

Allocated Base O & M Synergies
 Estimated 2008
 (in millions)

Line No.		UES	FGE	NU-ME	NU-NH	GST	All Other	Total	Reference
OUTSIDE SERVICES (O/S):									
1	Pre-Acquisition O/S - Operations and Maintenance	\$ -	\$ -	\$ 3.9	\$ 4.2	\$ 0.6	\$ -	\$ 8.7	2006 NU MPUC Report, p.19.8
2	Pre-Acquisition O/S - Operations and Maintenance	7.8	6.7	-	-	-	0.8	15.3	Sch. LMB -3, p.2, L.36-37
3	Total Service Company O & M Synergies:	\$ 7.8	\$ 6.7	\$ 3.9	\$ 4.2	\$ 0.6	\$ 0.8	\$ 24.0	L.1 + L.2
4	Post-Acquisition O/S - Operations and Maintenance	6.4	5.0	3.0	3.0	0.9	0.8	19.1	Sch. LMB -3, p.2, L.36-44
5	Total Service Company O & M Synergies:	\$ (1.4)	\$ (1.7)	\$ (0.9)	\$ (1.2)	\$ 0.3	\$ -	\$ (4.9)	L.4 - L.3
OTHER G&A O & M COSTS:									
6	Other G&A Costs - Operations and Maintenance	-	-	(0.2)	(0.2)	(0.1)	-	(0.5)	
7	Total Base O & M Synergies:	\$ (1.4)	\$ (1.7)	\$ (1.1)	\$ (1.4)	\$ 0.2	\$ -	\$ (5.4)	L.5 + L.6

UNITIL Service Corp.
 Labor/ Overhead Allocation Analysis
 2008 Budget vs. 2008 w/ Northern Utilities and Granite State Transmission
 (\$000's)

Line No.		2008 Budget		2008 w/Northern		Change		Reference
		\$	%	\$	%	\$	%	
Labor								
1	UES	\$ 6,034	52.4%	\$ 4,857	34.0%	\$ (1,177)	-8.3%	
2	Fitchburg	5,207	45.2%	4,004	28.1%	(1,203)	-8.4%	
3	NU - ME	-	0.0%	2,274	15.9%	2,274	15.9%	
4	NU - NH	-	0.0%	2,376	16.7%	2,376	16.7%	
5	GST	-	0.0%	473	3.3%	473	3.3%	
6	Usource	215	1.9%	215	1.5%	-	0.0%	
7	URI	8	0.1%	8	0.1%	-	0.0%	
8	URC	57	0.5%	57	0.4%	-	0.0%	
9	Corp	3	0.0%	3	0.0%	-	0.0%	
10	Total	\$ 11,524	100.0%	\$ 14,266	100.0%	\$ 2,742	19.2%	Sch. LMB-3, p.3, L.12
Overhead								
11	UES	\$ 6,105	51.3%	\$ 4,854	35.2%	\$ (1,251)	-9.1%	
12	Fitchburg	5,257	44.1%	4,013	29.1%	(1,244)	-9.0%	
13	NU - ME	-	0.0%	1,938	14.1%	1,938	14.1%	
14	NU - NH	-	0.0%	2,025	14.7%	2,025	14.7%	
15	GST	-	0.0%	403	2.9%	403	2.9%	
16	Usource	487	4.1%	487	3.5%	-	0.0%	
17	URI	7	0.1%	7	0.1%	-	0.0%	
18	URC	51	0.4%	51	0.4%	-	0.0%	
19	Corp	3	0.0%	3	0.0%	-	0.0%	
20	Total	\$ 11,909	100.0%	\$ 13,780	100.0%	\$ 1,871	13.6%	
Total								
21	UES	\$ 12,139	51.8%	\$ 9,711	34.6%	\$ (2,428)	-8.7%	
22	Fitchburg	10,464	44.7%	8,017	28.6%	(2,447)	-8.7%	
23	NU - ME	-	0.0%	4,211	15.0%	4,211	15.0%	
24	NU - NH	-	0.0%	4,402	15.7%	4,402	15.7%	
25	GST	-	0.0%	876	3.1%	876	3.1%	
26	Usource	702	3.0%	702	2.5%	-	0.0%	
27	URI	15	0.1%	15	0.1%	-	0.0%	
28	URC	107	0.5%	107	0.4%	-	0.0%	
29	Corp	5	0.0%	5	0.0%	-	0.0%	
30	Total	\$ 23,433	100.0%	\$ 28,046	100.0%	\$ 4,613	16.4%	
Construction & DSM								
31	UES	\$ 4,328	53.2%	\$ 3,269	29.4%	(1,059)	-23.8%	
32	Fitchburg	3,811	46.8%	2,991	28.8%	(820)	-18.0%	
33	NU - ME	-	0.0%	1,259	21.2%	1,259	21.2%	
34	NU - NH	-	0.0%	1,380	20.7%	1,380	20.7%	
35	Total	\$ 8,139	100.0%	\$ 8,899	100.0%	\$ 760	0.0%	
Total Net Charges								
36	UES	\$ 7,811	51.1%	\$ 6,442	33.6%	(1,369)	-7.2%	
37	Fitchburg	6,653	43.5%	5,026	26.2%	(1,627)	-8.5%	
38	NU - ME	-	0.0%	2,952	15.4%	2,952	15.4%	
39	NU - NH	-	0.0%	3,022	15.8%	3,022	15.8%	
40	GST	-	0.0%	876	4.6%	876	4.6%	
41	Usource	702	4.6%	702	3.7%	-	0.0%	
42	URI	15	0.1%	15	0.1%	-	0.0%	
43	URC	107	0.7%	107	0.6%	-	0.0%	
44	Corp	5	0.0%	5	0.0%	-	0.0%	
45	P&L Impact	\$ 15,294	100.0%	\$ 19,147	100.0%	\$ 3,853	20.1%	

Incremental Salaries Summary by Departments

<u>Line No.</u>		<u>Qty</u>	<u>Salary</u>	<u>Reference</u>
DOC Level (Existing Positions)				
Union				
	DOC Operations	38		
	Metering & Control	13		
	Operation Services	6		
		<u>57</u>		
Non Union				
	DOC Operations	13		
	Engineering	2		
	Marketing	7		
	Operation Services	6		
		<u>28</u>		
	Total DOC Level	<u>85</u>		
USC Level (New Positions)				
1	Regulatory	3	\$ 249,687	
2	Business Services	1	62,956	
3	Human Resources	1	45,000	
4	Finance	2	125,912	
5	Information System	2	125,000	
6	Accounting	4	297,996	
7	Energy Contracts	2	159,320	
8	Financial Services	2	153,323	
9	Operations	13	1,011,077	
10	Customer Operations	11	448,828	
11	Communications	1	62,901	
12	Total USC Level	<u>42</u>	<u>2,742,000</u>	
	Total Staffing Resources	<u>127</u>	<u>\$ 2,742,000</u>	