

NORTHERN UTILITIES, INC.
NEW HAMPSHIRE DIVISION
Calculation of the Projected Over or Under Collection of the
Winter 2014-2015 Period Cost of Gas
DG 14-239
March 2015 Estimated

Under/(Over) collection as of 11/01/14 - forecast [1]		\$ (1,204,519)
Forecasted firm therm sales 03/01/15 - 04/30/15		
Residential Heat & Non Heat	3,607,113	
HLF Classes	541,258	
LLF Classes	3,685,099	
Current recovery rate per therm		
Residential heat & non heat	\$0.9644	
HLF classes	\$0.8638	
LLF classes	\$0.9792	
Total	\$ (7,554,688)	
Forecasted recovered costs at current rates 03/01/15 - 04/30/15		\$ (7,554,688)
Actual recovered costs 11/01/14 - 2/28/15		<u>\$ (28,470,936)</u>
Estimated total recovered costs 11/01/14 - 04/30/15		\$ (36,025,624)
Revised projected direct gas costs 11/01/14 - 04/30/15 [2]		\$ 34,520,215
Revised projected indirect gas costs 11/01/14 - 04/30/15 [3]		\$ 990,953
Projected under/(over) collection as of 04/30/15		\$ (1,718,975)

Actual gas costs to date 11/01/14 - 2/28/15	\$ 28,022,409
Revised projected indirect gas costs 03/01/15 - 04/30/15 [3]	\$ 398,252
Revised projected direct gas costs 3/01/15 - 04/30/15 [2]	\$ 7,090,507
Estimated total adjusted gas costs 11/01/14 - 04/30/15	\$ 35,511,168

Under/(over) collection as percent of total gas costs	-4.84%
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Projected under/(over) collection as of 04/30/15	\$ (1,718,975)
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NOTES

[1] Includes prior period adjustments

[2] Revised as follows:

- Futures prices as of March 20, 2015

[3] Includes: Working Capital Allowance, Bad Debt Allowance, Production and Storage Capacity, Miscellaneous Overhead, and Interest

Northern Utilities
NEW HAMPSHIRE (Over) / Undercollection Analysis, Balances and Interest Calculation

		Summer						Winter							
Sales Revenues		Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	(Forecast) Mar-15	(Forecast) Apr-15	Total
1	Volumes														
2	Residential Heat & Non Heat												2,269,613	1,337,500	3,607,113
3	Sales HLF Classes												340,562	200,696	541,258
4	Sales LLF Classes												2,318,683	1,366,417	3,685,099
5	Total												4,928,858	2,904,612	7,833,470
6	Rates														
7	Residential Heat & Non Heat CGA												\$0.9644	\$0.9644	
8	Sales HLF Classes CGA												\$0.8638	\$0.8638	
9	Sales LLF Classes CGA												\$0.9792	\$0.9792	
10	Revenues														
11	Residential Heat & Non Heat												\$ (2,188,815)	\$ (1,289,885)	\$ (3,478,700)
12	Sales HLF Classes												\$ (294,177)	\$ (173,361)	\$ (467,538)
13	Sales LLF Classes												\$ (2,270,454)	\$ (1,337,995)	\$ (3,608,449)
14	Total Sales Revenues		\$ 549,237	\$ (1,352)	\$ (246)	\$ 144	\$ 48	\$ 5	\$ (3,914,086)	\$ (6,386,425)	\$ (9,227,163)	\$ (8,943,263)	\$ (4,753,447)	\$ (2,801,241)	\$ (36,025,624)
15															
16															
17	Gas Costs and Credits														
18			May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-14	Dec-14	Jan-15	Feb-15	(Forecast) Mar-15	(Forecast) Apr-15	Total
19	Net Demand Costs (Net of Injection Fees & Cap. Assign.)														
20	Pipeline												\$ 264,249	\$ 264,249	\$ 528,499
21	Storage												\$ 1,651,757	\$ 615,612	\$ 2,267,368
22	Peaking												\$ 290,359	\$ 49,674	\$ 340,033
23	Total Demand Costs								\$ 1,714,471	\$ 1,716,773	\$ 1,708,842	\$ 1,837,121	\$ 2,206,365	\$ 929,535	\$ 10,113,108
24	NUI Commodity Costs														
25	NUI Total Pipeline Volumes												928,066	628,089	\$ 1,556,155
26	Pipeline Costs Modeled in Sendout™												\$ 8,105,099	\$ 2,531,737	\$ 10,636,836
27	NYMEX Price Used for Forecast												\$ 4,0090	\$ 3,7900	
28	NYMEX Price Used for Update												\$ 2,7590	\$ 2,7790	
29	Increase/(Decrease) NYMEX Price												\$ (1.25)	\$ (1.01)	
30	Increase/(Decrease) in Pipeline Costs												\$ (1,160,082)	\$ (634,998)	
31	Updated Pipeline Costs												\$ 6,945,017	\$ 1,896,739	
32	Interruptible Volumes - NH												0	0	
33	Average Supply Cost (\$/MMBtu)												\$ 7.48	\$ 3.02	
34	Interruptible Cost - NH												\$ -	\$ -	
35	Total Updated Pipeline Costs												\$ 6,945,017	\$ 1,896,739	
36	New Hampshire Allocated Percentage												47.54%	46.40%	
37	NH Updated Pipeline Costs								\$ -				\$ 3,301,906	\$ 880,040	\$ 4,181,946
38	Hedging (Gain)/Loss Estimate														
39	Time Triggered NYMEX Contracts (Allocated between ME and NH)														
40	NYMEX Options Contracts														
41	Number of contracts												9	0	
42	Option Contract Price												\$ 0.1040	\$ -	
43	Hedging Expense												\$9,360	\$0	
44	NYMEX Option Strike Price												\$6	\$0	
45	NYMEX Price Used for Forecast												\$3	\$0	
46	Strike Price Hit												No	\$0	
47	Option Hedging Gain (Credit)												\$0	\$0	
48	Total Option Cost												\$9,360	\$0	
49	New Hampshire Allocated Percentage												47.54%	46.40%	
50	NH Futures Hedging (Gain)/Loss, Time Triggered								\$ 4,450				\$ -	\$ -	\$ 4,450
51	NH Commodity Costs														
52	Pipeline Excl Hedging												\$ 3,301,906	\$ 880,040	\$ 4,181,946
53	Hedging (Gain)/Loss Estimate												\$ 4,450	\$ -	\$ 4,450
54	Storage												\$ 267,232	\$ -	\$ 267,232
55	Peaking												\$ 288,640	\$ 13,849	\$ 302,488
56	Off-system Sales														
56	Total Commodity Costs		\$ 115,960	\$ 353	\$ 407	\$ 455	\$ 477	\$ 537	\$ 3,478,636	\$ 4,624,106	\$ 6,389,245	\$ 5,960,514	\$ 3,862,227	\$ 893,888	\$ 25,208,616
57	Inventory Finance Charge												\$ 274	\$ 225	\$ 499
58	Asset Management and Capacity Release														
59	NUI AMA Revenue												\$ (933,171)	\$ (933,171)	\$ (1,866,343)
60	PNGTS Litigation Cost												\$ -	\$ -	\$0
61	NUI Capacity Release												\$ (24,603)	\$ (24,603)	\$ (49,205)

Northern Utilities, Inc.
Price Risk Management
Profit and Loss Statement
February 2015

Account # 53325

Current

ACB	\$9.30
TE	\$9.30
LV	\$46,476.30

ACTIVITY - Purchase Cost and Profit and Loss	Expense	Profit and Loss
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Date	Description	State	Contracts	Option Premium	Strike Price	Option Purchase Cost
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Net P&L \$0.00

TRANSACTION COSTS	Subtotal	Total
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Transaction Cost-Enter Options	Both	0	\$7.37	\$0.00
Transaction Cost-Exit Options		0	\$3.37	\$0.00
<i>Total New Transaction Costs</i>				\$0.00

OPEN CALL OPTION POSITIONS-Expense and Open Trade Equity	Total	Total
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	State	QTY	Actual Option Premium	Option Purchase Cost	Strike Price	02/27/15 Futures Price	Current Open Trade Equity
04/28/14	Both	27	0.105	\$28,350.00	\$5.700	\$2.997	\$0.00
05/28/14	Both	42	0.108	\$45,360.00	\$6.000	\$3.157	\$0.00
06/26/14	Both	52	0.110	\$57,200.00	\$6.500	\$3.276	\$0.00
07/29/14	Both	41	0.103	\$42,230.00	\$6.250	\$3.265	\$0.00
08/27/14	Both	33	0.105	\$34,650.00	\$6.500	\$3.214	\$0.00
<i>Total Expense, Open Trade Equity</i>				\$207,790.00			\$0.00

OPEN CALL OPTION POSITIONS- Long Option Value	Total
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	State	QTY	Current Option Premium	Current Option Value	Strike Price
04/28/14	Both	27	0.0090	\$2,430.00	\$5.700
05/28/14	Both	42	0.0146	\$6,132.00	\$6.000
06/26/14	Both	52	0.0231	\$12,012.00	\$6.500
07/29/14	Both	41	0.0345	\$14,145.00	\$6.250
08/01/37	Both	33	0.0356	\$11,748.00	\$6.500
02/27/15	<i>Total Long Option Value</i>			\$46,467.00	

MARGIN CASH BALANCE	Subtotal	Total
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02/01/15	Beginning Balance-carried forward from last month		\$9.30
	Interest Credit	\$0.00	
	Net Deposit to Margin Account	\$0.00	
	Option Premiums of new activity	.	
	Monthly Net P&L	\$0.00	
	Monthly Transaction Costs	\$0.00	
	<i>Total Monthly Cash Adjustment</i>		\$0.00
02/27/15	Ending Balance (ACB)		\$9.30

NORTHERN UTILITIES, INC.
DETERMINATION OF INVENTORY FINANCING FROM MONEY POOL
January 2015

	Total Inventory	Average bal beg + end / 2	Internally Financed	Money Pool Interest Rate	Interest to Defer	NH	ME
January 2014	\$6,995,461.07	\$8,834,201.13	\$8,834,201.13	1.56%	\$11,484.46	\$5,424.11	\$6,060.35
February	\$3,600,670.19	\$5,298,065.63	\$5,298,065.63	1.55%	\$6,843.33	\$3,232.11	\$3,611.23
March	\$1,384,721.84	\$2,492,696.01	\$2,492,696.01	1.55%	\$3,219.73	\$1,520.68	\$1,699.05
April	\$3,736,125.20	\$2,560,423.52	\$2,560,423.52	1.55%	\$3,307.21	\$1,562.00	\$1,745.22
May	\$6,048,965.75	\$4,892,545.48	\$4,892,545.48	1.55%	\$6,319.54	\$2,984.72	\$3,334.82
June	\$8,281,024.03	\$7,164,994.89	\$7,164,994.89	1.55%	\$9,254.79	\$4,371.03	\$4,883.75
July	\$10,495,523.84	\$9,388,273.93	\$9,388,273.93	1.55%	\$12,126.52	\$5,727.36	\$6,399.16
August	\$12,336,256.67	\$11,415,890.25	\$11,415,890.25	1.55%	\$14,745.52	\$6,964.31	\$7,781.21
September	\$14,258,183.80	\$13,297,220.23	\$13,297,220.23	1.55%	\$17,175.58	\$8,112.02	\$9,063.55
October	\$16,209,334.85	\$15,233,759.32	\$15,233,759.32	1.55%	\$19,676.94	\$9,293.42	\$10,383.52
November	\$16,001,676.03	\$16,105,505.44	\$16,105,505.44	1.54%	\$20,668.73	\$9,852.78	\$10,815.95
December	\$15,009,665.55	\$15,505,670.79	\$15,505,670.79	1.56%	\$20,157.37	\$9,609.02	\$10,548.35
January 2015	\$10,398,644.45	\$12,704,155.00	\$12,704,155.00	1.56%	\$16,515.40	\$7,872.89	\$8,642.51
February	\$5,906,333.53	\$8,152,488.99	\$8,152,488.99	1.57%	\$10,666.17	\$5,084.56	\$5,581.61

Inventory

ACCT #		MMBTU	AMOUNT
	LNG		
515152	Inventory - Liquefied Natural Gas NATURAL GAS	8,666	\$96,350.42
515114&115	Natural Gas Underground - SS-1 and FSS-1		
515116	Natural Gas Underground - SSNE	64,292	\$226,586.48
515113	Natural Gas Underground - MCN	1,242,774	\$5,583,396.63
516525	Washington 10 prepaid	-	

Total Inventory \$5,906,333.53