

**NORTHERN UTILITIES, INC.**  
**NEW HAMPSHIRE DIVISION**  
**Calculation of the Projected Over or Under Collection of the**  
**Winter 2015-2016 Period Cost of Gas**  
**DG 15-393**  
**February 2016 Estimated**

Under/(Over) collection as of 11/01/2015	\$	749,271
Forecasted firm therm sales 02/01/2016 - 04/30/2016		
Residential heat & non heat	6,649,330	
HLF classes	1,438,337	
LLF classes	6,693,614	
Current recovery rate per therm		
Residential heat & non heat	\$0.6676	
HLF classes	\$0.6568	
LLF classes	\$0.6722	
Total	\$	(9,883,240)
Forecasted recovered costs at current rates 02/01/2016 - 04/30/2016	\$	(9,883,240)
Actual recovered costs 11/01/2015 - 01/31/2016	\$	(8,546,197)
Estimated total recovered costs 11/01/2015 - 04/30/2016	\$	(18,429,437)
Revised projected direct gas costs 11/01/2015 - 04/30/2016 [1]	\$	16,541,961
Revised projected indirect gas costs 11/01/2015 - 04/30/2016 [2]	\$	920,339
Projected under/(over) collection as of 04/30/2016	\$	(217,867)

Actual gas costs to date 11/01/2015 - 01/31/2016	\$	9,941,881
Revised projected indirect gas costs 02/01/2016 - 04/30/2016	\$	474,555
Revised projected direct gas costs 02/01/2016 - 04/30/2016	\$	7,045,864
Estimated total adjusted gas costs 11/1/2015 - 04/30/2016	\$	17,462,300

Under/(over) collection as percent of total gas costs	-1.25%
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Projected under/(over) collection as of 04/30/2016	\$	(217,867)
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**NOTES**

[1] Revised as follows:

- Futures prices as of February 19, 2016

[2] Includes: Working Capital Allowance, Bad Debt, On-system Production and Storage and Capacity, Miscellaneous Overhead and Interest

Peak Period

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

		Summer						Winter						Nov- Apr Total	
Sales Revenues		Apr-15	May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-15	Dec-15	Jan-16	(Forecast) Feb-16	(Forecast) Mar-16		(Forecast) Apr-16
1	Volumes														
2	Residential Heat & Non Heat								1,921,947	2,831,438	3,574,582	2,988,250	2,303,570	1,357,510	14,977,297
3	Sales HLF Classes								415,742	612,477	773,229	646,397	498,292	293,647	3,239,784
4	Sales LLF Classes								1,934,746	2,850,295	3,598,389	3,008,152	2,318,911	1,366,551	15,077,044
5	Total								4,272,435	6,294,210	7,946,200	6,642,799	5,120,773	3,017,709	33,294,125
6	Rates														
7	Residential Heat & Non Heat CGA											\$0.6676	\$0.6676	\$0.6676	
8	Sales HLF Classes CGA											\$0.6568	\$0.6568	\$0.6568	
9	Sales LLF Classes CGA											\$0.6722	\$0.6722	\$0.6722	
10	Revenues														
11	Residential Heat & Non Heat											\$ (1,994,956)	\$ (1,537,863)	\$ (906,274)	\$ (4,439,093)
12	Sales HLF Classes											\$ (424,554)	\$ (327,278)	\$ (192,867)	\$ (944,700)
13	Sales LLF Classes											\$ (2,022,080)	\$ (1,558,772)	\$ (918,596)	\$ (4,499,447)
14	Total Sales Revenues		\$ 2,639	\$ 462	\$ (541)	\$ (137)	\$ 1,923	\$ (239)	\$ (1,897,376)	\$ (2,782,645)	\$ (3,866,177)	\$ (4,441,589)	\$ (3,423,913)	\$ (2,017,737)	\$ (18,429,437)
15															
16															
17	Gas Costs and Credits														
18			May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16	Nov-15	Dec-15	Jan-16	(Forecast) Feb-16	(Forecast) Mar-16	(Forecast) Apr-16	Total
19	Net Demand Costs (Net of Injection Fees & Cap. Assign.)														
20	Pipeline											\$ 261,822	\$ 261,822	\$ 261,822	\$ 785,465
21	Storage											\$ 1,092,526	\$ 1,092,526	\$ 482,715	\$ 2,667,768
22	Peaking											\$ 366,380	\$ 366,380	\$ 60,039	\$ 792,799
23	Gross Demand Costs											\$ 1,720,728	\$ 1,720,728	\$ 804,576	\$ 4,246,032
24															
25	Asset Management and Capacity Release														
26	NUI AMA Revenue											\$ (797,083)	\$ (797,083)	\$ (797,083)	(\$9,565,000)
27	NUI Capacity Release											\$ (5,416)	\$ (5,416)	\$ (5,416)	\$ (64,987)
28	NUI AMA Rev & Cap. Release Subtotal											\$ (802,499)	\$ (802,499)	\$ (802,499)	\$ (2,407,497)
29	NH AMA Revenue											\$ (281,198)	\$ (281,198)	\$ (281,198)	(\$3,374,382)
30	NH Capacity Release											\$ (2,278)	\$ (2,278)	\$ (2,278)	(\$27,338)
31	NH Total Asset Management and Capacity Release											\$ (283,477)	\$ (283,477)	\$ (283,477)	\$ (850,430)
32															
33	PNGTS Refund											\$ (813,393.06)	\$ (813,393.06)	\$ (813,393.06)	\$ (2,440,179)
34															
35	Total Demand Costs		\$ 617,390	\$ 441,739	\$ 430,192	\$ 298,349	\$ 346,829	\$ 480,197	\$ 707,650	\$ 722,910	\$ 778,404	\$ 623,858	\$ 623,858	\$ (292,294)	\$ 955,422
36															
37	NUI Commodity Costs														
38	NUI Total Pipeline Volumes											1,070,794	1,067,603	777,347	2,915,743
39	Pipeline Costs Modeled in Sendout™											\$ 5,903,923	\$ 5,330,659	\$ 1,881,128	\$ 13,115,710
40	NYMEX Price Used for Forecast										FEB 8 NYMEX	\$2.189	\$2.140	\$2.190	
41	NYMEX Price Used for Update										FEB19 NYMEX	\$2.189	\$1.804	\$1.867	
42	Increase/(Decrease) NYMEX Price											\$ -	\$ (0.34)	\$ (0.32)	
43	Increase/(Decrease) in Pipeline Costs											\$ -	\$ (358,715)	\$ (251,083)	\$ (609,798)
44	Updated Pipeline Costs											\$ 5,903,923	\$ 4,971,944	\$ 1,630,045	\$ 12,505,912
45	Interruptible Volumes - NH											0	0	0	
46	Average Supply Cost (\$/MMBtu)											\$ 6.49	\$ 5.55	\$ 2.68	
47	Interruptible Cost - NH											\$ -	\$ -	\$ -	
48	Total Updated Pipeline Costs											\$ 5,903,923	\$ 4,971,944	\$ 1,630,045	
49	New Hampshire Allocated Percentage											40.49%	40.21%	39.11%	
50	NH Updated Pipeline Costs											\$ 2,390,727	\$ 1,998,978	\$ 637,518	\$ 5,027,222
51	Hedging (Gain)/Loss Estimate														
52	NYMEX Options Contracts														
53	Number of Contracts											41	33	0	
54	Option Contract Price											\$ 0.1030	\$ 0.1050	\$ -	
55	Hedging Expenses											\$42,230	\$34,650	\$0	\$76,880
56	NYMEX Option Strike Price											\$ 6.2500	\$ 6.5000	\$ -	
57	NYMEX Price Used for Forecast											2.1890	1.8040	1.8670	
58	Strike Price Hit											No	No	\$ -	\$ -
59	Option Hedging Gain (Credit)											\$0	\$0	\$0	



Northern Utilities, Inc.  
Price Risk Management  
Profit and Loss Statement  
January 2016

Account # 53325

Current

ACB	(\$2,993.42)
TE	(\$2,993.42)
LV	\$42,228.58

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	
	<i>Net P&amp;L</i>						\$0.00

TRANSACTION COSTS							Subtotal	Total
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	Transaction Cost-Enter Options	Both	0	\$7.36		\$0.00	
	Transaction Cost-Exit Options		0			\$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	01/29/16 Futures Price	Current Open Trade Equity
08/27/14	Mar16 Options	Both	33	0.105	\$34,650.00	\$6.500	\$2.298	\$0.00
04/28/15	Nov16 Options	Both	18	0.077	\$13,860.00	\$4.800	\$2.573	\$0.00
05/27/15	Dec16 Options	Both	31	0.085	\$26,350.00	\$5.250	\$2.742	\$0.00
06/26/15	Jan17 Options	Both	45	0.103	\$46,350.00	\$6.000	\$2.859	\$0.00
07/29/15	Feb17 Options	Both	46	0.099	\$45,540.00	\$6.250	\$2.853	\$0.00
08/27/15	Mar17 Options	Both	37	0.080	\$29,600.00	\$6.300	\$2.806	\$0.00
	<i>Total Expense, Open Trade Equity</i>				<b>\$196,350.00</b>			<b>\$0.00</b>

OPEN CALL OPTION POSITIONS- Long Option Value								Total
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		State	QTY	Current Option Premium	Current Option Value	Strike Price	
08/27/14	Mar16 Options	Both	33	0.0001	\$33.00	\$6.500	
04/28/15	Nov16 Options	Both	18	0.0097	\$1,746.00	\$4.800	
05/27/15	Dec16 Options	Both	31	0.0153	\$4,743.00	\$5.250	
06/26/15	Jan17 Options	Both	45	0.0252	\$11,340.00	\$6.000	
07/29/15	Feb17 Options	Both	46	0.0302	\$13,892.00	\$6.250	
08/27/15	Mar17 Options	Both	37	0.0364	\$13,468.00	\$6.300	
01/29/16	<i>Total Long Option Value</i>				<b>\$45,222.00</b>		

MARGIN CASH BALANCE							Subtotal	Total
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01/01/16	<b>Beginning Balance-carried forward from last month</b>							<b>(\$2,993.42)</b>
	Interest Credit						\$0.00	
	Net Deposit to Margin Account						\$0.00	
	Option Premiums of new activity						\$0.00	
	Monthly Transaction Costs						\$0.00	
	<i>Total Monthly Cash Adjustment</i>							\$0.00
01/29/16	<b>Ending Balance (ACB)</b>							<b>(\$2,993.42)</b>

**NORTHERN UTILITIES, INC.**  
**DETERMINATION OF INVENTORY FINANCING FROM MONEY POOL**  
**January 2016**

	<b>Total Inventory</b>	<b>Average bal beg + end / 2</b>	<b>Internally Financed</b>	<b>Money Pool Interest Rate</b>	<b>Interest to Defer</b>	<b>NH</b>	<b>ME</b>
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
March	\$3,816,219.24	\$4,861,276.38	\$4,861,276.38	1.57%	\$6,360.17	\$3,031.89	\$3,328.28
April	\$4,853,845.91	\$4,335,032.58	\$4,335,032.58	1.58%	\$5,707.79	\$2,720.90	\$2,986.89
May	\$5,845,033.55	\$5,349,439.73	\$5,349,439.73	1.58%	\$7,043.43	\$3,357.60	\$3,685.83
June	\$6,981,986.40	\$6,413,509.97	\$6,413,509.97	1.58%	\$8,444.45	\$4,025.47	\$4,418.98
July	\$8,083,382.82	\$7,532,684.61	\$7,532,684.61	1.58%	\$9,918.03	\$4,727.93	\$5,190.11
August	\$9,191,271.89	\$8,637,327.36	\$8,637,327.36	1.58%	\$11,372.48	\$5,421.26	\$5,951.22
September	\$10,272,808.68	\$9,732,040.28	\$9,732,040.28	1.48%	\$12,002.85	\$5,721.76	\$6,281.09
October	\$11,382,175.37	\$10,827,492.03	\$10,827,492.03	1.46%	\$13,173.45	\$6,279.78	\$6,893.67
November	\$11,243,809.57	\$11,312,992.47	\$11,312,992.47	1.48%	\$13,952.69	\$6,651.25	\$7,301.44
December	\$11,245,520.69	\$11,244,665.13	\$11,244,665.13	1.63%	\$15,274.00	\$7,281.12	\$7,992.89
January 2016	\$8,349,188.69	\$9,797,354.69	\$9,797,354.69	1.70%	\$13,879.59	\$6,616.40	\$7,263.19

<b>Inventory ACCT #</b>		<b>MMBTU</b>	<b>AMOUNT</b>
	LNG		
515152	Inventory - Liquefied Natural Gas NATURAL GAS	10,968	\$79,659.17
515114&115	Natural Gas Underground - SS-1 and FSS-1		
515116	Natural Gas Underground - SSNE	137,012	\$228,381.36
515113	Natural Gas Underground - MCN	2,510,194	\$8,041,148.16
516525	Washington 10 prepaid	-	
<b>Total Inventory</b>			<b>\$8,349,188.69</b>