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ORIGINAL	
N.H.P.U.C. Case No.	DG 11-212
Exhibit No.	#1
Witness	Brian R. Maloney
DO NOT RESTATE FROM FILE	

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September 20, 2010

VIA EMAIL AND FEDERAL EXPRESS

Ms. Debra A. Howland
Executive Director and Secretary
State of New Hampshire
Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Re: New Hampshire Gas Corporation: Winter 2011-2012 Cost of Gas Adjustment

Dear Ms. Howland:

In accordance with the Commission's Tariff Filing Rules and in accordance with the terms of New Hampshire Gas Corporation's ("NHGC") cost of gas adjustment, enclosed are an original and two (2) copies of the following pages: 45th Revised Tariff page 24, with supporting data and pre-filed testimony, proposed to become effective November 1, 2011. The tariff page and attachments provide the calculation of the Cost of Gas Adjustment for the Winter Period November 1, 2011 through April 30, 2012. For the six-month period, the Cost of Gas Rate for the Non-Fixed Price Option Program is \$2.2157 per therm and \$2.2357 per therm for the Fixed Price Option Program; and the total revenue to be collected by the cost of gas adjustment is \$2,208,885. Please note that NHGC's Motion for Protective Order relating to Appendix 4 is being filed under separate cover.

Also enclosed are an original and two (2) copies of the tariffs and supporting documentation for the new delivery rates reflecting an increase in delivery charges of \$57,746, beginning November 1, 2011, as authorized by the terms of the Settlement Agreement approved in Order 25,039. Please return a copy of the tariff page, bearing the Commission's receipt stamp, in the enclosed envelope. If you require further information, or have any questions, do not hesitate to contact me.

Sincerely,



Meabh Purcell

cc: Robert Wyatt, NHPUC
Brian R. Maloney, Rochester Gas and Electric Corporation

NEW HAMPSHIRE GAS CORPORATION

Winter 2011-2012 Cost of Gas Filing

Direct Testimony of Brian R. Maloney

1 **Q. Please state your name, employer and business address.**

2 A. My name is Brian R. Maloney. I am employed by Rochester Gas and Electric
3 Corporation ("RG&E") and my business address is 89 East Avenue, Rochester,
4 NY 14649.

5

6 **Q. What is your position?**

7 A. I am a Lead Analyst in the Rates and Regulatory Economics Department.

8

9 **Q. Please briefly describe your educational and professional background.**

10 A. I graduated from the Rochester Institute of Technology with a Bachelor of
11 Science degree in Business Administration. I joined RG&E in 2000 as an Analyst
12 in the Corporate Accounting Department, and transferred as a Lead Analyst to the
13 Rates and Regulatory Economics Department in 2004. Prior to joining RG&E, I
14 held financial analysis positions in the banking and telecommunications
15 industries.

16

17 **Q. Please summarize your responsibilities.**

18 A. My primary responsibilities currently consist of financial reporting, analysis,
19 forecasting and regulatory requirements related to RG&E's electric revenues and
20 margins. I have also been responsible for similar duties in RG&E's gas business,
21 and have prepared testimony, exhibits, and rate design for three gas rate cases. I
22 assumed responsibility in late-2010 for several of the regulatory requirements for
23 New Hampshire Gas Corporation ("NHGC" or the "Company") related to the
24 seasonal cost of gas ("COG") filings and reconciliations, monthly COG rate
25 adjustments, and monthly income statements.

26

1 **Q. Have you testified as a witness in any proceedings involving either company?**

2 A. I have testified as a witness before the New York Public Service Commission in
3 each of the last three RG&E delivery rate cases in 2002, 2004, and 2010,
4 primarily on the topics of gas revenue forecasts and rate design. I testified before
5 the New Hampshire Public Utilities Commission (the "Commission" or "PUC")
6 in NHGC's Summer 2011 Cost of Gas proceeding, Docket DG 11-054.

7
8 **Q. What is the purpose of your testimony in this proceeding?**

9 A. The purpose of my testimony is to explain the calculation of the Cost of Gas Rate
10 to be billed from November 1, 2011 to April 30, 2012. My testimony will also
11 address the delivery rate increase effective November 1, 2011 and other issues
12 related to the winter period.

13

14

COST OF GAS ADJUSTMENT

15

16 **Q. Please explain the calculation of the Cost of Gas Rate on the proposed 45th**
17 **revised Tariff Page 24.**

18 A. The proposed 45th revised Tariff Page 24 contains the calculation of the Winter
19 2011-2012 COG rate and summarizes the Company's forecast of propane sendout
20 and propane costs. The estimated total cost of the forecasted propane sendout
21 from November 1, 2011 through April 30, 2012 is \$2,172,053. The information
22 presented on the tariff page is supported by Schedules A through J that will be
23 described later in this testimony.

24

25 To derive the Total Anticipated Period Costs, the following adjustments have
26 been made:

27

- 1) The prior period under-collection of \$33,215 is added to the forecasted
28 propane costs. The calculation of the under-collection is demonstrated on
29 Schedule G.

30

1 2) Interest of \$3,617 is added to the forecasted propane costs. Schedule H
2 shows this forecasted interest calculation for the period May 2011 through
3 April 2012. The interest calculation is based on the Wall Street Journal's
4 posted prime rate.

5
6 The Non-Fixed Price Option ("Non-FPO") cost of gas rate of \$2.2157 per therm
7 is calculated by dividing the forecasted Total Anticipated Cost of \$2,208,885 by
8 the Projected Gas Sales of 996,907 therms. The Fixed Price Option ("FPO") rate
9 of \$2.2357 per therm was established by adding a \$0.02 premium to the Non-FPO
10 rate.

11
12 **Q. Please describe Schedule A.**

13 A. This Schedule A converts the gas costs from gallons to therms. The 1,094,097
14 therms represent propane sendout as detailed on Schedule B, Line 3, and the unit
15 cost of \$1.9883 per therm represents the average cost per therm for the winter
16 period sendout as detailed on Schedule F, Line 81.

17
18 **Q. What is Schedule B?**

19 A. Schedule B represents the under/(over) collection calculation for the 2011-2012
20 winter period based on the forecasted volumes, the cost of gas, and applicable
21 interest amounts. The Total Sendout forecast on Line 3 is the weather normalized
22 2010-2011 winter period firm sendout and company use. The Firm Sales forecast
23 on Line 9 is derived from weather normalized 2010-2011 winter period firm sales.
24 The weather normalization calculations for Sendout and Sales are found in
25 Schedules I and J respectively.

26
27 **Q. Are unaccounted-for gas volumes included in the filing?**

28 A. Unaccounted-for gas is included in the Firm Sendout on Schedule B, Line 1, and
29 is displayed on Line 4 of that schedule. The Company continues to actively
30 monitor its level of unaccounted-for volumes, which amounted to 2.92% per the
31 most recent U.S. DOT report for the twelve months ended June 30, 2011.

1 Although this rate is higher than the 1.66% for the prior twelve month period, it
2 nonetheless represents a continuation of significantly lower gas losses in
3 comparison to 5-10 years ago. The general reduction in loss levels is attributed to
4 a leak repair program, cast iron main replacements, and meter replacements.
5

6 **Q. Please describe Schedules C, D, and E.**

7 A Schedule C presents the calculation of the total forecasted cost of propane
8 purchases in the 2011-2012 winter period, segregated by Propane Purchase
9 Stabilization Plan ("PPSP") purchases, spot purchases, and storage costs.
10 Schedule D is a synopsis of the structure of PPSP pre-purchases for the winter
11 period, the monthly average rate of the pre-purchases, and the resulting weighted
12 average contract price for the winter period as used in Schedule C, Line 10.
13 Schedule E presents the forecast of the per-gallon cost for spot purchases as used
14 in Schedule C, Lines 24-29.
15

16 **Q. Please describe the Propane Purchase Stabilization Plan.**

17 A. The PPSP, as approved in Order No. 24,617 in Docket DG 06-037, was again
18 implemented with no material changes from prior years. As shown on Schedule
19 D, the company pre-purchased 700,000 gallons of propane between April and
20 September at a weighted average price of \$1.7949 per gallon (\$1.9616 per therm),
21 inclusive of broker fees, pipeline fees, PERC fees, and trucking charges from the
22 Selkirk, NY terminal.
23

24 **Q. How was the cost of spot purchases determined?**

25 A. The forecasted spot market prices of propane as shown on Schedule E are Mont
26 Belvieu propane futures quotations as of September 15, 2011. The delivered cost
27 of spot purchases is then determined by adding broker fees, pipeline fees, PERC
28 fees, and trucking charges.
29

1 **Q. Please describe Schedule F.**

2 A. Schedule F is a forecast of the weighted average cost of propane in inventory for
3 each month through April 2012. This Schedule is important as the total cost of
4 propane sendout each month is a weighted average cost inclusive of pre-
5 purchased deliveries, spot deliveries, and withdrawals from storage.
6

7 **Q. What is Schedule G?**

8 A. Schedule G shows the calculation of the actual under-collected balance for the
9 prior winter period November 2010 through April 2011, including interest. This
10 period has been audited by Commission Audit Staff and was found to be
11 materially accurate. The final under-collected balance of \$33,215 (Line 11) is
12 included on Schedule H, Line 1, Column 1.
13

14 **Q. How is Schedule H represented in the COG calculation?**

15 A. Schedule H presents the interest calculation on (over)/under collected balances
16 through April 2012. The prior period under-collection plus interest on that
17 balance through October 31, 2011 is included on Schedule B, Line 14 in the
18 "Prior" column. The forecasted monthly interest for the winter period 2011-2012
19 in Column 7 is included on Schedule B, Line 13. The net amount of the prior
20 period under-collection plus the total interest amount is also included on the tariff
21 page.
22

23 **FPO AND NON-FPO CUSTOMER PROGRAMS**
24

25 **Q. Will the Company offer an FPO program for the Winter Period 2011-2012?**

26 A. Yes, the Company intends to offer the FPO program for the upcoming winter
27 period to allow customers to lock in their cost of gas. Enrollment in this program
28 is limited to 50% of forecasted winter sales, with allotments made available to
29 both residential and commercial customers on a first-come, first-served basis.
30 The FPO enrollment period is expected to close on or about October 19, 2011,

1 and based on historical participation the Company expects FPO volumes of
2 approximately 170,000 therms.

3
4 **Q. Will a premium be applied to the FPO rate?**

5 A. Yes. As approved in Order No. 24,516, Docket DG 05-144, the Company applied
6 a \$0.02 per therm premium to the Non-FPO cost of gas rate to derive the FPO
7 rate.

8
9 **Q. How will customers be notified of the availability of the FPO program?**

10 A. A letter is expected to be mailed to all customers in late September 2011 advising
11 them of the program and how to participate in it.

12
13 **Q. Did the Company offer the FPO program for the winter period 2010-2011?**

14 A. No. The Company suspended the FPO program last winter because of an
15 embargo at its primary supply point in Selkirk, NY resulting from a pipeline leak
16 identified upstream in Gilboa, NY. The pipeline company could offer no
17 assurance that the terminal would be open for that heating season. A letter
18 describing these developments was sent to customers on October 5, 2010.

19
20 **Q. What is the status of the Selkirk terminal?**

21 A. The pipeline leak mentioned above was fully rectified, and the Selkirk terminal
22 was reopened over February-March 2011. However, as of early-September 2011,
23 the terminal was placed under a temporary embargo due to flooding in the area
24 caused by tropical storms Irene and Lee.

25
26 **Q. What is the potential impact on the FPO program of this temporary embargo
27 at the Selkirk terminal?**

28 A. The Company has been monitoring the situation closely. The Company's supplier
29 representative has stated the terminal is expected to re-open during the week of
30 September 25. In the event that the Company believes the re-opening of the
31 terminal before the start of the heating season is at risk, it will assess the

1 component of their bills compared to the prior winter period. When the monthly
2 customer charge and the per therm delivery charge are factored into the analysis,
3 the average customer would see a total bill increase of \$449.27 or 16.8%.
4

5 **Q. What is the impact of the winter period 2011-2012 COG rate on the average**
6 **residential heat and hot water customer choosing the Non-FPO program?**

7 A. As shown on Schedule K-2, Lines 32 and 33, the average residential heat and hot
8 water Non-FPO customer is projected to see an increase of \$389.61 or 23.3% in
9 the gas component of their bills compared to the prior winter period. When the
10 monthly customer charge and the per therm delivery charge are factored into the
11 analysis, the average customer would see a total bill increase of \$430.63 or
12 16.1%.
13

14 **Q. Please describe the impact of the winter period 2011-2012 COG rate on the**
15 **average commercial customer compared to the prior winter period.**

16 A. Schedules L-1 and L-2 illustrate that the average FPO and Non-FPO commercial
17 customer would see an increase in the gas component of their bills of \$645.87
18 (25.4%) and \$617.33 (24.3%) respectively. When the monthly customer charge
19 and the per therm delivery charge are included, the average FPO and Non-FPO
20 commercial customer would see total bill increases of \$709.77 (17.8%) and
21 \$681.23 (17.0%) respectively.
22

23 **OTHER ITEMS**
24

25 **Q. Please discuss any other adjustments to rates for the winter period 2011-**
26 **2012.**

27 A. Pursuant to the 2009 Settlement Agreement approved in Order No. 25,309, the
28 Company is authorized to increase its delivery revenues by an additional \$57,746
29 beginning November 1, 2011. The requisite marked and clean tariffs and the
30 supporting documentation for the new delivery rates are provided with this filing.
31

1 **Q. Please describe how the Company will meet its 7-day on-site storage**
2 **requirement.**

3 A. The Company has net storage capacity at its plant in Keene for approximately
4 75,000 gallons of propane. Additionally, the Company entered into a one year
5 contract for a 60,000 storage tank (51,000 gallons net capacity) at a facility
6 approximately 40 miles from the plant. The Company has arranged trucking from
7 this facility to the plant with Northern Gas Transport, Inc.
8

9 **Q. Has the Company researched diversifying its supply sources rather than**
10 **getting most of its propane supply from the Selkirk terminal?**

11 A. The Company has discussed with its supplier the reliability of the Selkirk terminal
12 and the source pipeline, and the possibility of diversifying away from that supply
13 point. In summary, the Company has determined its best course of action is to
14 utilize its supplier's knowledge and expertise in providing the best possible
15 purchase points for propane. Over the past 13 years, the supplier has provided a
16 commitment to meeting the Company's supply requirements while at the same
17 time being very conscientious of commodity pricing and shipping costs.
18

19 **Q. Is the Company requesting a waiver of N.H. Code Admin. Rule Puc 1203.05**
20 **which requires rate changes to be implemented on a service-rendered basis?**

21 A. Yes, the Company is requesting a waiver of N.H. Code Admin. Rule Puc 1203.05
22 as was granted in previous cost of gas and delivery rate proceedings. First, the
23 Company's customers are accustomed to rate changes on a bills-rendered basis
24 and an alteration in policy may result in customer confusion. Second, the
25 Company's billing system is not designed to accommodate a change to billing on
26 a service-rendered basis, and such a change would necessitate the modification or
27 replacement of the system at a substantial cost.
28

29 **Q. Does this conclude your testimony?**

30 A. Yes, it does.

NEW HAMPSHIRE GAS CORPORATION

COST OF GAS RATE FILING

WINTER PERIOD 2011 - 2012

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Calculation of the Cost of Gas Rate

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

<u>Total Anticipated Cost</u>		<u>Therms</u>	<u>Cost/ Therm</u>	
	Propane	1,094,097	\$1.9852	\$2,172,053
Add:	Prior Period (Deficiency Uncollected)		\$33,215	
	Interest		\$3,617	
Deduct:	Prior Period (Excess Collected)		\$0	
	Interest		\$0	
	Prior Period Adjusted			\$36,832
Total Anticipated Cost				<u>\$2,208,885</u>

Projected Gas Sales 996,907 therms

Cost of Gas

Non-Fixed Price Option	<u>\$2.2157</u> per therm
Fixed Price Option Premium	\$0.0200 per therm
Fixed Price Option	<u>\$2.2357</u> per therm

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 \$2.7696 per therm

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

Issued By: _____
Michael D. Eastman
Treasurer

In Compliance with DG 11- ____, 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

<u>Total Anticipated Cost</u>		<u>Therms</u>	<u>Cost/ Therm</u>	
	Propane	-1,067,818	\$1.5812	\$1,688,434
		1,094,097	\$1.9852	\$2,172,053
Add:	Prior Period (Deficiency Uncollected)		\$0	\$33,215
	Interest		\$0	\$3,617
Deduct:	Prior Period (Excess Collected)		(\$26,933)	\$0
	Interest		\$1,644	\$0
	Prior Period Adjusted			(\$25,292)
				<u>\$36,832</u>
Total Anticipated Cost				\$1,663,142
				\$2,208,885
Projected Gas Sales				-1,016,812 therms
				996,907 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
Beginning Period Cost of Gas Rate - Non-Fixed Price Option				<u>\$2.2157</u> per therm
Fixed Price Option Premium				\$0.0200 per therm
Cost of Gas Rate - Fixed Price Option				<u>\$2.2357</u> per therm

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	\$2.0445 per therm
	\$2.7696 per therm

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- ____, Order No. _____

NEW HAMPSHIRE GAS CORPORATION
 CONVERSION OF GAS COSTS - GALLONS TO THERMS
 WINTER PERIOD 2011 - 2012

	1	2	3	4	5	6
			<u>VOLUMES</u>		<u>UNIT COST</u>	
	<u>UNIT</u>	<u>CONVERSION FACTOR</u>	<u>GALLONS</u>	<u>THERMS</u>	<u>PER GALLON</u>	<u>PER THERM</u>
PROPANE FROM INVENTORY	GALLONS	0.91502	1,195,708	1,094,097	\$1.8194	\$1.9883

NEW HAMPSHIRE GAS CORPORATION

CALCULATION OF COST OF GAS RATE
SUPPLY / DEMAND BALANCE
WINTER PERIOD 2011 - 2012

	PRIOR	NOV 11	DEC 11	JAN 12	FEB 12	MAR 12	APR 12	TOTAL
<u>SENDOUT (THERMS)</u>								
1 FIRM SENDOUT *		134,155	217,200	237,077	201,059	168,366	102,745	1,060,602
2 COMPANY USE		4,506	6,598	7,342	6,299	5,335	3,415	33,495
3 TOTAL SENDOUT		138,661	223,798	244,419	207,358	173,701	106,160	1,094,097
4 * UNACCTED FOR VOLS INCLUDED		3,806	6,162	6,726	5,704	4,777	2,915	30,091
<u>COSTS</u>								
5 PROPANE SENDOUT FROM ABOVE		138,661	223,798	244,419	207,358	173,701	106,160	1,094,097
6 COST/THERM FROM SCHEDULE F		\$2.0298	\$2.0286	\$1.9966	\$1.9786	\$1.9489	\$1.9141	\$1.9883
7 FPO PREMIUM		(\$277)	(\$444)	(\$747)	(\$742)	(\$626)	(\$553)	(\$3,389)
8 TOTAL PROPANE COSTS		\$281,173	\$453,544	\$487,259	\$409,530	\$337,899	\$202,648	\$2,172,053
<u>REVENUES</u>								
9 FIRM SALES (THERMS)		81,377	130,733	219,770	218,115	184,199	162,713	996,907
10 RATE/THERM PER TARIFF		\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$2.2157
11 TOTAL REVENUES		\$180,310	\$289,670	\$486,953	\$483,286	\$408,137	\$360,529	\$2,208,885
12 (OVER)/UNDER COLLECTION		\$100,863	\$163,874	\$306	(\$73,756)	(\$70,238)	(\$157,881)	(\$36,832)
13 INTEREST FROM SCHEDULE H		\$228	\$587	\$811	\$714	\$521	\$213	\$3,074
14 FINAL (OVER)/UNDER COLLECTION	\$33,758	\$101,091	\$164,461	\$1,117	(\$73,042)	(\$69,717)	(\$157,668)	\$0

NEW HAMPSHIRE GAS CORPORATION
 CALCULATION OF PURCHASED PROPANE COSTS
 WINTER PERIOD 2011 - 2012

LINE NO.		NOV 2011	DEC 2011	JAN 2012	FEB 2012	MAR 2012	APR 2012	TOTAL
1	TOTAL SENDOUT (GALLONS)	151,539	244,583	267,119	226,616	189,833	116,019	1,195,708
2								
3	CHANGE TO ENDING INVENTORY BALANCE (GALLONS)	7,000	(4,000)	(5,000)	(17,000)	(37,000)	(23,000)	(79,000)
4								
5	TOTAL REQUIRED PURCHASES (GALLONS)	158,539	240,583	262,119	209,616	152,833	93,019	1,116,708
6								
7								
8	<u>PROPANE PURCHASE STABILIZATION PLAN DELIVERIES</u>							
9	GALLONS	90,000	140,000	160,000	140,000	110,000	60,000	700,000
10	<u>RATES</u> - from Schedule D							
11	Contract Price	\$1.7949	\$1.7949	\$1.7949	\$1.7949	\$1.7949	\$1.7949	
12	Broker Fee	incl.	incl.	incl.	incl.	incl.	incl.	
13	Pipeline Fee	incl.	incl.	incl.	incl.	incl.	incl.	
14	PERC Fee	incl.	incl.	incl.	incl.	incl.	incl.	
15	Trucking Fee	incl.	incl.	incl.	incl.	incl.	incl.	
16	COST PER GALLON	\$1.7949	\$1.7949	\$1.7949	\$1.7949	\$1.7949	\$1.7949	\$1.7949
17								
18	TOTAL COST - Propane Purchase Stabilization Plan Deliveries	\$161,541	\$251,286	\$287,184	\$251,286	\$197,439	\$107,694	\$1,256,430
19								
20								
21	<u>SPOT PURCHASES</u>							
22	GALLONS	68,539	100,583	102,119	69,616	42,833	33,019	416,708
23	<u>RATES</u> - from Schedule E							
24	Mt. Belvieu Futures Price (09/15/11)	\$1.6283	\$1.6317	\$1.6366	\$1.6078	\$1.4888	\$1.4146	
25	Broker Fee	\$0.0100	\$0.0100	\$0.0100	\$0.0100	\$0.0100	\$0.0100	
26	Pipeline Fee	\$0.1203	\$0.1203	\$0.1203	\$0.1203	\$0.1203	\$0.1203	
27	PERC Fee	\$0.0040	\$0.0040	\$0.0040	\$0.0040	\$0.0040	\$0.0040	
28	Trucking Fee	\$0.0748	\$0.0748	\$0.0748	\$0.0748	\$0.0748	\$0.0748	
29	COST PER GALLON	\$1.8374	\$1.8408	\$1.8457	\$1.8169	\$1.6979	\$1.6237	\$1.8056
30								
31	TOTAL COST - Spot Purchases	\$125,933	\$185,153	\$188,481	\$126,485	\$72,726	\$53,613	\$752,391
32								
33								
34	<u>OTHER COSTS</u>							
35	Storage Costs - Winter Period 2010-2011	\$10,000	\$0	\$0	\$0	\$0	\$0	\$10,000
36	Storage Costs - Winter Period 2011-2012	\$0	\$10,000	\$0	\$0	\$0	\$0	\$10,000
37	TOTAL OTHER COSTS	\$10,000	\$10,000	\$0	\$0	\$0	\$0	\$20,000
38								
39								
40	<u>TOTAL</u>							
41	GALLONS	158,539	240,583	262,119	209,616	152,833	93,019	1,116,708
42	THERMS	145,066	220,138	239,844	191,803	139,845	85,115	1,021,811
43	COST	\$297,474	\$446,439	\$475,665	\$377,771	\$270,165	\$161,307	\$2,028,821
44								
45	COST PER GALLON	\$1.8763	\$1.8557	\$1.8147	\$1.8022	\$1.7677	\$1.7341	\$1.8168
46	COST PER THERM	\$2.0506	\$2.0280	\$1.9832	\$1.9696	\$1.9319	\$1.8952	\$1.9855

NEW HAMPSHIRE GAS CORPORATION
 PROPANE PURCHASE STABILIZATION PROGRAM
 WINTER PERIOD 2011 - 2012

Line
 No.

1 2 3 4 5 6 7 8 9	Delivery Month	Pre-Purchases (Gallons)						Total
		Apr-11	May-11	Jun-11	Jul-11	Aug-11	Sep-11	
10	Nov-11	18,000	13,500	13,500	18,000	13,500	13,500	90,000
11	Dec-11	28,000	21,000	21,000	28,000	21,000	21,000	140,000
12	Jan-12	32,000	24,000	24,000	32,000	24,000	24,000	160,000
13	Feb-12	28,000	21,000	21,000	28,000	21,000	21,000	140,000
14	Mar-12	22,000	16,500	16,500	22,000	16,500	16,500	110,000
15	Apr-12	12,000	9,000	9,000	12,000	9,000	9,000	60,000
16	Total	140,000	105,000	105,000	140,000	105,000	105,000	700,000
17	Monthly %	20.0%	15.0%	15.0%	20.0%	15.0%	15.0%	

15	Delivery Price per Gallon ⁽¹⁾	\$1.7866	\$1.7549	\$1.8375	\$1.7767	\$1.7782	\$1.8442	Weighted Avg Contract Price \$1.7949
16	Delivery Price per Therm							\$1.9616

(1) Inclusive of broker fee, pipeline fee, PERC fee, standard trucking charge, and hedge premium charge.

NEW HAMPSHIRE GAS CORPORATION
 PROPANE SPOT MARKET PURCHASE COST ANALYSIS
 WINTER PERIOD 2011 - 2012

		<u>Mt. Belvieu</u> ¹		<u>Broker Fee</u>		<u>Subtotal</u>		<u>Pipeline Fee</u> ²		<u>PERC Fee</u>		<u>Cost @ Selkirk</u>		<u>Trucking to Keene</u> ³		<u>\$ per Gal.</u>		<u>\$ per Therm</u>
1	NOV	1.6283	+	0.0100	=	1.6383	+	0.1203	+	0.0040	=	1.7626	+	0.0748	=	1.8374	=	2.0081
2	DEC	1.6317	+	0.0100	=	1.6417	+	0.1203	+	0.0040	=	1.7660	+	0.0748	=	1.8408	=	2.0117
3	JAN	1.6366	+	0.0100	=	1.6466	+	0.1203	+	0.0040	=	1.7709	+	0.0748	=	1.8457	=	2.0171
4	FEB	1.6078	+	0.0100	=	1.6178	+	0.1203	+	0.0040	=	1.7421	+	0.0748	=	1.8169	=	1.9857
5	MAR	1.4888	+	0.0100	=	1.4988	+	0.1203	+	0.0040	=	1.6231	+	0.0748	=	1.6979	=	1.8555
6	APR	1.4146	+	0.0100	=	1.4246	+	0.1203	+	0.0040	=	1.5489	+	0.0748	=	1.6237	=	1.7745

1. Propane futures market quotations (http://quotes.ino.com/exchanges/?r=CLRP_1R) on 9/15/11. See Appendix 1.

2. TE Products Pipeline Co., FERC tariff 54.8.0, effective 9/2/11 (www.enterpriseproducts.com/customers/tariffs.shtml). See Appendix 2A & 2B.

3. Northern Gas Transport trucking rate including diesel fuel surcharge. See Appendix 3A & 3B.

NEW HAMPSHIRE GAS CORPORATION
 PRIOR PERIOD (OVER)/UNDER COLLECTION
 WINTER PERIOD 2010 - 2011

	<u>PRIOR</u>	<u>NOV-10</u>	<u>DEC-10</u>	<u>JAN-11</u>	<u>FEB-11</u>	<u>MAR-11</u>	<u>APR-11</u>	<u>TOTAL</u>
1 SALES (therms)		81,134	130,282	223,075	229,141	193,973	165,539	1,023,144
2 COG RATE PER TARIFF		\$1.6356	\$1.6356	\$1.7608	\$1.8437	\$1.8437	\$2.0445	
3 TOTAL REVENUES		\$132,703	\$213,090	\$392,791	\$422,467	\$357,627	\$338,445	\$1,857,123
4 COMPANY USE		4,506	6,598	7,342	6,299	5,335	3,415	33,495
5 HEATING DEGREE DAYS (Concord)		788	1,187	1,442	1,222	1,011	563	6,213
6 TOTAL SENDOUT (therms)		134,139	219,144	249,296	213,271	172,727	99,951	1,088,529
7 COST PER THERM		\$1.7198	\$1.7483	\$1.7814	\$1.7835	\$1.7650	\$1.7179	\$1.7591
8 TOTAL COSTS		\$230,692	\$383,119	\$444,093	\$380,378	\$304,857	\$171,707	\$1,914,846

9 ACTUAL (OVER)/UNDER COLLECTION		\$97,989	\$170,030	\$51,302	(\$42,089)	(\$52,770)	(\$166,739)	\$57,723
10 INTEREST AMOUNT		\$59	\$422	\$723	\$737	\$610	\$315	\$2,865
11 FINAL (OVER)/UNDER COLLECTION	(\$27,374)	\$70,674	\$241,125	\$293,150	\$251,798	\$199,638	\$33,215	

NEW HAMPSHIRE GAS CORPORATION

INTEREST CALCULATION
WINTER PERIOD 2011 - 2012

LINE NO.	MONTH	(1) BEG. OF MONTH BALANCE	(2) (OVER) UNDER COLLECT	(3) REFUNDS	(4) END OF MONTH BALANCE (COL.1+2+3)	(5) AVERAGE BALANCE COL. (COL. [1+4]/2)	(6) ANNUAL INTEREST RATE	(7) INTEREST AMOUNT	(8) MONTH END BAL. WITH INTEREST (COL. 4+7)
1	MAY 2011	\$33,215	\$0	\$0	\$33,215	\$33,215	3.25%	\$90	\$33,305
2	JUN	33,305	0	0	33,305	33,305	3.25%	90	33,395
3	JUL	33,395	0	0	33,395	33,395	3.25%	90	33,485
4	AUG	33,485	0	0	33,485	33,485	3.25%	91	33,576
5	SEP	33,576	0	0	33,576	33,576	3.25%	91	33,667
6	OCT	33,667	0	0	33,667	33,667	3.25%	91	33,758
7	NOV	33,758	100,863	0	134,621	84,190	3.25%	228	134,849
8	DEC	134,849	163,874	0	298,723	216,786	3.25%	587	299,310
9	JAN 2012	299,310	306	0	299,616	299,463	3.25%	811	300,427
10	FEB	300,427	(73,756)	0	226,671	263,549	3.25%	714	227,385
11	MAR	227,385	(70,238)	0	157,147	192,266	3.25%	521	157,668
12	APR	157,668	(157,881)	0	(213)	78,728	3.25%	213	0
13									
14								<u>\$3,617</u>	
15									
16									

17 PRIOR PERIOD BEG. BALANCE w/INTEREST @ NOVEMBER 1, 2011 =
 18 PRIOR PERIOD BEG. BAL. @ MAY 1, 2011 + INTEREST AMOUNT FOR MAY 2011 - OCT 2011
 19
 20
 21 = COL. 1, LINE 1 + COL. 7, LINES 1 TO 6
 22 = 33,215 + 543 = 33,758 @ NOVEMBER 1, 2011
 23 (TRANSFER TO SCHEDULE B, LINE 14)

New Hampshire Gas Corporation Weather Normalization - Firm Sendout													
Period	Actual Firm Sendout	Base Use	Heat Use	Actual Calendar Month Degree Days	Normal Calendar Month Degree Days	Colder (Warmer) Than Normal	Actual Unit Heat Load Therm/DD	Weather Adjustment	Normal Heat Load	Normalized Firm Sendout	Actual Company Use	Unaccounted For 2.92%	Total Firm Sendout
	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)
			(1) - (2)			(4) - (5)	(3) / (4)	(6) X (7)	(3) + (8)	(1) - (3) + (9)		(10 - 11) * 2.92%	(10) - (11) + (12)
Nov-10	134,139	40,138	94,001	788	794	(6)	119.29	716	94,717	134,855	4,506	3,806	134,155
Dec-10	219,144	40,138	179,005	1,187	1,177	10	150.80	(1,508)	177,497	217,636	6,598	6,162	217,200
Jan-11	249,296	40,138	209,158	1,442	1,362	80	145.05	(11,604)	197,554	237,693	7,342	6,726	237,077
Feb-11	213,271	40,138	173,133	1,222	1,140	82	141.68	(11,618)	161,515	201,653	6,299	5,704	201,059
Mar-11	172,727	40,138	132,589	1,011	982	29	131.15	(3,803)	128,786	168,924	5,335	4,777	168,366
Apr-11	99,951	40,138	59,813	563	594	(31)	106.24	3,293	63,107	103,245	3,415	2,915	102,745
Total	1,088,529	240,829	847,700	6,213	6,049	164		(24,524)	823,176	1,064,005	33,495	30,091	1,060,602

New Hampshire Gas Corporation Weather Normalization - Sales Rate Residential											
Period	Billing Cycle Customers	Billing Cycle Sales	Base Load	Heating Load	Billing Cycle Monthly Actual Degree Days	Billing Cycle Monthly Normal Degree Days	Colder (Warmer) Than Normal	Actual Unit Heat Load Therm/DD	Weather Adjustment	Normal Heat Load	Normal Firm Billing Cycle Therms
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
				(1) - (3)			(4) - (5)	(3) / (4)	(6) X (7)	(3) + (8)	(1) - (3) + (9)
Nov-10	800	19,836	6,658	13,178	565	568	(3)	23.32	70	13,248	19,906
Dec-10	808	32,194	6,658	25,536	846	850	(4)	30.18	121	25,657	32,315
Jan-11	815	53,060	6,658	46,402	1,240	1,216	24	37.42	(898)	45,504	52,162
Feb-11	809	55,869	6,658	49,211	1,398	1,317	81	35.20	(2,851)	46,360	53,018
Mar-11	813	45,071	6,658	38,413	1,184	1,112	72	32.44	(2,336)	36,077	42,735
Apr-11	809	39,512	6,658	32,854	938	918	20	35.03	(701)	32,153	38,811
Total		245,542	39,948	205,594	6,171	5,981	190	34.71	(6,595)	198,999	238,947

New Hampshire Gas Corporation Weather Normalization - Sales Rate Commercial											
Period	Billing Cycle Customers	Billing Cycle Sales	Base Load	Heating Load	Billing Cycle Monthly Actual Degree Days	Billing Cycle Monthly Normal Degree Days	Colder (Warmer) Than Normal	Actual Unit Heat Load Therm/DD	Weather Adjustment	Normal Heat Load	Normal Firm Billing Cycle Therms
		(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
				(1) - (3)			(4) - (5)	(3) / (4)	(6) X (7)	(3) + (8)	(1) - (3) + (9)
Nov-10	347	61,298	29,286	32,012	556	559	(3)	57.58	173	32,185	61,471
Dec-10	358	98,088	29,286	68,802	833	837	(4)	82.60	330	69,132	98,418
Jan-11	364	170,015	29,286	140,729	1,228	1,207	21	114.60	(2,407)	138,322	167,608
Feb-11	367	173,272	29,286	143,986	1,409	1,329	80	102.19	(8,175)	135,811	165,097
Mar-11	371	148,902	29,286	119,616	1,190	1,116	74	100.52	(7,438)	112,178	141,464
Apr-11	367	126,027	29,286	96,741	956	935	21	101.19	(2,125)	94,616	123,902
Total		777,602	175,716	601,886	6,172	5,983	189	103.93	(19,642)	582,244	757,960

Total Winter Season Normal Sales

November	81,377
December	130,733
January	219,770
February	218,115
March	184,199
April	162,713
Total	<u>996,907</u>

New Hampshire Gas Corporation
 Typical Residential Heating Bill - Fixed Price Option Program
 Forecasted 2011-2012 Winter Period vs. Actual 2010-2011 Winter Period

12 MONTHS ENDED 04/2011	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	Winter Nov-Apr	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Summer May-Oct	Total Nov-Oct
Typical Usage - therms (1)	109	150	187	188	166	132	932	90	55	30	30	42	71	318	1,250
Residential Heating															
Customer Charge	\$8.60	\$8.60	\$8.60	\$8.60	\$8.60	\$8.60	\$51.60	\$8.20	\$8.20	\$8.20	\$8.20	\$8.20	\$8.20	\$49.20	\$100.80
Delivery Charge:															
Winter															
Summer															
First 80 therms @ \$1.1108	\$88.86	\$88.86	\$88.86	\$88.86	\$88.86	\$88.86	\$533.16	\$85.55	\$58.82	\$32.08	\$32.08	\$44.91	\$75.93	\$329.37	\$862.53
Next 120 therms @ \$0.9028	\$26.18	\$63.20	\$96.60	\$97.50	\$77.64	\$46.95	\$408.07	\$8.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8.61	\$416.68
Over 200 therms @ \$0.7532	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Base Delivery Revenue Total	\$123.64	\$160.66	\$194.06	\$194.96	\$175.10	\$144.41	\$992.83	\$102.36	\$67.02	\$40.28	\$40.28	\$53.11	\$84.13	\$387.18	\$1,380.01
Rate Case Surcharge	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		\$0.0851	\$0.0851	\$0.0851	\$0.0851	\$0.0851	\$0.0851		
Rate Case Surcharge Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7.66	\$4.68	\$2.55	\$2.55	\$3.57	\$6.04	\$27.05	\$27.05
COG Rates (Non-FPO rate; FPO was not offered)	\$1.6356	\$1.6356	\$1.7608	\$1.8437	\$1.8437	\$2.0445	\$1.7977	\$1.6796	\$1.6796	\$1.5444	\$1.5444	\$1.6303	\$1.8287	\$1.6808	
Cost of Gas Total	\$178.28	\$245.34	\$329.27	\$346.62	\$306.05	\$269.87	\$1,675.43	\$151.16	\$92.38	\$46.33	\$46.33	\$68.47	\$129.84	\$534.51	\$2,209.94
Total Bill	\$302	\$406	\$523	\$542	\$481	\$414	\$2,668	\$261	\$164	\$89	\$89	\$125	\$220	\$949	\$3,617
12 MONTHS ENDED 04/2012	Nov-11	Dec-11	Jan-12	Feb-12	Feb-12	Mar-12	Winter Nov-Apr	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Summer May-Oct	Total Nov-Oct
Typical Usage - therms (1)	109	150	187	188	166	132	932	90	55	30	30	42	71	318	1,250
Residential Heating															
Customer Charge	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$54.00	\$8.60	\$8.60	\$8.60	\$8.60	\$8.60	\$8.60	\$51.60	\$105.60
Delivery Charge:															
Winter															
Summer															
First 80 therms @ \$1.1522	\$92.18	\$92.18	\$92.18	\$92.18	\$92.18	\$92.18	\$553.08	\$88.86	\$61.09	\$33.32	\$33.32	\$46.65	\$78.87	\$342.11	\$895.19
Next 120 therms @ \$0.9442	\$27.38	\$66.09	\$101.03	\$101.97	\$81.20	\$49.10	\$426.77	\$9.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9.03	\$435.80
Over 200 therms @ \$0.7946	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Base Delivery Revenue Total	\$128.56	\$167.27	\$202.21	\$203.15	\$182.38	\$150.28	\$1,033.85	\$106.49	\$69.69	\$41.92	\$41.92	\$55.25	\$87.47	\$402.74	\$1,436.59
Seasonal Base Delivery Difference from previous year							\$41.02							\$15.56	\$56.58
Seasonal Percent Change from previous year							4.1%							4.0%	4.1%
Rate Case Surcharge	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		
Rate Case Surcharge Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COG Rates	\$2.2357	\$2.2357	\$2.2357	\$2.2357	\$2.2357	\$2.2357	\$2.2357	\$1.9493	\$1.9493	\$2.1945	\$2.2449	\$2.2449	\$2.2449	\$2.1054	
Cost of Gas Total	\$243.69	\$335.36	\$418.08	\$420.31	\$371.13	\$295.11	\$2,083.68	\$175.44	\$107.21	\$65.84	\$67.35	\$94.29	\$159.39	\$669.52	\$2,753.20
Seasonal COG Difference from previous year							\$408.25							\$135.01	\$543.26
Seasonal Percent Change from previous year							24.4%							25.3%	24.6%
Total Bill	\$372	\$503	\$620	\$623	\$554	\$445	\$3,118	\$282	\$177	\$108	\$109	\$150	\$247	\$1,072	\$4,190
Seasonal Total Bill Difference from previous year							\$449.27							\$123.52	\$572.79
Seasonal Percent Change from previous year							16.8%							13.0%	15.8%
Seasonal Percent Change resulting from Base Rates							1.5%							1.6%	1.6%
Seasonal Percent Change resulting from COG							15.3%							14.2%	15.0%

(1) Residential Heating Typical Usage: Single family detached home using gas for heat, hot water and cooking.

New Hampshire Gas Corporation
 Typical Residential Heating Bill - Non-Fixed Price Option Program
 Forecasted 2011-2012 Winter Period vs. Actual 2010-2011 Winter Period

12 MONTHS ENDED 04/2011		Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	Winter Nov-Apr	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Summer May-Oct	Total Nov-Oct
Typical Usage - therms (1)		109	150	187	188	166	132	932	90	55	30	30	42	71	318	1,250
Residential Heating																
Customer Charge		\$8.60	\$8.60	\$8.60	\$8.60	\$8.60	\$8.60	\$51.60	\$8.20	\$8.20	\$8.20	\$8.20	\$8.20	\$8.20	\$49.20	\$100.80
Delivery Charge:																
	Winter Summer															
	First 80 therms @ \$1.1108 \$1.0694	\$88.86	\$88.86	\$88.86	\$88.86	\$88.86	\$88.86	\$533.16	\$85.55	\$58.82	\$32.08	\$32.08	\$44.91	\$75.93	\$329.37	\$862.53
	Next 120 therms @ \$0.9028 \$0.8614	\$26.18	\$63.20	\$96.60	\$97.50	\$77.64	\$46.95	\$408.07	\$8.61	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$8.61	\$416.68
	Over 200 therms @ \$0.7532 \$0.7116	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Base Delivery Revenue Total		\$123.64	\$160.66	\$194.06	\$194.96	\$175.10	\$144.41	\$992.83	\$102.36	\$67.02	\$40.28	\$40.28	\$53.11	\$84.13	\$387.18	\$1,380.01
Rate Case Surcharge		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		\$0.0851	\$0.0851	\$0.0851	\$0.0851	\$0.0851	\$0.0851		
Rate Case Surcharge Total		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$7.66	\$4.68	\$2.55	\$2.55	\$3.57	\$6.04	\$27.05	\$27.05
COG Rates		\$1.6356	\$1.6356	\$1.7608	\$1.8437	\$1.8437	\$2.0445	\$1.7977	\$1.6796	\$1.6796	\$1.5444	\$1.5444	\$1.6303	\$1.8287	\$1.6808	
Cost of Gas Total		\$178.28	\$245.34	\$329.27	\$346.62	\$306.05	\$269.87	\$1,675.43	\$151.16	\$92.38	\$46.33	\$46.33	\$68.47	\$129.84	\$534.51	\$2,209.94
Total Bill		\$302	\$406	\$523	\$542	\$481	\$414	\$2,668	\$261	\$164	\$89	\$89	\$125	\$220	\$949	\$3,617
12 MONTHS ENDED 04/2012		Nov-11	Dec-11	Jan-12	Feb-12	Feb-12	Mar-12	Winter Nov-Apr	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Summer May-Oct	Total Nov-Oct
Typical Usage - therms (1)		109	150	187	188	166	132	932	90	55	30	30	42	71	318	1,250
Residential Heating																
Customer Charge		\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$9.00	\$54.00	\$8.60	\$8.60	\$8.60	\$8.60	\$8.60	\$8.60	\$51.60	\$105.60
Delivery Charge:																
	Winter Summer															
	First 80 therms @ \$1.1522 \$1.1108	\$92.18	\$92.18	\$92.18	\$92.18	\$92.18	\$92.18	\$553.08	\$88.86	\$61.09	\$33.32	\$33.32	\$46.65	\$78.87	\$342.11	\$895.19
	Next 120 therms @ \$0.9442 \$0.9028	\$27.38	\$66.09	\$101.03	\$101.97	\$81.20	\$49.10	\$426.77	\$9.03	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9.03	\$435.80
	Over 200 therms @ \$0.7946 \$0.7532	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
Base Delivery Revenue Total		\$128.56	\$167.27	\$202.21	\$203.15	\$182.38	\$150.28	\$1,033.85	\$106.49	\$69.69	\$41.92	\$41.92	\$55.25	\$87.47	\$402.74	\$1,436.59
Seasonal Base Delivery Difference from previous year								\$41.02							\$15.56	\$56.58
Seasonal Percent Change from previous year								4.1%							4.0%	4.1%
Rate Case Surcharge		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		
Rate Case Surcharge Total		\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COG Rates		\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$1.9493	\$1.9493	\$2.1945	\$2.2449	\$2.2449	\$2.2449	\$2.1054	
Cost of Gas Total		\$241.51	\$332.36	\$414.34	\$416.55	\$367.81	\$292.47	\$2,065.04	\$175.44	\$107.21	\$65.84	\$67.35	\$94.29	\$159.39	\$669.52	\$2,734.56
Seasonal COG Difference from previous year								\$389.61							\$135.01	\$524.62
Seasonal Percent Change from previous year								23.3%							25.3%	23.7%
Total Bill		\$370	\$500	\$617	\$620	\$550	\$443	\$3,099	\$282	\$177	\$108	\$109	\$150	\$247	\$1,072	\$4,171
Seasonal Total Bill Difference from previous year								\$430.63							\$123.52	\$554.15
Seasonal Percent Change from previous year								16.1%							13.0%	15.3%
Seasonal Percent Change resulting from Base Rates								1.5%							1.6%	1.6%
Seasonal Percent Change resulting from COG								14.6%							14.2%	14.5%

(1) Residential Heating Typical Usage: Single family detached home using gas for heat, hot water and cooking.

New Hampshire Gas Corporation
 Typical Commercial Bill - Fixed Price Option Program
 Forecasted 2011-2012 Winter Period vs. Actual 2010-2011 Winter Period

12 MONTHS ENDED 04/2011	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	Winter Nov-Apr	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Summer May-Oct	Total Nov-Oct
Typical Usage - therms	193	269	298	262	234	171	1,427	117	81	72	72	89	142	573	2,000
Commercial															
Customer Charge	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$103.20	\$16.40	\$16.40	\$16.40	\$16.40	\$16.40	\$16.40	\$98.40	\$201.60
Delivery Charge:															
<u>Winter</u> <u>Summer</u>															
First 80 therms @ \$1.1108	\$88.86	\$88.86	\$88.86	\$88.86	\$88.86	\$88.86	\$533.16	\$85.55	\$85.55	\$77.00	\$77.00	\$85.55	\$85.55	\$496.20	\$1,029.36
Next 120 therms @ \$0.9028	\$102.02	\$108.34	\$108.34	\$108.34	\$108.34	\$82.15	\$617.53	\$31.87	\$0.86	\$0.00	\$0.00	\$7.75	\$53.41	\$93.89	\$711.42
Over 200 therms @ \$0.7532	\$0.00	\$51.97	\$73.81	\$46.70	\$25.61	\$0.00	\$198.09	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$198.09
Base Delivery Revenue Total	\$208.08	\$266.37	\$288.21	\$261.10	\$240.01	\$188.21	\$1,451.98	\$133.82	\$102.81	\$93.40	\$93.40	\$109.70	\$155.36	\$688.49	\$2,140.47
Rate Case Surcharge	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		\$0.0851	\$0.0851	\$0.0851	\$0.0851	\$0.0851	\$0.0851		
Rate Case Surcharge Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9.96	\$6.89	\$6.13	\$6.13	\$7.57	\$12.08	\$48.76	\$48.76
COG Rates (Non-FPO rate; FPO was not offered)	\$1.6356	\$1.6356	\$1.7608	\$1.8437	\$1.8437	\$2.0445	\$1.7831	\$1.6796	\$1.6796	\$1.5444	\$1.5444	\$1.6303	\$1.8287	\$1.6749	
Cost of Gas Total	\$315.67	\$439.98	\$524.72	\$483.05	\$431.43	\$349.61	\$2,544.46	\$196.51	\$136.05	\$111.20	\$111.20	\$145.10	\$259.68	\$959.74	\$3,504.20
Total Bill	\$524	\$706	\$813	\$744	\$671	\$538	\$3,996	\$340	\$246	\$211	\$211	\$262	\$427	\$1,697	\$5,693
12 MONTHS ENDED 04/2012	Nov-11	Dec-11	Jan-12	Feb-12	Feb-12	Mar-12	Winter Nov-Apr	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Summer May-Oct	Total Nov-Oct
Typical Usage - therms	193	269	298	262	234	171	1,427	117	81	72	72	89	142	573	2,000
Commercial															
Customer Charge	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$108.00	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$103.20	\$211.20
Delivery Charge:															
<u>Winter</u> <u>Summer</u>															
First 80 therms @ \$1.1522	\$92.18	\$92.18	\$92.18	\$92.18	\$92.18	\$92.18	\$553.08	\$88.86	\$88.86	\$79.98	\$79.98	\$88.86	\$88.86	\$515.40	\$1,068.48
Next 120 therms @ \$0.9442	\$106.69	\$113.30	\$113.30	\$113.30	\$113.30	\$85.92	\$645.81	\$33.40	\$0.90	\$0.00	\$0.00	\$8.13	\$55.97	\$98.40	\$744.21
Over 200 therms @ \$0.7946	\$0.00	\$54.83	\$77.87	\$49.27	\$27.02	\$0.00	\$208.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$208.99
Base Delivery Revenue Total	\$216.87	\$278.31	\$301.35	\$272.75	\$250.50	\$196.10	\$1,515.88	\$139.46	\$106.96	\$97.18	\$97.18	\$114.19	\$162.03	\$717.00	\$2,232.88
Seasonal Base Delivery Difference from previous year							\$63.90							\$28.51	\$92.41
Seasonal Percent Change from previous year							4.4%							4.1%	4.3%
Rate Case Surcharge	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.00	\$0.00
Rate Case Surcharge Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COG Rates	\$2.2357	\$2.2357	\$2.2357	\$2.2357	\$2.2357	\$2.2357	\$2.2357	\$1.9493	\$1.9493	\$2.1945	\$2.2449	\$2.2449	\$2.2449	\$2.1364	
Cost of Gas Total	\$431.49	\$601.40	\$666.24	\$585.75	\$523.15	\$382.30	\$3,190.33	\$228.07	\$157.89	\$158.00	\$161.63	\$199.80	\$318.78	\$1,224.17	\$4,414.50
Seasonal COG Difference from previous year							\$645.87							\$264.43	\$910.30
Seasonal Percent Change from previous year							25.4%							27.6%	26.0%
Total Bill	\$648	\$880	\$968	\$859	\$774	\$578	\$4,706	\$368	\$265	\$255	\$259	\$314	\$481	\$1,941	\$6,647
Seasonal Total Bill Difference from previous year							\$709.77							\$244.18	\$953.95
Seasonal Percent Change from previous year							17.8%							14.4%	16.8%
Seasonal Percent Change resulting from Base Rates							1.6%							1.7%	1.6%
Seasonal Percent Change resulting from COG							16.2%							15.6%	16.0%

New Hampshire Gas Corporation
 Typical Commercial Bill - Non-Fixed Price Option Program
 Forecasted 2011-2012 Winter Period vs. Actual 2010-2011 Winter Period

12 MONTHS ENDED 04/2011	Nov-10	Dec-10	Jan-11	Feb-11	Mar-11	Apr-11	Winter Nov-Apr	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Summer May-Oct	Total Nov-Oct
Typical Usage - therms	193	269	298	262	234	171	1,427	117	81	72	72	89	142	573	2,000
Commercial															
Customer Charge	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$103.20	\$16.40	\$16.40	\$16.40	\$16.40	\$16.40	\$16.40	\$98.40	\$201.60
Delivery Charge:															
Winter															
Summer															
First 80 therms @ \$1.1108	\$88.86	\$88.86	\$88.86	\$88.86	\$88.86	\$88.86	\$533.16	\$85.55	\$85.55	\$77.00	\$77.00	\$85.55	\$85.55	\$496.20	\$1,029.36
Next 120 therms @ \$0.9028	\$102.02	\$108.34	\$108.34	\$108.34	\$108.34	\$108.34	\$82.15	\$31.87	\$0.86	\$0.00	\$0.00	\$7.75	\$53.41	\$93.89	\$711.42
Over 200 therms @ \$0.7532	\$0.00	\$51.97	\$73.81	\$46.70	\$25.61	\$0.00	\$198.09	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$198.09
Base Delivery Revenue Total	\$208.08	\$266.37	\$288.21	\$261.10	\$240.01	\$188.21	\$1,451.98	\$133.82	\$102.81	\$93.40	\$93.40	\$109.70	\$155.36	\$688.49	\$2,140.47
Rate Case Surcharge	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		\$0.0851	\$0.0851	\$0.0851	\$0.0851	\$0.0851	\$0.0851		
Rate Case Surcharge Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$9.96	\$6.89	\$6.13	\$6.13	\$7.57	\$12.08	\$48.76	\$48.76
COG Rates	\$1.6356	\$1.6356	\$1.7608	\$1.8437	\$1.8437	\$2.0445	\$1.7831	\$1.6796	\$1.6796	\$1.5444	\$1.5444	\$1.6303	\$1.8287	\$1.6749	
Cost of Gas Total	\$315.67	\$439.98	\$524.72	\$483.05	\$431.43	\$349.61	\$2,544.46	\$196.51	\$136.05	\$111.20	\$111.20	\$145.10	\$259.68	\$959.74	\$3,504.20
Total Bill	\$524	\$706	\$813	\$744	\$671	\$538	\$3,996	\$340	\$246	\$211	\$211	\$262	\$427	\$1,697	\$5,693
12 MONTHS ENDED 04/2012	Nov-11	Dec-11	Jan-12	Feb-12	Feb-12	Mar-12	Winter Nov-Apr	May-11	Jun-11	Jul-11	Aug-11	Sep-11	Oct-11	Summer May-Oct	Total Nov-Oct
Typical Usage - therms	193	269	298	262	234	171	1,427	117	81	72	72	89	142	573	2,000
Commercial															
Customer Charge	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$18.00	\$108.00	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$17.20	\$103.20	\$211.20
Delivery Charge:															
Winter															
Summer															
First 80 therms @ \$1.1522	\$92.18	\$92.18	\$92.18	\$92.18	\$92.18	\$92.18	\$553.08	\$88.86	\$88.86	\$79.98	\$79.98	\$88.86	\$88.86	\$515.40	\$1,068.48
Next 120 therms @ \$0.9442	\$106.69	\$113.30	\$113.30	\$113.30	\$113.30	\$113.30	\$85.92	\$33.40	\$0.90	\$0.00	\$0.00	\$8.13	\$55.97	\$98.40	\$744.21
Over 200 therms @ \$0.7946	\$0.00	\$54.83	\$77.87	\$49.27	\$27.02	\$0.00	\$208.99	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$208.99
Base Delivery Revenue Total	\$216.87	\$278.31	\$301.35	\$272.75	\$250.50	\$196.10	\$1,515.88	\$139.46	\$106.96	\$97.18	\$97.18	\$114.19	\$162.03	\$717.00	\$2,232.88
Seasonal Base Delivery Difference from previous year							\$63.90							\$28.51	\$92.41
Seasonal Percent Change from previous year							4.4%							4.1%	4.3%
Rate Case Surcharge	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000		
Rate Case Surcharge Total	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00
COG Rates	\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$2.2157	\$1.9493	\$1.9493	\$2.1945	\$2.2449	\$2.2449	\$2.2449	\$2.1364	
Cost of Gas Total	\$427.63	\$596.02	\$660.28	\$580.51	\$518.47	\$378.88	\$3,161.79	\$228.07	\$157.89	\$158.00	\$161.63	\$199.80	\$318.78	\$1,224.17	\$4,385.96
Seasonal COG Difference from previous year							\$617.33							\$264.43	\$881.76
Seasonal Percent Change from previous year							24.3%							27.6%	25.2%
Total Bill	\$645	\$874	\$962	\$853	\$769	\$575	\$4,678	\$368	\$265	\$255	\$259	\$314	\$481	\$1,941	\$6,619
Seasonal Total Bill Difference from previous year							\$681.23							\$244.18	\$925.41
Seasonal Percent Change from previous year							17.0%							14.4%	16.3%
Seasonal Percent Change resulting from Base Rates							1.6%							1.7%	1.6%
Seasonal Percent Change resulting from COG							15.4%							15.6%	15.5%

SCHEDULE M

New Hampshire Gas Corporation Historical COG Comparison - FPO vs. Non-FPO Price									
Winter Period	FPO Rate	Amount of Premium	Percent Participation (therms)	Actual FPO Volumes	Premium Revenue	Typical Residential FPO bill	Average Non-FPO Rate	Typical Residential Non-FPO bill	Cost/(Savings) to FPO Customers
2010-2011	----- FPO not offered due to Selkirk terminal embargo -----								
2009-2010	\$1.3402	\$0.02	17.12%	163,486	\$3,270	\$2,256	\$1.4900	\$2,396	(\$140)
2008-2009	\$2.2408	\$0.02	21.08%	205,970	\$4,119	\$2,974	\$1.7347	\$2,492	\$482
2007-2008	\$1.5212	\$0.02	28.01%	266,419	\$5,328	\$2,288	\$1.7646	\$2,520	(\$232)
2006-2007	\$1.4741	\$0.02	21.86%	206,686	\$4,134	\$2,250	\$1.5397	\$2,313	(\$63)
2005-2006	\$1.5260	\$0.02	42.91%	348,849	\$6,977	\$2,248	\$1.3742	\$2,103	\$145
2004-2005	\$1.2323	n/a	39.44%	340,315	n/a	\$1,946	\$1.2647	\$1,976	(\$30)
2003-2004	\$0.8877	n/a	38.78%	316,300	n/a	\$1,580	\$1.0325	\$1,718	(\$138)
Average						\$2,220		\$2,217	\$4

MONT BELVIEU PROPANE FUTURES - 09/15/11 CLOSE

ClearPort > MONT BELVIEU LDH PROPANE Nov 2011 (E)



Free Currency Trading
eBook From Forex.com

1.62833 +
2011-09-15

ClearPort > MONT BELVIEU LDH PROPANE Dec 2011 (E)



Free Currency Trading
eBook From Forex.com

1.63167 +
2011-09-15

ClearPort > MONT BELVIEU LDH PROPANE Jan 2012 (E)



Free Currency Trading
eBook From Forex.com

1.63656 +
2011-09-15

ClearPort > MONT BELVIEU LDH PROPANE Feb 2012 (E)



Free Currency Trading
eBook From Forex.com

1.60781 +
2011-09-15

ClearPort > MONT BELVIEU LDH PROPANE Mar 2012 (E)



Free Currency Trading
eBook From Forex.com

1.48875 +
2011-09-15

ClearPort > MONT BELVIEU LDH PROPANE Apr 2012 (E)



Free Currency Trading
eBook From Forex.com

1.41458 +
2011-09-15

RATES (In Cents-per-bbl.)

ITEM NO. 135 Non-Incentive Rates for Propane (Gulf Coast Origins)	
[U] All rates in this item are unchanged unless otherwise indicated.	
Destination	Origin
	Arcadia (Bienville Parish, LA) Mount Belvieu (Chambers Co., TX)
Arcadia (Bienville Parish, LA)	-- 171.16
Calvert City (Marshall Co., KY)	-- 318.70
Coshocton (Coshocton Co., OH)	347.71 371.45
Dexter (Stoddard Co., MO)	224.61 248.25
Du Bois (Clearfield Co., PA)	389.17 (1) 412.38 (1)
Eagle (Chester Co., PA)	409.42 433.16
Finger Lakes (Schuyler Co., NY)	415.02 438.34
Floreffe Junction (Allegheny Co., PA)	-- 353.81
Fontaine (Green Co., AR)	209.39 233.23
Greensburg (Westmoreland Co., PA)	365.96 (1) 389.17 (1)
Harford Mills (Cortland Co., NY)	416.44 (1) 439.83 (1)
Kingsland (Cleveland Co., AR)	185.90 197.81
Lebanon (Boone Co., IN)	268.94 292.78
Lima (Allen Co., OH)	289.65 313.60
North Little Rock (Pulaski Co., AR)	184.86 208.71
Oneonta (Otsego Co., NY)	452.05 (1) 475.26 (1)
Princeton (Gibson Co., IN)	294.65 318.70
Schaefferstown (Lebanon Co., PA)	420.90 444.56
Selkirk (Albany Co., NY)	[N] [E] 482.11 (1) [N] [E] 505.33 (1)
Seymour (Jackson Co., IN)	254.50 278.20
Sinking Spring (Berks Co., PA)	420.90 444.56
Toohunter (Butler Co., OH)	309.10 332.84
Twin Oaks (Delaware Co., PA)	420.90 444.56
Watkins Glen (Schuyler Co., NY)	394.02 (1) 417.34 (1)
West Memphis (Crittenden Co., AR)	-- 248.25

PIPELINE RATES

Effective September 2, 2011

ITEM NO. 135 - Non-Incentive Rates for Propane (Gulf Coast Origins)

Destination		Origin Mount Belvieu ¢-per-bbl	gal-per-bbl	fee-per-gal
Selkirk (Albany Co., NY)	<i>See page 12 of 16</i>	505.3	42	0.1203

ITEM NO. 30 - December-through-February Charges

If, during a single calendar month in the period December through February, Shipper receives deliveries at northeast terminals in excess of the total volume delivered to the same Shipper at such terminals during the preceding March-through-November period, a charge of thirty cents (30¢) per Barrel in addition to all other charges shall apply to such excess volume.

Destination		Origin Mount Belvieu ¢-per-bbl	gal-per-bbl	fee-per-gal
Selkirk (Albany Co., NY)	<i>See page 5 of 16</i>	30.0	42	0.0071

From: Kirsten Simpson [mailto:k.simpson@northerngastransport.com]
Sent: Tuesday, September 13, 2011 11:19 AM
Subject: Fuel Surcharge email .doc

|

Northern Gas Transport, Inc.
Box 106
Lyndonville, VT 05851-0106
1-800-648-1075
FAX: 802-626-5039

September 13, 2011

To: All Customers

Re: Fuel Surcharge

As of Monday, September 12, 2011 the Department of Energy New England average price per gallon of diesel fuel was \$3.985. All deliveries invoiced from Sunday, September 18, 2011 through Saturday, September 24, 2011 will be line item assessed at 30.0% fuel surcharge.

Thank you and should you have any questions, please contact Susan Noyes at 1-800-648-1075 extension 223.

Best Regards,

Bruce Grant
President Owner

Northern Gas Transport Inc. - Selkirk to Keene

Gallons	Base Rate	Base Charge	Fuel Surchage Rate	Surchage	Total Charge	Total Rate Per Gallon
9,200	\$0.0575	\$529.00	20.00%	\$105.80	\$634.80	\$0.0690
9,200	\$0.0575	\$529.00	20.50%	\$108.45	\$637.45	\$0.0693
9,200	\$0.0575	\$529.00	21.00%	\$111.09	\$640.09	\$0.0696
9,200	\$0.0575	\$529.00	21.50%	\$113.74	\$642.74	\$0.0699
9,200	\$0.0575	\$529.00	22.00%	\$116.38	\$645.38	\$0.0702
9,200	\$0.0575	\$529.00	22.50%	\$119.03	\$648.03	\$0.0704
9,200	\$0.0575	\$529.00	23.00%	\$121.67	\$650.67	\$0.0707
9,200	\$0.0575	\$529.00	23.50%	\$124.32	\$653.32	\$0.0710
9,200	\$0.0575	\$529.00	24.00%	\$126.96	\$655.96	\$0.0713
9,200	\$0.0575	\$529.00	24.50%	\$129.61	\$658.61	\$0.0716
9,200	\$0.0575	\$529.00	25.00%	\$132.25	\$661.25	\$0.0719
9,200	\$0.0575	\$529.00	25.50%	\$134.90	\$663.90	\$0.0722
9,200	\$0.0575	\$529.00	26.00%	\$137.54	\$666.54	\$0.0725
9,200	\$0.0575	\$529.00	26.50%	\$140.19	\$669.19	\$0.0727
9,200	\$0.0575	\$529.00	27.00%	\$142.83	\$671.83	\$0.0730
9,200	\$0.0575	\$529.00	27.50%	\$145.48	\$674.48	\$0.0733
9,200	\$0.0575	\$529.00	28.00%	\$148.12	\$677.12	\$0.0736
9,200	\$0.0575	\$529.00	28.50%	\$150.77	\$679.77	\$0.0739
9,200	\$0.0575	\$529.00	29.00%	\$153.41	\$682.41	\$0.0742
9,200	\$0.0575	\$529.00	29.50%	\$156.06	\$685.06	\$0.0745
9,200	\$0.0575	\$529.00	30.00%	\$158.70	\$687.70	\$0.0748
9,200	\$0.0575	\$529.00	30.50%	\$161.35	\$690.35	\$0.0750
9,200	\$0.0575	\$529.00	31.00%	\$163.99	\$692.99	\$0.0753
9,200	\$0.0575	\$529.00	31.50%	\$166.64	\$695.64	\$0.0756
9,200	\$0.0575	\$529.00	32.00%	\$169.28	\$698.28	\$0.0759
9,200	\$0.0575	\$529.00	32.50%	\$171.93	\$700.93	\$0.0762
9,200	\$0.0575	\$529.00	33.00%	\$174.57	\$703.57	\$0.0765
9,200	\$0.0575	\$529.00	33.50%	\$177.22	\$706.22	\$0.0768
9,200	\$0.0575	\$529.00	34.00%	\$179.86	\$708.86	\$0.0771
9,200	\$0.0575	\$529.00	34.50%	\$182.51	\$711.51	\$0.0773
9,200	\$0.0575	\$529.00	35.00%	\$185.15	\$714.15	\$0.0776
9,200	\$0.0575	\$529.00	35.50%	\$187.80	\$716.80	\$0.0779
9,200	\$0.0575	\$529.00	36.00%	\$190.44	\$719.44	\$0.0782
9,200	\$0.0575	\$529.00	36.50%	\$193.09	\$722.09	\$0.0785
9,200	\$0.0575	\$529.00	37.00%	\$195.73	\$724.73	\$0.0788
9,200	\$0.0575	\$529.00	37.50%	\$198.38	\$727.38	\$0.0791
9,200	\$0.0575	\$529.00	38.00%	\$201.02	\$730.02	\$0.0794
9,200	\$0.0575	\$529.00	38.50%	\$203.67	\$732.67	\$0.0796
9,200	\$0.0575	\$529.00	39.00%	\$206.31	\$735.31	\$0.0799
9,200	\$0.0575	\$529.00	39.50%	\$208.96	\$737.96	\$0.0802
9,200	\$0.0575	\$529.00	40.00%	\$211.60	\$740.60	\$0.0805

LEASE AGREEMENT

This Lease Agreement ("Lease") is made as of this 17th day of May 2011, between Haffner's Service Station Inc. (hereinafter "Haffners"), a gas/oil company organized and existing under the laws of the State of New Hampshire, with a principal place of business at 7 Sophia's Way, Greenville, New Hampshire 03048 and New Hampshire Gas Corporation, a corporation existing under the laws of the State of New Hampshire, with a principal place of business at 32 Central Square, Keene, New Hampshire 03431 (hereinafter "NHGC" and, together with Haffners, the "Parties"). Together the Parties hereby agree as follows:

WHEREAS, NHGC desires 60,000 gallons (net 51,000 @ 85%) of storage space for its propane for the 2011-2012 heating season; and

WHEREAS, Haffner's has available 60,000 gallons of storage space at its property located at 7 Sophia's Way, Greenville, New Hampshire 03048 and

WHEREAS, Haffner's is willing to lease storage space on a best efforts basis to meet the needs of NHGC for propane storage;

NOW, THEREFORE, in consideration of the mutual undertaking of the Parties as stated in this Lease, Haffner's and NHGC agree as follows:

1. Haffner's shall use its reasonable best efforts to make available to NHGC, subject to Haffner's Priority Right (as such term is defined below), propane storage as follows: (i) 60,000 gallons of storage on the Greenville Property. Haffner's retains all rights to retain sufficient storage capacity at the Haffner's Property for its own peaking needs (such rights collectively the "Haffner's Priority Right"). Notwithstanding the foregoing, in the event that the use of the storage space leased to NHGC pursuant to this Lease is necessary for Haffner's to meet its own peaking needs, the Parties shall use their reasonable best efforts to cooperate to achieve the objective of securing sufficient propane to meet the needs of both Parties.

2. This Lease shall be effective as of June 1, 2011 and shall continue until May 31, 2012 unless the lease is renewed or terminated earlier in accordance herewith. Upon the expiration or termination of this Lease, NHGC agrees to use reasonable best efforts at its sole cost and expense to ensure that all propane stored by NHGC pursuant to this Lease is removed from the Haffner's Property within thirty (30) days. Haffner's shall take title to, if any, propane not removed during such period. Haffner's, in its sole discretion, may either take title to such propane or cause it to be removed at NHGC's sole cost and expense (including reasonable attorneys' fees). Sections 3 -14 hereof shall remain in full force and effect until all propane has been removed or Haffner's has taken title to such propane.

3. The total fee paid by NHGC to Haffner's for the storage services provided pursuant to this Lease shall be (the "Storage Fee"). The Storage Fee shall be payable by NHGC upon the date hereof.

4. NHGC shall be solely responsible for all operations associated with the loading and unloading of the propane in and out of NHGC's transport tankers, and shall perform such operations with due care.

5. Except as set forth in Section 2 hereof, title to the propane stored pursuant to this Lease shall, at all times, be in NHGC's name. Haffner's makes no warranty of title whatsoever. NHGC warrants for itself, its successors and assigns that it will have at all times good title or valid right to deliver and store all propane stored pursuant to this Lease, and that such propane will be of a quality suitable for storage at the Haffners Property. NHGC agrees to indemnify and hold Haffner's harmless from all claims, damages, suits, penalties, fines or other costs arising directly or indirectly from or with respect to the title to or quality of the propane stored pursuant to this Lease.

6. NHGC shall maintain commercial general liability insurance in a minimum amount of 1 Million, which shall include coverage for, without limitation, injury to or death of a person or persons or damage to property occasioned by or arising out of or in connection with NHGC's use of the Haffner's Property.

7. Either Party may terminate this Lease upon written notice to the other Party in the event that such other Party shall have materially breached the provisions hereof. The provisions of Sections 5 - 14 hereof shall survive the termination or expiration of this Lease.

8. NEITHER PARTY NOR ITS AGENTS OR EMPLOYEES SHALL BE LIABLE TO THE OTHER HEREUNDER FOR AMOUNTS REPRESENTING LOSS OF REVENUES, LOSS OF PROFITS, LOSS OF BUSINESS, OR INDIRECT, CONSEQUENTIAL, SPECIAL OR PUNITIVE DAMAGES, EVEN IF HAFFNERS HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES.

9. NHGC shall indemnify and hold harmless and at its option, Defend in an indemnity suit, Haffner's for any and all claims, damages, suits, penalties, fines or other costs to the extent arising directly or indirectly from or with respect to the negligent or willful actions, of its employees, officers, directors, contractors or agents related to this Lease and the services to be provided hereunder.

10. This Lease shall be governed by the laws of the State of New Hampshire, without regard to its choice of law provisions. All disputes arising out of this Lease shall be subject to the exclusive jurisdiction of, and venue in, federal and state courts located in New Hampshire. The Parties hereby irrevocably consent to the personal and exclusive jurisdiction and venue of such courts.

11. This Lease may not be assigned by either Party without the written consent of the other Party, provided that no such consent shall be required to an assignment pursuant to a merger, corporate reorganization, or sale of all or substantially all of the assets of a Party. This Lease shall be binding upon, and shall inure to the benefit of, the permitted successors and assigns of the Parties.

12. No delay, failure or default in performance of an obligation hereunder (other than the obligation to make payment of amounts due hereunder) shall constitute a breach of this Lease to the extent caused by acts of God, strikes, lockouts, acts of war, civil disturbances or other causes not within the control of the Party claiming suspension and which such Party is not able to prevent or overcome with the exercise of due diligence.

13. All written notices to Haffner's in connection with this Lease shall be provided by fax and overnight express mail to the following:

Haffner's Service Station Inc.
7 Sophia's Way
Greenville, NH 03048

14. All written notices to NHGC in connection with this Lease shall be provided by fax and overnight express mail to the following:

Mr. Michael Eastman
Vice President, Gas Assets
Rochester Gas and Electric
89 East Avenue
Rochester, NY 14649-0001
Facsimile 585-724-8641

[Signature Page Follows]

This Lease, which may be executed in duplicate, is entered into on this 26 day of May, 2011.

Haffners Service Station, Inc.

By: Peggy Willett

Title: OFFICE MANAGER

New Hampshire Gas Corporation

By: Michael S. Putnam

Title: Truman NH Gas



APPENDIX 5
*Specializing in the transportation of
bulk petroleum products*

*Family owned and operated since 1983
Website: Northerngastransport.com*

P.O. Box 106 • 212 Northern Circle • Lyndonville, VT 05851 • (802) 626-8621 • (802) 626-5039 Fax

September 19, 2011

Mr. Steve Rokes
General Manager
New Hampshire Gas Corporation
32 Central Square
Keene, NH 03431

Subject: Propane Delivery

Dear Steve:

The purpose of this letter is to respond to New Hampshire Gas Corporation's inquiry of Northern Gas Transport's ability to deliver a load of propane (9000 gallons each) daily for a continuous five-day period as stated in Section PUC 506.3 of the New Hampshire Code of Administrative Rules.

During the winter heating season, Northern Gas Transport has shown its determination to meet the supply needs of New Hampshire Gas Corporation. Unprecedented demand, long lines at the supply terminals and continuous colder than normal weather along with the customary supply allocations enacted by the pipelines made the 2010-11 heating season especially challenging. However, through almost daily communication with New Hampshire Gas staff regarding arrangements for alternate sources of supply and the management, staff and drivers of Northern Gas Transport, we met those needs.

A continuation of the current working relationship will allow Northern Gas Transport to meet the future needs of New Hampshire Gas Corporation including the provision for a truck load of propane (9000 gallons) daily for a continuous five-day period at any time during the winter heating season. If there is an interruption in normal supply routes, Northern Gas Transport will pull product from the two 30,000 gallon storage facilities leased by New Hampshire Gas Corporation in Greenville, New Hampshire. This provision is conditioned upon absence of forced majeure and New Hampshire Gas Corporation's ability to arrange adequate sources of supply.

Any such continuation of delivery service would be performed in conformance with Northern Gas Transport's commitment to the safety of the public and that of its drivers. We follow all Federal Motor Carrier Safety Rules and Regulations as set forth by the Department of Transportation.

We thank you for your business and the confidence you have placed in us. We look forward to working with you in the future and will do our best to continue the same level of service you have come to expect from all of us at Northern Gas Transport.

Sincerely,

Susan S. Noyes
Vice President and Treasurer
Northern Gas Transport, Inc.

NEW HAMPSHIRE GAS CORPORATION

DELIVERY RATE ADJUSTMENT

NOVEMBER 1, 2011 (YEAR 3)

CASE DG 09-038

CONTENTS

1. RESIDENTIAL TARIFF PAGE 19 - MARKED
2. RESIDENTIAL TARIFF PAGE 19 - CLEAN
3. INDUSTRIAL AND COMMERCIAL TARIFF PAGE 20 - MARKED
4. INDUSTRIAL AND COMMERCIAL TARIFF PAGE 20 - CLEAN
5. RATE CALCULATION SUMMARY

GENERAL RATE SCHEDULE
RESIDENTIAL

AVAILABILITY:

This rate is for general use in locations reached by the company's mains and for which its facilities are adequate.

CHARACTER OF SERVICE:

Manufactured gas or equivalent will be supplied at a heat content value greater than or equal to the heat content value specified on Original Page 21.

DELIVERY RATES:

		Annual Period		
		<u>November - October</u>		
Customer Charge		\$8.60 \$9.00		Per Month
First 80	Therms Per Month	\$1.1108 \$1.1522		Per Therm
Next 120	Therms Per Month	\$0.9028 \$0.9442		Per Therm
Over 200	Therms Per Month	\$0.7532 \$0.7946		Per Therm

COST OF GAS RATE:

All gas sold under this schedule is subject to the applicable per therm cost of gas rate which is calculated on Page 24 for the Winter Period and Page 25 for the Summer Period.

METER ACCOUNT CHARGE:

When the company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is made in addition to all other charges. The meter account charge is \$20.00 when the visit to the meter location is scheduled at the mutual convenience of the company and the customer. Otherwise, the charge is \$30.00

TERMS AND CONDITIONS:

Customers will also be charged the applicable revenue surcharge as in effect from time to time.

This rate is net. Meters are read and bills are presented monthly. Bills are due upon presentation.

Amounts not paid prior to the next following meter reading date (normally 30 days from the prior meter reading date) are subject to a late payment charge of one and one-half percent (1½%) per month on the unpaid balance (equivalent to an 18% annual rate).

For each bad check tendered for payment, the company will charge the greater of five dollars (\$5.00) or the actual administrative cost of recovery.

Issued: ~~November 4, 2010~~ October xx, 2011

Issued by: ~~Karen L. Zink~~ Michael D. Eastman

Effective: November 1, ~~2010~~ 2011

Title: Treasurer

In compliance with Order No. 25.039 dated October 30, 2009 in Docket No. DG 09-038

GENERAL RATE SCHEDULE
RESIDENTIAL

AVAILABILITY:

This rate is for general use in locations reached by the company's mains and for which its facilities are adequate.

CHARACTER OF SERVICE:

Manufactured gas or equivalent will be supplied at a heat content value greater than or equal to the heat content value specified on Original Page 21.

DELIVERY RATES:

		<u>Annual Period</u> <u>November - October</u>	
Customer Charge		\$9.00	Per Month
First 80	Therms Per Month	\$1.1522	Per Therm
Next 120	Therms Per Month	\$0.9442	Per Therm
Over 200	Therms Per Month	\$0.7946	Per Therm

COST OF GAS RATE:

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For each bad check tendered for payment, the company will charge the greater of five dollars (\$5.00) or the actual administrative cost of recovery.

Issued: October xx, 2011

Issued by: Michael D. Eastman

Effective: November 1, 2011

Title: Treasurer

In compliance with Order No. 25,039 dated October 30, 2009 in Docket No. DG 09-038

GENERAL RATE SCHEDULE
INDUSTRIAL AND COMMERCIAL

AVAILABILITY:

This rate is for general use in locations reached by the company's mains and for which its facilities are adequate.

CHARACTER OF SERVICE:

Manufactured gas or equivalent will be supplied at a heat content value greater than or equal to the heat content value specified on Original Page 21.

DELIVERY RATES:

		Annual Period		
		November - October		
Customer Charge		\$17.20	\$18.00	Per Month
First 80	Therms Per Month	\$1.1108	\$1.1522	Per Therm
Next 120	Therms Per Month	\$0.9028	\$0.9442	Per Therm
Over 200	Therms Per Month	\$0.7532	\$0.7946	Per Therm

COST OF GAS RATE:

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GENERAL RATE SCHEDULE
INDUSTRIAL AND COMMERCIAL

AVAILABILITY:

This rate is for general use in locations reached by the company's mains and for which its facilities are adequate.

CHARACTER OF SERVICE:

Manufactured gas or equivalent will be supplied at a heat content value greater than or equal to the heat content value specified on Original Page 21.

DELIVERY RATES:

		<u>Annual Period</u> <u>November - October</u>	
Customer Charge		\$18.00	Per Month
First 80	Therms Per Month	\$1.1522	Per Therm
Next 120	Therms Per Month	\$0.9442	Per Therm
Over 200	Therms Per Month	\$0.7946	Per Therm

COST OF GAS RATE:

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Issued: October xx, 2011

Issued by: Michael D. Eastman

Effective: November 1, 2011

Title: Treasurer

In compliance with Order No. 25,039 dated October 30, 2009 in Docket No. DG 09-038

New Hampshire Gas Corporation
Rate Calculation Summary

Line No.	Description	Residential	Industrial & Commercial	Total	Source/Description
1	Existing Base Revenue Levels				
2	Base Rate Increase - November 1, 2011	\$389,912	\$849,749	\$1,239,661	November 2010 Calculated Revenues
3	Total Revenue Requirement			\$57,746	Settlement, Section 2.2
4	Percent Increase			\$1,297,407	Line 1 + Line 2
5	Current Monthly Customer Charge	\$8.60	\$17.20		Line 2 / Line 3
6	Percent Increase	4.66%	4.66%		Approved November 2010 Rates
7	Monthly Customer Charge Increase	\$0.40	\$0.80		
8	New Monthly Customer Charge	\$9.00	\$18.00		Line 5 * Line 6
9	Number of Annual Bills	9,190	3,647		Line 5 + Line 7
10	Total Customer Charge Revenue	\$82,710	\$65,646	\$148,356	2009 Compliance Filing Line 9
11	Remaining Revenue to be Collected			\$1,149,051	Line 3 - Line 10
12	Therm Billing Determinants				
13	First Block Therms - Winter	166,258	108,255	274,513	2009 Compliance Filing - Normal Billed Therms
14	First Block Therms - Summer	63,424	50,823	114,246	2009 Compliance Filing - Normal Billed Therms
15	Second Block Therms - Winter	52,414	99,892	152,306	2009 Compliance Filing - Normal Billed Therms
16	Second Block Therms - Summer	994	37,918	38,913	2009 Compliance Filing - Normal Billed Therms
17	Third Block Therms - Winter	10,012	500,152	510,163	2009 Compliance Filing - Normal Billed Therms
18	Third Block Therms - Summer	0	145,007	145,007	2009 Compliance Filing - Normal Billed Therms
19	Total Therm Billing Determinants	293,101	942,047	1,235,148	2009 Compliance Filing - Normal Billed Therms
20	Current Approved Block Rates				
21	First 80	\$1.1108	\$1.1108		Approved November 2010 Rates
22	Next 120	\$0.9028	\$0.9028		Approved November 2010 Rates
23	Over 200	\$0.7532	\$0.7532		Approved November 2010 Rates
24	Revenue at Current Block Rates				
25	First 80	\$255,122	\$176,698	\$431,821	(Line 13 + Line 14) * Line 21
26	Next 120	\$48,215	\$124,411	\$172,626	(Line 15 + Line 16) * Line 22
27	Over 200	\$7,540	\$485,912	\$493,452	(Line 17 + Line 18) * Line 23
28	Total Revenues at Current Rates	\$310,878	\$787,021	\$1,097,899	Line 25 + Line 26 + Line 27
29	Remaining Revenues to be Collected			\$51,152	Line 11 - Line 28
30	Total Therm Billing Determinants			1,235,148	Line 19
31	Per Therm Increase Required			\$0.0414	Line 29 / Line 30
32	New Block Rates				
33	First 80	\$1.1522	\$1.1522		Line 21 + Line 31
34	Next 120	\$0.9442	\$0.9442		Line 22 + Line 31
35	Over 200	\$0.7946	\$0.7946		Line 23 + Line 31
36	Revenues at New Block Rates				
37	First 80	\$264,634	\$183,286	\$447,921	(Line 13 + Line 14) * Line 33
38	Next 120	\$50,427	\$130,118	\$180,545	(Line 15 + Line 16) * Line 34
39	Over 200	\$7,955	\$512,631	\$520,586	(Line 17 + Line 18) * Line 35
40	Total Revenues at Block Rates	\$323,016	\$826,035	\$1,149,051	Line 37 + Line 38 + Line 39
41	Plus Customer Charge Revenues	\$82,710	\$65,646	\$148,356	Line 10
42	Total Annual Revenues Billed	\$405,726	\$891,681	\$1,297,407	Line 40 + Line 41
43	Base Rate Revenue Requirement			\$1,297,407	Line 3
44	Variance from Target Revenues			\$0	Line 43 - Line 42