

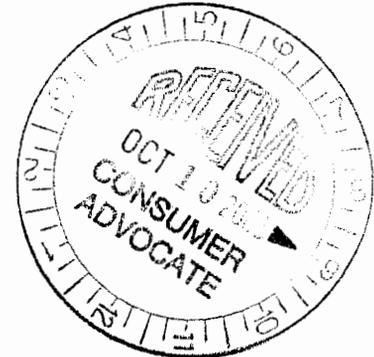
**MiSource™**  
**Corporate Services**

Patricia M. French  
Senior Attorney  
Legal

October 7, 2005

VIA OVERNIGHT DELIVERY

Debra Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 S. Fruit St., Suite 10  
Concord, New Hampshire 03301



Re: Northern Utilities, Inc., New Hampshire Division – Winter 2005/2006 CGA, DG 05-147

Dear Ms. Howland:

Enclosed for filing in the above referenced docket is the original and eight copies of Northern Utilities, Inc.'s REVISED Response to NHPUC Staff 1-3. The revision is required solely to correct the NH Grandfathered Transportation Load volume, located on Line 4 of the analysis.

Very truly yours,

*Patricia M. French/SML*  
Patricia M. French

Enclosures

cc: Edward N. Damon, Staff Attorney  
Joseph A. Ferro  
Francisco C. DaFonte  
Ronald Gibbons

Northern Utilities, Inc.  
New Hampshire Division  
DG 05-147  
Staff Request Set No. 1  
Response: 3  
Responsible: Joseph A. Ferro

**Request:** Northern's winter 2005/06 COG filing includes \$11.25 million in total fixed demand costs compared with \$10.4 million in the previous winter COG filing. Please provide a calculation similar to the one on page 131 of the winter 2005/06 COG filing that identifies the NH division's exposure to shifted costs for the 2005-06 period.

**REVISED**

**Response:** Please see Attachment Staff-1-3 **REVISED 10-7-05<sup>1</sup>**. This calculation reflects: (1) forecasted November 2005 – October 2006 capacity costs; (2) design day transportation load and Northern's total design day demand determined for the upcoming winter period; and (3) the PR Allocation factors of each division that have been filed in this instant Cost of Gas proceeding and thus, proposed to be in effect from November 2005 through October 2006.

---

<sup>1</sup> Attachment Staff 1-3 was revised solely to correct the NH Grandfathered Transportation Load volume, located on Line 4 of the analysis.

**Northern Utilities, Inc. - New Hampshire Division  
Allocation of Demand Costs  
Related to Maine "Non-GF" Under NH Rules**

**Based on Nov 2005 - Oct 2006 Estimated Costs & Forecast Design Requirements**

1	Total ME Design Trans Load	22,924
2	ME Pre 2000 Design Trans Load (1)	11,742
3 = (1) - (2)	Net ME Trans Load	<u>11,182</u>
4	NH GF Trans Load (4)	9,076
5 = (2) + (4)	Total GF Trans Load (NH GF plus ME Pre 2000)	20,818
6	Total Northern Design Day	126,306
7 = (6) - (5)	Design Day Less GF Trans (Effective Sales Requirement)	105,488
8 = (3) / (7)	ME Net Trans Load as % of Effective Sales Requirement	10.60%
9	Total Northern Demand Cost	\$26,513,077
10	Gross Capacity Release	(\$682,519)
11 = (10) * (8)	NET ME Transportation Capacity Release	\$72,347
12 = (10)+(11)	NET Capacity Release	(\$610,172)
13 = (9) + (12)	Net Demand Cost	\$25,902,905
14 = (13) * (8)	Portion Attributable to NET ME Transportation Load	\$2,745,708
15 = (14) - (11)	Demand Costs re Net ME Trans	\$2,673,361
16	NH Design Day Allocation (2)	56.98%
17 = (15) * (16)	Annual NH Portion of NET ME Dollars	\$1,523,281
18	Total Northern New Hampshire Summer 2006 Demand Costs (3)	\$1,664,558
19 = (18) * (8)	NH Portion of Summer Costs	\$176,443
20 = (17) - (18)	NH Portion of Winter Costs	\$1,346,838

(1): Fixed value based on historical peak usage

(2): Based on 2005-06 PR allocator

(3): Costs represent 3-months actual/forecast Summer 2005 costs,  
as filed in 8/23/05 monthly report, as proxy for Summer 2006 costs

(4): Revised 10-7-05