

Calculation of the Cost of Gas Rate

Period Covered: Winter Period November 1, 2013 through April 30, 2014

|   |                     |
|---|---------------------|
| Projected Gas Sales - therms                      | 1,017,695           |
| Total Anticipated Cost of Propane Sendout         | \$1,682,095         |
| Add: Prior Period Deficiency Uncollected Interest | \$23,544<br>\$2,541 |
| Deduct: Prior Period Excess Collected Interest    | \$0<br>\$0          |
| Prior Period Adjustments and Interest             | \$26,085            |
| Total Anticipated Cost                            | <u>\$1,708,180</u>  |

Cost of Gas Rate

|   |                        |
|---|------------------------|
| Non-Fixed Price Option Cost of Gas Rate (per therm)                                   | <u>\$1.6785</u>        |
| Fixed Price Option Premium  | \$0.0200               |
| Fixed Price Option Cost of Gas Rate (per therm)                                       | <u>\$1.6985</u>        |
| Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)                | \$1.6785               |
| Mid Period Adjustment - December 1, 2013  | \$0.0468               |
| Mid Period Adjustment - January 1, 2014   | \$0.1213               |
| Mid Period Adjustment - February 1, 2014  | \$0.2515               |
| Mid Period Adjustment - March 1, 2014   | \$0.4374               |
| Mid Period Adjustment - April 1, 2014   | (\$0.6613)             |
| Revised Non-Fixed Price Option Cost of Gas Rate - Effective April 1, 2014 (per therm) | <u><u>\$1.8742</u></u> |

Pursuant to Commission Order 25,632, the Company may adjust the approved cost of gas rate upward as of April 1, 2014 to the following rate:

Maximum Cost of Gas Rate - Non-Fixed Price Option (per therm) \$2.6623

Issued: March 25, 2014  
Effective: April 1, 2014

Issued By:



Michael D. Eastman  
Treasurer

In Compliance with DG 13-261, Order Nos. 25,588 and 25,632