

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
July 2014 Estimated

Under/(Over) collection as of 5/01/14		\$ 149,837
Forecasted firm therm sales 07/01/14 - 10/31/14		
Residential Heat & Non Heat	2,071,667	
HLF Classes	937,192	
LLF Classes	1,286,316	
Current recovery rate per therm		
Residential heat & non heat		\$0.6153
HLF classes		\$0.5638
LLF classes		\$0.6529
Total	\$ (2,642,922)	
Forecasted recovered costs at current rates 07/01/14 - 10/31/14		\$ (2,642,922)
Actual recovered costs 05/01/14 - 6/30/14		\$ (1,580,443)
Estimated total recovered costs 05/01/14 - 10/31/14		\$ (4,223,365)
Revised projected direct gas costs 05/01/14 - 10/31/14 [1]		\$ 3,870,188
Revised projected indirect gas costs 05/01/14 - 10/31/14 [2]		\$ 104,737
Projected under/(over) collection as of 10/31/14		\$ (98,603)

Actual gas costs to date (05/01/14 - 6/30/14)	\$ 1,428,990
Revised projected indirect gas costs 07/01/14 - 10/31/14 [2]	\$ 69,345
Revised projected direct gas costs 07/01/14 - 10/31/14 [1]	\$ 2,476,590
Estimated total adjusted gas costs 05/1/14 - 04/30/14	\$ 3,974,924

Under/(over) collection as percent of total gas costs	-2.48%
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Projected under/(over) collection as of 10/31/14	\$ (98,603)
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NOTES

[1] Revised as follows:

- Futures prices as of July 18, 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

Sales Revenues		Winter						Summer						Total		
		Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	(Forecast) Jul-14	(Forecast) Aug-14	(Forecast) Sep-14		(Forecast) Oct-14	
1	Volumes															
2	Residential Heat & Non Heat											397,394	415,153	457,929	801,191	2,071,667
3	Sales HLF Classes											179,775	187,809	207,160	362,447	937,192
4	Sales LLF Classes											246,746	257,772	284,332	497,467	1,286,316
5	Total											823,915	860,734	949,421	1,661,106	4,295,175
6	Rates															
7	Residential Heat & Non Heat CGA											\$0.6153	\$0.6153	\$0.6153	\$0.6153	
8	Sales HLF Classes CGA											\$0.5638	\$0.5638	\$0.5638	\$0.5638	
9	Sales LLF Classes CGA											\$0.6529	\$0.6529	\$0.6529	\$0.6529	
10	Revenues															
11	Residential Heat & Non Heat											\$ (244,517)	\$ (255,443)	\$ (281,764)	\$ (492,973)	\$ (1,274,697)
12	Sales HLF Classes											\$ (101,357)	\$ (105,887)	\$ (116,797)	\$ (204,348)	\$ (528,389)
13	Sales LLF Classes											\$ (161,100)	\$ (168,299)	\$ (185,640)	\$ (324,796)	\$ (839,836)
14	Total Sales											\$ (506,974)	\$ (529,630)	\$ (584,201)	\$ (1,022,117)	\$ (4,223,365)
15																
16																
17	Gas Costs and Credits		Winter						Summer						Total	
18		Oct-13	Nov-13	Dec-13	Jan-14	Feb-14	Mar-14	Apr-14	May-14	Jun-14	(Forecast) Jul-14	(Forecast) Aug-14	(Forecast) Sep-14	(Forecast) Oct-14		
19	Net Demand Costs (Net of Injection Fees & Cap. Assign.)															
20	Pipeline											\$ 88,966	\$ 88,966	\$ 88,966	\$ 88,966	\$ 355,862
21	Storage											\$ 57,280	\$ 57,280	\$ 57,280	\$ 57,280	\$ 229,122
22	Peaking											\$ 5,876	\$ 5,876	\$ 5,876	\$ 5,876	\$ 23,503
24	Total Demand Costs		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 154,274	\$ 154,274	\$ 152,122	\$ 152,122	\$ 152,122	\$ 152,122	\$ 917,035	
25	NUI Commodity Costs															
26	NUI Total Pipeline Volumes											137,783	142,761	195,522	411,344	887,410
27	Pipeline Costs Modeled in Sendout™											\$ 661,462	\$ 683,471	\$ 932,027	\$ 2,007,595	\$ 4,284,556
28	NYMEX Price Used for Forecast											\$ 4.5990	\$ 4.5860	\$ 4.5570	\$ 4.5650	
29	NYMEX Price Used for Update											\$ 4.4000	\$ 3.9510	\$ 3.9550	\$ 3.9620	
30	Increase/(Decrease) NYMEX Price											\$ (0.20)	\$ (0.64)	\$ (0.60)	\$ (0.60)	
31	Increase/(Decrease) in Pipeline Costs											\$ (27,419)	\$ (90,653)	\$ (117,704)	\$ (248,040)	\$ (483,817)
32	Updated Pipeline Costs											\$ 634,043	\$ 592,818	\$ 814,323	\$ 1,759,555	
33	Interruptible Volumes - NH											0	0	0	0	
34	Average Supply Cost (\$/MMBtu)											\$ 4.60	\$ 4.15	\$ 4.16	\$ 4.28	
35	Interruptible Cost - NH											\$ -	\$ -	\$ -	\$ -	
36	Total Updated Pipeline Costs											\$ 634,043	\$ 592,818	\$ 814,323	\$ 1,759,555	
37	New Hampshire Allocated Percentage											54.50%	54.51%	48.65%	44.53%	
38	NH Updated Pipeline Costs								\$ 154,274	\$ 154,274	\$ 345,550	\$ 323,167	\$ 396,135	\$ 783,468	\$ 2,156,869	
39	Hedging (Gain)/Loss Estimate															
40	Time Triggered NYMEX Contracts (Allocated between ME and NH)															
41	NYMEX NG Futures Contracts											0	0	0	0	
42	Average Purchase Price											\$ -	\$ -	\$ -	\$ 4.1030	
43	NYMEX Price Used for Forecast											\$ 4.5990	\$ 4.5860	\$ 4.5570	\$ 4.5650	
44	NYMEX Price Used for Update											\$ 4.4000	\$ 3.9510	\$ 3.9550	\$ 3.9620	
45	Increase/(Decrease) NYMEX Price											(0.1990)	(0.6350)	(0.6020)	(0.6030)	
46	NUI Futures Hedging (Gain)/Loss - Allocate											\$ -	\$ -	\$ -	\$ -	\$ -
47	New Hampshire Allocated Percentage											54.50%	54.51%	48.65%	44.53%	
48	NH Futures Hedging (Gain)/Loss, Time Triggered											\$ -	\$ -	\$ -	\$ -	\$ -
49	Price Triggered NYMEX Contracts (NH Only)															
50	NYMEX NG Futures Contracts											0	0	0	0	
51	Average Purchase Price											\$ -	\$ -	\$ -	\$ -	
52	NYMEX Price Used for Forecast											\$ 4.5990	\$ 4.5860	\$ 4.5570	\$ 4.5650	
53	NYMEX Price Used for Update											\$ 4.4000	\$ 3.9510	\$ 3.9550	\$ 3.9620	
54	Increase/(Decrease) NYMEX Price											(0.1990)	(0.6350)	(0.6020)	(0.6030)	
55	NUI Futures Hedging (Gain)/Loss - Allocate											\$ -	\$ -	\$ -	\$ -	\$ -
56	New Hampshire Allocated Percentage											100.00%	100.00%	100.00%	100.00%	
57	NH Futures Hedging (Gain)/Loss, Price Triggered											\$ -	\$ -	\$ -	\$ -	\$ -
58	NH Commodity Costs															
59	Pipeline Excl Hedging											\$ 345,550	\$ 323,167	\$ 396,135	\$ 783,468	\$ 1,848,320
60	Hedging (Gain)/Loss Estimate											\$ -	\$ -	\$ -	\$ -	\$ -
61	Storage											\$ -	\$ -	\$ -	\$ -	\$ -
62	Peaking											\$ 5,456	\$ 5,396	\$ 4,612	\$ 4,320	\$ 19,783
63	Total Commodity Costs								\$ 630,197	\$ 454,853	\$ 351,006	\$ 328,562	\$ 400,747	\$ 787,788	\$ 2,953,153	

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

Account # 53325

ACB	\$9.68
TE	\$9.68
LV	\$226,058.68

Current

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

Date	Description	State	Contracts	Option Premium	Strike Price	Option Purchase Cost	
06/26/14	Bot Jan16 Options	Both	52	\$0.110	\$6.500	\$57,200.00	
	<i>Net P&L</i>						\$0.00

TRANSACTION COSTS **Subtotal** **Total**

Transaction Cost-Enter Options	Both	52	\$6.22			(\$323.44)	
Transaction Cost-Exit Options		0	\$3.37			\$0.00	
<i>Total New Transaction Costs</i>							(\$323.44)

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

	State	QTY	Actual Option Premium	Option Purchase Cost	Strike Price	06/30/14 Futures Price	Current Open Trade Equity
08/09/13	NH	8	0.095	\$7,600.00	\$5.000	\$4.464	\$0.00
04/26/13	ME	8	0.105	\$8,400.00	\$5.800	\$4.464	\$0.00
08/09/13	NH	11	0.100	\$11,000.00	\$5.250	\$4.532	\$0.00
05/29/13	ME	12	0.115	\$13,800.00	\$6.100	\$4.532	\$0.00
08/09/13	NH	13	0.100	\$13,000.00	\$5.500	\$4.587	\$0.00
06/26/13	ME	13	0.110	\$14,300.00	\$5.900	\$4.587	\$0.00
08/09/13	NH	11	0.100	\$11,000.00	\$5.600	\$4.558	\$0.00
07/29/13	ME	12	0.105	\$12,600.00	\$5.750	\$4.558	\$0.00
08/28/13	Both	20	0.104	\$20,800.00	\$5.850	\$4.464	\$0.00
04/28/14	Both	27	0.105	\$28,350.00	\$5.700	\$4.155	\$0.00
05/28/14	Both	42	0.108	\$45,360.00	\$6.000	\$4.303	\$0.00
06/26/14	Both	52	0.110	\$57,200.00	\$6.500	\$4.428	\$0.00
	<i>Total Expense, Open Trade Equity</i>			\$243,410.00			\$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	0.1208	\$9,664.00	\$5.000
04/26/13	ME	8	0.0344	\$2,752.00	\$5.800
08/09/13	NH	11	0.1203	\$13,233.00	\$5.250
05/29/13	ME	12	0.0412	\$4,944.00	\$6.100
08/09/13	NH	13	0.1398	\$18,174.00	\$5.500
06/26/13	ME	13	0.0948	\$12,324.00	\$5.900
08/09/13	NH	11	0.1579	\$17,369.00	\$5.600
07/29/13	ME	12	0.1394	\$16,728.00	\$5.750
08/28/13	Both	20	0.1450	\$29,000.00	\$5.850
04/28/14	Both	27	0.0749	\$20,223.00	\$5.700
05/28/14	Both	42	0.0801	\$33,642.00	\$6.000
06/26/14	Both	52	0.092	\$47,996.00	\$6.500
06/30/14	<i>Total Long Option Value</i>			\$226,049.00	

MARGIN CASH BALANCE **Subtotal** **Total**

06/01/14	Beginning Balance-carried forward from last month					\$8.12
	Interest Credit				\$0.00	
	Net Deposit to Margin Account				\$57,525.00	
	Option Premiums of new activity				(\$57,200.00)	
	Monthly Net P&L				\$0.00	
	Monthly Transaction Costs				(\$323.44)	
	<i>Total Monthly Cash Adjustment</i>					\$1.56
06/30/14	Ending Balance (ACB)					\$9.68

NORTHERN UTILITIES, INC.
DETERMINATION OF INVENTORY FINANCING FROM MONEY POOL
June 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	\$8,281,024.03	\$5,855,433.80	\$5,855,433.80	1.97%	\$9,612.67	\$4,460.28	\$5,152.39
June	\$7,473,818.58	\$7,877,421.31	\$7,877,421.31	1.97%	\$12,932.10	\$6,000.49	\$6,931.61
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

Inventory

ACCT #		MMBTU	AMOUNT
PROpane			
515104	Inventory - Liquid Propane	-	\$0.00
LNG			
515152	Inventory - Liquefied Natural Gas		
	NATURAL GAS	10,139	\$121,848.70
515114&115	Natural Gas Underground - SS-1 and FSS-1		
515116	Natural Gas Underground - SSNE	134,043	\$512,330.24
515113	Natural Gas Underground - MCN	1,606,577	\$7,646,845.09
516525	Washington 10 prepaid	-	
Total Inventory			\$8,281,024.03