

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE DIVISION
REMEDATION ADJUSTMENT CLAUSE COMPLIANCE FILING
2007 - 2008 ENVIRONMENTAL RESPONSE COSTS
SITE SPECIFIC EXPENSES

| Line | Description | Total | 11/04 - 10/05 | 11/05 - 10/06 | 11/06 - 10/07 | 11/07 - 10/08 | 11/08 - 10/09 | 11/09 - 10/10 | 11/10 - 10/11 | 11/11 - 10/12 | 11/12 - 10/13 | 11/13 10/14 | 11/14-10/15 |
|---|--|--------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|---------------|-------------|-------------|
| ENVIRONMENTAL RESPONSE COST (ERC) | | | | | | | | | | | | | |
| 1 | July 00 - June 01 Expenses Amortization (1/7) | \$ 2,301,759 | \$ 328,823 | \$ 232,408 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 2 | July 01 - June 02 Expenses Amortization (1/7) | \$ 1,035,413 | \$ 147,916 | \$ 147,916 | \$ 147,916 | \$ 147,916 | \$ 147,916 | | | | | | |
| 3 | July 02 - June 03 Expenses Amortization (1/7) | \$ 223,620 | \$ 31,946 | \$ 31,946 | \$ 31,946 | \$ 31,946 | \$ 31,946 | \$ 31,946 | | | | | |
| 4 | July 03 - June 04 Expenses Amortization (1/7) | \$ 291,630 | \$ 41,661 | \$ 41,661 | \$ 41,661 | \$ 41,661 | \$ 41,661 | \$ 41,661 | \$ 41,661 | | | | |
| 5 | July 04 - June 05 Expenses Amortization (1/7) | \$ 909,099 | \$ - | \$ 129,871 | \$ 129,871 | \$ 129,871 | \$ 129,871 | \$ 129,871 | \$ 129,871 | \$ 129,871 | | | |
| 6 | July 05 - June 06 Expenses Amortization (1/7) | \$ 632,461 | \$ - | \$ - | \$ 90,352 | \$ 90,352 | \$ 90,352 | \$ 90,352 | \$ 90,352 | \$ 90,352 | \$ 90,352 | | |
| 7 | July 06 - June 07 Expenses Amortization (1/7) | \$ 186,804 | \$ - | \$ - | \$ - | \$ 26,686 | \$ 26,686 | \$ 26,686 | \$ 26,686 | \$ 26,686 | \$ 26,686 | \$ 26,686 | |
| 8 | July 07 - June 08 Expenses Amortization (1/7) | \$ 232,960 | \$ - | \$ - | \$ - | \$ - | \$ 33,280 | \$ 33,280 | \$ 33,280 | \$ 33,280 | \$ 33,280 | \$ 33,280 | \$ 33,280 |
| 9 | Subtotal (Line 1 through Line 8) | \$ 5,813,747 | \$ 550,346 | \$ 583,803 | \$ 441,746 | \$ 468,432 | \$ 501,713 | \$ 353,796 | \$ 321,851 | \$ 280,189 | \$ 150,318 | \$ 59,966 | \$ 33,280 |
| 10 | Add: Excess amortization from prior years (from schedule 5, Line 10) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 11 | Less: Excess amortization to be deferred (from schedule 5, Line 9) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 12 | Total Environmental Response cost to be recovered (ERC) | \$ 5,813,747 | \$ 550,346 | \$ 583,803 | \$ 441,746 | \$ 468,432 | \$ 501,713 | \$ 353,796 | \$ 321,851 | \$ 280,189 | \$ 150,318 | \$ 59,966 | \$ 33,280 |
| UNAMORTIZED ENVIRONMENTAL RESPONSE COST | | | | | | | | | | | | | |
| 13 | July 2001 - June 2002 Unamortized beginning balance | \$ 739,581 | \$ 591,665 | \$ 443,748 | \$ 295,832 | \$ 147,916 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 14 | July 2002 - June 2003 Unamortized beginning balance | \$ 191,674 | \$ 159,729 | \$ 127,783 | \$ 95,837 | \$ 63,891 | \$ 31,946 | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 15 | July 2003 - June 2004 Unamortized beginning balance | \$ 291,630 | \$ 249,969 | \$ 208,307 | \$ 166,646 | \$ 124,984 | \$ 83,323 | \$ 41,661 | \$ - | \$ - | \$ - | \$ - | \$ - |
| 16 | July 2004 - June 2005 Unamortized beginning balance | \$ - | \$ 909,099 | \$ 779,228 | \$ 649,356 | \$ 519,485 | \$ 389,614 | \$ 259,743 | \$ 129,871 | \$ - | \$ - | \$ - | \$ - |
| 17 | July 2005 - June 2006 Unamortized beginning balance | | | \$ 632,461 | \$ 542,109 | \$ 451,758 | \$ 361,406 | \$ 271,055 | \$ 180,703 | \$ 90,352 | \$ - | \$ - | \$ - |
| 18 | July 2006 - June 2007 Unamortized beginning balance | | | | \$ 186,804 | \$ 160,118 | \$ 133,432 | \$ 106,745 | \$ 80,059 | \$ 53,373 | \$ 26,686 | \$ - | \$ - |
| 19 | July 2007 - June 2008 Unamortized beginning balance | | | | | \$ 232,960 | \$ 199,680 | \$ 166,400 | \$ 133,120 | \$ 99,840 | \$ 66,560 | \$ 33,280 | \$ - |
| 20 | Total Unamortized beginning balance | \$ 1,222,885 | \$ 1,910,461 | \$ 2,191,527 | \$ 1,936,585 | \$ 1,701,113 | \$ 1,199,401 | \$ 845,604 | \$ 523,754 | \$ 243,564 | \$ 93,246 | \$ 33,280 | \$ - |
| INSURANCE/3RD PARTY EXPENSES (IE) | | | | | | | | | | | | | |
| 21 | Expenses (from schedule 2) | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| INSURANCE/3RD PARTY RECOVERIES (IR) | | | | | | | | | | | | | |
| 23 | UNDER/OVER Recovery from previous year | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - |
| 24 | Total of Lines 20, 21, 22, 23 | \$ 1,222,885 | \$ 1,910,461 | \$ 2,191,527 | \$ 1,936,585 | \$ 1,701,113 | \$ 1,199,401 | \$ 845,604 | \$ 523,754 | \$ 243,564 | \$ 93,246 | \$ 33,280 | \$ - |

Remediation Adjustment Clause Compliance Filing
2007 - 2008 ENVIRONMENTAL RESPONSE COSTS
Summary

| LINE NO. | DESCRIPTION | LEGAL EXPENSE | CONSULTING EXPENSE | REMEDIAION EXPENSE | INSURANCE & 3RD PARTY * EXPENSES | OTHER EXPENSE | 100% RECOVERABLE EXPENSE | INSURANCE & 3RD PARTY EXPENSE | INSURANCE & THIRD PARTY RECOVERIES |
|---------------|----------------------|---------------|--------------------|--------------------|----------------------------------|------------------|--------------------------|-------------------------------|------------------------------------|
| 1 | Portsmouth Gas Works | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| 2 | Exeter Gas Works | \$ 565 | \$ 840 | \$ 1,535 | \$ - | \$ - | \$ 2,940 | \$ - | - |
| 3 | Rochester Gas Works | \$ - | \$ 4,130 | \$ 107,951 | \$ - | \$ 11,182 | \$ 123,263 | \$ - | - |
| 4 | Dover Gas Works | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | \$ - | - |
| 5 | Somerworth Gas Works | \$ - | \$ 6,575 | \$ 97,401 | \$ - | \$ 2,780 | \$ 106,757 | \$ - | - |
| TOTALS | | \$ 565 | \$ 11,545 | \$ 206,887 | \$ - | \$ 13,962 | \$ 232,960 | \$ - | - |

REMEDIATION ADJUSTMENT CLAUSE COMPLIANCE FILING
 2007-2008 ENVIRONMENTAL RESPONSE COSTS

Schedule 3A

Site 11
 Exeter Gas Works

| LINE | VENDOR NAME | INVOICE NO. | LEGAL EXPENSE | CONSULTING EXPENSE | REMEDIATION EXPENSE | OTHER EXPENSE | TOTAL |
|--------------|---------------------|-------------|------------------|-----------------------|------------------------|------------------|-------------|
| 1 | ENSR Corporation | 391201 | | | \$ 901.76 | \$ | 901.76 |
| 2 | ENSR Corporation | 401194 | | | \$ 298.83 | \$ | 298.83 |
| 3 | Foley, Hoag & Eliot | 407323 | \$ 565.00 | | | \$ | 565.00 |
| 4 | Paul Exner, PE | N92 | | \$ 140.00 | | \$ | 140.00 |
| 5 | Paul Exner, PE | N93 | | \$ 140.00 | | \$ | 140.00 |
| 6 | Paul Exner, PE | N96 | | \$ 35.00 | | \$ | 35.00 |
| 7 | Paul Exner, PE | N97 | | \$ 210.00 | | \$ | 210.00 |
| 8 | Paul Exner, PE | N98 | | \$ 70.00 | | \$ | 70.00 |
| 9 | Paul Exner, PE | N100 | | \$ 35.00 | | \$ | 35.00 |
| 10 | Paul Exner, PE | N101 | | \$ 140.00 | | \$ | 140.00 |
| 11 | Paul Exner, PE | N104 | | \$ 70.00 | | \$ | 70.00 |
| 12 | RECTEC Group | 68413 | | | \$ 334.79 | \$ | 334.79 |
| TOTAL | | | \$ 565.00 | \$ 840.00 | \$ 1,535.38 | \$ - | \$ 2,940.38 |

REMEDATION ADJUSTMENT CLAUSE COMPLIANCE FILING
 2007-2008 ENVIRONMENTAL RESPONSE COSTS
 Site 13
 Rochester Gas Works

Schedule 3B
 Page 1 of 2

| LINE | VENDOR NAME | INVOICE NO. | LEGAL EXPENSE | CONSULTING EXPENSE | REMEDIAION EXPENSE | OTHER EXPENSE | TOTAL |
|------|----------------------------|-------------|------------------|-----------------------|-----------------------|------------------|--------------|
| 1 | Adecco Employment Services | N/A | | | | \$ 501.38 | \$ 501.38 |
| 2 | Adecco Employment Services | N/A | | | | \$ 725.00 | \$ 725.00 |
| 3 | Adecco Employment Services | N/A | | | | \$ 838.29 | \$ 838.29 |
| 4 | Adecco Employment Services | N/A | | | | \$ 657.04 | \$ 657.04 |
| 5 | Adecco Employment Services | N/A | | | | \$ 555.09 | \$ 555.09 |
| 6 | Adecco Employment Services | N/A | | | | \$ 736.34 | \$ 736.34 |
| 7 | Adecco Employment Services | N/A | | | | \$ 883.60 | \$ 883.60 |
| 8 | Adecco Employment Services | N/A | | | | \$ 736.34 | \$ 736.34 |
| 9 | Adecco Employment Services | N/A | | | | \$ 589.07 | \$ 589.07 |
| 10 | Adecco Employment Services | N/A | | | | \$ 294.53 | \$ 294.53 |
| 11 | Adecco Employment Services | N/A | | | | \$ 1,416.01 | \$ 1,416.01 |
| 12 | Adecco Employment Services | N/A | | | | \$ 1,030.86 | \$ 1,030.86 |
| 13 | Adecco Employment Services | N/A | | | | \$ 1,030.87 | \$ 1,030.87 |
| 14 | City of Rochester | 1347737 | | | | \$ 43.13 | \$ 43.13 |
| 15 | City of Rochester | 152340 | | | | \$ 30.00 | \$ 30.00 |
| 16 | ENSR Corporation | 379401 | | | \$ 39,087.95 | | \$ 39,087.95 |
| 17 | ENSR Corporation | 381836 | | | \$ 5,712.59 | | \$ 5,712.59 |
| 18 | ENSR Corporation | 384329 | | | \$ 9,543.51 | | \$ 9,543.51 |
| 19 | ENSR Corporation | 384964 | | | \$ 544.30 | | \$ 544.30 |
| 20 | ENSR Corporation | 385365 | | | \$ 1,840.65 | | \$ 1,840.65 |
| 21 | ENSR Corporation | 387593 | | | \$ 3,319.37 | | \$ 3,319.37 |
| 22 | ENSR Corporation | 389191 | | | \$ 2,659.17 | | \$ 2,659.17 |
| 23 | ENSR Corporation | 389646 | | | \$ 3,770.71 | | \$ 3,770.71 |
| 24 | ENSR Corporation | 392217 | | | \$ 1,812.54 | | \$ 1,812.54 |
| 25 | ENSR Corporation | 392890 | | | \$ 686.17 | | \$ 686.17 |
| 26 | ENSR Corporation | 394342 | | | \$ 1,264.71 | | \$ 1,264.71 |
| 27 | ENSR Corporation | 394597 | | | \$ 825.65 | | \$ 825.65 |
| 28 | ENSR Corporation | 397938 | | | \$ 1,322.24 | | \$ 1,322.24 |
| 29 | ENSR Corporation | 399348 | | | \$ 2,487.54 | | \$ 2,487.54 |
| 30 | ENSR Corporation | 401322 | | | \$ 1,125.60 | | \$ 1,125.60 |
| 31 | ENSR Corporation | 401896 | | | \$ 1,298.50 | | \$ 1,298.50 |

REMEDIATION ADJUSTMENT CLAUSE COMPLIANCE FILING
2007-2008 ENVIRONMENTAL RESPONSE COSTS

Schedule 3B
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Site 13
Rochester Gas Works

| LINE | VENDOR NAME | INVOICE NO. | LEGAL EXPENSE | CONSULTING EXPENSE | REMEDIATION EXPENSE | OTHER EXPENSE | TOTAL |
|--------------|-------------------------------|-------------|---------------|--------------------|----------------------|---------------------|----------------------|
| 1 | ENSR Corporation | 401193 | | | \$ 2,008.54 | \$ | 2,008.54 |
| 2 | ENSR Corporation | 406271 | | | \$ 1,052.92 | \$ | 1,052.92 |
| 3 | ENSR Corporation | 406991 | | | \$ 1,080.96 | \$ | 1,080.96 |
| 4 | ENSR Corporation | 411832 | | | \$ 1,750.95 | \$ | 1,750.95 |
| 5 | ENSR Corporation | 411831 | | | \$ 3,982.63 | \$ | 3,982.63 |
| 6 | ENSR Corporation | 413276 | | | \$ 1,369.08 | \$ | 1,369.08 |
| 7 | ENSR Corporation | 414042 | | | \$ 1,769.30 | \$ | 1,769.30 |
| 8 | ENSR Corporation | 415121 | | | \$ 2,455.38 | \$ | 2,455.38 |
| 9 | ENSR Corporation | 416384 | | | \$ 1,475.07 | \$ | 1,475.07 |
| 10 | ENSR Corporation | 391200 | | | \$ 1,854.39 | \$ | 1,854.39 |
| 11 | Environmental Standards, Inc. | 76152 | | | \$ 4,871.38 | \$ | 4,871.38 |
| 12 | Environmental Standards, Inc. | 76200 | | | \$ 937.82 | \$ | 937.82 |
| 13 | Environmental Standards, Inc. | 76357 | | | \$ 147.56 | \$ | 147.56 |
| 14 | Environmental Standards, Inc. | 76357 | | | \$ 286.44 | \$ | 286.44 |
| 15 | Ish, Inc. | 89018 | | | | \$ 150.00 | \$ 150.00 |
| 16 | NeoNexus Corporation | NNN1105 | | | | \$ 262.99 | \$ 262.99 |
| 17 | NeoNexus Corporation | NNWEB147 | | | | \$ 80.00 | \$ 80.00 |
| 18 | NeoNexus Corporation | NNWEB152 | | | | \$ 75.00 | \$ 75.00 |
| 19 | NeoNexus Corporation | NNWEB157 | | | | \$ 77.50 | \$ 77.50 |
| 20 | NeoNexus Corporation | NNWEB179 | | | | \$ 77.50 | \$ 77.50 |
| 21 | NeoNexus Corporation | NNWEB214 | | | | \$ 77.50 | \$ 77.50 |
| 22 | NeoNexus Corporation | NNWEB276 | | | | \$ 80.00 | \$ 80.00 |
| 23 | NeoNexus Corporation | NNWEB357 | | | | \$ 78.00 | \$ 78.00 |
| 24 | NeoNexus Corporation | NNWEB297 | | | | \$ 78.00 | \$ 78.00 |
| 25 | NeoNexus Corporation | NNWEB249 | | | | \$ 78.00 | \$ 78.00 |
| 26 | Paul Exner, PE | N92 | | \$ 280.00 | | | \$ 280.00 |
| 27 | Paul Exner, PE | N93 | | \$ 350.00 | | | \$ 350.00 |
| 28 | Paul Exner, PE | N94 | | \$ 385.00 | | | \$ 385.00 |
| 29 | Paul Exner, PE | N95 | | \$ 385.00 | | | \$ 385.00 |
| 30 | Paul Exner, PE | N96 | | \$ 350.00 | | | \$ 350.00 |
| 31 | Paul Exner, PE | N97 | | \$ 315.00 | | | \$ 315.00 |
| 32 | Paul Exner, PE | N98 | | \$ 140.00 | | | \$ 140.00 |
| 33 | Paul Exner, PE | N100 | | \$ 630.00 | | | \$ 630.00 |
| 34 | Paul Exner, PE | N101 | | \$ 350.00 | | | \$ 350.00 |
| 35 | Paul Exner, PE | N102 | | \$ 315.00 | | | \$ 315.00 |
| 36 | Paul Exner, PE | N103 | | \$ 280.00 | | | \$ 280.00 |
| 37 | Paul Exner, PE | N104 | | \$ 350.00 | | | \$ 350.00 |
| 38 | RECTEC Group | 67758 | | | \$ 1,633.63 | | \$ 1,633.63 |
| 39 | RECTEC Group | 68412 | | | \$ 3,973.29 | | \$ 3,973.29 |
| TOTAL | | | \$ - | \$ 4,130.00 | \$ 107,950.54 | \$ 11,182.04 | \$ 123,262.58 |

REMEDATION ADJUSTMENT CLAUSE COMPLIANCE FILING
 2007-2008 ENVIRONMENTAL RESPONSE COSTS

Schedule 3C

Site 14
 Somersworth Gas Works

| LINE | VENDOR NAME | INVOICE NO. | LEGAL EXPENSE | CONSULTING EXPENSE | REMEDIATION EXPENSE | OTHER EXPENSE | TOTAL |
|--------------|-----------------------------------|--------------|------------------|-----------------------|------------------------|--------------------|----------------------|
| 1 | AMEC Earth & Environmental, Inc. | W11200916 | | | \$ 1,289.61 | | \$ 1,289.61 |
| 2 | AMEC Earth & Environmental, Inc. | W11200946 | | | \$ 723.97 | | \$ 723.97 |
| 3 | AMEC Earth & Environmental, Inc. | W11201088 | | | \$ 1,012.09 | | \$ 1,012.09 |
| 4 | AMEC Earth & Environmental, Inc. | W11201260 | | | \$ 1,347.34 | | \$ 1,347.34 |
| 5 | AMEC Earth & Environmental, Inc. | W11201331 | | | \$ 3,767.03 | | \$ 3,767.03 |
| 6 | AMEC Earth & Environmental, Inc. | W11201473 | | | \$ 3,416.69 | | \$ 3,416.69 |
| 7 | AMEC Earth & Environmental, Inc. | W11201531 | | | \$ 12,000.00 | | \$ 12,000.00 |
| 8 | AMEC Earth & Environmental, Inc. | W11201637 | | | \$ 3,590.03 | | \$ 3,590.03 |
| 9 | AMEC Earth & Environmental, Inc. | W11201762 | | | \$ 2,000.00 | | \$ 2,000.00 |
| 10 | AMEC Earth & Environmental, Inc. | W11201761 | | | \$ 62,673.56 | | \$ 62,673.56 |
| 11 | AMEC Earth & Environmental, Inc. | W11201929 | | | \$ 4,600.00 | | \$ 4,600.00 |
| 12 | AMEC Earth & Environmental, Inc. | W11201889 | | | \$ 116.82 | | \$ 116.82 |
| 13 | Environmental Standards, Inc. | 76711 | | | \$ 864.26 | | \$ 864.26 |
| 14 | Paul Exner, PE | N92 | | \$ 735.00 | | | \$ 735.00 |
| 15 | Paul Exner, PE | N93 | | \$ 210.00 | | | \$ 210.00 |
| 16 | Paul Exner, PE | N94 | | \$ 420.00 | | | \$ 420.00 |
| 17 | Paul Exner, PE | N95 | | \$ 940.35 | | | \$ 940.35 |
| 18 | Paul Exner, PE | N96 | | \$ 245.00 | | | \$ 245.00 |
| 19 | Paul Exner, PE | N97 | | \$ 560.00 | | | \$ 560.00 |
| 20 | Paul Exner, PE | N98 | | \$ 280.00 | | | \$ 280.00 |
| 21 | Paul Exner, PE | N99 | | \$ 840.00 | | | \$ 840.00 |
| 22 | Paul Exner, PE | N100 | | \$ 385.00 | | | \$ 385.00 |
| 23 | Paul Exner, PE | N101 | | \$ 735.00 | | | \$ 735.00 |
| 24 | Paul Exner, PE | N102 | | \$ 595.00 | | | \$ 595.00 |
| 25 | Paul Exner, PE | N103 | | \$ 245.00 | | | \$ 245.00 |
| 26 | Paul Exner, PE | N104 | | \$ 385.00 | | | \$ 385.00 |
| 27 | Treasurer, State of New Hampshire | N/A | | | | \$ 2,000.00 | \$ 2,000.00 |
| 28 | Treasurer, State of New Hampshire | 198405052-04 | | | | \$ 780.39 | \$ 780.39 |
| TOTAL | | | \$ - | \$ 6,575.35 | \$ 97,401.40 | \$ 2,780.39 | \$ 106,757.14 |

COMPANY NAME

NORTHERN UTILITIES, INC.

EXETER GAS WORKS

LINE
NO.

SCHEDULE 4A

1. SITE LOCATION: Water Street and Green Street in Exeter, NH
2. DATE SITE WAS FIRST INVESTIGATED AS A DISPOSAL SITE: 1982 by USEPA
3. SUMMARY OF MATERIAL DEVELOPMENTS AND INTERACTIONS WITH ENVIRONMENTAL AUTHORITIES (July 1, 2007 – June 30, 2008):
 - Northern continued a community outreach program with affected property owners and other interested parties, including Town of Exeter, Exeter Housing Authority, and Phillips Academy officials.
 - Northern retained ENSR Corporation (formerly RETEC) to support post-remediation activities, including the upgrade of certain remediation elements and the preparation of a renewal application for the project groundwater permit.
 - For convenience, Northern-NH charged the fees for legal advice on New Hampshire DES environmental covenants [deed restrictions] to Exeter.
 - Northern retained the services of an independent contractor to manage the assessment and remediation of the site.
4. NEW HAMPSHIRE SITE REMEDIATION PROGRAM PHASE: Remediation and site closure.
5. NATURE AND SCOPE OF SITE CONTAMINATION: Areas containing residual materials from the historic operation and decommissioning of the former manufactured gas plant were discovered on small parcels of land on both sides of Water Street. These residuals, which include tars and oils, were found in the soil at discrete locations and in groundwater. The objective of the cleanup project, as discussed with the New Hampshire Department of Environmental Services, has been to stabilize affected soils to the extent practicable and to enhance the natural attenuation of any residuals in groundwater.

Northern prepared a project Completion Report that was submitted to NHDES in January 2002. The Completion Report documented that all construction work was completed in accordance with the Remedial Action Plan (RAP) that was submitted to the NHDES in October 2001. The remedy consisted of the in-situ solidification of MGP residuals on the main parcel by auger mixing using a formulation of Portland cement and organophilic clay followed by grading and planting for site closure. The remedy also consisted of the injection of an oxygen release compound (ORC) into the soils and groundwater in the vicinity of the former settling lagoons

COMPANY NAME

NORTHERN UTILITIES, INC.

EXETER GAS WORKS

LINE
NO.

SCHEDULE 4A

on Exeter Housing Authority property. Finally, activity and use restrictions were noticed on the affected property deeds.

6. HISTORY AND CURRENT STATUS OF USE AND OWNERSHIP OF SITE: The Exeter Gas Works operated from 1864 through 1955. The gas works was owned and operated by several companies during that time, including Exeter Gas Light Company in 1864, Strafford-York Gas Company in 1911, and Allied New Hampshire Gas Company in 1942. Allied New Hampshire Gas Company was a predecessor of Northern Utilities. Northern sold the eastern portion of the property to the Town of Exeter in 1978. In 1981 the eastern portion of the former MGP property was transferred to the Exeter Housing Authority. This portion of the site is currently used for elderly housing. The western portion of the former MGP is currently owned by Northern Utilities and is a landscaped lot.

7. LISTING AND STATUS OF INSURANCE AND 3RD PARTY LAWSUITS AND SETTLEMENTS: None

NAME OF SUIT: Not Applicable

DATE FILED: Not Applicable

STATUS (PENDING/SETTLED): Not Applicable

COMPANY NAME

NORTHERN UTILITIES, INC.

ROCHESTER GAS WORKS

LINE
NO.

SCHEDULE 4B

1. SITE LOCATION: Route 125 and Spaulding Turnpike, Rochester, NH
2. DATE SITE WAS FIRST INVESTIGATED AS A DISPOSAL SITE: 1989 by property owner
3. SUMMARY OF MATERIAL DEVELOPMENTS AND INTERACTIONS WITH ENVIRONMENTAL AUTHORITIES (July 1, 2007 – June 30, 2008):
 - Northern retained ENSR Corporation (formerly RETEC) to support post-remediation activities, including the upgrade of certain remediation elements, assessment of the effectiveness of the natural biological attenuation of MGP constituents in groundwater, and the preparation of a renewal application for the project groundwater permit.
 - ENSR was contracted by Northern to plan and implement a second expansion of the phytoremediation program in order to control contaminated groundwater migrating toward Axe Handle Brook and the Cochecho River. The effort included the installation and periodic reading of groundwater piezometers to measure groundwater control. Proper irrigation was needed to get the newly planted trees established, and Northern therefore paid the City of Rochester for water service at the site.
 - Northern retained the services of an independent contractor to manage the assessment and remediation of the site. Northern also retained the services of Environmental Standards, Inc. to support quality assurance efforts for sampling and analysis.
 - For convenience, Northern Utilities – New Hampshire Division's proportionate share of the cost for developing and operating the computer based laboratory data management system was charged to this site (NeoNexus Corporation).
 - For convenience, Northern Utilities – New Hampshire Division's proportionate share of the cost for retaining the services of a national expert in MGP remediation technologies was charged to this site (Ish Inc.).
 - Northern retained temporary administrative staff to assist in managing projects and maintaining site related documents, including scanning and filing electronic copies of documents on a central server. For convenience, Northern Utilities – New Hampshire Division's proportionate share of these costs were charged entirely to the Rochester site.

COMPANY NAME

NORTHERN UTILITIES, INC.

ROCHESTER GAS WORKS

LINE
NO.

SCHEDULE 4B

4. NEW HAMPSHIRE SITE REMEDIATION PROGRAM PHASE: Site closure and monitoring

5. NATURE AND SCOPE OF SITE CONTAMINATION: Areas containing residual materials from the historic operation and decommissioning of the former manufactured gas plant were discovered on the two-acre parcel. These residuals, which include tars and oils, were found in the soil at discrete locations and in groundwater. The objective of the cleanup project, as approved by the New Hampshire Department of Environmental Services, has been to remove affected soils to the extent practicable and to enhance the natural attenuation of any residuals in groundwater.

Additions to the remediation program have included the removal of a tar well that had previously been inaccessible because of propane storage equipment, the purchase of the former MGP parcel from AmeriGas to facilitate the placement of notices of activity and use restrictions (AURs) on the property deeds, the demolition of an historic MGP structure, the implementation of a multiphase phytoremediation program to mitigate contaminated groundwater flow, and the further assessment of MGP residuals in the subsurface that continue to contaminate groundwater.

6. HISTORY AND CURRENT STATUS OF USE AND OWNERSHIP OF SITE: The Rochester Gas Light Company owned and operated the gas works from 1906 through 1911. The gas works was owned and operated by two companies after that time, Strafford-York Gas Company in 1911 and Allied New Hampshire Gas Company in 1942. The plant ceased operating in 1957. Allied New Hampshire Gas Company was a predecessor of Northern Utilities. Northern sold the property to Pyrofax Gas Corporation in 1971. Pyrofax sold the property to Petrolane Gas Service, Limited Partnership in 1987. AmeriGas purchased Petrolane in 1994. The property was purchased by Northern Utilities from AmeriGas in 2004. Northern purchased the eastern portion of the property from Mr. Peter Field in 1990. This portion of the site is undeveloped and contains remnants of a railroad bed. Northern also owns land adjacent to the former gas works.

7. LISTING AND STATUS OF INSURANCE AND 3RD PARTY LAWSUITS AND SETTLEMENTS:

NAME OF SUIT: Field vs. Petrolane and Northern Utilities, and Petrolane vs. Northern Utilities

DATE FILED: 1988

COMPANY NAME

NORTHERN UTILITIES, INC.

ROCHESTER GAS WORKS

LINE
NO.

SCHEDULE 4B

STATUS: (PENDING/SETTLED): Settled 1994

COMPANY NAME

NORTHERN UTILITIES, INC.

SOMERSWORTH GAS WORKS

LINE
NO.

SCHEDULE 4C

1. SITE LOCATION: Main Street and Depot Road in Somersworth, NH
2. DATE SITE WAS FIRST INVESTIGATED AS A DISPOSAL SITE: 1985 by New Hampshire Division of Public Health Services and New Hampshire Water Supply and Pollution Control Commission
3. SUMMARY OF MATERIAL DEVELOPMENTS AND INTERACTIONS WITH ENVIRONMENTAL AUTHORITIES (July 1, 2007 – June 30, 2008):
 - AMEC, the prime construction contractor for Northern, continued to evaluate the effectiveness of the limited excavation, targeted subsurface grouting, and in-situ chemical oxidation (ISCO) remediation program throughout the reporting period. AMEC submitted a project completion report to NHDES for review during the reporting period. AMEC invoices include the last subcontractor invoice for the ISCO remediation.
 - Northern retained the services of an independent contractor to manage the assessment and remediation of the site. Northern also retained the services of Environmental Standards, Inc. to support quality assurance efforts for sampling and analysis.
 - Northern paid an invoice from NHDES for its oversight of remediation activities conducted by Northern. Northern also paid the fee for the application for renewal of the groundwater management permit.
4. NEW HAMPSHIRE SITE REMEDIATION PROGRAM PHASE: Remedy Implementation.
5. NATURE AND SCOPE OF SITE CONTAMINATION: Because the Somersworth site is very small, space constraints made it unlikely that significant amounts of MGP residuals were used as fill on-site. The extensive test-pit program at Somersworth substantiates the assertion that significant amounts of MGP residuals were not used as fill on-site. Tars and liquors that may have accumulated in sub-grade vessels did not result in substantial releases, as indicated by the absence of any significant oil-like material in test pits and borings in the upper 10 to 15 feet of soil at the site. Most of the Northern parcel is now covered with re-graded soil from local street work, with four inches of imported topsoil.

As indicated by the site-specific groundwater quality data, metals and high heavy organic compounds (e.g., PAHs) detected in soil do not leach to groundwater at significant concentrations. Two suspected sources of lighter-weight PAHs (e.g., naphthalene) and target volatile organic compounds (VOCs) detected in groundwater were identified – two former gasholders on the Northern parcel. Oily residuals of limited extent were found in soil at depth

COMPANY NAME

NORTHERN UTILITIES, INC.

SOMERSWORTH GAS WORKS

LINE
NO.

SCHEDULE 4C

below these holders. This material has been in periodic contact with the fluctuating water table. Because the MGP operations ceased more than 70 years ago, the period of rapid degradation of MGP-related chemicals in groundwater has probably occurred. The relatively stable groundwater quality data is indicative of natural biodegradation.

Northern contracted with AMEC to act as prime contractor for design and remediation services. Earthwork activities were awarded to ENPRO and were completed in April 2005. This consisted of the removal of subsurface bodies of tar and the jet grouting of a small area of MGP impacted soil below a foundation floor. Northern-NH and AMEC awarded GeoCleanse the subcontract for the remediation of soil and groundwater using ISCO technology. The installation of oxidant injector wells and the first round of oxidant injection were completed in June 2005. Subsequent injections were conducted in September 2005, May 2006, and November 2006. Notice of an Activity and Use Restrictions (AUR) has been placed on the deed of the Northern parcel.

6. HISTORY AND CURRENT STATUS OF USE AND OWNERSHIP OF SITE: Available information indicates that the plant began operation as the Great Falls Gas Light Company in 1856 and may have been associated with the mills of the Great Falls Manufacturing Company. The plant was deeded to the Strafford-York Gas Company in 1911 (a predecessor of Allied New Hampshire Gas Company and subsequently Northern Utilities). The gas company leased two small parcels from the Great Falls Manufacturing Company in 1907, one to the north and one to the south of the main plant site. At its peak in 1917, the plant was supplying Rochester, East Rochester, Gonic, Somersworth, and Berwick, Maine. Available information indicates that the plant ceased production in 1928 and that the Rochester gas plant began supplying Somersworth with gas. It has been inferred from available information that the plant was demolished during the 1930's. Northern Utilities constructed a high-pressure Horton Sphere (gas ball) on the property in the 1940's as storage for propane and natural gas from the high-pressure main. The Horton Sphere was in operation into the 1980's when it was decommissioned and removed.

7. LISTING AND STATUS OF INSURANCE AND 3RD PARTY LAWSUITS AND SETTLEMENTS: None

NAME OF SUIT: Not Applicable

DATE FILED: Not Applicable

STATUS (PENDING/SETTLED): Not Applicable

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE DIVISION
CALCULATION OF EXCESS ENVIRONMENTAL
RESPONSE COST AMORTIZATION**

**Schedule 5
Page 1 of 1**

| Line No. | Description | July 04 - June 05 | July 05 - June 06 | July 06 - June 07 | July 07 - June 08 |
|----------|---|-------------------|-------------------|-------------------|-------------------|
| 1 | NH FIRM GAS REVENUES FROM PRIOR YEAR (includes total firm and transportation (excluding off-system revenues)) | \$ 81,728,945 | \$ 82,226,907 | \$ 101,878,866 | \$ 95,903,594 |
| 2 | 5% of Line 1 | \$ 4,086,447 | \$ 4,111,345 | \$ 5,093,943 | \$ 4,795,180 |
| 3 | TOTAL ERC COST TO BE RECOVERED (FROM SCHEDULE 1 LINE 11) | \$ 550,346 | \$ 583,803 | \$ 441,746 | \$ 468,432 |
| 4 | EXCESS AMORTIZATION DEFERRED FROM PRIOR YEARS | \$ - | \$ - | \$ - | \$ - |
| 5 | CARRYING CHARGES | \$ - | \$ - | \$ - | \$ - |
| 6 | EXCESS AMORTIZATION FROM PRIOR YEARS PLUS CARRYING CHARGES (LINE 4 PLUS LINE 5) | \$ - | \$ - | \$ - | \$ - |
| 7 | TOTAL POTENTIAL ERC COST TO RECOVERED (LINE 3 PLUS LINE 6) | \$ 550,346 | \$ 583,803 | \$ 441,746 | \$ 468,432 |
| 8 | EXCESS AMORTIZATION TO BE DEFERRED (LINE 2 LESS LINE 7; IF POSITIVE ENTER ZERO) | \$ - | \$ - | \$ - | \$ - |
| 9 | EXCESS AMORTIZATION FROM PRIOR PLUS CARRYING CHARGES TO BE RECOVERED (LINE 7 MINUS LINE 3; IF NEGATIVE ENTER ZERO) | \$ - | \$ - | \$ - | \$ - |

ERC Recovery Allocation

| | Allocation % | Recovery Amount | % of Recovery Total | Resolution Fee | % of Resolution Fee |
|------------------------|---------------|-----------------|---------------------|----------------|---------------------|
| Recovery Total | | \$ - | | | |
| Dispute Resolution Fee | | | | \$0.00 | 0.0% |
| <u>Massachusetts</u> | | | | | |
| MGP Sites | 100.00% | \$0.00 | | \$0.00 | |
| Shareholder | 50.00% | \$0.00 | | \$0.00 | |
| Ratepayer | 50.00% | \$0.00 | | \$0.00 | |
| Non - MGP | 0.00% | <u>\$0.00</u> | | <u>\$0.00</u> | |
| Total | 50.00% | \$0.00 | 0.0% | \$0.00 | 0.0% |
| <u>New Hampshire</u> | | | | | |
| MGP Sites | 0.00% | \$0.00 | | \$0.00 | |
| Ratepayer | 100.00% | \$0.00 | | \$0.00 | |
| Non - MGP | 0.00% | <u>\$0.00</u> | | <u>\$0.00</u> | |
| Total | | \$0.00 | 0.0% | \$0.00 | 0.0% |
| <u>Maine</u> | | | | | |
| Shareholder | 50.00% | \$0.00 | | \$0.00 | |
| Ratepayer | 50.00% | \$0.00 | | <u>\$0.00</u> | |
| Total | | \$0.00 | 0.0% | \$0.00 | 0.0% |

Northern Utilities, Inc. - New Hampshire Division
 Allocation of Environmental Insurance Recoveries

ERC Recovery Allocation

| | Allocation % | Recovery Amount | % of Recovery Total | Resolution Fee | % of Resolution Fee |
|------------------------|--------------|-----------------|---------------------|----------------|---------------------|
| Recovery Total | | \$ - | | | |
| Dispute Resolution Fee | | | | \$0.00 | #DIV/0! |
| <u>Massachusetts</u> | | | | | |
| MGP Sites | 0.00% | \$0.00 | | \$0.00 | |
| Shareholder | 0.00% | \$0.00 | | \$0.00 | |
| Ratepayer | 0.00% | \$0.00 | | \$0.00 | |
| Non - MGP | 0.00% | <u>\$0.00</u> | | <u>\$0.00</u> | |
| Total | | \$0.00 | 0.0% | \$0.00 | 0.0% |
| <u>New Hampshire</u> | | | | | |
| MGP Sites | 0.00% | \$0.00 | | \$0.00 | |
| Ratepayer | 0.00% | \$0.00 | | \$0.00 | |
| Non - MGP | 0.00% | <u>\$0.00</u> | | <u>\$0.00</u> | |
| Total | | \$0.00 | 0.0% | \$0.00 | 0.0% |
| <u>Maine</u> | | | | | |
| Shareholder | 50.00% | \$0.00 | | \$0.00 | |
| Ratepayer | 50.00% | \$0.00 | | <u>\$0.00</u> | |
| Total | | \$0.00 | 0.0% | \$0.00 | 0.0% |

Northern Utilities, Inc.- New Hampshire Division
2007-2008 ENVIRONMENTAL RESPONSE COSTS

| Vendor Name | Invoice # | Total Invoice | Allocation Amount | | |
|-------------|-----------|---------------|-------------------|-------------|------------|
| | | | 59.6% NH | 40.4% ME | 0.0% MA |
| | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |
| <hr/> | | | | | |
| Total | | \$0.00 | \$0.00 | \$0.00 | \$0.00 |

Total Insurance Expense **\$0.00**

Total Insurance Recovery **\$0.00**

**Northern Utilities, Inc. - New Hampshire Division
Energy Efficiency Programs
Summary of Energy Efficiency Charges
Effective November 2008 - October 2009**

| CONSERVATION CHARGES (CC) per Therm | Residential | Commercial & Industrial |
|--|--------------------|------------------------------------|
| Implementation - Schedule 2 and Schedule 3 | \$0.0107 | \$0.0066 |
| Year 2 Performance Incentive - Schedule 5 | \$0.0006 | \$0.0003 |
| CC's Effective November 1, 2008 | \$0.0113 | \$0.0069 |