such to Company.
- Supplier shall provide Company with evidence satisfactory to Company that Supplier is an approved shipper on the upstream pipelines and has access rights to underground storage facilities on which Company may assign capacity to Supplier.
- Supplier and Company have executed this Agreement.

V. SUPPLIER CERTIFICATION

Supplier swears and avers as follows:

- Supplier is not operating under any chapter of bankruptcy laws and is not subject to liquidation or debt reduction procedures under applicable state laws, such as an assignment for the benefit of creditors, or any information creditors' committee agreement.
- Supplier is not aware of any change in business conditions, which would cause a substantial deterioration in its financial conditions, a condition of insolvency, the inability to exist as an ongoing business entity, or the inability to adequately serve its Aggregation Pool.
- Supplier has no delinquent balances outstanding for services previously provided by Company or its affiliates, and that Supplier has paid its accounts according to the established terms and not made deductions or withheld

Issued: ~~October 30, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
SUPPLIER SERVICE AGREEMENT
(continued)

payment for claims not authorized by contract.

- No significant collection lawsuits or judgments are outstanding which would materially affect Supplier's ability to remain solvent as a business entity.
- Supplier's business practices, advertising and marketing materials conform to all applicable New Hampshire state and federal laws and regulations.
- Supplier shall promptly provide notice to Company of any material change in its financial condition as it relates to Supplier's creditworthiness/solvency.
- Supplier shall notify Company within twenty-four (24) hours in writing upon the occurrence of an event that in any way materially affects Supplier's ability to perform pursuant to and in accordance with the terms of this Agreement including, but not limited to, suspension, revocation, limitation or non-renewal of Supplier's certification/authorization by the NHPUC.

VI. NOMINATIONS

Supplier shall communicate all nominations to Company via email. Company will from time to time provide Supplier with email addresses to which all nominations should be communicated. Company shall notify Supplier in writing in the event that any of the email addresses provided become outdated or need to be supplemented. In the event that email is unavailable, alternative electronic means of communicating nominations may include facsimile transmission.

In the event of a discrepancy between any volume nominated by Supplier and confirmed by Company resulting in a shortage, the discrepancy shall be allocated between and among Supplier's Aggregation Pools in the same Gas Service Area in accordance with the Pre-Determined Allocation Method set forth in Exhibit B attached hereto and incorporated herein.

VII. CAPACITY ASSIGNMENTS

In accordance with Company's Terms and Conditions, the quantity of capacity assigned to Supplier and Supplier's Maximum Daily Peaking Quantity ("MDPQ") may be modified during the calendar year. Pursuant Company's Terms and Conditions, the quantity of each Company Managed Supply may be modified during the calendar year in accordance with Company's Terms and Conditions.

Pursuant to Company's Terms and Conditions, Supplier shall provide notice to Company of its designation of contracts to be managed by the Company for cost mitigation purposes by the means set forth in Exhibit B.

VIII. FEES AND SERVICES

Company shall charge Supplier for any and all fees set forth and allowed by Company's Terms and Conditions. Company may also charge Supplier fees for any

Issued: ~~October 30, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~ May 1, 2014

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
SUPPLIER SERVICE AGREEMENT
(continued)

additional services agreed to by the Parties and set forth in Exhibit A, which may be amended by the parties in writing from time to time. Company shall have the right to deduct and apply any amounts owed by Supplier to Company for such fees and services, and outstanding for more than thirty (30) days, from any amounts collected in the normal course of business by Company on Supplier's behalf, from any credit balance that may have accrued on Supplier's account(s) with Company, or from any deposit Supplier may have made with Company to secure its performance and payment for debts incurred while doing business with Company or on Company's distribution system. Amounts subject to a good faith dispute will not be subject to deduction.

IX. BILLING SERVICES

Pursuant to Company's Terms and Conditions, Supplier may elect to take Standard Complete Billing Service from the Company. In such an event, the Customer shall receive a combined bill from the Company for both Gas supply and related Delivery Service and any other Company provided services. Such combined bill shall be calculated and produced by Company. Election of this service will be made by Supplier in Exhibit B of this Agreement.

Company shall calculate, print, insert and mail combined invoices to the Customer in accordance with Company's normal practices for cycle billing, off-cycle billing and budget billing, as well as the applicable provisions of the Company's Terms and Conditions. Company will consider reasonable requests from Supplier to incorporate Customer pricing options, where such requests are provided in writing. Supplier will be responsible for any additional processing, printing and/or programming expenses incurred by Company that result from the implementation of such a request. Company will provide Supplier with electronic files that report relevant account activity.

Company shall respond to Customer's initial telephone inquiries related to billing and payments and contact Customers and Suppliers as required to address billing or payment problems on a commercially reasonable efforts basis. Company will process transactions to address billing problems and generate correspondence as required to communicate billing information. Notwithstanding any provision of this Agreement to the contrary, Company is not offering Supplier and shall not be required to provide or be responsible for any type of collection activities including, but not limited to, activities normally undertaken by a collection agency, debt collector or credit bureau as those terms are defined under applicable federal and state law. Acting on behalf of Supplier, Company shall acquire the right to invoice members of the Aggregation Pool as soon as such members owe Supplier for services rendered. Supplier shall not transfer to Company for the billing of any overdue/aged accounts and Company has no obligation to accept such accounts, or present aged/overdue balances to Customers. Ultimately, collection of Supplier charges and resolution of dispute of such charges remains the sole responsibility of Supplier.

Issued: ~~October 30, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~ May 1, 2014

Title: Vice President Treasurer

Authorized by NHPUC Order No. 23,823 in Docket No. DE 98-124, dated November 1, 2001

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
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(continued)

Company shall provide payment processing and lock boxes for mailed payments. Company reserves the right to offer payment options consistent with existing practices and procedures. Partial payments will be applied first to any outstanding charges relating to Company Delivery Service, and second to the most overdue Supplier charges associated with the Customer. If a Customer pays Company more than the full amount billed, Company shall apply any overpayment to the Delivery Service account. Company reserves the right to enter into payment arrangements with Customers, which may or may not include Supplier charges.

Supplier shall provide timely and accurate information to Company regarding Customers, rates and any other information necessary for Company to perform hereunder, including but not limited to information concerning a Customer's filing of bankruptcy or Supplier's pursuit of collection activities. Additional processing runs caused by Supplier's failure to provide adequate information will be performed at Supplier's sole expense. Supplier agrees that services rendered by Company shall not relieve Supplier from any obligation to maintain records or otherwise comply with applicable laws. Supplier agrees that it will maintain backup data and files for all information provided to Company as protection against any loss of such information.

Suppliers not electing the Standard Complete Billing Service will receive the Standard Passthrough Billing Service as defined in the Terms and Conditions.

X. BILLING, PAYMENT AND DEPOSITS

Bills, fees, and charges for services provided and issued by Company, including, but not limited to, monthly cashouts, monthly imbalance charges, daily imbalance charges, and any other applicable charges approved by the Terms and Conditions or set forth in this Agreement or any amendments hereto, shall be rendered to Supplier on a monthly basis and shall be due upon receipt of said bill, unless otherwise specified in Exhibit A. In addition to any other right or remedy available to Company, Supplier's failure to make payment within ten (10) days of the posting date on the bill shall result in the addition of interest on any unpaid balance calculated at the maximum monthly rate allowable in Company's Terms and Conditions. Interest shall accrue commencing from the date said bill was posted. The posting date is the date the bill is transmitted to Supplier.

Company shall have the right to deduct, apply and withhold any amounts owed by Supplier to Company for such services, and outstanding for more than thirty (30) days, from any amounts held or accrued in the normal course of business by Company on Supplier's behalf.

At the request of Company, at any time during the term of this Agreement, Supplier shall, upon ten (10) days written notice from Company, provide a deposit equal to a dollar amount representing the greater of Supplier's average of two (2) months'

Issued: ~~October 30, 2001~~ March 4, 2014

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
SUPPLIER SERVICE AGREEMENT
(continued)

historic billing with Company or the amount of any security deposit required under Company's Terms and Conditions. A deposit shall be payable in cash or certified check. All deposits shall accrue interest in accordance with Company's Terms and Conditions (hereinafter called "Interest Payment"). Such deposit shall be returned to Customer within thirty (30) days of the expiration or termination of this Agreement, provided that Supplier is not in default under this Agreement. Any such deposit may be required and held by Company for the entire term of this Agreement, regardless of Supplier's payment history. Company may deduct or set-off and apply all or any portion of the deposit when any amount payable by Supplier under this Agreement has not been paid when due. Such deduction or set-off may be made without notice or demand of any kind and Company may in its sole discretion apply such deposit against any amount then due and payable. In the event Company applies all or any portion of such deposit, Supplier shall deposit such sums as are necessary to replenish the security deposit to its maximum amount, within ten (10) days of notice of such application.

To secure the prompt payment and performance when due of any and all current or future obligations, indebtedness and liabilities, whether financial or otherwise, contingent or noncontingent, matured or unmatured, or liquidated or unliquidated, which Supplier owes to Company or any of its affiliates (collectively "Obligations"), Supplier grants to Company a continuing security interest in any interest of Supplier in any and all gas which Supplier now or in the future may own, control or have any right or interest in and which now is or in the future may be in the possession of Company in its gas distribution system or otherwise, together with any and all products and proceeds of the foregoing (collectively "Collateral"). Supplier covenants that it will execute and deliver any documents requested by Company in order to evidence or perfect Company's security interest in Collateral and otherwise cooperate with respect to any proceeding that may affect rights of Company hereunder.

Supplier acknowledges and agrees that Company hereby exercises any right which it may have under any applicable tariff or state or federal statute to impose a lien on any and all Collateral in Company's system to secure repayment of Obligations related to such Collateral or related to gas theretofore shipped by Supplier on Company's system and delivered on behalf of Supplier. Supplier acknowledges and agrees that all of its shipments of gas on Company's system pursuant to this Agreement, and all Obligations, security deposits and other adequate assurance provided to Company by Supplier related to such shipments are part of a single, continuing transaction with Company. Subject to any law governing the liens asserted by Company hereunder, Company may dispose of Collateral by public or private sale to retail or wholesale purchasers and may itself acquire same through any such sale. Company agrees to provide Supplier reasonable notice of such sale but in no event shall it be required to give more than ten (10) days notice.

Issued: ~~October 30, 2001~~ March 4, 2014

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VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
SUPPLIER SERVICE AGREEMENT
(continued)

The Parties agree to cooperate and provide each other with necessary documentation relating to any transactions resulting hereunder, including but not limited to, applicable sales or other tax exemption forms. The Parties agree that Supplier's failure to remit payment of any amount due under this Agreement shall constitute a material breach of this Agreement.

XI. TERM AND TERMINATION

This Agreement shall become effective on the date hereof ("Effective Date") and shall continue in full force and effect from month to month. Supplier acknowledges and agrees that Company is obligated to commence services pursuant to this Agreement only upon full satisfaction, or Company's express written waiver, of the Conditions Precedent set forth in Section IV of this Agreement. This Agreement may be terminated by either party by written notice given no less than thirty (30) days prior to the desired termination date, or unless otherwise agreed by the Parties. Notwithstanding the foregoing, the Supplier agrees to abide by all terms of this Agreement until any transactions that are outstanding at the time of termination are completed, including, but not limited to, the payment by Supplier to Company of any and all outstanding balances.

Any party, by written notice to the other party ("Breaching Party") may terminate this Agreement, in whole or in part, with respect to such Breaching Party, or suspend further performance without terminating this Agreement upon the occurrence of any of the following: (a) the Breaching Party terminates or suspends doing business; (b) the Breaching Party becomes subject to any bankruptcy or insolvency proceeding under federal or state law, becomes insolvent, becomes subject to direct control of a transferee, receiver or similar authority, or makes an assignment for the benefit of creditors; or (c) the Breaching Party commits a material breach of any of its obligations under this Agreement or the Terms and Conditions including, but not limited to, failure to pay any amounts due.

The enumeration of the foregoing remedies shall not be deemed a waiver of any other remedies to which either party is entitled in law or equity.

XII. INDEMNIFICATION AND LIMITATION OF LIABILITY

Supplier agrees that it shall indemnify, defend and hold the Company and its affiliates, directors, officers, employees, and their agents harmless with respect to any claim, suit, damages or costs (including reasonable attorney's fees) of any kind arising from any Supplier action or inaction or breach hereof. The Parties agree that the Company's reliance upon the nominations, scheduling instructions or other communications from Supplier or from a member of the Aggregation Pool shall be deemed reasonable and shall not constitute negligence. To the fullest extent allowed by law, the parties agree that the Company shall not, except to the extent of its own gross

Issued: ~~October 30, 2001~~March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~May 1, 2014

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negligence, or intentional misconduct, be liable to the Supplier or any party claiming through it for any loss or damages by reason of any work or services including, but not limited to, transportation of gas performed or undertaken to be performed, under this Agreement. To the fullest extent allowed by law, the Parties agree that Company shall not be liable to Supplier or any party claiming through Supplier, for special, consequential, exemplary, indirect, incidental, punitive damages or lost profits. The provisions of this Section XII shall survive the termination or expiration of this Agreement.

XIII. NOTICES

Except as otherwise provided herein, any notices given under this Agreement shall be in writing and shall be delivered to the addresses set forth below, by hand or sent by (i) certified mail, return receipt requested, first class postage prepaid, (ii) telecopy, or (iii) nationally recognized courier service. Notices, given hereunder shall be deemed to have been given upon receipt or any refusal to accept; telecopied notices shall be deemed to have been given upon confirmation of their receipt.

If to Company:	LDC:	Northern Utilities, Inc.
	Attention:	_____
	Address:	300 Friberg Parkway <u>6 Liberty Lane West</u>
	Address:	Westborough, MA 01581 <u>Hampton, NH</u>
<u>03842</u>	Phone:	_____
	Fax:	_____

If to Supplier:	Supplier:	_____
	Attention:	_____
	Address:	_____
	Address:	_____
	Phone:	_____
	Fax:	_____

XIV. SUCCESSORS AND ASSIGNS

Any entity which shall succeed by purchase, merger or consolidation to the assets, substantially or as an entity, of either Party hereto shall be entitled to the rights and shall be subject to the obligations of its predecessor in interest under this Agreement. Company may assign any of its rights hereunder to an entity with which it is affiliated, but otherwise no assignment of this Agreement or any of the rights or obligations hereunder shall be made unless there first shall have been obtained the written consent of the other Party. It is agreed, however, that the restrictions on assignment contained herein shall not in any way prevent either Party from pledging or mortgaging its rights hereunder as security for its indebtedness.

Issued: October 30, 2001 <u>March 4, 2014</u>	Issued by: <u>Stephen H. Bryant</u> 
Effective: November 1, 2001 <u>May 1, 2014</u>	Title: <u>Vice President</u> Treasurer
Authorized by NHPUC Order No. <u>23,823</u> in Docket No. DE <u>98-124</u> , dated <u>November 1, 2001</u>	

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

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XV. CONTROLLING LAW

The interpretation and performance of this Agreement shall be in accordance with and controlled by the laws of the State of New Hampshire, without regard to the doctrines governing choice of law. All disputes arising hereunder shall be brought and heard either before the NHPUC or in the state courts of the State of New Hampshire. The Company's compliance with the order or finding of any governmental agency or court properly exercising jurisdiction over this Agreement or the services rendered hereunder shall not constitute a breach of this Agreement.

XVI. OTHER IMPORTANT PROVISIONS

No waiver by any Party of any one or more defaults by the other in the performance of any provision of this Agreement shall operate or be construed as a waiver of any other present or future default or defaults, whether of a like or of a different character. No delay by either party in enforcing any of its rights hereunder shall be deemed a waiver of such rights.

Company shall render service and shall perform hereunder through utilization of existing facilities, licenses and authorizations. Nothing in this Agreement shall be construed as requiring Company to acquire or obtain additional facilities, licenses or authorizations. Any activity hereunder which requires any additional licenses, facilities or authorizations may be discontinued by Company and such discontinuance shall not constitute a breach of this Agreement.

Unless otherwise provided herein, no modification of, or supplement to, the terms and provisions stated in this Agreement shall be or become effective without the written consent of both Parties.

Supplier waives any and all rights to contest any motion by Company for relief from the automatic stay provided for under federal bankruptcy law or under any similar provision of any state law.

Supplier shall not obtain any right or interest in any hardware or software or information used by Company to provide any service to Supplier hereunder.

For the purpose of carrying out the provisions and exercising the rights, powers and privileges granted by Company's Terms and Conditions and/or this Agreement, to the fullest extent authorized by law, effective upon the breach of this Agreement by Supplier, Supplier hereby irrevocably constitutes and appoints Company its true and lawful attorney-in-fact, with full power of substitution, to execute, acknowledge and deliver any instruments or financing statement and do and perform any acts that are referred to herein in the name and behalf of Supplier. The power vested in said attorney-in-fact is, and shall be deemed to be, coupled with an interest and cannot be revoked.

Issued: ~~October 30, 2001~~March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~May 1, 2014

Title: Vice PresidentTreasurer

Authorized by NHPUC Order No. 23,823 in Docket No. DE 98-124, dated November 1, 2001

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
SUPPLIER SERVICE AGREEMENT
(continued)

This Agreement, all Exhibits and attachments hereto and all documents referenced herein, constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersedes any prior agreement or understanding related thereto.

In the event any provision of this Agreement is deemed invalid or unenforceable in a forum of competent jurisdiction, such provision shall be deemed modified so as to be no longer invalid or unenforceable and the remainder of the Agreement shall be otherwise fully enforceable. Headings contained in this Agreement are for convenience only and shall not be construed to define or limit any terms herein, or otherwise affect the meaning or interpretation of this Agreement. This Agreement shall not be interpreted either more or less favorably towards any Party by virtue of the fact that such Party or its counsel was responsible or principally responsible for the drafting of all or a portion hereof.

The language contained in Section I, Basic Understandings, is incorporated herein and shall have the same legal significance as any other language in this Agreement.

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the day first herein above written.

NORTHERN UTILITIES, INC.

By: _____

Title: _____

Date: _____

SUPPLIER: _____

By: _____

Title: _____

Date: _____

Issued: ~~October 30, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~ May 1, 2014

Title: Vice President Treasurer

Authorized by NHPUC Order No. 23,823 in Docket No. DE 98-124, dated November 1, 2001

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
SUPPLIER SERVICE AGREEMENT
(continued)

STATE OF _____
COUNTY OF _____, SS. _____, 200_

Personally appeared the above-named _____(title), of _____(Company), as aforesaid, who swore that he/she has the authority to execute the foregoing instrument and that such execution was his/her free act and deed in his/her said capacity and the free act and deed of said entity.

Before me: _____

Notary Public: _____

Date: _____

My Commission Expires: _____

STATE OF _____
COUNTY OF _____, SS. _____, 200_

Personally appeared the above-named _____(title), of _____(Supplier), as aforesaid, who swore that he/she has the authority to execute the foregoing instrument and that such execution was his/her free act and deed in his/her said capacity and the free act and deed of said entity.

Before me: _____

Notary Public: _____

Date: _____

My Commission Expires: _____

Issued: ~~October 30, 2001~~ March 4, 2014

Effective: ~~November 1, 2001~~ May 1, 2014

Authorized by NHPUC Order No. 23,823 in Docket No. DE 98-124, dated November 1, 2001

Issued by: Stephen H. Bryant 

Title: Vice President/Treasurer

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
SUPPLIER SERVICE AGREEMENT
(continued)

EXHIBIT A

CONDITIONS PRECEDENT

- Completed Supplier Application

NOMINATIONS

- All nominations should be emailed to each of the following individuals:
 - _____
 - _____
 - _____
- In the event that email is unavailable, nominations should be submitted to Company via facsimile, using the following phone numbers:
 - _____
 - _____

ADDITIONAL SERVICES AND ASSOCIATED FEES

- _____
- _____

BILLING AND PAYMENT

- Supplier payments should be sent to Company at:
 - Northern Utilities, Inc.

- Company invoices should be sent to Supplier at:
 - Supplier's Mailing Address for Invoices:

Issued: ~~October 30, 2001~~ March 4, 2014

Effective: ~~November 1, 2001~~ May 1, 2014

Authorized by NHPUC Order No. 23,823 in Docket No. DE 98-124, dated November 1, 2001

Issued by: Stephen H. Bryant 

Title: Vice President/Treasurer

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX B
SUPPLIER SERVICE AGREEMENT
(continued)

EXHIBIT B

Company's Terms and Conditions defines *PreDetermined Allocation Method*
as: Instructions from the Supplier to the Company for the allocation of discrepancies in confirmed nominations among the Supplier's Aggregation Pools and/or Customers as set forth in the Supplier's Service Agreement.

Supplier instructs Company to allocate any such discrepancies as follows:

If Supplier does not establish a Predetermined Allocation Method herein, Company will allocate any such discrepancy on a pro rata basis.

For example:

- Supplier has both a daily-metered and non-daily metered Aggregation Pool in Company's Northern Utilities New Hampshire Gas Service Area.
- On a given day, Supplier nominates 1000 DT for its daily-metered pool and 500 DT for its non-daily metered pool.
- A pipeline cut of 300 DT is confirmed.
- Since of the total amount nominated by Supplier for the day (1,500 DT), 67% of it was intended for its daily-metered pool (1,000 DT of the 1,500 DT total), 67% of the cut would be allocated to the daily metered pool (200 DT) and 33% of the cut (100 DT) would be allocated to the non-daily metered pool since 33% of the total amount nominated for the day (500 DT of the 1,500 DT total).
- Accordingly, 800 DT would be allocated as confirmed for the daily-metered pool and 400 DT would be allocated as confirmed for the non-daily metered pool.

Capacity Mitigation Service

Capacity Mitigation Service is available to Suppliers that have been assigned capacity pursuant to the Terms and Conditions.

The Supplier designates the following contracts that would otherwise be released to the Supplier pursuant to the Terms and Conditions, as contracts to be managed by the Company for cost mitigation in accordance with the Company's Capacity Mitigation Service. Such designation will be effective for the period November 1 through October 31. Notification of renewal of this service must be provided by October 25th of each calendar year. The Supplier shall receive a credit on its bill for Capacity Mitigation

Issued: ~~October 30, 2001~~ March 4, 2014

Issued by: Stephen H. Bryant 

Effective: ~~November 1, 2001~~ May 1, 2014

Title: Vice President Treasurer

Authorized by NHPUC Order No. 23,823 in Docket No. DE 98-124, dated November 1, 2001

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

APPENDIX D

Firm Sales Service Re-Entry Fee Bill Adjustment

I. Purpose:

In order to assess a fee to Customers of the Company who elect to switch from Firm Delivery Service to Firm Sales Service after June 30, 2006, for the purpose of recovering costs associated with capacity resources on-hand to serve the unassigned capacity portion of the requirements of such Customers, there shall be a monthly Re-Entry Fee charged for the first twelve months under, and after switching to, Firm Sales Service. The Re-Entry Fee under this Tariff is pursuant to the Stipulation and Settlement in Docket DG 05-080.

II. Application of Re-entry Fee:

A Re-Entry Fee shall be calculated for an individual Customer, once the Customer has switched to Firm Sales Service, for the first billing month under such service. The Company's annual system average unit capacity cost from which the Re-Entry Fee is derived shall be filed by September 15 of every year and be subject to review and approval by the Commission. The Re-Entry Fee shall be calculated as a separate monthly charge to the nearest one-cent and will be applied to the individual Customer's monthly Firm Sales Service bill for the initial twelve (12) consecutive billing months.

III. Re-Entry Fee Costs Allowable:

The Re-Entry Fee costs allowable for recovery shall be those costs derived from applying twenty-five percent (25%) of the Company's annual average unit cost of system capacity resources, derived once a year for the upcoming period of November through October, to the Customer's unassigned capacity portion of its Peak Day Gas Usage under its previous Firm Delivery Service.

IV. Calculation of Re-Entry Fee:

The monthly Re-Entry Fee shall be an amount equal to one-twelfth of the product of 25% of the Company's annual system average unit capacity cost and the Customer's unassigned capacity portion of its Peak Day Gas Usage at the time the Customer was taking Firm Delivery Service prior to switching to Firm Sales Service.

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H.

Effective: ~~July 1, 2006~~ May 1, 2014

Title: Bryant W. H. Cole
President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006

VII. DELIVERY SERVICE TERMS AND CONDITIONS (continued)

Appendix D

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

V. Information to be Filed with the Commission:

Once a year, by September 15, except for this additional one-time initial Re-Entry Fee, the Company shall file with the Commission the Company's upcoming annual system average unit capacity cost, multiplied by 25%, to show the unit cost applicable to the unassigned capacity portion a Customer's Peak Day Gas Use. Also by September 15 of every year, the Company shall file with the Commission a report showing the number of customers assessed a Re-Entry Fee and the amount of Re-Entry Fee charges recovered to-date. Pursuant to the Company's Cost of Gas Clause, the Company will also be reporting actual Re-Entry Fee revenues as credits to the Reconciliation of Winter Demand Costs.

Issued: ~~June 1, 2006~~ March 4, 2014

Issued by: Stephen H.

Effective: ~~July 1, 2006~~ May 1, 2014

Title: Bryant
President/Treasurer

Authorized by NHPUC Order No. 24,627 in Docket DG 05-080, dated June 1, 2006