Calculation of the Cost of Gas Rate

Period Covered:

Winter Period November 1, 2013 through April 30, 2014

Projected Gas Sales - therms

1,017,695

Total Anticipated Cost of Propane Sendout

\$1,682,095

Add:

Prior Period Deficiency Uncollected

\$23,544

\$2,541

Deduct: Prior Period Excess Collected

Interest

Interest

\$0 \$0

Prior Period Adjustments and Interest

\$26,085

Total Anticipated Cost

\$1,708,180

Cost of Gas Rate

Non-Fixed Price Option Cost of Gas Rate (per therm)

\$1.6785

Fixed Price Option Premium

\$0.0200

Fixed Price Option Cost of Gas Rate (per therm)

\$1.698<u>5</u>

Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)

\$1.6785 \$0.0468

Mid Period Adjustment - December 1, 2013

Mid Period Adjustment - January 1, 2014

\$0.1213

Mid Period Adjustment - February 1, 2014

\$0.2515

Revised Non-Fixed Price Option Cost of Gas Rate - Effective February 1, 2014 (per therm)

\$2.0981

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)

\$2.0981

Issued:

January 27, 2014

Effective: February 1, 2014

Issued By:

Michael D. Eastman

Michael S. Eastman

Treasurer

In Compliance with DG 13-261, Order No. 25,588