

**NORTHERN UTILITIES, INC. - NEW HAMSHIRE DIVISION**  
**Summer 2012 Cost of Gas Filing**

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

Anticipated Cost of Gas

**Summary Schedule**

New Hampshire Division  
 Period Covered: May 1, 2012 - October 31, 2012

Column A	Column B	Column C
1 <b><u>ANTICIPATED DIRECT COST OF GAS</u></b>		
2 <b>Purchased Gas:</b>		
3 Demand Costs:	\$ 481,574	
4 Supply Costs:	\$ 1,495,238	
5		
6 <b>Storage &amp; Peaking Gas:</b>		
7 Demand, Capacity:	\$ 377,162	
8 Commodity Costs:	\$ 21,944	
9		
10 <b>Hedging (Gain)/Loss</b>	\$ 171,582	
11		
12 <b>Interruptible Included Above</b>	\$ -	
13		
14 <b>Capacity Release</b>	\$ -	
15		
16 <b>Adjustment for Actual Costs</b>	\$ -	
17		
18 <b>Total Anticipated Direct Cost of Gas</b>		\$ 2,547,501
19		
20 <b><u>ANTICIPATED INDIRECT COST OF GAS</u></b>		
21 <b>Adjustments:</b>		
22 Prior Period Under/(Over) Collection	\$ (151,792)	
23 Prior Period Adjustment (ATV Reconciliation)	\$ -	
24 Interest	\$ (2,889)	
25 Refunds	\$ -	
26 Interruptible Margins	\$ -	
27 Total Adjustments		\$ (154,681)
28		
29 <b>Working Capital:</b>		
30 Total Anticipated Direct Cost of Gas	\$ 2,547,501	
31 Working Capital Percentage (9.25[lag days]/365* prime rate*)	<u>0.082%</u>	
32 Working Capital Allowance	\$ 2,098	
33 Plus: Working Capital Reconciliation	<u>\$ (978)</u>	
34		
35 Total Working Capital Allowance		\$ 1,120
36		
37 <b>Bad Debt:</b>		
38 Projected Bad Debt	\$ 39,068	
39 Plus: Bad Debt Reconciliation (Acct 182.22)	<u>\$ (1,497)</u>	
40		
41 Total Bad Debt Expense		\$ 37,571
42		
43 <b>Local Production and Storage Capacity</b>		\$ -
44		
45 <b>Miscellaneous Overhead-20.69% of \$411,601</b>		\$ 85,176
46		
47 <b>Total Anticipated Indirect Cost of Gas</b>		\$ (30,813)
48		
49 <b>Total Cost of Gas</b>		\$ 2,516,688
50		

(\*) Prime Rate is 3.25%

**NORTHERN UTILITIES, INC.**

51  
 52 CALCULATION OF FIRM SALES COST OF GAS RATE  
 53 Period Covered: May 1, 2012 - October 31, 2012

54 Column A	Column B	Column C
56 Total Anticipated Direct Cost of Gas	\$ 2,547,501	
58 Projected Prorated Sales (05/01/12 - 10/31/12)	7,466,573	
59 <b>Direct Cost of Gas Rate</b>		\$ 0.3412 per therm
60		
61 <b>Demand Cost of Gas Rate</b>	\$ 858,736	\$ 0.1150 per therm
62 <b>Commodity Cost of Gas Rate</b>	<u>\$ 1,688,765</u>	<u>\$ 0.2262</u> per therm
63 <b>Total Direct Cost of Gas Rate</b>	\$ 2,547,501	\$ 0.3412 per therm
64		
65 Total Anticipated Indirect Cost of Gas	\$ (30,813)	
66 Projected Prorated Sales (05/01/12 - 10/31/12)	7,466,573	
67 <b>Indirect Cost of Gas</b>		\$ (0.0041) per therm
68		
69		
70 <b>TOTAL PERIOD AVERAGE COST OF GAS EFFECTIVE 11/01/12</b>		<b>\$ 0.3371 per therm</b>

<b>RESIDENTIAL COST OF GAS RATE - 05/01/12</b>	<b>COGwr</b>	<b>\$ 0.3371 per therm</b>
	Maximum (COG+25%)	<b>\$ 0.4214</b>

<b>COM/IND LOW WINTER USE COST OF GAS RATE - 05/01/12</b>	<b>COGwl</b>	<b>\$ 0.2942 per therm</b>
	Maximum (COG+25%)	<b>\$ 0.3678</b>

79 C&I HLF Demand Costs Allocated per SMBA	\$ 127,347
80 PLUS: Residential Demand Reallocation to C&I HLF	<u>\$ (158)</u>
81 C&I HLF Total Adjusted Demand Costs	\$ 127,189
82 C&I HLF Projected Prorated Sales (05/01/12 - 10/31/12)	1,760,923
83 <b>Demand Cost of Gas Rate</b>	<b>\$ 0.0722</b>
84	
85 C&I HLF Commodity Costs Allocated per SMBA	\$ 398,135
86 PLUS: Residential Commodity Reallocation to C&I HLF	<u>\$ 3</u>
87 C&I HLF Total Adjusted Commodity Costs	\$ 398,138
88 C&I HLF Projected Prorated Sales (05/01/12 - 10/31/12)	1,760,923
89 <b>Commodity Cost of Gas Rate</b>	<b>\$ 0.2261</b>
90	
91 <b>Indirect Cost of Gas</b>	<b>\$ (0.0041)</b>
92	
93 <b>Total C&amp;I HLF Cost of Gas Rate</b>	<b>\$ 0.2942</b>

<b>COM/IND HIGH WINTER USE COST OF GAS RATE - 05/01/12</b>	<b>COGwh</b>	<b>\$ 0.3704 per therm</b>
	Maximum (COG+25%)	<b>\$ 0.4630</b>

99 C&I LLF Demand Costs Allocated per SMBA	\$ 336,362
100 PLUS: Residential Demand Reallocation to C&I LLF	<u>\$ (417)</u>
101 C&I LLF Total Adjusted Demand Costs	\$ 335,945
102 C&I LLF Projected Prorated Sales (05/01/12 - 10/31/12)	2,265,631
103 <b>Demand Cost of Gas Rate</b>	<b>\$ 0.1483</b>
104	
105 C&I LLF Commodity Costs Allocated per SMBA	\$ 512,490
106 PLUS: Residential Commodity Reallocation to C&I LLF	<u>\$ 4</u>
107 C&I LLF Total Adjusted Commodity Costs	\$ 512,494
108 C&I LLF Projected Prorated Sales (05/01/12 - 10/31/12)	2,265,631
109 <b>Commodity Cost of Gas Rate</b>	<b>\$ 0.2262</b>
110	
111 <b>Indirect Cost of Gas</b>	<b>\$ (0.0041)</b>
112	
113 <b>Total C&amp;I LLF Cost of Gas Rate</b>	<b>\$ 0.3704</b>

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

Anticipated Cost of Gas

New Hampshire Division  
 Period Covered: May 1, 2012 - October 31, 2012

<b>Column A</b>	<b>Column D</b>
1 <b><u>ANTICIPATED DIRECT COST OF GAS</u></b>	
2 <b>Purchased Gas:</b>	
3 Demand Costs:	Schedule 1A, LN 71
4 Supply Costs:	Schedule 1B, LN 15
5	
6 <b>Storage &amp; Peaking Gas:</b>	
7 Demand, Capacity:	Schedule 1A, LN 73
8 Commodity Costs:	Schedule 1B, LN 16 + Schedule 1B, LN 17
9	
10 <b>Hedging (Gain)/Loss</b>	Schedule 1B, LN 15
11	
12 <b>Interruptible Included Above</b>	-(Schedule 1B, LN 22)
13	
14 <b>Capacity Release</b>	-(Schedule 1A, LN 76)
15	
16 <b>Adjustment for Actual Costs</b>	
17	
18 <b>Total Anticipated Direct Cost of Gas</b>	Sum ( LN 3 : LN 16 )
19	
20 <b><u>ANTICIPATED INDIRECT COST OF GAS</u></b>	
21 <b>Adjustments:</b>	
22 Prior Period Under/(Over) Collection	Schedule 3, LN 108: October
23 Prior Period Adjustment (ATV Reconciliation)	
24 Interest	Schedule 3, LN 115: Total
25 Refunds	Company Analysis
26 Interruptible Margins	-(Schedule 1A, LN 77)
27 Total Adjustments	Sum ( LN 22 : LN 26 )
28	
29 <b>Working Capital:</b>	
30 Total Anticipated Direct Cost of Gas	LN 18
31 Working Capital Percentage (9.25[lag days]/365* prime rate*)	3rd Rev. Pg 21 IV COG Clause 6.1
32 Working Capital Allowance	LN 30 * LN 31
33 Plus: Working Capital Reconciliation	Schedule 3, LN 85: October 2011 Summer Reconciliation
34	
35 Total Working Capital Allowance	Sum ( LN 32 : LN 33 )
36	
37 <b>Bad Debt:</b>	
38 Projected Bad Debt	Schedule 3B, LN 17
39 Plus: Bad Debt Reconciliation (Acct 182.22)	Schedule 3, LN 108: October
40	
41 Total Bad Debt Expense	Sum ( LN 38 : LN 39 )
42	
43 <b>Local Production and Storage Capacity</b>	Schedule 1A, LN 84
44	
45 <b>Miscellaneous Overhead-20.69% of \$411,601</b>	Schedule 1A, LN 83
46	
47 <b>Total Anticipated Indirect Cost of Gas</b>	Sum ( LN 27 : LN 45 )
48	
49 <b>Total Cost of Gas</b>	LN 47 + LN 18
50	

(\*) Prime Rate is 3.25%

**NORTHERN UTILITIES, INC.**

51		
52	51	CALCULATION OF FIRM SALES COST OF GAS RATE
53	52	Period Covered: May 1, 2012 - October 31, 2012
54		
55	<b>Column A</b>	<b>Column D</b>
56		
57	Total Anticipated Direct Cost of Gas	LN 18
58	Projected Prorated Sales (05/01/12 - 10/31/12)	Company Analysis
59	<b>Direct Cost of Gas Rate</b>	LN 57 / LN 58
60		
61	<b>Demand Cost of Gas Rate</b>	Column B : SUM ( LN 3 , LN 7 , LN 14 )
62	<b>Commodity Cost of Gas Rate</b>	Column B : SUM ( LN 4 , LN 8 , LN 10 , LN 12 )
63	<b>Total Direct Cost of Gas Rate</b>	SUM ( LN 61 : LN 62 )
64		
65	Total Anticipated Indirect Cost of Gas	LN 47
66	Projected Prorated Sales (05/01/12 - 10/31/12)	Company Analysis
67	<b>Indirect Cost of Gas</b>	LN 65 / LN 66
68		
69		
70	<b>TOTAL PERIOD AVERAGE COST OF GAS EFFECTIVE 11/01/12</b>	LN 63 + LN 67
71		
72	<b>RESIDENTIAL COST OF GAS RATE - 05/01/12</b>	Company Analysis
73		LN 72 * 1.25
74		
75		
76	<b>COM/IND LOW WINTER USE COST OF GAS RATE - 05/01/12</b>	Company Analysis
77		LN 76 * 1.25
78		
79	C&I HLF Demand Costs Allocated per SMBA	Schedule 10A, LN 169
80	PLUS: Residential Demand Reallocation to C&I HLF	Schedule 23, LN 16
81	C&I HLF Total Adjusted Demand Costs	Sum ( LN 79 : LN 80 )
82	C&I HLF Projected Prorated Sales (05/01/12 - 10/31/12)	Company Analysis
83	<b>Demand Cost of Gas Rate</b>	LN 81 / LN 82
84		
85	C&I HLF Commodity Costs Allocated per SMBA	Schedule 10A, LN 139
86	PLUS: Residential Commodity Reallocation to C&I HLF	Schedule 23, LN 26
87	C&I HLF Total Adjusted Commodity Costs	Sum ( LN 85 : LN 86 )
88	C&I HLF Projected Prorated Sales (05/01/12 - 10/31/12)	Company Analysis
89	<b>Commodity Cost of Gas Rate</b>	LN 87 / LN 88
90		
91	<b>Indirect Cost of Gas</b>	LN 67
92		
93	<b>Total C&amp;I HLF Cost of Gas Rate</b>	Sum ( LN 83, LN 89, LN 91 )
94		
95		
96	<b>COM/IND HIGH WINTER USE COST OF GAS RATE - 05/01/12</b>	Company Analysis
97		LN 96 * 1.25
98		
99	C&I LLF Demand Costs Allocated per SMBA	Schedule 10A, LN 170
100	PLUS: Residential Demand Reallocation to C&I LLF	Schedule 23, LN 17
101	C&I LLF Total Adjusted Demand Costs	Sum ( LN 99 : LN 100 )
102	C&I LLF Projected Prorated Sales (05/01/12 - 10/31/12)	Company Analysis
103	<b>Demand Cost of Gas Rate</b>	LN 101 / LN 102
104		
105	C&I LLF Commodity Costs Allocated per SMBA	Schedule 10A, LN 140
106	PLUS: Residential Commodity Reallocation to C&I LLF	Schedule 23, LN 27
107	C&I LLF Total Adjusted Commodity Costs	Sum ( LN 105 : LN 106 )
108	C&I LLF Projected Prorated Sales (05/01/12 - 10/31/12)	Company Analysis
109	<b>Commodity Cost of Gas Rate</b>	LN 107 / LN 108
110		
111	<b>Indirect Cost of Gas</b>	LN 67
112		
113	<b>Total C&amp;I LLF Cost of Gas Rate</b>	Sum ( LN 103, LN 109, LN 111 )