

LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP D/B/A LIBERTY UTILITIES

Calculation of the Cost of Gas Rate

Period Covered: Winter Period November 1, 2015 through April 30, 2016

| | | |
|---------------------------------------------------|--|-------------------------|
| Projected Gas Sales - therms | | 1,107,962 |
| Total Anticipated Cost of Propane Sendout | | \$1,066,837 |
| Add: Prior Period Deficiency Uncollected Interest | | \$0 \$0 |
| Deduct: Prior Period Excess Collected Interest | | (\$92,082) (\$1,088) |
| Prior Period Adjustments and Interest | | (\$93,170) |
| Total Anticipated Cost | | <u>\$973,667</u> |

Cost of Gas Rate

| | | |
|---------------------------------------------------------------------------------------|--|------------------------|
| Non-Fixed Price Option Cost of Gas Rate (per therm) | | <u>\$0.8788</u> |
| Fixed Price Option Premium | | \$0.0200 |
| Fixed Price Option Cost of Gas Rate (per therm) | | <u>\$0.8988</u> |
| Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm) | | \$0.8788 |
| Mid Period Adjustment - January 1, 2016 | | (\$0.0592) |
| Mid Period Adjustment - February 1, 2016 | | (\$0.1286) |
| Mid Period Adjustment - March 1, 2016 | | (\$0.2998) |
| Revised Non-Fixed Price Option Cost of Gas Rate - Effective March 1, 2016 (per therm) | | <u><u>\$0.3912</u></u> |

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 (per therm) | | <u><u>\$1.0985</u></u> |
|---------------------------------------------------------------|--|------------------------|

Issued: October 31, 2015
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Issued By: /s/ David R. Swain
David R. Swain
President