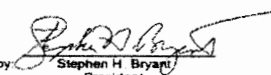


CALCULATION OF COST OF GAS ADJUSTMENT
 Period Covered: November 1, 2005 - April 30, 2006
 Anticipated Cost of Delivered and Produced Gas

Delivered:	Therms	Rate	Amount
Product: - Commodity			
GSGT: Supply via Iroquois	1,155,131	\$ 1.288	\$ 1,488,030
GSGT: Progas			
Domestic	9,931,949	\$ 1.243	\$ 12,343,529
Distric Gas	4,067,496	\$ 0.600	\$ 2,440,498
Spot PNGTS	43,468	\$ 1.156	\$ 50,261
TGP FS STG WD	1,389,119	\$ 0.659	\$ 914,959
TETCO STG WD	28,066	\$ 0.666	\$ 18,690
Propane	29,014	\$ 0.870	\$ 25,236
LNG Boil-off/Production	202,624	\$ 0.886	\$ 179,432
Hedging (Gain)/Loss			\$ (2,169,613)
Product: - Demand			
GSGT: Supply via Iroquois	222,708	\$ -	\$ -
Domac	457,328	\$ 2.452	\$ 1,121,369
Pipeline Reservation			
Granite State	2,036,129	\$ 0.126	\$ 257,346
Texas Gas Transmission	33,854	\$ -	\$ -
Transcontinental Pipe Line	9,810	\$ 0.290	\$ 2,844
Texas Eastern Transmission	35,123	\$ 0.623	\$ 21,891
Iroquois Gas Trans	225,314	\$ 0.680	\$ 153,325
Tennessee	786,593	\$ 1.187	\$ 933,456
Algonquin	187,345	\$ 0.622	\$ 116,562
PNGTS	37,730	\$ 2.585	\$ 97,547
Trans Canada Pipeline	34,300	\$ 1.150	\$ 39,445
Storage Demand			
Tenn FT-A (SSNE)	261,946	\$ 0.205	\$ 53,597
GST-FT	889,516	\$ 0.198	\$ 176,167
FS-MA Capacity	145,533	\$ 0.113	\$ 16,456
FS-MA Deliverability	4,202	\$ 3.983	\$ 16,736
SS-1 Space	720	\$ 0.075	\$ 54
SS-1 Reservation	10,976	\$ 0.036	\$ 396
FSS-1 Space	2,195	\$ 0.065	\$ 142
FSS-1 Reservation	2,195	\$ 0.090	\$ 197
TETCO	943,240	\$ 0.001	\$ 1,151
PNGTS	943,240	\$ 4.912	\$ 4,633,468
TranCanada	971,823	\$ 1.339	\$ 1,301,671
MCN	1,131,888	\$ 1.515	\$ 1,715,073
Capacity Release			\$ (64,251)
	37,252,487	Total Anticipated Cost of Gas	\$ 43,113,643

Issued: September 15, 2005

Effective Date: November 1, 2005
 Authorized by NHPUC Order No. in Case No. dated

Issued by: 
 Title: President

Calculation of Anticipated Indirect Cost of Gas

Working Capital Calculation

Total Anticipated Direct Cost of Gas	\$	43,113,643
Summer Deferred	\$	1,669,783
Interruptible Profits	\$	(1,912)
Total Direct Cost of Gas (including Deferred)	\$	44,781,514
Total Direct Gas Costs-including Summer Deferred	\$	44,781,514
Working Capital Percentage (NHPUC No. 10 Section 4.06.1)		0.19%
Working Capital	\$	85,085
plus: Working Capital Reconciliation	\$	5,298
Total Working Capital Allowance	\$	90,383

Bad Debt Calculation

Total Anticipated Direct Cost of Gas	\$	44,781,514
plus: Total Working Capital	\$	90,383
	\$	44,871,897
Bad Debt Percentage (NHPUC No. 10 Section 4.06.1)		0.45%
Total Bad Debt Allowance	\$	201,924
plus: Bad Debt Reconciliation	\$	12,494
Total Bad Debt Allowance	\$	214,418

Working Capital Allowance	\$	90,383
Bad Debt Allowance	\$	214,418
Miscellaneous Overhead-77.1% Allocated to Winter Season	\$	95,870
Production and Storage Capacity	\$	686,673
Prior Period Over Collection	\$	507,255
Deferral of Jurisdictional Demand Costs--Winter 2004-2005	\$	(692,273)
Interest	\$	49,898
	\$	952,223
Total Anticipated Indirect Cost of Gas	\$	952,223
Total Anticipated Direct Cost of Gas	\$	44,781,514
Total Anticipated Period Cost of Gas	\$	45,733,737

Total Anticipated Indirect Cost of Gas Rate	\$	0.0259
Total Anticipated Direct Cost of Gas and Summer Deferred Rate	\$	1.2161
Total Anticipated Cost of Gas Adjustment	\$	1.2420

Forecasted November 2005 - April 2006 Therms 36,823,440

Forecasted Residential Winter Season Cost of Gas Rate

Minimum	\$	0.9936
Maximum	\$	1.4904

COGwr	\$	1.2420 / therm
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Forecasted C & I Winter Season Low Winter Cost of Gas Rate

Minimum	\$	0.7261
Maximum	\$	1.0892

COGwl	\$	0.9076 / therm
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Low Winter F	0.72633
Correction F:	1.0061

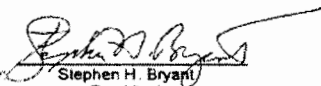
Forecasted C & I Winter Summer Season High Winter Cost of Gas Rate

Minimum	\$	1.0756
Maximum	\$	1.6133

COGwh	\$	1.3445 / therm
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High Winter I	1.07588
Correction F:	1.0061

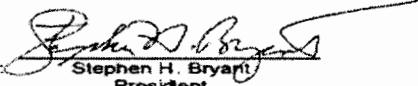
Issued: September 15, 2005
 Effective: With Service Rendered On and After November 1, 2005

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 Title: Stephen H. Bryant
 President

Local Delivery Adjustment Clause

Rate Schedule	RLIAP	DSM	ERC	ITM	WLNG	CCE	RCE	LDAC
Residential Heating	\$ 0.0050	\$ 0.0078	\$ 0.0101	\$ -	\$ 0.0053	\$ -	\$ -	\$ 0.0282
Residential Non-Heating	\$ 0.0050	\$ 0.0078	\$ 0.0101	\$ -	\$ 0.0053	\$ -	\$ -	\$ 0.0282
Small C&I	\$ 0.0050	\$ 0.0099	\$ 0.0101	\$ -	\$ 0.0053	\$ -	\$ -	\$ 0.0303
Medium C&I	\$ 0.0050	\$ 0.0099	\$ 0.0101	\$ -	\$ 0.0053	\$ -	\$ -	\$ 0.0303
Large C&I	\$ 0.0050	\$ 0.0099	\$ 0.0101	\$ -	\$ 0.0053	\$ -	\$ -	\$ 0.0303
No Previous Sales Service								

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Issued by: 
 Title: Stephen H. Bryant
 President