

NORTHERN UTILITIES, INC.
NEW HAMPSHIRE DIVISION
Calculation of the Projected Over or Under Collection of the
Summer 2014 Period Cost of Gas
DG 14-077
September 2014 Estimated

Under/(Over) collection as of 5/01/14		\$	157,080
Forecasted firm therm sales 08/01/14 - 10/31/14			
Residential Heat & Non Heat	1,259,120		
HLF Classes	569,608		
LLF Classes	781,799		
Current recovery rate per therm			
Residential heat & non heat	\$0.6153		
HLF classes	\$0.5638		
LLF classes	\$0.6529		
Total	\$	(1,606,318)	
Forecasted recovered costs at current rates 09/01/14 - 10/31/14		\$	(1,606,318)
Actual recovered costs 05/01/14 - 8/31/14		\$	(2,676,827)
Estimated total recovered costs 05/01/14 - 10/31/14		\$	(4,283,145)
Revised projected direct gas costs 05/01/14 - 10/31/14 [1]		\$	3,991,542
Revised projected indirect gas costs 05/01/14 - 10/31/14 [2]		\$	107,449
Projected under/(over) collection as of 10/31/14		\$	(27,073)

Actual gas costs to date (05/01/14 - 8/31/14)	\$	2,591,330
Revised projected indirect gas costs 09/01/14 - 10/31/14 [2]	\$	35,207
Revised projected direct gas costs 09/01/14 - 10/31/14 [1]	\$	1,472,455
Estimated total adjusted gas costs 05/1/14 - 10/31/14	\$	4,098,991

Under/(over) collection as percent of total gas costs	-0.66%
---	--------

Projected under/(over) collection as of 10/31/14	\$	(27,073)
--	----	----------

NOTES

[1] Revised as follows:

- Futures prices as of September 22, 2014

[2] Includes: Working Capital Allowance, Bad Debt Allowance, Production and Storage Capacity, Miscellaneous Overhead, Refunds and Interest

Northern Utilities
NEW HAMPSHIRE (Over) / Undercollection Analysis, Balances and Interest Calculation

		Winter						Summer								
Sales Revenues		Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	(Forecast) Sep-14	(Forecast) Oct-14	Total May - Oct	
1	Volumes															
2	Residential Heat & Non Heat												457,929	801,191	1,259,120	
3	Sales HLF Classes												207,160	362,447	569,608	
4	Sales LLF Classes												284,332	497,467	781,799	
5	Total												949,421	1,661,106	2,610,527	
6	Rates															
7	Residential Heat & Non Heat CGA												\$0.6153	\$0.6153		
8	Sales HLF Classes CGA												\$0.5638	\$0.5638		
9	Sales LLF Classes CGA												\$0.6529	\$0.6529		
10	Revenues															
11	Residential Heat & Non Heat												\$ (281,764)	\$ (492,973)	\$ (774,737)	
12	Sales HLF Classes												\$ (116,797)	\$ (204,348)	\$ (321,145)	
13	Sales LLF Classes												\$ (185,640)	\$ (324,796)	\$ (510,436)	
14	Total Sales		\$ (245,192)	\$ (320)	\$ (566)	\$ 110	\$ (100)	\$ 10	\$ (1,051,424)	\$ (529,019)	\$ (609,054)	\$ (487,330)	\$ (584,201)	\$ (1,022,117)	\$ (4,283,145)	
15																
16			Winter						Summer							
17	Gas Costs and Credits	Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	Jul-14	Aug-14	(Forecast) Sep-14	(Forecast) Oct-14	Total May - Oct	
18	Net Demand Costs (Net of Injection Fees & Cap. Assign.)															
19	Pipeline												\$ 88,966	\$ 88,966	\$ 177,931	
20	Storage												\$ 57,280	\$ 57,280	\$ 114,561	
21	Peaking												\$ 5,876	\$ 5,876	\$ 11,751	
22	Total Demand Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,274	\$ 154,274	\$ 154,274	\$ 154,274	\$ 152,122	\$ 152,122	\$ 921,341	
25	NUI Commodity Costs															
26	NUI Total Pipeline Volumes												195,522	411,344		
27	Pipeline Costs Modeled in Sendout™												\$ 932,027	\$ 2,007,595		
28	NYMEX Price Used for Forecast												\$ 4.5570	\$ 4.5650		
29	NYMEX Price Used for Update												\$ 3.9570	\$ 3.8500		
30	Increase/(Decrease) NYMEX Price												\$ (0.60)	\$ (0.72)		
31	Increase/(Decrease) in Pipeline Costs												\$ (117,313)	\$ (294,111)		
32	Updated Pipeline Costs												\$ 814,714	\$ 1,713,484		
33	Interruptible Volumes - NH												0	0		
34	Average Supply Cost (\$/MMBtu)												\$ 4.17	\$ 4.17		
35	Interruptible Cost - NH												\$ -	\$ -		
36	Total Updated Pipeline Costs												\$ 814,714	\$ 1,713,484		
37	New Hampshire Allocated Percentage												48.65%	44.53%		
38	NH Updated Pipeline Costs								\$ 154,274	\$ 154,274	\$ 154,274	\$ 154,274	\$ 396,325	\$ 762,955	\$ 1,776,377	
39	Hedging (Gain)/Loss Estimate															
40	Time Triggered NYMEX Contracts (Allocated between ME and NH)															
41	NYMEX NG Futures Contracts												0	0		
42	Average Purchase Price												\$ -	\$ 4.1030		
43	NYMEX Price Used for Forecast												\$ 4.5570	\$ 4.5650		
44	NYMEX Price Used for Update												\$ 3.9570	\$ 3.8500		
45	Increase/(Decrease) NYMEX Price												\$ (0.6000)	\$ (0.7150)		
46	NUI Futures Hedging (Gain)/Loss - Allocate												\$ -	\$ -	\$ -	
47	New Hampshire Allocated Percentage												48.65%	44.53%		
48	NH Futures Hedging (Gain)/Loss, Time Triggered												\$ -	\$ -	\$ -	
49	NH Commodity Costs															
50	Pipeline Excl Hedging												\$ 396,325	\$ 762,955	\$ 1,159,280	
51	Hedging (Gain)/Loss Estimate												\$ -	\$ -	\$ -	
52	Storage												\$ -	\$ -	\$ -	
53	Peaking												\$ 4,612	\$ 4,320	\$ 8,932	
54	Total Commodity Costs								\$ 630,197	\$ 454,853	\$ 423,649	\$ 393,291	\$ 400,937	\$ 767,275	\$ 3,070,202	

Northern Utilities

NEW HAMPSHIRE (Over) / Undercollection Analysis, Balances and Interest Calculation

[illegible]

Northern Utilities, Inc.
Price Risk Management
Profit and Loss Statement
September 2014

Account # 53325

Current

ACB	\$9.30
TE	\$9.30
LV	\$210,456.30

ACTIVITY - Purchase Cost and Profit and Loss	Expense	Profit and Loss
--	---------	-----------------

Date	Description	State	Contracts	Option Premium	Strike Price	Option Purchase Cost	
08/27/14	Bot Mar16 Options	Both	33	\$0.105	\$6.500	\$34,650.00	
	<i>Net P&L</i>						\$0.00

TRANSACTION COSTS	Subtotal	Total
-------------------	----------	-------

Transaction Cost-Enter Options	Both	33	\$7.37		(\$243.21)	
Transaction Cost-Exit Options		0	\$3.37		\$0.00	
<i>Total New Transaction Costs</i>						(\$243.21)

OPEN CALL OPTION POSITIONS-Expense and Open Trade Equity	Total	Total
--	-------	-------

	State	QTY	Actual Option Premium	Option Purchase Cost	Strike Price	08/29/14 Futures Price	Current Open Trade Equity
08/09/13	NH	8	0.095	\$7,600.00	\$5.000	\$4.116	\$0.00
04/26/13	ME	8	0.105	\$8,400.00	\$5.800	\$4.116	\$0.00
08/09/13	NH	11	0.100	\$11,000.00	\$5.250	\$4.197	\$0.00
05/29/13	ME	12	0.115	\$13,800.00	\$6.100	\$4.197	\$0.00
08/09/13	NH	13	0.100	\$13,000.00	\$5.500	\$4.266	\$0.00
06/26/13	ME	13	0.110	\$14,300.00	\$5.900	\$4.266	\$0.00
08/09/13	NH	11	0.100	\$11,000.00	\$5.600	\$4.248	\$0.00
07/29/13	ME	12	0.105	\$12,600.00	\$5.750	\$4.248	\$0.00
08/28/13	Both	20	0.104	\$20,800.00	\$5.850	\$4.170	\$0.00
04/28/14	Both	27	0.105	\$28,350.00	\$5.700	\$4.045	\$0.00
05/28/14	Both	42	0.108	\$45,360.00	\$6.000	\$4.190	\$0.00
06/26/14	Both	52	0.110	\$57,200.00	\$6.500	\$4.305	\$0.00
07/29/14	Both	41	0.103	\$42,230.00	\$6.250	\$4.280	\$0.00
08/27/14	Both	33	0.105	\$34,650.00	\$6.500	\$4.205	\$0.00
<i>Total Expense, Open Trade Equity</i>				\$320,290.00			\$0.00

OPEN CALL OPTION POSITIONS- Long Option Value	Total
---	-------

	State	QTY	Current Option Premium	Current Option Value	Strike Price
08/09/13	NH	8	0.0143	\$1,144.00	\$5.000
04/26/13	ME	8	0.0019	\$152.00	\$5.800
08/09/13	NH	11	0.0266	\$2,926.00	\$5.250
05/29/13	ME	12	0.0068	\$816.00	\$6.100
08/09/13	NH	13	0.0538	\$6,994.00	\$5.500
06/26/13	ME	13	0.0335	\$4,355.00	\$5.900
08/09/13	NH	11	0.0825	\$9,075.00	\$5.600
07/29/13	ME	12	0.0720	\$8,640.00	\$5.750
08/28/13	Both	20	0.0878	\$17,560.00	\$5.850
04/28/14	Both	27	0.0553	\$14,931.00	\$5.700
05/28/14	Both	42	0.0681	\$28,602.00	\$6.000
06/26/14	Both	52	0.0799	\$41,548.00	\$6.500
07/29/14	Both	41	0.1029	\$42,189.00	\$6.250
08/01/37	Both	33	0.0955	\$31,515.00	\$6.500
08/29/14 <i>Total Long Option Value</i>				\$210,447.00	

MARGIN CASH BALANCE	Subtotal	Total
---------------------	----------	-------

09/01/14	Beginning Balance-carried forward from last month		\$2.51
	Interest Credit	\$0.00	
	Net Deposit to Margin Account	\$34,900.00	
	Option Premiums of new activity	(\$34,650.00)	
	Monthly Net P&L	\$0.00	
	Monthly Transaction Costs	(\$243.21)	
	<i>Total Monthly Cash Adjustment</i>		\$6.79
08/29/14	Ending Balance (ACB)		\$9.30

NORTHERN UTILITIES, INC.
DETERMINATION OF INVENTORY FINANCING FROM MONEY POOL
August 2014

	Total Inventory	Average bal beg + end / 2	Internally Financed	Money Pool Interest Rate	Interest to Defer	NH	ME
January 2013	\$6,466,995.71	\$7,918,468.38	\$7,918,468.38	1.98%	\$13,065.47	\$6,062.38	\$7,003.09
February	\$3,490,957.62	\$4,978,976.67	\$4,978,976.67	1.98%	\$8,215.31	\$3,811.90	\$4,403.41
March	\$1,642,963.61	\$2,566,960.61	\$2,566,960.61	1.98%	\$4,235.49	\$1,965.27	\$2,270.22
April	\$3,429,843.57	\$2,536,403.59	\$2,536,403.59	1.98%	\$4,185.07	\$1,941.87	\$2,243.20
May	\$12,336,256.67	\$7,883,050.12	\$7,883,050.12	1.97%	\$12,941.34	\$6,004.78	\$6,936.56
June	\$7,473,818.58	\$9,905,037.62	\$9,905,037.62	1.97%	\$16,260.77	\$7,545.00	\$8,715.77
July	\$9,199,742.08	\$8,336,780.33	\$8,336,780.33	1.97%	\$13,686.21	\$6,350.40	\$7,335.81
August	\$10,873,192.78	\$10,036,467.43	\$10,036,467.43	1.96%	\$16,392.90	\$7,606.30	\$8,786.59
September	\$12,585,461.10	\$11,729,326.94	\$11,729,326.94	1.96%	\$19,157.90	\$8,889.27	\$10,268.63
October	\$14,279,790.40	\$13,432,625.75	\$13,432,625.75	1.61%	\$18,022.11	\$8,362.26	\$9,659.85
November	\$13,406,859.30	\$13,843,324.85	\$13,843,324.85	1.56%	\$17,996.32	\$8,350.29	\$9,646.03
December	\$10,672,941.18	\$12,039,900.24	\$12,039,900.24	1.56%	\$15,651.87	\$7,262.47	\$8,389.40
January 2014	\$6,995,461.07	\$8,834,201.13	\$8,834,201.13	1.56%	\$11,484.46	\$5,328.79	\$6,155.67
February	\$3,600,670.19	\$5,298,065.63	\$5,298,065.63	1.55%	\$6,843.33	\$3,175.31	\$3,668.03
March	\$1,384,721.84	\$2,492,696.01	\$2,492,696.01	1.55%	\$3,219.73	\$1,493.96	\$1,725.78
April	\$3,736,125.20	\$2,560,423.52	\$2,560,423.52	1.55%	\$3,307.21	\$1,534.55	\$1,772.67
May	\$6,048,965.75	\$4,892,545.48	\$4,892,545.48	1.55%	\$6,319.54	\$2,932.27	\$3,387.27
June	\$8,281,024.03	\$7,164,994.89	\$7,164,994.89	1.55%	\$9,254.79	\$4,294.22	\$4,960.56
July	\$10,495,523.84	\$9,388,273.93	\$9,388,273.93	1.55%	\$12,126.52	\$5,626.71	\$6,499.81
August	\$12,336,256.67	\$11,415,890.25	\$11,415,890.25	1.55%	\$14,745.52	\$6,841.92	\$7,903.60

Inventory ACCT #		<u>MMBTU</u>	<u>AMOUNT</u>
	PROPANE		
515104	Inventory - Liquid Propane	-	\$0.00
	LNG		
515152	Inventory - Liquified Natural Gas		
	NATURAL GAS	9,212	\$84,098.97
515114&115	Natural Gas Underground - SS-1 and FSS-1		
515116	Natural Gas Underground - SSNE	185,999	\$680,403.62
515113	Natural Gas Underground - MCN	2,503,292	\$11,571,754.09
516525	Washington 10 prepaid	-	
Total Inventory			<u><u>\$12,336,256.67</u></u>