

N.H.P.U.C No.10
NORTHERN UTILITIES, INC.

Anticipated Cost of Gas

New Hampshire Division
Period Covered: November 1, 2013 - April 30, 2014

Column A	Column B	Column C
1 <u>ANTICIPATED DIRECT COST OF GAS</u>		
2 Purchased Gas for Sales Service:		
3 Demand Costs:	\$ 2,591,047	
4 Supply Costs:	\$ 11,116,950	
5		
6 Storage & Peaking Gas for Sales Service:		
7 Demand, Capacity:	\$ 11,679,992	
8 Commodity Costs:	\$ 4,717,787	
9		
10 Hedging (Gain)/Loss	\$ 144,792	
11		
12 Interruptible Sendout Cost	\$ -	
13		
14 Inventory Finance Charge	\$ 5,527	
15		
16 Capacity Release	\$ (4,660,791)	
17		
18 Adjustment for Actual Costs	<u>\$ -</u>	
19		
20 Total Anticipated Direct Cost of Gas		\$ 25,595,305
21		
22 <u>ANTICIPATED INDIRECT COST OF GAS</u>		
23 Adjustments:		
24 Prior Period Under/(Over) Collection	\$ (2,128,249)	
25 Miscellaneous	\$ -	
26 Interest	\$ 23,596	
27 Refunds	\$ (449,048)	
28 <u>Interruptible Margins</u>	\$ -	
29 Total Adjustments		\$ (2,553,700)
30		
31 Working Capital:		
32 Total Anticipated Direct Cost of Gas	\$ 25,595,305	
33 Working Capital Percentage	<u>0.0824%</u>	
34 Working Capital Allowance	\$ 21,081	
35		
36 Plus: Working Capital Reconciliation (Acct 182.11)	<u>\$ (1,852)</u>	
37		
38 Total Working Capital Allowance		\$ 19,229
39		
40 Bad Debt:		
41 Bad Debt Allowance	\$ 263,169	
42 Plus: Bad Debt Reconciliation (Acct 182.16)	<u>\$ (71,949)</u>	
43 Total Bad Debt Allowance		\$ 191,220
44		
45 Local Production and Storage Capacity		\$ 307,762
46		
47 Miscellaneous Overhead-80.94% Allocated to Winter Season		<u>\$ 333,160</u>
48		
49 Total Anticipated Indirect Cost of Gas		\$ (1,702,330)
50		
51 Total Cost of Gas		<u>\$ 23,892,976</u>
52		

53

54

55 **CALCULATION OF FIRM SALES COST OF GAS RATE**

56 Period Covered: November 1, 2013 - April 30, 2014

57

58 **Column A**

Column B

Column C

59

60 Total Anticipated Direct Cost of Gas

\$ 25,595,305

61

61 Projected Prorated Sales (11/01/13 - 04/30/14)

27,891,158

62

62 **Direct Cost of Gas Rate**

\$ 0.9177 per therm

63

64 **Demand Cost of Gas Rate**

\$ 9,610,249

\$ 0.3446 per therm

65

65 **Commodity Cost of Gas Rate**

\$ 15,985,057

\$ 0.5731 per therm

66

66 **Total Direct Cost of Gas Rate**

\$ 25,595,305

\$ 0.9177 per therm

67

68 Total Anticipated Indirect Cost of Gas

\$ (1,702,330)

69

69 Projected Prorated Sales (11/01/13 - 04/30/14)

27,891,158

70

70 **Indirect Cost of Gas**

\$ (0.0610) per therm

71

72

73 **TOTAL PERIOD AVERAGE COST OF GAS EFFECTIVE 11/01/05**

\$ 0.8567 per therm

74

75 **RESIDENTIAL COST OF GAS RATE - 11/01/13**

COGwr

\$ 0.8567 per therm

76

Maximum (COG+25%)

\$ 1.0709

77

78

79 **COM/IND LOW WINTER USE COST OF GAS RATE - 11/01/13**

COGwl

\$ 0.7764 per therm

80

Maximum (COG+25%)

\$ 0.9705

81

82

82 C&I HLF Demand Costs Allocated per SMBA

\$ 530,495

83

83 PLUS: Residential Demand Reallocation to C&I HLF

\$ 10,379

84

84 C&I HLF Total Adjusted Demand Costs

\$ 540,874

85

85 C&I HLF Projected Prorated Sales (11/01/13 - 04/30/14)

2,073,984

86

86 **Demand Cost of Gas Rate**

\$ 0.2608

87

88

88 C&I HLF Commodity Costs Allocated per SMBA

\$ 1,196,006

89

89 PLUS: Residential Commodity Reallocation to C&I HLF

\$ (122)

90

90 C&I HLF Total Adjusted Commodity Costs

\$ 1,195,885

91

91 C&I HLF Projected Prorated Sales (11/01/13 - 04/30/14)

2,073,984

92

92 **Commodity Cost of Gas Rate**

\$ 0.5766

93

94

94 **Indirect Cost of Gas**

\$ (0.0610)

95

96

96 **Total C&I HLF Cost of Gas Rate**

\$ 0.7764

97

98

99 **COM/IND HIGH WINTER USE COST OF GAS RATE - 11/01/13**

COGwh

\$ 0.8706 per therm

100

Maximum (COG+25%)

\$ 1.0883

101

102

102 C&I LLF Demand Costs Allocated per SMBA

\$ 4,199,737

103

103 PLUS: Residential Demand Reallocation to C&I LLF

\$ 82,165

104

104 C&I LLF Total Adjusted Demand Costs

\$ 4,281,902

105

105 C&I LLF Projected Prorated Sales (11/01/13 - 04/30/14)

11,922,823

106

106 **Demand Cost of Gas Rate**

\$ 0.3591

107

108

108 C&I LLF Commodity Costs Allocated per SMBA

\$ 6,826,699

109

109 PLUS: Residential Commodity Reallocation to C&I LLF

\$ (696)

110

110 C&I LLF Total Adjusted Commodity Costs

\$ 6,826,004

111

111 C&I LLF Projected Prorated Sales (11/01/13 - 04/30/14)

11,922,823

112

112 **Commodity Cost of Gas Rate**

\$ 0.5725

113

114

114 **Indirect Cost of Gas**

\$ (0.0610)

115

116

116 **Total C&I LLF Cost of Gas Rate**

\$ 0.8706

**N.H.P.U.C No.10
 NORTHERN UTILITIES, INC.**

Summary

Anticipated Cost of Gas

New Hampshire Division
 Period Covered: November 1, 2013 - April 30, 2014

Column A	Reference Column D
1 <u>ANTICIPATED DIRECT COST OF GAS</u>	
2 Purchased Gas for Sales Service:	
3 Demand Costs:	Schedule 1A, LN 71
4 Supply Costs:	Schedule 1B, LN 14
5	
6 Storage & Peaking Gas for Sales Service:	
7 Demand, Capacity:	Schedule 1A, LN 73
8 Commodity Costs:	Schedule 1B, LN 16 + Schedule 1B, LN 17
9	
10 Hedging (Gain)/Loss	Schedule 1B, LN 15
11	
12 Interruptible Sendout Cost	-(Schedule 1B, LN 22)
13	
14 Inventory Finance Charge	Schedule 22, LN 105
15	
16 Capacity Release	-(Schedule 1A, LN 76)
17	
18 Adjustment for Actual Costs	
19	
20 Total Anticipated Direct Cost of Gas	Sum (LN 3 : LN 18)
21	
22 <u>ANTICIPATED INDIRECT COST OF GAS</u>	
23 Adjustments:	
24 Prior Period Under/(Over) Collection	Schedule 3, LN 106: April
25 Miscellaneous	
26 Interest	Schedule 3, LN 114
27 Refunds	Schedule 25, PG 2, LN 5 Nov - Apr
28 <u>Interruptible Margins</u>	-(Schedule 1A, LN 77)
29 Total Adjustments	Sum (LN 24 : LN 28)
30	
31 Working Capital:	
32 Total Anticipated Direct Cost of Gas	LN 20
33 Working Capital Percentage	NHPUC No. 10 Section 4.06.1
34 Working Capital Allowance	LN 32 * LN 33
35	
36 Plus: Working Capital Reconciliation (Acct 182.11)	Schedule 3, LN 84: April
37	
38 Total Working Capital Allowance	Sum (LN 34 : LN 36)
39	
40 Bad Debt:	
41 Bad Debt Allowance	Schedule 3B, LN 19
42 Plus: Bad Debt Reconciliation (Acct 182.16)	Schedule 3, LN 95: April
43 Total Bad Debt Allowance	LN 41 + LN 42
44	
45 Local Production and Storage Capacity	Schedule 1A, LN 84
46	
47 Miscellaneous Overhead-80.94% Allocated to Winter Season	Schedule 1A, LN 83
48	
49 Total Anticipated Indirect Cost of Gas	Sum (LN 29 : LN 47)
50	
51 Total Cost of Gas	LN 49 + LN 20
52	

53		
54		
55	CALCULATION OF FIRM SALES COST OF GAS RATE	
56	Period Covered: November 1, 2013 - April 30, 2014	
57		
58	Column A	Column D
59		
60	Total Anticipated Direct Cost of Gas	LN 20
61	Projected Prorated Sales (11/01/13 - 04/30/14)	Schedule 10B, LN 11
62	Direct Cost of Gas Rate	LN 60 / LN 61
63		
64	Demand Cost of Gas Rate	Column B : SUM (LN 3 , LN 7 , LN 16)
65	Commodity Cost of Gas Rate	Column B : SUM (LN 4 , LN 8 , LN 10 , LN 12 , LN 14)
66	Total Direct Cost of Gas Rate	SUM (LN 64 : LN 65)
67		
68	Total Anticipated Indirect Cost of Gas	LN 49
69	Projected Prorated Sales (11/01/13 - 04/30/14)	LN 61
70	Indirect Cost of Gas	LN 68 / LN 69
71		
72		
73	TOTAL PERIOD AVERAGE COST OF GAS EFFECTIVE 11/01/05	LN 66 + LN 70
74		
75	RESIDENTIAL COST OF GAS RATE - 11/01/13	LN 73
76		LN 75 * 1.25
77		
78		
79	COM/IND LOW WINTER USE COST OF GAS RATE - 11/01/13	LN 96
80		LN 79 * 1.25
81		
82	C&I HLF Demand Costs Allocated per SMBA	Schedule 10A, LN 169
83	PLUS: Residential Demand Reallocation to C&I HLF	Schedule 23, LN 16
84	C&I HLF Total Adjusted Demand Costs	Sum (LN 82 : LN 83)
85	C&I HLF Projected Prorated Sales (11/01/13 - 04/30/14)	Schedule 10B, LN 14
86	Demand Cost of Gas Rate	LN 84 / LN 85
87		
88	C&I HLF Commodity Costs Allocated per SMBA	Schedule 10C, LN 139
89	PLUS: Residential Commodity Reallocation to C&I HLF	Schedule 23, LN 26
90	C&I HLF Total Adjusted Commodity Costs	Sum (LN 88 : LN 89)
91	C&I HLF Projected Prorated Sales (11/01/13 - 04/30/14)	LN 85
92	Commodity Cost of Gas Rate	LN 90 / LN 91
93		
94	Indirect Cost of Gas	LN 70
95		
96	Total C&I HLF Cost of Gas Rate	Sum (LN 86, LN 92, LN 94)
97		
98		
99	COM/IND HIGH WINTER USE COST OF GAS RATE - 11/01/13	LN 116
100		LN 99 * 1.25
101		
102	C&I LLF Demand Costs Allocated per SMBA	Schedule 10A, LN 170
103	PLUS: Residential Demand Reallocation to C&I LLF	Schedule 23, LN 17
104	C&I LLF Total Adjusted Demand Costs	Sum (LN 102 : LN 103)
105	C&I LLF Projected Prorated Sales (11/01/13 - 04/30/14)	Schedule 10B, LN 15
106	Demand Cost of Gas Rate	LN 104 / LN 105
107		
108	C&I LLF Commodity Costs Allocated per SMBA	Schedule 10C, LN 140
109	PLUS: Residential Commodity Reallocation to C&I LLF	Schedule 23, LN 27
110	C&I LLF Total Adjusted Commodity Costs	Sum (LN 108 : LN 109)
111	C&I LLF Projected Prorated Sales (11/01/13 - 04/30/14)	LN 105
112	Commodity Cost of Gas Rate	LN 110 / LN 111
113		
114	Indirect Cost of Gas	LN 70
115		
116	Total C&I LLF Cost of Gas Rate	Sum (LN 106, LN 112, LN 114)