

Exhibit A: Summary of Expenditures and Savings

Northern Utilities, Inc. d/b/a Unitil
Gas Energy Efficiency Report (DG 09-053)
May 1, 2009 - December 21, 2010

Table 1 - Reporting Year Budget, Participation, Savings

Sector	Program	Internal Admin	External Admin	Internal Impl	Marketing	Customer Incentives	Evaluation	Budget Total	Participants/ # of Products	Annual MMBTU	Lifetime MMBTU
Residential											
	A02a ENERGY STAR Homes	\$5,887	\$62	\$16,829	\$6,338	\$40,835	\$4,762	\$74,713	25	731	16,170
	A03a Home Performance w/ES	\$7,667	\$1,239	\$21,414	\$9,996	\$80,632	\$11,236	\$132,184	85	984	19,674
	A03b Residential Self Install	\$1,463	\$237	\$4,087	\$1,908	\$15,390	\$2,145	\$25,230	616	616	6,156
	A04a Res GasNetworks	\$9,214	\$1,247	\$24,203	\$17,721	\$70,463	\$7,841	\$130,690	287	2,083	31,493
	A05a Res Home Assessment	\$3,953	\$639	\$11,040	\$5,154	\$41,570	\$5,793	\$68,147	193	-	-
	Residential Total	\$28,183	\$3,424	\$77,573	\$41,117	\$248,891	\$31,776	\$430,964	1,206	4,414	73,493
Low Income											
	B03a Low Income Retrofit 1-4	\$8,219	\$470	\$22,890	\$6,263	\$118,902	\$6,439	\$163,184	80	2,096	31,440
	Low Income Total	\$8,219	\$470	\$22,890	\$6,263	\$118,902	\$6,439	\$163,184	80	2,096	31,440
Commercial & Industrial											
	C03a Large C&I Custom	\$15,035	\$213	\$37,215	\$17,118	\$125,098	\$4,735	\$199,414	4	8,453	111,582
	C03b Small C&I Custom	\$9,599	\$195	\$24,575	\$19,065	\$94,517	\$4,932	\$152,884	15	5,513	86,556
	C03C Multifamily	\$14,835	\$301	\$37,981	\$29,465	\$146,076	\$7,623	\$236,281	29	8,603	150,545
	C04a C&I GasNetworks	\$4,780	\$97	\$12,238	\$9,494	\$47,068	\$2,456	\$76,134	75	1,083	16,845
	Commercial & Industrial Total	\$44,250	\$805	\$112,010	\$75,143	\$412,759	\$19,747	\$664,713	123	23,652	365,528
GRAND TOTAL		\$80,653	\$4,699	\$212,473	\$122,523	\$780,552	\$57,962	\$1,258,861	1,409	6,510	439,021

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Table 2 - Reporting Year-End Actual Expenditures, Participation, Savings

Sector	Program	Internal Admin	External Admin	Internal Impl	Marketing	Customer Incentives	Evaluation	Budget Total	Participants*/ # of Products	Annual MMBTU	Lifetime MMBTU
Residential											
	A02a ENERGY STAR Homes *	\$1,009	\$0	\$3,116	\$7,923	\$54,207	\$1,604	\$67,858	35	5,395	129,556
	A03a Home Performance w/ES	\$9,705	\$541	\$31,271	\$9,431	\$110,347	\$8,025	\$169,321	28	1,201	32,241
	A03b Residential Self Install	\$2,309	\$0	\$5,287	\$214	\$159	\$1,601	\$9,570	6	6	84
	A04a Res GasNetworks	\$12,440	\$914	\$34,100	\$5,335	\$308,522	\$9,453	\$370,763	826	7,003	114,433
	A05a Res Home Assessment	\$3,736	\$0	\$8,175	\$182	\$8,575	\$3,880	\$24,548	28	-	-
	Residential Total	\$29,199	\$1,455	\$81,949	\$23,084	\$481,810	\$24,563	\$642,061	923	13,605	276,314
Low Income											
	B03a Low Income Retrofit 1-4 **	\$8,755	\$160	\$27,650	\$2,146	\$109,360	\$12,142	\$160,212	29	1,013	18,100
	Low Income Total	\$8,755	\$160	\$27,650	\$2,146	\$109,360	\$12,142	\$160,212	29	1,013	18,100
Commercial & Industrial											
	C03a Large C&I Custom	\$19,300	\$0	\$57,378	\$9,519	\$105,308	\$3,572	\$195,076	3	9,963	164,999
	C03b Small C&I Custom	\$10,904	\$1,133	\$30,599	\$15,992	\$79,239	\$2,048	\$139,916	4	1,181	24,411
	C03C Multifamily	\$15,523	\$1,653	\$30,778	\$800	\$50,608	\$3,662	\$103,024	4	1,500	28,676
	C04a C&I GasNetworks	\$2,140	\$79	\$4,326	\$109	\$56,933	\$631	\$64,218	86	1,257	20,479
	Commercial & Industrial Total	\$47,867	\$2,865	\$123,080	\$26,420	\$292,088	\$9,914	\$502,234	97	13,900	238,565
	GRAND TOTAL	\$85,821	\$4,479	\$232,679	\$51,650	\$883,258	\$46,619	\$1,304,507	1,049	14,618	514,879

Notes

* Participation in the ENERGY STAR Homes Program includes 32 multi-family units and 3 single family dwellings.

** Participation in the Low Income Program includes 24 multi-family units and 5 single family dwellings.

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Table 3 - Variance Report (Budget - Actual)

Sector	Program	Internal Admin	External Admin	Internal Impl	Marketing	Customer Incentives	Evaluation	Budget Total	Participant Goal	Annual MMBTU	Lifetime MMBTU
Residential											
	A02a ENERGY STAR Homes	\$4,878	\$62	\$13,713	-\$1,585	-\$13,372	\$3,158	\$6,855	(10)	(4,664)	(113,386)
	A03a Home Performance w/ES	-\$2,039	\$698	-\$9,857	\$565	-\$29,715	\$3,211	-\$37,137	57	(217)	(12,567)
	A03b Residential Self Install	-\$846	\$237	-\$1,200	\$1,694	\$15,232	\$543	\$15,660	610	610	6,072
	A04a Res GasNetworks	-\$3,226	\$333	-\$9,897	\$12,386	-\$238,059	-\$1,612	-\$240,074	(539)	(4,920)	(82,940)
	A05a Res Home Assessment	\$216	\$639	\$2,865	\$4,972	\$32,995	\$1,913	\$43,599	165	-	-
	Residential Total	-\$1,016	\$1,969	-\$4,376	\$18,033	-\$232,919	\$7,213	-\$211,096	283	(9,191)	(202,821)
Low Income											
	B03a Low Income Retrofit 1-4	-\$535	\$311	-\$4,760	\$4,117	\$9,542	-\$5,703	\$2,972	51	1,083	13,340
	Low Income Total	-\$535	\$311	-\$4,760	\$4,117	\$9,542	-\$5,703	\$2,972	51	1,083	13,340
Commercial & Industrial											
	C03a Large C&I Custom	-\$4,265	\$213	-\$20,163	\$7,600	\$19,790	\$1,163	\$4,338	1	(1,510)	(53,417)
	C03b Small C&I Custom	-\$1,305	-\$939	-\$6,023	\$3,073	\$15,278	\$2,884	\$12,968	11	4,332	62,146
	C03C Multifamily	-\$688	-\$1,352	\$7,203	\$28,665	\$95,468	\$3,961	\$133,257	25	7,103	121,869
	C04a C&I GasNetworks	\$2,641	\$18	\$7,912	\$9,385	-\$9,865	\$1,825	\$11,916	(11)	(174)	(3,634)
	Commercial & Industrial Total	-\$3,617	-\$2,060	-\$11,070	\$48,723	\$120,671	\$9,832	\$162,479	26	9,752	126,964
	GRAND TOTAL	-\$5,168	\$219	-\$20,207	\$70,873	-\$102,706	\$11,343	-\$45,646	360	(8,108)	(75,858)

Exhibit B: Summary of Benefits

Northern Utilities, Inc. d/b/a Unitil
Gas Energy Efficiency Report (DG 09-053)
May 1, 2009 to December 31, 2010

Table 1 - Total Resource Cost Test

Sector	Program	TRC Benefit / Cost	Total Benefits (\$000)	Total Costs (\$000) ⁽¹⁾	Program Implementation (\$000) ⁽²⁾	Participant Costs (\$000)	Shareholder Incentive (\$000)
Planned TRC							
Residential							
	A02a ENERGY STAR Homes	1.5	\$145.3	\$96.6	\$74.7	\$15.7	\$6.2
	A03a Home Performance w/ES	1.1	\$186.3	\$170.0	\$132.2	\$26.9	\$10.9
	A03b Residential Self Install	1.6	\$66.2	\$42.5	\$25.2	\$15.4	\$1.9
	A04a Res GasNetworks	1.6	\$310.3	\$194.9	\$130.7	\$53.8	\$10.5
	A05a Res Home Assessment	0.0	\$0.0	\$73.4	\$68.1	\$0.0	\$5.2
	Residential Total	1.2	\$708.1	\$577.4	\$431.0	\$111.8	\$34.7
Low Income							
	B03a Low Income Retrofit 1-4	1.8	\$316.2	\$176.0	\$163.2	\$0.0	\$12.8
	Low Income Total	1.8	\$316.2	\$176.0	\$163.2	\$0.0	\$12.8
Commercial & Industrial							
	C03a Large C&I Custom	3.4	\$1,142.8	\$340.6	\$199.4	\$125.1	\$16.1
	C03b Small C&I Custom	3.3	\$859.8	\$260.6	\$152.9	\$95.7	\$12.0
	C03C Multifamily	3.3	\$1,464.9	\$444.8	\$236.3	\$189.4	\$19.1
	C04a C&I GasNetworks	1.4	\$148.0	\$103.2	\$76.1	\$21.1	\$6.0
	C&I Total	3.1	\$3,615.5	\$1,149.2	\$664.7	\$431.3	\$53.2
	GRAND TOTAL	2.4	\$4,639.7	\$1,902.58	\$1,258.86	\$543.02	\$100.706
Actual TRC							
Residential							
	A02a ENERGY STAR Homes	10.3	\$1,162.9	\$113.0	\$67.9	\$39.2	\$6.0
	A03a Home Performance w/ES	1.3	\$314.0	\$239.1	\$169.3	\$54.7	\$15.0
	A03b Residential Self Install	0.1	\$0.8	\$10.4	\$9.6	\$0.0	\$0.9
	A04a Res GasNetworks	2.0	\$1,107.5	\$563.6	\$370.8	\$159.8	\$32.9
	A05a Res Home Assessment	0.0	\$0.0	\$26.7	\$24.5	\$0.0	\$2.2
	Residential Total	2.7	\$2,585.2	\$952.8	\$642.1	\$253.7	\$57.1
Low Income							
	B03a Low Income Retrofit 1-4	1.0	\$171.4	\$174.5	\$160.2	\$0.0	\$14.2
	Low Income Total	1.0	\$171.4	\$174.5	\$160.2	\$0.0	\$14.2
Commercial & Industrial							
	C03a Large C&I Custom	4.4	\$1,449.0	\$332.6	\$195.1	\$121.9	\$15.6
	C03b Small C&I Custom	1.0	\$205.3	\$197.3	\$139.9	\$46.2	\$11.2
	C03C Multifamily	1.8	\$269.9	\$145.9	\$103.0	\$34.6	\$8.3
	C04a C&I GasNetworks	1.8	\$178.1	\$98.2	\$64.2	\$28.8	\$5.1
	C&I Total	2.7	\$2,102.2	\$774.0	\$502.2	\$231.5	\$40.3
	GRAND TOTAL	2.6	\$4,858.8	\$1,901.3	\$1,304.5	\$485.2	\$111.6
Variance							
Residential							
	A02a ENERGY STAR Homes	-8.8	(\$1,017.7)	(\$16.4)	\$6.9	(\$23.4)	\$0.1
	A03a Home Performance w/ES	-0.2	(\$127.6)	(\$69.1)	(\$37.1)	(\$27.8)	(\$4.1)
	A03b Residential Self Install	1.5	\$65.4	\$32.1	\$15.7	\$15.4	\$1.1
	A04a Res GasNetworks	-0.4	(\$797.2)	(\$368.6)	(\$240.1)	(\$106.1)	(\$22.5)
	A05a Res Home Assessment	0.0	\$0.0	\$46.6	\$43.6	\$0.0	\$3.0
	Residential Total	-1.5	(\$1,877.1)	(\$375.4)	(\$211.1)	(\$142.0)	(\$22.4)
Low Income							
	B03a Low Income Retrofit 1-4	0.8	\$144.8	\$1.6	\$3.0	\$0.0	(\$1.4)
	Low Income Total	0.8	\$144.8	\$1.6	\$3.0	\$0.0	(\$1.4)
Commercial & Industrial							
	C03a Large C&I Custom	-1.0	(\$306.1)	\$8.0	\$4.3	\$3.2	\$0.4
	C03b Small C&I Custom	2.3	\$654.5	\$63.3	\$13.0	\$49.5	\$0.8
	C03C Multifamily	1.4	\$1,195.0	\$298.8	\$133.3	\$154.8	\$10.8
	C04a C&I GasNetworks	-0.4	(\$30.1)	\$5.0	\$11.9	(\$7.7)	\$0.9
	C&I Total	0.4	\$1,513.3	\$375.2	\$162.5	\$199.8	\$12.9
	GRAND TOTAL	-0.1	(\$219.0)	\$1.3	(\$45.6)	\$57.8	(\$10.8)

Notes

(1) Total Costs include Program Implementation, Participant Costs, and Shareholder Incentive

(2) Program Implementation cost are direct program costs only.

Exhibit C: Shareholder Incentive Calculation

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Programs	Planned	Actual
Residential Incentive (including Low Income)		
1. Benefit/Cost Ratio (BC_{PRE} , BC_{ACT})	1.4	2.4
2. Threshold B/C Ratio (1)	1.00	
3. Lifetime kWh Savings (kWh_{PRE} , kWh_{ACT})	104,933	294,414
4. Threshold Lifetime kWh Savings (65%) (2)	68,206	
5. Total Budget (includes SHI)	\$641,680	
6. Less Shareholder Incentive (SHI_{PRE})	<u>\$47,531</u>	
7. Total Budget ($Budget_{TOT}$) excluding SHI	\$594,148	\$802,273
8. Benefit/Cost Percentage of Budget	4.0%	
9. Lifetime kWh Percentage of Budget	4.0%	
10. Sector Incentive	\$47,530	\$71,298
11. Sector Incentive Cap (12%)	\$71,298	
Commercial & Industrial Incentive		
12. Benefit/Cost Ratio (BC_{PRE} , BC_{ACT})	3.1	2.7
13. Threshold B/C Ratio (1)	1.00	
14. Lifetime kWh Savings (kWh_{PRE} , kWh_{ACT})	365,528	238,565
15. Threshold Lifetime kWh Savings (65%) (2)	237,593	
16. Total Budget / Actual	\$717,890	
17. Less Shareholder Incentive (SHI_{PRE})	<u>\$53,177</u>	
18. Total Budget ($Budget_{TOT}$) excluding SHI	\$664,713	\$502,234
19. Benefit/Cost Percentage of Budget	4.0%	
20. Lifetime kWh Percentage of Budget	4.0%	
21. Sector Incentive	\$53,176	\$40,257
22. Sector Incentive Cap (12%)	\$79,766	
Total Earned Shareholder Incentive	\$100,707	\$111,555

Notes:

1. The Actual Benefit/Cost Ratio for each sector must be greater than or equal to 1.0.
2. Actual Lifetime MMBTU savings for each sector must be greater than or equal to 65% of projected savings.

Staff Recommended Performance Incentive Methodology

Savings Component:

	First Iteration			Second Iteration (Incl. Perf. Incent.) Second Iteration (adj. for circularity)		
	Residential	C&I	Total	Residential	C&I	Total
Budget Spending (Utility only, excl PI) Per 4-07-09 Filing	\$ 594,148	\$ 664,713	\$ 1,258,861	\$ 594,148	\$ 664,713	\$ 1,258,861
Actual Lifetime Savings (mmbtu)	294,414	238,565		294,414	238,565	
Planned Lifetime Savings (mmbtu)	104,933	365,528	470,461	104,933	365,528	470,461
Ratio Actual vs. Planned	2.81	0.65		2.81	0.65	
Baseline Percent	4.00%	4.00%		4.00%	4.00%	
Actual Performance Incentive Percent	11.22%	2.61%		11.22%	2.61%	
Ratio Actual vs. Planned	2.81	0.65		2.81	0.65	
If Ratio < 65% Planned, then zero; otherwise Act. %	11.22%	2.61%		11.22%	2.61%	
Calculated Savings Component	\$ 66,681	\$ 17,353	\$ 84,034	\$ 66,681	\$ 17,353	\$ 84,034

B/C Component:

Budget Spending	\$ 594,148	\$ 664,713	\$ 1,258,861	\$ 594,148	\$ 664,713	\$ 1,258,861
<u>Planned B/C Component:</u>						
Total Planned Benefits	\$ 1,024,264	\$ 3,615,455	\$ 4,639,720	\$ 1,024,264	\$ 3,615,455	\$ 4,639,720
Planned Program Cost (excl. performance incentives)	\$ 594,148	\$ 664,713		\$ 594,148	\$ 664,713	
Planned Participant Cost	\$ 111,751	\$ 431,265		\$ 111,751	\$ 431,265	
Utility and Partic.Cost	\$ 705,899	\$ 1,095,978	\$ 1,801,877	\$ 705,899	\$ 1,095,978	\$ 1,801,877
Planned Performance Incentives:						
Savings Component	n/a	n/a		\$ 23,766	\$ 26,589	
B/C Component	n/a	n/a		\$ 23,766	\$ 26,589	
Total	n/a	n/a		\$ 47,532	\$ 53,177	\$ 100,709
Total Planned Costs	\$ 705,899	\$ 1,095,978	\$ 1,801,877	\$ 753,431	\$ 1,149,155	\$ 1,902,586
Planned B/C Ratio	1.45	3.10		1.36	3.15	
<u>Actual B/C Component:</u>						
Actual Benefits	\$ 2,756,594	\$ 2,102,163		\$ 2,756,594	\$ 2,102,163	
Actual Program Cost (excl. Perf. Incent.)	\$ 802,273	\$ 502,234	\$ 1,304,507	\$ 802,273	\$ 502,234	\$ 1,304,507
Actual Participant Cost	\$ 253,710	\$ 231,486		\$ 253,710	\$ 231,486	
Utility and Participant Cost	\$ 1,055,982	\$ 733,720		\$ 1,055,982	\$ 733,720	
Actual Performance Incentives:						
Savings Component	n/a	n/a		\$ 66,681	\$ 17,353	
B/C Component	n/a	n/a		\$ 42,756	\$ 24,574	
Total	n/a	n/a		\$ 109,437	\$ 41,927	
Actual Total Costs	\$ 1,055,982	\$ 733,720	\$ 1,789,703	\$ 1,165,420	\$ 775,647	\$ 1,941,067
Actual B/C Ratio	2.61	2.87		2.37	2.71	
If Actual B/C Ratio < 1.0, then zero; otherwise act. B/C Ratio	2.61	2.87		2.37	2.71	
Ratio Actual vs. Planned B/C Ratio	180%	92%		174%	86%	
Baseline Percent	4.00%	4.00%		4.00%	4.00%	
Actual B/C Performance Incentive Percent (0 if < 1.0)	7.20%	3.70%		6.96%	3.45%	
B/C Performance Incentive Amount	\$ 42,756	\$ 24,574	\$ 67,330	\$ 41,350	\$ 22,904	\$ 64,254
Total Calculated Performance Incentive Before Cap	\$ 109,437	\$ 41,927	\$ 151,364	\$ 108,031	\$ 40,257	\$ 148,288
Cap at 12% per Sector (i.e. Year Three Utility Budget Spending x 12%)	\$ 71,298	\$ 79,766	\$ 151,063	\$ 71,298	\$ 79,766	\$ 151,063
Calculated Performance Incentive	\$ 71,298	\$ 41,927	\$ 113,225	\$ 71,298	\$ 40,257	\$ 111,555