

Calculation of the Cost of Gas Rate

Period Covered: Winter Period November 1, 2011 through April 30, 2012

Projected Gas Sales - therms		996,907
Total Anticipated Cost of Propane Sendout		\$2,134,869
Add: Prior Period Deficiency Uncollected Interest	\$33,215 \$3,560	
Deduct: Prior Period Excess Collected Interest	\$0 \$0	
Prior Period Adjustments and Interest		\$36,775
Total Anticipated Cost		<u>\$2,171,644</u>
Fixed Price Option Cost of Gas Rate (per therm) *	\$2.2357	
Forecasted Fixed Price Option Sales (therms)	<u>155,000</u>	
Forecasted Fixed Price Option Cost of Gas Revenue		\$346,534
Remaining Gas Cost to be Recovered		<u>\$1,825,110</u>
Forecasted Non-Fixed Price Option Sales (therms)		841,907
Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)		<u><u>\$2.1678</u></u>

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

Maximum Cost of Gas Rate - Non-Fixed Price Option (per therm) \$2.7098

* The Fixed Price Option rate was determined in the initial cost of gas filing on September 20, 2011, based on the Non-Fixed Price Option rate plus a \$0.02 fixed price option premium. (NHPUC Order No. 24,516)

Issued: October __, 2011
Effective: November 1, 2011

Issued By: _____
Michael D. Eastman
Treasurer

In Compliance with DG 11-212, Order No. _____

Calculation of the Cost of Gas Rate

Period Covered:	Winter Period November 1, 2010 through April 30, 2011 Winter Period November 1, 2011 through April 30, 2012		
Projected Gas Sales - therms			996,907
<u>Total Anticipated Cost</u>		<u>Cost/ Therm</u>	
Propane-	<u>Therms</u> -1,067,848	<u>\$1.5842</u>	\$1,688,434
Total Anticipated Cost of Propane Sendout			\$2,134,869
Add:	Prior Period (Deficiency Uncollected)	\$0	\$33,215
	Interest	\$0	\$3,560
Deduct:	Prior Period (Excess Collected)	(\$26,933)	\$0
	Interest	\$1,644	\$0
	Prior Period Adjusted		<u>(\$25,292)</u> \$36,775
Total Anticipated Cost			<u>\$1,663,442</u> \$2,171,644
Projected Gas Sales			-1,046,842 therms
<u>Cost of Gas</u>			
Beginning of Period Cost of Gas Rate			\$1.6356 per therm
Mid-Period Rate Adjustment - 01/01/11			\$0.1252 per therm
Mid-Period Rate Adjustment - 02/01/11			\$0.0829 per therm
Mid-Period Rate Adjustment - 04/01/11			\$0.2008 per therm
Revised Cost of Gas Rate Effective April 1, 2011			\$2.0445 per therm
Fixed Price Option Cost of Gas Rate (per therm)		\$2.2357	
Forecasted Fixed Price Option Sales (therms)		<u>155,000</u>	
Forecasted Fixed Price Option Cost of Gas Revenue			\$346,534
Remaining Gas Cost to be Recovered			<u>\$1,825,110</u>
Forecasted Non-Fixed Price Option Sales (therms)			841,907
Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)			<u>\$2.1678</u>

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

Maximum Cost of Gas Rate - Non-Fixed Price Option	<u>\$2.0445</u> per therm
	<u>\$2.7098</u> per therm

* The Fixed Price Option rate was determined in the initial cost of gas filing on September 20, 2011, based on the Non-Fixed Price Option rate plus a \$0.02 fixed price option premium. (NHPUC Order No. 24,516)

Issued: ~~March 24, 2011~~ October __, 2011
 Effective: ~~April 1, 2011~~ November 1, 2011

Issued By: _____
 Michael D. Eastman
 Treasurer

In Compliance with DG 10-249, Order No. 25,164
 In Compliance with DG 11-212, Order No. _____