

CALCULATION OF THE WINTER COST OF GAS RATE

Period Covered: Winter Period November 1, 2016 through April 30, 2017

Projected Gas Sales - therms		1,014,258
Total Anticipated Cost of Propane Sendout		\$1,130,275
Add: Prior Period Deficiency Uncollected Interest	\$394,761 \$11,757	
Deduct: Prior Period Excess Collected Interest	\$0 \$0	
Prior Period Adjustments and Interest		\$406,518
Total Anticipated Cost		<u>\$1,536,793</u>

Cost of Gas Rate

Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)	<u>\$1.5152</u>
Fixed Price Option Premium	\$0.0200
Fixed Price Option Cost of Gas Rate (per therm)	<u>\$1.5352</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>\$1.8940</u>
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Effective: November 1, 2016

Issued By: /s/ David R. Swain
David R. Swain
President