

| LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP. Calculation of the Projected Over or Under Collection of the 2014 - 2015 Winter Cost of Gas Filing DG 14-220 | | | | <u>Dec Trigger</u> |
|---|----------------------|--------------------|------------------------|--------------------|
| Under/(Over) Collection as of 11/01/14 | | | | \$ 14,889,808 |
| Forecasted firm Residential therm sales 12/01/14 - 04/30/15 | | | 38,229,552 | |
| December Residential Cost of Gas Rate per therm | | | \$ (1.1630) | |
| Forecasted firm C&I High Winter Use therm sales 12/01/14 - 04/30/15 | | | 21,987,011 | |
| December C&I- High Winter Use Cost of Gas Rate per therm | | | \$ (1.1666) | |
| Forecasted firm C&I Low Winter therm sales 02/01/14 - 04/30/14 | | | 3,114,985 | |
| December C&I- Low Winter Use Cost of Gas Rate per therm | | | \$ (1.1384) | |
| Forecasted firm Residential therm sales 11/14 | | | 4,339,688 | |
| November Residential Cost of Gas Rate per therm | | | \$ (1.1630) | |
| Forecasted firm C&I High Winter Use therm sales 11/14 | | | 1,970,460 | |
| November C&I- High Winter Use Cost of Gas Rate per therm | | | \$ (1.1666) | |
| Forecasted firm C&I Low Winter Use therm sales 11/14 | | | 370,654 | |
| November C&I- Low Winter Use Cost of Gas Rate per therm | | | \$ (1.1384) | |
| Forecast recovered costs at current rate 11/01/14 - 4/30/15 | | | | (81,424,862) |
| <u>Fixed Price Option (volumes from November to April)</u> | | | | |
| 14% of Residential Sales (rates R1, R3 and R4) | | | | |
| FPO Residential Cost of Gas Rate per therm | <u>FPO w Premium</u> | <u>FPO Premium</u> | <u>FPO w/o Premium</u> | |
| Forecast recovered costs at FPO Rate | 5,938,093 | 5,938,093 | 5,938,093 | |
| | \$ (1.2425) | \$ (0.0795) | \$ (1.1630) | |
| | (7,378,081) | (472,078) | (6,906,003) | (6,906,003) |
| Unbilled COG Revenues- 11/01/14 - 4/30/15 | | | | - |
| Total Forecast recovered Costs | | | | |
| Revised projected gas costs 11/01/14 - 4/30/15 | | | | \$ 72,744,893 |
| Estimated interest charged (credited) to customers 11/01/14 - 4/30/15 | | | | 311,446 |
| Projected under / (over) collection as of 04/30/15 (A) | | | | \$ (384,718) |

| | |
|---|----------------------|
| Actual Gas Costs through 11/01/14 | \$ - |
| Revised projected gas costs 11/01/14 - 4/30/15 | <u>73,056,339</u> |
| Estimated total adjusted gas costs 11/01/13 - 4/30/14 (B) | <u>\$ 73,056,339</u> |

| | |
|--|--------|
| Under/ (over) collection as percent of total gas costs (A/B) | -0.53% |
|--|--------|

| | |
|--|------------------------------------|
| Projected under / (over) collections as of 4/30/15(A) | \$ (384,718) |
| Forecasted Non FPO firm therm sales 12/01/14 - 4/30/15 (C) | 38,229,552 |
| Change in residential rate used to reduce forecast under/(over) collection (A/C) | \$ (0.0101) |
| Current Residential Cost of Gas Rate | \$ 1.1630 |
| Revised Residential Cost of Gas Rate | incremental change -0.9% \$ 1.1529 |
| Cap - Residential Cost of Gas Rate | cumulative change 25.0% \$ 1.4538 |

Revised as follows:

The revised projected gas costs include the November closing NYMEX price and the December - April 2015 NYMEX strip as of November 20, 2014.

Compliance rates per New Hampshire Public Utilities Commission Order Number 25,730 dated October 31, 2014 in Docket DG 14-220: The Company may adjust the approved residential cost of gas rate of \$1.1630 per therm upwards by no more than plus 25% or \$0.2908 per therm. The adjusted residential cost of gas rate shall not be more than \$1.4538 per therm (pursuant to NHPUC NO. 7 Gas section 16(N)).

LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.
Projected Over or Under Collection

| Without Rate Adjustment | Nov-14 (estimate) | Dec-14 (estimate) | Jan-15 (estimate) | Feb-15 (estimate) | Mar-15 (estimate) | Apr-15 (estimate) | Total Peak |
|--|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------|
| Total Demand | \$ 1,123,585 | \$ 1,550,616 | \$ 1,550,616 | \$ 1,550,616 | \$ 1,123,585 | \$ 1,123,585 | \$ 8,022,603 |
| Total Commodity | \$ 2,814,221 | \$ 12,631,159 | \$ 18,827,798 | \$ 16,149,936 | \$ 10,447,229 | \$ 3,700,869 | \$ 64,571,211 |
| Hedge Loss (Savings) | \$ 57,168 | \$ 1,143 | \$ (5,908) | \$ (4,918) | \$ (4,048) | \$ 16,837 | \$ 60,273 |
| Total Gas Costs | \$ 3,994,974 | \$ 14,182,917 | \$ 20,372,506 | \$ 17,695,634 | \$ 11,566,766 | \$ 4,841,290 | \$ 72,654,087 |
| Adjustments and Indirect Costs | | | | | | | |
| Refunds & Adjustments | - | - | - | - | - | - | - |
| It Margin | - | - | - | - | - | - | - |
| net option premiums | 43,550 | 40,790 | 30,860 | 31,110 | 25,185 | 26,340 | 197,835 |
| Transportation Revenue | (40,338) | (54,501) | (67,444) | (73,206) | (69,698) | (62,070) | (367,256) |
| Broker Revenue | (26,420) | (96,625) | (60,516) | (331,915) | (365,464) | (127,704) | (1,008,645) |
| Off System and Capacity Release | (15,208) | (55,216) | (30,416) | (30,416) | (15,208) | 25,185 | (121,279) |
| Fixed Price Option Admin. | 50,689 | - | - | - | - | - | 50,689 |
| Bad Debt Costs | 28,438 | 100,961 | 145,022 | 125,967 | 82,338 | 34,463 | 517,189 |
| Working Capital | 7,062 | 25,071 | 36,012 | 31,280 | 20,446 | 8,558 | 128,429 |
| Misc Overhead | 574 | 2,037 | 2,926 | 2,542 | 1,661 | 695 | 10,435 |
| Production & Storage | 108,896 | 386,602 | 555,320 | 482,353 | 315,291 | 131,965 | 1,980,428 |
| Total Indirect Costs | \$ 157,243 | \$ 349,120 | \$ 611,764 | \$ 237,714 | \$ (5,449) | \$ 37,432 | \$ 1,387,825 |
| Interest | \$ 28,070 | \$ 17,128 | \$ 13,333 | \$ 12,725 | \$ 9,655 | \$ (1,105) | \$ 79,806 |
| Total Gas Costs plus Indirect Costs | \$ 4,180,287 | \$ 14,549,166 | \$ 20,997,603 | \$ 17,946,073 | \$ 11,570,972 | \$ 4,877,617 | \$ 74,121,718 |
| Collections | \$ (7,767,748) | \$ (13,398,040) | \$ (19,008,367) | \$ (18,528,334) | \$ (16,196,757) | \$ (13,431,619) | \$ (88,330,865) |
| Less FPO Premium | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Unbilled | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Reverse Prior Month Unbilled | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Prior Period | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| | \$ (7,767,748) | \$ (13,398,040) | \$ (19,008,367) | \$ (18,528,334) | \$ (16,196,757) | \$ (13,431,619) | |
| Total Forecasted Sales Volumes | 6,680,802 | 11,519,739 | 16,341,054 | 15,929,162 | 13,928,459 | 11,551,226 | 75,950,443 |
| Total Forecasted Collections | (\$7,767,748) | (\$13,398,040) | (\$19,008,367) | (\$18,528,334) | (\$16,196,757) | (\$13,431,619) | (\$88,330,865) |
| With Rate Adjustment | | | | | | | |
| | Nov-14 (estimate) | Dec-14 (estimate) | Jan-15 (estimate) | Feb-15 (estimate) | Mar-15 (estimate) | Apr-15 (estimate) | Total Peak |
| Total Demand | \$ 1,123,585 | \$ 1,550,616 | \$ 1,550,616 | \$ 1,550,616 | \$ 1,123,585 | \$ 1,123,585 | \$ 8,022,603 |
| Total Commodity | \$ 2,814,221 | \$ 12,631,159 | \$ 18,827,798 | \$ 16,149,936 | \$ 10,447,229 | \$ 3,700,869 | \$ 64,571,211 |
| Hedge Savings | \$ 57,168 | \$ 1,143 | \$ (5,908) | \$ (4,918) | \$ (4,048) | \$ 16,837 | \$ 60,273 |
| Total Gas Costs | \$ 3,994,974 | \$ 14,182,917 | \$ 20,372,506 | \$ 17,695,634 | \$ 11,566,766 | \$ 4,841,290 | \$ 72,654,087 |
| Adjustments and Indirect Costs | | | | | | | |
| Prior Period Adjustment | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 | \$0 |
| It Margin | - | - | - | - | - | - | - |
| Inventory Financing | 43,550 | 40,790 | 30,860 | 31,110 | 25,185 | 26,340 | 197,835 |
| Transportation Revenue | (40,338) | (54,501) | (67,444) | (73,206) | (69,698) | (62,070) | (367,256) |
| Broker Revenue | (26,420) | (96,625) | (60,516) | (331,915) | (365,464) | (127,704) | (1,008,645) |
| Off System and Capacity Release | (15,208) | (55,216) | (30,416) | (30,416) | (15,208) | 25,185 | (121,279) |
| Fixed Price Option Admin. | 50,689 | - | - | - | - | - | 50,689 |
| Bad Debt Costs | 28,438 | 100,961 | 145,022 | 125,967 | 82,338 | 34,463 | 517,189 |
| Working Capital | 7,062 | 25,071 | 36,012 | 31,280 | 20,446 | 8,558 | 128,429 |
| Misc Overhead | 574 | 2,037 | 2,926 | 2,542 | 1,661 | 695 | 10,435 |
| Production & Storage | 108,896 | 386,602 | 555,320 | 482,353 | 315,291 | 131,965 | 1,980,428 |
| Total Indirect Costs | \$ 157,243 | \$ 349,120 | \$ 611,764 | \$ 237,714 | \$ (5,449) | \$ 37,432 | \$ 1,387,825 |
| Interest | \$ 28,070 | \$ 17,128 | \$ 13,333 | \$ 12,725 | \$ 9,655 | \$ (1,105) | \$ 79,806 |
| Total Gas Costs plus Indirect Costs | \$ 4,180,287 | \$ 14,549,166 | \$ 20,997,603 | \$ 17,946,073 | \$ 11,570,972 | \$ 4,877,617 | \$ 74,121,718 |
| Collections | \$ (7,767,748) | \$ (13,286,650) | \$ (18,849,342) | \$ (18,374,169) | \$ (16,063,390) | \$ (13,321,404) | \$ (87,662,703) |
| Less FPO Premium | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Unbilled | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Reverse Prior Month Unbilled | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Prior Period | \$ - | \$ 1,262,516 | \$ 2,148,261 | \$ (428,095) | \$ (4,492,418) | \$ (8,443,787) | \$ (9,953,524) |
| | \$ (7,767,748) | \$ (12,024,134) | \$ (16,701,081) | \$ (18,802,264) | \$ (20,555,809) | \$ (21,765,191) | |
| Total Forecasted Sales Volumes | 6,680,802 | 11,519,739 | 16,341,054 | 15,929,162 | 13,928,459 | 11,551,226 | 75,950,443 |
| Total Forecasted Collections | (\$7,767,748) | (\$13,286,650) | (\$18,849,342) | (\$18,374,169) | (\$16,063,390) | (\$13,321,404) | (\$87,662,703) |