

Calculation of the Cost of Gas Rate

Period Covered: Winter Period November 1, 2012 through April 30, 2013

Projected Gas Sales - therms		931,112
Total Anticipated Cost of Propane Sendout		\$1,445,302
Add: Prior Period Deficiency Uncollected Interest	\$0 \$437	
Deduct: Prior Period Excess Collected Interest	(\$47,527) \$0	
Prior Period Adjustments and Interest		(\$47,090)
Total Anticipated Cost		<u>\$1,398,212</u>

Cost of Gas Rate

Non-Fixed Price Option Cost of Gas Rate (per therm)	\$1.5017
Fixed Price Option Premium	\$0.0200
Fixed Price Option Cost of Gas Rate (per therm)	<u>\$1.5217</u>
Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)	\$1.5017
Mid Period Adjustment - January 1, 2013	(\$0.0543)
Mid Period Adjustment - March 1, 2013	\$0.1156
Revised Non-Fixed Price Option Cost of Gas Rate - Effective March 1, 2013 (per therm)	<u><u>\$1.5630</u></u>

Pursuant to tariff section 17(d), the Company may adjust the approved cost of gas rate upward on a monthly basis to the following rate:

Maximum Cost of Gas Rate - Non-Fixed Price Option (per therm)	<u><u>\$1.8771</u></u>
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Effective: March 1, 2013

Issued By: Michael D. Eastman  
Michael D. Eastman  
Treasurer

In Compliance with DG 12-284, Order No. 25,433