

DSM Charge Factor Calculation

DSM Charge Factors for Residential Customers

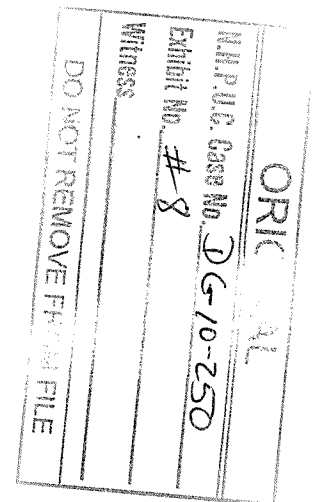
DSM Reconciliation Adjustment	\$180,049	Schedule 16 DSM B Nov '10 - Oct '11 Totals- November 2010 Beginning Balance
DSM Costs	\$348,863	Schedule 16 DSM B Nov '10 - Oct '11 Totals- Column 2
DSM Share Holder Incentive	\$33,088	Schedule 16 DSM B Nov '10 - Oct '11 Totals- Column 3
DSM Low-Income Costs	\$28,131	Schedule 16 DSM B Nov '10 - Oct '11 Totals- Column 4
DSM Allocated Low-Income Share Holder Incentive	\$2,335	Schedule 16 DSM B Nov '10 - Oct '11 Totals- Column 5
Forecasted Annual Throughput Volumes for Residential Customers	16,497,755	Schedule 16 DSM B Nov '10 - Oct '11 Totals- Column 6

Conservation Charge Factor for Residential Customers	\$0.0359
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DSM Charge Factors for Commercial and Industrial Customers (C&I)

DSM Reconciliation Adjustment	\$16,908	Schedule 16 DSM C Nov '10 - Oct '11 Totals- November 2010 Beginning Balance
DSM Costs	\$471,052	Schedule 16 DSM C Nov '10 - Oct '11 Totals- Column 2
DSM Share Holder Incentive	\$34,028	Schedule 16 DSM C Nov '10 - Oct '11 Totals- Column 3
DSM Low-Income Costs	\$75,892	Schedule 16 DSM C Nov '10 - Oct '11 Totals- Column 4
DSM Allocated Low-Income Share Holder Incentive	\$6,301	Schedule 16 DSM C Nov '10 - Oct '11 Totals- Column 5
Forecasted Annual Throughput Volumes for C&I Customers	39,818,448	Schedule 16 DSM C Nov '10 - Oct '11 Totals- Column 6

Conservation Charge Factor for C&I Customers	\$0.0152
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Northern Utilities, Inc.															
New Hampshire Division															
Calculation of the DSM Charge, a Component of the Local Distribution Adjustment Charge															
To Be Effective November 1, 2010 through October 31, 2011															
Residential Customers															
		Beginning Balance (Over)/Under	DSM Rate per Therm	DSM Collections	DSM Costs	DSM SHI	Allocated Low Income Costs	Allocated Low Income SHI	Ending Balance (Over)/Under	Average Balance (Over)/Under	Interest Prime Rate	Interest @ Prime Rate	Ending Balance plus Interest (Over)/Under	Therm Sales	# of Days
August-09	Actual	(11,790)	\$0.0113	\$3,831	\$17,976	\$1,724	\$830	\$56	\$4,965	(\$3,412)	3.25%	(\$9)	\$4,956	339,513	31
September-09	Actual	4,956	\$0.0113	\$3,904	\$17,085	\$1,724	\$1,800	\$89	\$21,750	\$13,353	3.25%	\$36	\$21,786	346,388	30
October-09	Actual	21,786	\$0.0113	\$6,095	\$22,441	\$1,724	\$2,665	\$107	\$42,625	\$32,205	3.25%	\$182	\$42,807	539,546	31
November-09	Actual	42,807	\$0.0185	\$15,172	\$13,477	\$1,724	\$1,937	\$135	\$44,908	\$43,857	3.25%	\$117	\$45,025	1,141,873	30
December-09	Actual	45,025	\$0.0185	\$28,331	\$33,032	\$1,724	\$1,264	\$104	\$52,917	\$48,971	3.25%	\$135	\$53,052	1,531,840	31
January-10	Actual	53,052	\$0.0185	\$59,398	\$66,003	\$1,724	\$1,134	\$75	\$62,590	\$57,821	3.25%	\$160	\$62,750	3,209,751	31
February-10	Actual	62,750	\$0.0185	\$49,238	\$48,770	\$1,724	\$842	\$56	\$64,904	\$63,827	3.25%	\$159	\$65,063	2,661,817	28
March-10	Actual	65,063	\$0.0185	\$38,593	\$71,165	\$1,724	\$752	\$52	\$100,163	\$82,613	3.25%	\$228	\$100,391	2,086,173	31
April-10	Actual	100,391	\$0.0185	\$28,502	\$23,100	\$1,724	\$526	\$43	\$97,282	\$98,837	3.25%	\$264	\$97,546	1,540,853	30
May-10	Actual	97,546	\$0.0185	\$16,617	\$55,567	\$1,724	\$2,537	\$105	\$140,861	\$119,203	3.25%	\$329	\$141,190	898,054	31
June-10	Actual	141,190	\$0.0185	\$8,995	\$13,854	\$1,724	\$3,910	\$195	\$151,877	\$146,533	3.25%	\$391	\$152,268	485,931	31
July-10	Actual	152,267	\$0.0185	\$6,949	\$10,388	\$1,724	\$5,607	\$128	\$163,165	\$157,716	3.25%	\$435	\$163,600	375,418	30
August-10	Actual	163,600	\$0.0185	\$5,809	\$13,894	\$1,724	\$5,232	\$107	\$178,747	\$171,174	3.25%	\$472	\$179,219	313,978	31
September-10	Forecast	179,221	\$0.0185	\$7,814	\$5,722	\$1,724	\$860	\$126	\$179,838	\$179,530	3.25%	\$480	\$180,318	422,359	30
October-10	Forecast	180,318	\$0.0185	\$9,175	\$5,722	\$1,724	\$841	\$123	\$179,552	\$179,935	3.25%	\$497	\$180,049	495,952	31
November-10	Forecast	180,049	\$0.0359	\$40,460	\$5,722	\$1,724	\$1,163	\$170	\$148,368	\$164,208	3.25%	\$439	\$148,807	1,126,635	30
December-10	Forecast	148,807	\$0.0359	\$68,240	\$27,464	\$1,724	\$5,827	\$177	\$115,758	\$132,282	3.25%	\$365	\$116,123	1,900,203	31
January-11	Forecast	116,123	\$0.0359	\$100,699	\$22,231	\$2,964	\$1,733	\$231	\$42,583	\$79,353	3.25%	\$219	\$42,802	2,804,066	31
February-11	Forecast	42,802	\$0.0359	\$105,145	\$26,677	\$2,964	\$2,234	\$248	(\$30,220)	\$6,291	3.25%	\$16	(\$30,204)	2,927,871	28
March-11	Forecast	(30,204)	\$0.0359	\$87,765	\$31,123	\$2,964	\$2,519	\$240	(\$81,124)	(\$55,664)	3.25%	(\$154)	(\$81,278)	2,443,900	31
April-11	Forecast	(81,278)	\$0.0359	\$65,447	\$31,123	\$2,964	\$2,490	\$237	(\$109,910)	(\$95,594)	3.25%	(\$255)	(\$110,165)	1,822,428	30
May-11	Forecast	(110,165)	\$0.0359	\$39,715	\$22,231	\$2,964	\$1,794	\$239	(\$122,652)	(\$116,408)	3.25%	(\$321)	(\$122,973)	1,105,900	31
June-11	Forecast	(122,973)	\$0.0359	\$23,543	\$75,585	\$2,964	\$4,967	\$195	(\$62,805)	(\$92,889)	3.25%	(\$248)	(\$63,053)	655,568	30
July-11	Forecast	(63,053)	\$0.0359	\$15,086	\$17,785	\$2,964	\$983	\$164	(\$56,243)	(\$59,648)	3.25%	(\$165)	(\$56,408)	420,094	31
August-11	Forecast	(56,408)	\$0.0359	\$13,148	\$44,462	\$2,964	\$2,327	\$155	(\$19,649)	(\$38,029)	3.25%	(\$105)	(\$19,754)	366,114	31
September-11	Forecast	(19,754)	\$0.0359	\$15,279	\$22,231	\$2,964	\$1,059	\$141	(\$8,637)	(\$14,196)	3.25%	(\$38)	(\$8,675)	425,454	30
October-11	Forecast	(8,675)	\$0.0359	\$17,939	\$22,231	\$2,964	\$1,034	\$138	(\$248)	(\$4,462)	3.25%	(\$12)	(\$260)	499,521	31
Nov 10 thru Oct 11 Totals				\$592,466	\$348,863	\$33,088	\$28,131	\$2,335						16,497,755	

Northern Utilities, Inc.
New Hampshire Division
Calculation of the DSM Charge, a Component of the Local Distribution Adjustment Charge
To Be Effective November 1, 2010 through October 31, 2011
General Service Customers

		Beginning Balance (Over)/Under	DSM Rate per Therm	DSM Collections	DSM Costs	DSM SHI	Allocated Low Income Costs	Allocated Low Income SHI	Ending Balance (Over)/Under	Average Balance (Over)/Under	Interest Prime Rate	Interest @ Prime Rate	Ending Balance plus Interest (Over)/Under	Therm Sales	# of Days
August-09	Actual	(\$262,684)	\$0.0069	\$5,291	\$33,414	\$2,659	\$1,876	\$126	(\$229,899)	(\$246,291)	3.25%	(\$680)	(\$230,579)	767,003	31
September-09	Actual	(\$230,579)	\$0.0069	\$16,700	\$23,822	\$2,659	\$12,902	\$304	(\$207,592)	(\$219,085)	3.25%	(\$585)	(\$208,177)	2,420,881	30
October-09	Actual	(\$208,177)	\$0.0069	\$16,631	\$7,605	\$2,659	\$2,772	\$9	(\$214,263)	(\$211,220)	3.25%	(\$395)	(\$214,658)	1,979,080	31
November-09	Actual	(\$214,658)	\$0.0054	\$18,883	\$10,524	\$2,659	\$5,592	\$202	(\$214,564)	(\$214,611)	3.25%	(\$573)	(\$215,137)	3,193,066	30
December-09	Actual	(\$215,137)	\$0.0054	\$26,858	\$21,155	\$2,659	\$4,567	\$187	(\$213,426)	(\$214,282)	3.25%	(\$591)	(\$214,018)	4,963,350	31
January-10	Actual	(\$214,018)	\$0.0054	\$37,737	\$15,945	\$2,659	\$2,456	\$176	(\$230,518)	(\$222,268)	3.25%	(\$614)	(\$231,132)	6,988,933	31
February-10	Actual	(\$231,132)	\$0.0054	\$31,502	\$19,519	\$2,659	\$1,805	\$163	(\$238,489)	(\$234,811)	3.25%	(\$585)	(\$239,075)	5,883,819	28
March-10	Actual	(\$239,075)	\$0.0054	\$26,308	\$37,995	\$2,659	\$1,712	\$165	(\$222,853)	(\$230,964)	3.25%	(\$638)	(\$223,490)	4,871,995	31
April-10	Actual	(\$223,490)	\$0.0054	\$18,671	\$15,478	\$2,659	\$1,178	\$98	(\$222,749)	(\$223,120)	3.25%	(\$596)	(\$223,345)	3,457,510	30
May-10	Actual	(\$223,345)	\$0.0054	\$12,399	\$17,281	\$2,659	\$6,525	\$260	(\$209,048)	(\$216,196)	3.25%	(\$597)	(\$209,645)	2,295,962	31
June-10	Actual	(\$209,645)	\$0.0054	\$9,243	\$25,848	\$2,659	\$14,100	\$360	(\$175,920)	(\$192,782)	3.25%	(\$515)	(\$176,435)	1,711,675	30
July-10	Actual	(\$176,435)	\$0.0054	\$8,343	\$9,439	\$2,659	\$23,075	\$525	(\$149,080)	(\$162,758)	3.25%	(\$449)	(\$149,529)	1,544,966	31
August-10	Actual	(\$149,529)	\$0.0054	\$8,669	\$30,130	\$2,659	\$26,749	\$546	(\$98,114)	(\$123,822)	3.25%	(\$342)	(\$98,456)	1,605,354	31
September-10	Forecast	(\$98,456)	\$0.0054	\$9,574	\$82,030	\$2,659	\$3,609	\$527	(\$19,205)	(\$58,831)	3.25%	(\$157)	(\$19,362)	1,772,983	30
October-10	Forecast	(\$19,362)	\$0.0054	\$11,559	\$41,015	\$2,659	\$3,629	\$530	\$16,911	(\$1,225)	3.25%	(\$3)	\$16,908	2,140,510	31
November-10	Forecast	\$16,908	\$0.0152	\$48,590	\$54,686	\$2,659	\$3,306	\$483	\$29,453	\$23,181	3.25%	\$62	\$29,515	3,202,347	30
December-10	Forecast	\$29,515	\$0.0152	\$77,322	\$54,686	\$2,659	\$15,626	\$475	\$25,640	\$27,577	3.25%	\$76	\$25,716	5,095,925	31
January-11	Forecast	\$25,716	\$0.0152	\$92,503	\$25,834	\$2,871	\$3,767	\$502	(\$33,813)	(\$4,048)	3.25%	(\$11)	(\$33,824)	6,096,372	31
February-11	Forecast	(\$33,824)	\$0.0152	\$86,830	\$34,446	\$2,871	\$4,366	\$485	(\$78,486)	(\$56,155)	3.25%	(\$140)	(\$78,626)	5,722,498	28
March-11	Forecast	(\$78,626)	\$0.0152	\$76,285	\$25,834	\$2,871	\$5,181	\$493	(\$120,531)	(\$99,578)	3.25%	(\$275)	(\$120,806)	5,027,531	31
April-11	Forecast	(\$120,806)	\$0.0152	\$57,841	\$43,057	\$2,871	\$5,210	\$496	(\$127,014)	(\$123,910)	3.25%	(\$331)	(\$127,345)	3,812,030	30
May-11	Forecast	(\$127,345)	\$0.0152	\$34,651	\$25,834	\$2,871	\$3,706	\$494	(\$129,091)	(\$128,218)	3.25%	(\$354)	(\$129,445)	2,283,685	31
June-11	Forecast	(\$129,445)	\$0.0152	\$27,501	\$60,280	\$2,871	\$13,733	\$538	(\$79,524)	(\$104,484)	3.25%	(\$279)	(\$79,803)	1,812,458	30
July-11	Forecast	(\$79,803)	\$0.0152	\$22,156	\$17,223	\$2,871	\$3,417	\$569	(\$77,879)	(\$78,841)	3.25%	(\$218)	(\$78,097)	1,460,200	31
August-11	Forecast	(\$78,097)	\$0.0152	\$20,707	\$51,668	\$2,871	\$8,673	\$578	(\$35,013)	(\$56,555)	3.25%	(\$156)	(\$35,169)	1,364,700	31
September-11	Forecast	(\$35,169)	\$0.0152	\$27,061	\$51,668	\$2,871	\$4,441	\$592	(\$2,658)	(\$18,914)	3.25%	(\$51)	(\$2,709)	1,783,427	30
October-11	Forecast	(\$2,709)	\$0.0152	\$32,733	\$25,834	\$2,871	\$4,466	\$595	(\$1,676)	(\$2,193)	3.25%	(\$6)	(\$1,682)	2,157,275	31
Nov 10 thru Oct 11 Totals				\$604,180	\$471,052	\$34,028	\$75,892	\$6,301					39,818,448		