

LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.

Calculation of the Projected Over or Under Collection of the
2014 Summer Cost of Gas Filing
DG 14-076

October Trigger
10/1/2014

| | | |
|---|-------------|----------------|
| Under/(Over) Collection as of 05/01/14 | | \$ (1,146,406) |
| Forecasted firm Residential therm sales 10/1/14 - 10/31/14 | 1,784,496 | |
| Residential Cost of Gas Rate per therm | \$ (0.3936) | |
| Forecasted firm C&I High Winter Use therm sales 10/1/14 - 10/31/14 | 1,060,727 | |
| C&I- High Winter Use Cost of Gas Rate per therm | \$ (0.3956) | |
| Forecasted firm C&I Low Winter therm sales 10/1/14 - 10/31/14 | 485,792 | |
| C&I- Low Winter Use Cost of Gas Rate per therm | \$ (0.3877) | |
| Forecasted firm Residential therm sales 05/01/14 - 09/30/14 | 10,111,228 | |
| Residential Cost of Gas Rate per therm | \$ (0.5335) | |
| Forecasted firm C&I High Winter Use therm sales 05/01/14 - 09/30/14 | 4,740,914 | |
| C&I- High Winter Use Cost of Gas Rate per therm | \$ (0.5404) | |
| Forecasted firm C&I Low Winter Use therm sales 05/01/14 - 09/30/14 | 1,486,999 | |
| C&I- Low Winter Use Cost of Gas Rate per therm | \$ (0.5230) | |
| Forecast recovered costs at current rate 05/1/14 - 10/31/14 | | (10,043,725) |
| Revised projected gas costs 05/1/14 - 10/31/14 | | \$ 11,081,155 |
| Estimated interest charged (credited) to customers 05/1/14-10/31/14 | | (36,332) |
| Projected under / (over) collection as of 10/31/14 (A) | | \$ (145,308) |

| | |
|---|---------------|
| Actual Gas Costs through 05/1/14 | \$ - |
| Revised projected gas costs 05/1/14 - 10/31/14 | 11,044,823 |
| Estimated total adjusted gas costs 05/1/14 - 10/31/14 (B) | \$ 11,044,823 |

| | |
|--|--------|
| Under/ (over) collection as percent of total gas costs (A/B) | -1.32% |
|--|--------|

| | |
|--|--------------|
| Projected under / (over) collections as of 10/31/14 (C) | \$ (145,308) |
| Forecasted firm therm sales 10/1/14 - 10/31/14 (D) | 3,331,015 |
| Change in residential rate used to reduce forecast under/(over) collection (C/D) | \$ (0.0436) |
| Current Residential Cost of Gas Rate | \$ 0.3936 |
| Revised Residential Cost of Gas Rate | \$ 0.3500 |
| Cap - Residential Cost of Gas Rate | \$ 0.4920 |

Revised as follows:

The revised projected gas costs include the May 2014 closing NYMEX price as of April 28, 2014, the June 2014 closing NYMEX price as of May 28, 2014, the July 2014 closing NYMEX price as of June 26, 2014, the August 2014 closing NYMEX price as of July 29, 2014 and the September 2014 closing NYMEX price as of August 27. October 2014 NYMEX price is as of September 22, 2014 close.

Compliance rates per New Hampshire Public Utilities Commission Order Number 25,658 dated April 30, 2014 in Docket DG 14-076 (April Order): The Company may adjust the approved residential cost of gas rate of \$0.5436 per therm upwards by no more than 25% or \$0.1359 per therm. The adjusted residential cost of gas rate shall not be more than \$0.6795 per therm pursuant to April Order.

LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.

 Projected Over or Under Collection
 DG 14-076

| Without Rate Adjustment | Apr-14 | May-14 (Estimate) | Jun-14 (Estimate) | Jul-14 (Estimate) | Aug-14 (Estimate) | Sep-14 (Estimate) | Oct-14 (Estimate) | Nov-14 (Estimate) | Total Off-Peak |
|--|----------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|----------------------|-----------------|
| Total Demand | | \$ 604,671 | \$ 604,646 | \$ 604,671 | \$ 604,671 | \$ 604,646 | \$ 604,671 | | \$ 3,627,974 |
| Total Commodity | | \$ 1,677,428 | \$ 1,039,480 | \$ 754,694 | \$ 710,243 | \$ 1,058,842 | \$ 2,071,742 | | \$ 7,312,430 |
| Hedge Savings | | \$ (119,540) | \$ - | \$ - | \$ - | \$ - | \$ 1,941 | | \$ (117,599) |
| Total Gas Costs | | \$ 2,162,559 | \$ 1,644,126 | \$ 1,359,364 | \$ 1,314,914 | \$ 1,663,488 | \$ 2,678,353 | | \$ 10,822,804 |
| Adjustments and Indirect Costs | | | | | | | | | |
| Refunds & Adjustments | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | | \$ - |
| Hedging costs | | 50,495 | - | - | - | - | - | | 50,495 |
| Inventory Financing | | - | - | - | - | - | - | | - |
| Transportation Revenue | | - | - | - | - | - | - | | - |
| Broker Revenue | | - | - | - | - | - | - | | - |
| Off System and Capacity Release | | - | - | - | - | - | - | | - |
| Fixed Price Option Admin. | | - | - | - | - | - | - | | - |
| Bad Debt Costs | | 39,079 | 28,812 | 23,166 | 22,285 | 29,196 | 49,316 | | 191,854 |
| Working Capital | \$0 | 2,194 | 2,089 | 1,728 | 1,671 | 2,114 | 3,404 | | 13,201 |
| Misc Overhead | | 467 | 467 | 467 | 467 | 467 | 467 | | 2,801 |
| Production & Storage | | - | - | - | - | - | - | | - |
| Total Indirect Costs | \$0 | \$ 92,235 | \$ 31,368 | \$ 25,361 | \$ 24,423 | \$ 31,777 | \$ 53,186 | | \$ 258,351 |
| Interest | | \$ (3,937) | \$ (5,311) | \$ (6,462) | \$ (7,096) | \$ (7,047) | \$ (6,479) | | \$ (36,332) |
| Total Gas Costs plus Indirect Costs | \$ - | \$ 2,250,857 | \$ 1,670,183 | \$ 1,378,264 | \$ 1,332,241 | \$ 1,688,218 | \$ 2,725,060 | | \$ 11,044,823 |
| Collections | | \$ (3,562,194) | \$ (2,515,462) | \$ (1,243,234) | \$ (1,021,302) | \$ (391,190) | \$ (1,310,343) | | \$ (10,043,725) |
| Less FPO Premium | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| Unbilled | | \$ (1,083,634) | \$ (115,894) | \$ (63,993) | \$ (283,391) | \$ (839,191) | \$ (2,054,210) | \$ - | \$ (4,440,313) |
| Reverse Prior Month Unbilled | | \$ - | \$ 1,083,634 | \$ 115,894 | \$ 63,993 | \$ 283,391 | \$ 839,191 | \$ 2,054,210 | \$ 4,440,313 |
| Prior Period | \$ (1,146,406) | \$ (2,394,970) | \$ 122,461 | \$ 186,930 | \$ 91,542 | \$ 741,227 | \$ 199,699 | \$ 2,054,210 | \$ (145,308) |
| | | \$ (3,541,376) | \$ (3,418,916) | \$ (3,231,985) | \$ (3,140,444) | \$ (2,399,217) | \$ (2,199,518) | \$ (145,308) | |
| Total Forecasted Sales Volumes | | 1,768,175 | 4,626,043 | 2,288,364 | 1,880,713 | 1,990,451 | 3,042,184 | 4,074,226 | 19,670,156 |
| Total Forecasted Collections | | \$ (3,562,194) | \$ (2,515,462) | \$ (1,243,234) | \$ (1,021,302) | \$ (391,190) | \$ (1,310,343) | \$ - | \$ (10,043,725) |
| With Rate Adjustment | Apr-14 | May-14 (Estimate) | Jun-14 (Estimate) | Jul-14 (Estimate) | Aug-14 (Estimate) | Sep-14 (Estimate) | Oct-14 (Estimate) | Nov-14 (Estimate) | Total Off-Peak |
| Total Demand | | \$ 604,671 | \$ 604,646 | \$ 604,671 | \$ 604,671 | \$ 604,646 | \$ 604,671 | \$ - | \$ 3,627,974 |
| Total Commodity | | \$ 1,677,428 | \$ 1,039,480 | \$ 754,694 | \$ 710,243 | \$ 1,058,842 | \$ 2,071,742 | \$ - | \$ 7,312,430 |
| Hedge Savings | | \$ (119,540) | \$ - | \$ - | \$ - | \$ - | \$ 1,941 | \$ - | \$ (117,599) |
| Total Gas Costs | | \$ 2,162,559 | \$ 1,644,126 | \$ 1,359,364 | \$ 1,314,914 | \$ 1,663,488 | \$ 2,678,353 | \$ - | \$ 10,822,804 |
| Adjustments and Indirect Costs | | | | | | | | | |
| Prior Period Adjustment | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$0 |
| It Margin | | 50,495 | - | - | - | - | - | - | 50,495 |
| Inventory Financing | | - | - | - | - | - | - | - | - |
| Transportation Revenue | | - | - | - | - | - | - | - | - |
| Broker Revenue | | - | - | - | - | - | - | - | - |
| Off System and Capacity Release | | - | - | - | - | - | - | - | - |
| Fixed Price Option Admin. | | - | - | - | - | - | - | - | - |
| Bad Debt Costs | | 39,079 | 28,812 | 23,166 | 22,285 | 29,196 | 49,316 | - | 191,854 |
| Working Capital | | 2,194 | 2,089 | 1,728 | 1,671 | 2,114 | 3,404 | - | 13,201 |
| Misc Overhead | | 467 | 467 | 467 | 467 | 467 | 467 | - | 2,801 |
| 'Production & Storage | | - | - | - | - | - | - | - | - |
| Total Indirect Costs | | \$ 92,235 | \$ 31,368 | \$ 25,361 | \$ 24,423 | \$ 31,777 | \$ 53,186 | \$ - | \$ 258,351 |
| Interest | | \$ (3,940) | \$ (5,315) | \$ (6,462) | \$ (7,097) | \$ (6,850) | \$ (5,647) | \$ - | \$ (35,312) |
| Total Gas Costs plus Indirect Costs | | \$ 2,250,854 | \$ 1,670,179 | \$ 1,378,263 | \$ 1,332,240 | \$ 1,688,416 | \$ 2,725,892 | \$ - | \$ 11,045,844 |
| Collections | | \$ (3,276,666) | \$ (2,515,462) | \$ (1,284,425) | \$ (1,021,302) | \$ (347,798) | \$ (1,165,110) | \$ - | \$ (9,610,764) |
| Less FPO Premium | | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$0 |
| Unbilled | | \$ (1,086,221) | \$ (116,171) | \$ (64,146) | \$ (284,067) | \$ (841,195) | \$ (2,059,115) | \$0 | \$ (4,450,915) |
| Reverse Prior Month Unbilled | | \$0 | \$1,086,221 | \$116,171 | \$64,146 | \$284,067 | \$841,195 | \$2,059,115 | \$4,450,915 |
| Prior Period | \$ (1,146,406) | \$ (2,112,034) | \$ 124,767 | \$ 145,863 | \$ 91,017 | \$ 783,490 | \$ 342,862 | \$ 2,059,115 | \$ 288,674 |
| | | \$ (3,258,440) | \$ (3,133,672) | \$ (2,987,809) | \$ (2,896,793) | \$ (2,113,303) | \$ (1,770,441) | \$ 288,674 | |
| Total Forecasted Sales Volumes | | 1,768,175 | 4,626,043 | 2,288,364 | 1,880,713 | 1,990,451 | 3,042,184 | 4,074,226 | 19,670,156 |
| Total Forecasted Collections | | \$ (3,276,666) | \$ (2,515,462) | \$ (1,284,425) | \$ (1,021,302) | \$ (347,798) | \$ (1,165,110) | \$0 | \$ (9,610,764) |