

NORTHERN UTILITIES, INC. - NEW HAMSHIRE DIVISION
Summer 2014 Cost of Gas Filing

Table of Contents

Tab	Title	Description
	Summary	Summary
	Kahl Testimony	Pre-Filed Testimony
	Conneely Testimony	Pre-Filed Testimony
1	Schedule 1A	NH Allocated Demand Costs Assigned to NH Peak & Off-Peak
	Schedule 1B	NH Allocated Commodity Costs Assigned to NH Peak & Off-Peak
2	Schedule 2	Contracts Ranked on a Per-Unit Cost Basis
3	Schedule 3A	COG (Over)/Under Cumulative Recovery Balances and Interest Calculation
	Schedule 3B	Bad Debt Calculation
4	Schedule 4	Reserved for Future Use
5	Schedule 5A	Demand Cost Forecast
	Attachment	Rate Cost Support (abridged for summer filing)
	Schedule 5B	Capacity Assignment Revenues - Winter Filing Only
	Schedule 5C	PNGTS Litigation Costs - Winter Filing Only
6	Schedule 6A	Commodity Cost Forecast
	Schedule 6B	Detailed City Gate Cost Calculations
7	Schedule 7	Hedging Program Gains and Losses, Winter Filing Only
8	Schedule 8	Typical Bill Analyses
9	Schedule 9	Variance Analysis of the Cost of Gas Rate Components
10	Schedule 10A	Allocation of Capacity Costs to Firm Sales Rate Classes
	Schedule 10B	Forecast Firm Sales
	Attachment	Metered Distribution Deliveries and Meter Counts
	Attachment	Sales Service Deliveries Forecast by Rate Class
	Attachment	Company Gas Allowance Calculations, Winter Filing Only
	Schedule 10C	Allocation of Commodity Costs to Firm Sales Rate Classes
11	Schedule 11A	Normal Year Sendout Volumes
	Schedule 11B	Design Year Sendout Volumes – Winter Filing Only
	Schedule 11C	Capacity Utilization
	Schedule 11D	Forecast of Upcoming Winter Period Design Day Report – Winter Filing Only
	Schedule 11E	New Hampshire 7 Day Cold Snap Analysis – Winter Filing Only
12	Schedule 12	Capacity Path Diagrams and Details by Supply Source - Winter Filing Only
13	Schedule 13	Load Migration from Sales to Transportation
14	Schedule 14	Inventory Activity
15	Schedule 15	Summer 2013 Cost of Gas Reconciliation

16	Schedule 16	Local Distribution Adjustment Charge Calculation – Winter Filing Only
17	Schedule 17	Environmental Response Cost – Winter Filing Only
18	Schedule 18	Supplier Balancing Charge – Winter Filing Only
19	Schedule 19	Capacity Allocators Calculation – Winter Filing Only
20	Schedule 20	Annual Hedging Program
21	Schedule 21	Allocation of Demand Costs to ME & NH
22	Schedule 22	Allocation of Commodity Costs to ME & NH
23	Schedule 23	Supporting Detail to Proposed Tariff Sheets
24	Schedule 24	Short Term Debt Limit Calculation – Winter Filing Only
25	Schedule 25	Supplier Refund

**N.H.P.U.C No.10
 NORTHERN UTILITIES, INC.**

Anticipated Cost of Gas

New Hampshire Division
 Period Covered: May 1, 2014 - October 31, 2014

Column A	Column B	Column C
1 <u>ANTICIPATED DIRECT COST OF GAS</u>		
2 Purchased Gas for Sales Service:		
3 Demand Costs:	\$ 533,794	
4 Supply Costs:	\$ 3,143,535	
5		
6 Storage & Peaking Gas for Sales Service:		
7 Demand, Capacity:	\$ 378,936	
8 Commodity Costs:	\$ 29,861	
9		
10 Hedging (Gain)/Loss	\$ -	
11		
12 Interruptible Sendout Cost	\$ -	
13		
14 Inventory Finance Charge	\$ -	
15		
16 Capacity Release	\$ -	
17		
18 Adjustment for Actual Costs	<u>\$ -</u>	
19		
20 Total Anticipated Direct Cost of Gas		\$ 4,086,126
21		
22 <u>ANTICIPATED INDIRECT COST OF GAS</u>		
23 Adjustments:		
24 Prior Period Under/(Over) Collection	\$ 394,545	
25 Miscellaneous	\$ -	
26 Interest	\$ 10,204	
27 Refunds	\$ (105,725)	
28 <u>Interruptible Margins</u>	\$ -	
29 Total Adjustments		\$ 299,024
30		
31 Working Capital:		
32 Total Anticipated Direct Cost of Gas	\$ 4,086,126	
33 Working Capital Percentage	<u>0.0824%</u>	
34 Working Capital Allowance	\$ 3,365	
35		
36 Plus: Working Capital Reconciliation (Acct 182.11)	<u>\$ 861</u>	
37		
38 Total Working Capital Allowance		\$ 4,226
39		
40 Bad Debt:		
41 Bad Debt Allowance	\$ 22,890	
42 Plus: Bad Debt Reconciliation (Acct 182.16)	<u>\$ (3,098)</u>	
43 Total Bad Debt Allowance		\$ 19,792
44		
45 Local Production and Storage Capacity		\$ -
46		
47 Miscellaneous Overhead-19.06% Allocated to Summer Season		<u>\$ 78,440</u>
48		
49 Total Anticipated Indirect Cost of Gas		\$ 401,483
50		
51 Total Cost of Gas		<u>\$ 4,487,609</u>
52		

**N.H.P.U.C No.10
 NORTHERN UTILITIES, INC.**

Summary

Anticipated Cost of Gas

New Hampshire Division
 Period Covered: May 1, 2014 - October 31, 2014

Column A	Column D
1 <u>ANTICIPATED DIRECT COST OF GAS</u>	
2 Purchased Gas for Sales Service:	
3 Demand Costs:	Schedule 1A, LN 71
4 Supply Costs:	Schedule 1B, LN 14
5	
6 Storage & Peaking Gas for Sales Service:	
7 Demand, Capacity:	Schedule 1A, LN 73
8 Commodity Costs:	Schedule 1B, LN 16 + Schedule 1B, LN 17
9	
10 Hedging (Gain)/Loss	Schedule 1B, LN 15
11	
12 Interruptible Sendout Cost	-(Schedule 1B, LN 22)
13	
14 Inventory Finance Charge	Schedule 22, LN 105
15	
16 Capacity Release	-(Schedule 1A, LN 76)
17	
18 Adjustment for Actual Costs	
19	
20 Total Anticipated Direct Cost of Gas	Sum (LN 3 : LN 18)
21	
22 <u>ANTICIPATED INDIRECT COST OF GAS</u>	
23 Adjustments:	
24 Prior Period Under/(Over) Collection	Schedule 3A, LN 108: April
25 Miscellaneous	
26 Interest	Schedule 3A, LN 115: Total
27 Refunds	Schedule 25, PG 2, LN 6 May - Oct
28 <u>Interruptible Margins</u>	-(Schedule 1A, LN 77)
29 Total Adjustments	Sum (LN 24 : LN 28)
30	
31 Working Capital:	
32 Total Anticipated Direct Cost of Gas	LN 20
33 Working Capital Percentage	NHPUC No. 10 Section 4.06.1
34 Working Capital Allowance	LN 32 * LN 33
35	
36 Plus: Working Capital Reconciliation (Acct 182.11)	Schedule 3A, LN 85: April
37	
38 Total Working Capital Allowance	Sum (LN 34 : LN 36)
39	
40 Bad Debt:	
41 Bad Debt Allowance	Schedule 3B, LN 20
42 Plus: Bad Debt Reconciliation (Acct 182.16)	Schedule 3A, LN 96: April
43 Total Bad Debt Allowance	LN 41 + LN 42
44	
45 Local Production and Storage Capacity	Schedule 1A, LN 84
46	
47 Miscellaneous Overhead-19.06% Allocated to Summer Season	Schedule 1A, LN 83
48	
49 Total Anticipated Indirect Cost of Gas	Sum (LN 29 : LN 47)
50	
51 Total Cost of Gas	LN 49 + LN 20
52	

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CALCULATION OF FIRM SALES COST OF GAS RATE
 Period Covered: May 1, 2014 - October 31, 2014

Column A	Column B	Column C
Total Anticipated Direct Cost of Gas	\$ 4,086,126	
Projected Prorated Sales (05/01/14 - 10/30/14)	6,566,792	
Direct Cost of Gas Rate		\$ 0.6222 per therm
Demand Cost of Gas Rate	\$ 912,730	\$ 0.1390 per therm
Commodity Cost of Gas Rate	\$ 3,173,396	\$ 0.4832 per therm
Total Direct Cost of Gas Rate	\$ 4,086,126	\$ 0.6222 per therm
Total Anticipated Indirect Cost of Gas	\$ 401,483	
Projected Prorated Sales (05/01/14 - 10/31/14)	6,566,792	
Indirect Cost of Gas		\$ 0.0611 per therm
TOTAL PERIOD AVERAGE COST OF GAS EFFECTIVE 05/01/14		\$ 0.6833 per therm
RESIDENTIAL COST OF GAS RATE - 05/01/14	COGwr	\$ 0.6833 per therm
	Maximum (COG+25%)	\$ 0.8541
COM/IND LOW WINTER USE COST OF GAS RATE - 05/01/14	COGwl	\$ 0.6318 per therm
	Maximum (COG+25%)	\$ 0.7898
C&I HLF Demand Costs Allocated per SMBA	\$ 122,096	
PLUS: Residential Demand Reallocation to C&I HLF	\$ 3,182	
C&I HLF Total Adjusted Demand Costs	\$ 125,278	
C&I HLF Projected Prorated Sales (05/01/14 - 10/31/14)	1,432,851	
Demand Cost of Gas Rate	\$ 0.0874	
C&I HLF Commodity Costs Allocated per SMBA	\$ 692,424	
PLUS: Residential Commodity Reallocation to C&I HLF	\$ 65	
C&I HLF Total Adjusted Commodity Costs	\$ 692,489	
C&I HLF Projected Prorated Sales (05/01/14 - 10/31/14)	1,432,851	
Commodity Cost of Gas Rate	\$ 0.4833	
Indirect Cost of Gas	\$ 0.0611	
Total C&I HLF Cost of Gas Rate	\$ 0.6318	
COM/IND HIGH WINTER USE COST OF GAS RATE - 05/01/14	COGwh	\$ 0.7209 per therm
	Maximum (COG+25%)	\$ 0.9011
C&I LLF Demand Costs Allocated per SMBA	\$ 338,375	
PLUS: Residential Demand Reallocation to C&I LLF	\$ 8,819	
C&I LLF Total Adjusted Demand Costs	\$ 347,194	
C&I LLF Projected Prorated Sales (05/01/14 - 05/31/14)	1,966,619	
Demand Cost of Gas Rate	\$ 0.1765	
C&I LLF Commodity Costs Allocated per SMBA	\$ 950,367	
PLUS: Residential Commodity Reallocation to C&I LLF	\$ 90	
C&I LLF Total Adjusted Commodity Costs	\$ 950,456	
C&I LLF Projected Prorated Sales (05/01/14 - 10/31/14)	1,966,619	
Commodity Cost of Gas Rate	\$ 0.4833	
Indirect Cost of Gas	\$ 0.0611	
Total C&I LLF Cost of Gas Rate	\$ 0.7209	

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55	CALCULATION OF FIRM SALES COST OF GAS RATE	
56	Period Covered: May 1, 2014 - October 31, 2014	
57		
58	Column A	Column D
59		
60	Total Anticipated Direct Cost of Gas	LN 20
61	Projected Prorated Sales (05/01/14 - 10/30/14)	Schedule 10B, LN 11
62	Direct Cost of Gas Rate	LN 60 / LN 61
63		
64	Demand Cost of Gas Rate	Column B : SUM (LN 3 , LN 7 , LN 16)
65	Commodity Cost of Gas Rate	Column B : SUM (LN 4 , LN 8 , LN 10 , LN 12 , LN 14)
66	Total Direct Cost of Gas Rate	SUM (LN 64 : LN 65)
67		
68	Total Anticipated Indirect Cost of Gas	LN 49
69	Projected Prorated Sales (05/01/14 - 10/31/14)	LN 61
70	Indirect Cost of Gas	LN 68 / LN 69
71		
72		
73	TOTAL PERIOD AVERAGE COST OF GAS EFFECTIVE 05/01/14	LN 66 + LN 70
74		
75	RESIDENTIAL COST OF GAS RATE - 05/01/14	LN 73
76		LN 75 * 1.25
77		
78		
79	COM/IND LOW WINTER USE COST OF GAS RATE - 05/01/14	LN 96
80		LN 79 * 1.25
81		
82	C&I HLF Demand Costs Allocated per SMBA	Schedule 10A, LN 169
83	PLUS: Residential Demand Reallocation to C&I HLF	Schedule 23, LN 16
84	C&I HLF Total Adjusted Demand Costs	Sum (LN 82 : LN 83)
85	C&I HLF Projected Prorated Sales (05/01/14 - 10/31/14)	Schedule 10B, LN 14
86	Demand Cost of Gas Rate	LN 84 / LN 85
87		
88	C&I HLF Commodity Costs Allocated per SMBA	Schedule 10C, LN 139
89	PLUS: Residential Commodity Reallocation to C&I HLF	Schedule 23, LN 26
90	C&I HLF Total Adjusted Commodity Costs	Sum (LN 88 : LN 89)
91	C&I HLF Projected Prorated Sales (05/01/14 - 10/31/14)	LN 85
92	Commodity Cost of Gas Rate	LN 90 / LN 91
93		
94	Indirect Cost of Gas	LN 70
95		
96	Total C&I HLF Cost of Gas Rate	Sum (LN 86, LN 92, LN 94)
97		
98		
99	COM/IND HIGH WINTER USE COST OF GAS RATE - 05/01/14	LN 116
100		LN 99 * 1.25
101		
102	C&I LLF Demand Costs Allocated per SMBA	Schedule 10A, LN 170
103	PLUS: Residential Demand Reallocation to C&I LLF	Schedule 23, LN 17
104	C&I LLF Total Adjusted Demand Costs	Sum (LN 102 : LN 103)
105	C&I LLF Projected Prorated Sales (05/01/14 - 05/31/14)	Schedule 10B, LN 15
106	Demand Cost of Gas Rate	LN 104 / LN 105
107		
108	C&I LLF Commodity Costs Allocated per SMBA	Schedule 10C, LN 140
109	PLUS: Residential Commodity Reallocation to C&I LLF	Schedule 23, LN 27
110	C&I LLF Total Adjusted Commodity Costs	Sum (LN 108 : LN 109)
111	C&I LLF Projected Prorated Sales (05/01/14 - 10/31/14)	LN 105
112	Commodity Cost of Gas Rate	LN 110 / LN 111
113		
114	Indirect Cost of Gas	LN 70
115		
116	Total C&I LLF Cost of Gas Rate	Sum (LN 106, LN 112, LN 114)