nationalgrid

NHPUC NO. 6 - GAS

NATIONAL GRID NH

TARIFF FOR GAS SERVICE

IN THE STATE OF NEW HAMPSHIRE

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2	Second Revised
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16(A) Purpose

The purpose of this Cost of Gas Clause is to establish procedures that allow EnergyNorth Natural Gas, Inc. d/b/a National Grid NH ("ENGI" or the "Company"), subject to the jurisdiction of the State of New Hampshire Public Utilities Commission ("NHPUC"), to adjust, on a semiannual basis, its rates for firm gas sales in order to recover the costs of gas supplies, along with any taxes applicable to those supplies, pipeline and storage capacity, production capacity and storage, bad debt expense associated with purchased gas costs, and the costs of purchased gas working capital, to reflect the seasonal variation in the cost of gas, and to credit to customers receiving firm service from the Company all supplier refunds and capacity credits derived from interruptible sales and transportation and capacity release sales.

16(B) Applicability

This Cost of Gas Clause ("COGC") shall be applicable to ENGI and all firm gas sales made by ENGI, unless otherwise designated. The application to the clause may, for good cause shown, be modified by the NHPUC. See Section 16(N), "Other Rules."

16(C) Cost of Firm Gas Allowable for COGC

All costs of firm gas including, but not limited to, commodity costs, taxes on commodity, demand charges, local production and storage costs, hedging related costs, other gas supply expense incurred to procure and transport supplies and commodity related bad debt expense, the gas used in Company operations, transportation fees, costs associated with buyouts of existing contracts, and purchased gas working capital may be included in the COGC. Any costs recovered through application of the COGC shall be identified and explained fully in the semiannual filings outlined in Section 16(M).)

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16(D) Effective Date of Cost of Gas Factor

The seasonal Cost of Gas Factor ("COG") shall become effective upon NHPUC approval on the first day of each season as designated by the Company. Unless otherwise notified by the NHPUC, the Company shall submit COG filings as outlined in Section 16(M) of this clause on or before the first business day in September for the Winter Season COG, and at least 45 days before the effective date of the Summer Season COG.

16(E) Definitions

The following terms shall be defined in this section, unless the context requires otherwise.

(1) **Bad Debt Expense** - The uncollectible expense attributed to the portion of the Company's revenue associated with the recovery of gas costs under this clause.

(2) **Capacity Release Revenues** - The economic benefit derived from the sale or release of transportation and storage capacity that the Company has under contract.

(3) **Carrying Charges** – Interest expense calculated on the average monthly balance using the *monthly* prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates, and then added to the end of month balance.

(4) **Correction Factor** - Seasonal Adjustment necessary to align the peak day volumes used to calculate the Commercial and Industrial load factor ratios with the seasonal Commercial and Industrial High Winter and Low Winter throughput volumes applied to the cost of gas calculations.

(5) **Direct Gas Costs** - All purchased gas costs including supplier, storage and pipeline demand and commodity costs, as well as the commodity costs for local manufactured gas (Liquid Propane Gas ("LPG") and Liquefied Natural Gas ("LNG")).

(6) **Economic Benefit** – The difference between the revenues received and the marginal cost determined to serve non-core customers.

(7) **Interruptible Sales Margins** - The economic benefit derived from the interruptible sale of gas downstream of the Company's distribution system.

(8) **Inventory Finance Charges** - As billed in each Winter Season for annual charges. The total shall represent an accumulation of the projected charges as calculated using the monthly average of financed inventory at the existing or anticipated financing rate through a trust or other financing vehicle.

(9) **Local Production and Storage Capacity Costs** - - The costs of providing storage service from the Company's storage facilities (*i.e.*, LNG and LPG) as determined in the Company's most recent rate proceeding.

(10) **MBA** – Market Based Allocator – The method used to allocate gas costs among Commercial and Industrial Customer Classifications. These ratios are presented in Section 16(F).

(11) **Non-Core Commodity Costs** - The commodity cost of gas assigned to non-core sales to which the COG is not applied.

(12) **Non-Core Sales** - Sales made under interruptible contracts, non-traditional off-system sales.

(13) **Non-Core Sales Margins** - The economic benefit derived from non-core transactions to which the COG is not applied, including interruptible sales and other non-core sales generated from the use of the Company's Gas Supply Resource portfolio.

(14) **Summer Commodity** - The gas supplies procured by the Company to serve firm load in the Summer Season.

(15) **Summer Demand** - The gas supply demand and transmission capacity procured by the Company to serve firm load in the Summer Season.

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(16) **Summer Season** – The calendar months May 1 through October 31.
(17) **Off-System Sales Margin** - The economic benefit derived from the non-firm sales of natural gas supplies upstream of Company's distribution system.
(18) **Winter Commodity** - The gas supplies procured by the Company to serve firm load in the Winter Season.
(19) **Winter Demand** - Gas supply demand, peaking demands, storage and transmission capacity procured by the Company to service firm load in the Winter Season.
(20) **Winter Season** – The calendar months November 1 through April 30.
(21) **PR Allocator** – The percentage of annual capacity charges assigned to the Winter Season calculated using the Proportional Responsibility Method.
(22) **Purchased Gas Working Capital** - The allowable working capital derived from Winter Season and Summer Season demand and commodity related costs.

16(F) Approved Cost

The Cost of Gas calculation utilizes information periodically established by the NHPUC. The table below lists the approved costs factors:

Variable	Description	Approved Figure
MISC	Miscellaneous Overhead	$35,982
PS	Production and Storage Capacity	$2,109,995
WCA%	Working Capital Allowance Percentage	0.391%

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R1c, R2c	Supplier commodity-related refunds - The supplier refunds associated with refund program credits derived from Account 242.2, "Undistributed Gas Suppliers' Refunds". See Section 16(I).
WSC	Commodity charges associated with gas supply sent out in Winter Season as defined in Section 16(E).
NCCCw	Non-Core Commodity Costs incurred in the Winter Season as defined in Section 16(E).
SBcw	Winter Season commodity revenues received from Firm Stand-By Gas Supply Service sales customers.
WCA %	Percentage of gas costs equivalent to Working Capital Allowance associated with gas costs. Refer to Section 16(F) for this percentage.

Winter Bad Debt (BDw) Formula

$$BDw = BDEw + Rbdw$$

and:

$$BDEw = BD\% \times (Dw + Cw + Rw + WCRw)$$

Where:

BDw	Bad Debt expense for Winter Season, plus the Winter Season Bad Debt Expense Reconciliation.
BDEw	Forecasted gas supply cost related Bad Debt Expense calculated for Winter Season.
Rbdw	Winter Season Bad Debt Expense reconciliation adjustment - Account 175.52 balance.
BD%	Percentage of total bad debt expense associated with the COG.
Dw	Demand related costs in the Winter Season as previously defined.
Cw	Commodity related costs in the Winter Season as previously defined.
Rw	Reconciliation Costs – Winter Season deferred gas costs as previously defined.
WCRw	Winter Season Working Capital Reconciliation adjustment as previously defined.

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Summer Bad Debt (BDs)Formula

BDs = BDEs + Rbds

and:

BDEs = BD% x (Ds + Cs + Rs + WCRs)

Where:

BD%	Gas Supply related bad debt expense for firm sales service divided by direct gas costs.
BDs	Bad Debt Expense for the Summer Season, plus the Summer Season Bad Debt Expense Reconciliation.
BDEs	Forecasted gas supply related Bad Debt Expense calculated for Summer Season defined in Section 16(E).
Rbds	Summer Season Bad Debt Expense reconciliation adjustment - Account 175.54 balance.
Ds	Demand related costs in the Summer Season as previously defined.
Cs	Commodity related costs in the Summer Season as previously defined.
Rs	Reconciliation Costs – Summer deferred gas costs as previously defined.
WCRs	Summer Season Working Capital Reconciliation adjustment as previously defined.

Residential Summer Season Cost of Gas (COGsr)

All residential firm sales customers will pay the same cost of gas for the Summer Season. The factor represents the total forecasted Summer Season average cost of gas rate. This factor is calculated according to the following formula:

$$COGsr = \frac{CGs}{S:Sales}$$

Where:

CGs	The total cost of gas for the Summer Season for the Company's firm sales customers as previously defined.
S:Sales	Forecasted sales volumes associated with the Summer Season.
r	Designates the Residential Heating and Residential Non-Heating customer classes.

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(e) Costs Allowable Per Bad Debt Formula shall be:

i. Costs associated with uncollected gas costs, incurred by the Company to serve sales load in the Winter and Summer Seasons. Such costs represent the bad debt expense related to the gas supply related write-off of sales customers. The reconciliation adjustment each season will be computed as the difference between the previous year estimated bad debt expense for the same season and the actual gas costs for that season.

ii. Account 175.52 – Winter Seasonal Bad Debt, carrying charges.

iii. Account 175.54 - Summer Season Bad Debt, carrying charges.

(2) Calculation of the Reconciliation Adjustments

Account 175 contains the accumulated difference between gas cost revenues and the actual monthly gas costs incurred by the Company. The Company shall separate Account 175 into Winter Season Gas Costs (Account 175.20) and Summer Season Gas Costs (Account 175.40), Account 175.20 shall contain the accumulated difference between revenues toward gas costs calculated by multiplying the Winter Season Gas Cost for each Customer Classification, (COGwr, COGwl and COGwh) times monthly firm sales volumes for each Customer Classification, and the total costs allowable per the Winter Season gas cost formula. Account 175.40 shall contain the accumulated difference between revenues toward gas costs calculated by multiplying the Summer Season Gas Cost for each Customer Classification, (COGsr COGsl and COGsh) times monthly firm sales volumes for each Customer Classification, and the total gas costs allowable per the Summer Season demand formula.

Carrying Charges shall be calculated on the average monthly balance of each subaccount. The interest rate is to be adjusted monthly using the monthly prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates.

The seasonal bad debt reconciliation adjustments Rbdw and Rbds shall be determined for use in each season, incorporating the bad debt balances in Account 175.52 and 175.54 respectively.

Account 175.52 shall contain the accumulated difference between revenues toward bad debt as calculated by multiplying the winter season bad debt factor times monthly firm sales volumes and bad debt allowed per the winter season bad debt formula. Account 175.54 shall contain the accumulated difference between revenues toward bad debt as calculated by multiplying the summer season bad debt factor times monthly firm sales volumes and bad debt allowed per the summer season bad debt formula.

The Winter Season reconciliation shall be filed with the NHPUC no later than July 29 of each year.

The Summer Season reconciliation shall be filed with the NHPUC no later than January 31 of each year.

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Nickolas Stavropoulos
Title: President

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18. LOCAL DELIVERY ADJUSTMENT CLAUSE

Section

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18(P) Other Rules
18(Q) Amendments to Uniform System of Accounts

18(A) Purpose

The purpose of the Local Delivery Adjustment Clause ("LDAC" or this "Clause") is to establish procedures that allow the Company, subject to the jurisdiction of the NHPUC, to adjust, its delivery charges in order to recover Conservation Charges ("CC"), Winter Period Surcharges ("WPS"), Environmental Surcharges ("ES") including the Relief Holder Surcharge ("RHS") and the Manufactured Gas Program Surcharge ("MGP"), to return interruptible transportation margin credits ("ITMC"), recover gas restructuring expenses ("GRE"), rate case expenses ("RCE"), Residential Low Income Assistance Program costs ("RLIAP"), Pension and Post Retirement Benefits Other Than Pensions ("P&OPEB") Costs, Cast Iron and Bare Steel Replacement/Public Works ("CIBS/PW") Costs, Revenue Decoupling Mechanism ("RDM") Costs, Net Inflation Adjustment ("NIA") adjustments, and any other expenses the NHPUC may approve from time to time.

18(B) Applicability

This Clause shall be applicable in whole or part to all of the Company's firm sales service and firm delivery service customers as shown on the table below. The application of this clause may, for good cause shown, be modified by the NHPUC. See Section 18-(L) "Other Rules."

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Applicability	*CC 18(C)*	*ES 18(D)*	*ITMC 18(E)*	*GRE 18(F)*	*RCE 18(G)*	*RLIAP 18(H)*	*P&OPEB 18(I)*	*CIBS/PW 18(J)*	*RDM 18(K)*	*NIA 18(L)*
Residential Non-Space Heating – R-1,	1	X	X	N/A	1	X	X	X	X	X
Residential Space Heating – R-3, R-4	1	X	X	N/A	1	X	X	X	X	X
Small C&I – G-41, G-51	1	X	X	X	1	X	X	X	X	X
Medium C&I – G-42, G-52	1	X	X	X	1	X	X	X	X	X
Large C&I – G-43, G-53, G-54	1	X	X	X	1	X	X	X	X	X

Notes:

N/A Not applicable
X Applicable to all
1 As ordered by the NHPUC

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18(H)(6) Reconciliation Adjustments

Prior to the Company's peak season Cost of Gas filing, the Company will calculate the difference between (a) the revenue derived by multiplying the actual firm sales and delivery service throughput by the RLIAP Rate through October 31st, and (b) the actual costs of the program which consists of (1) the revenue shortfall calculated by applying the actual billing determinants of the RLIAP classes to the difference in the regular and reduced residential base rates in effect for the annual reconciliation period and (2) the start-up, administrative and marketing costs associated with the implementation of the program, plus carrying charges calculated on the average monthly balance using the monthly prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates. The combined costs will then be recorded in the deferred RLIAP account 175.39. The Company shall file the reconciliation along with its COG filing on or before the first business day in September of each year.

18(I) Pension and Post-Retirement Benefits Other Than Pensions Costs Allowable for the LDAC

18(I)(1) Purpose

The Purpose of this provision is to establish a procedure that allows the Company to reconcile and recover the difference between the level of expenses for pension and post-retirement benefits other than pensions ("OPEB") included in the Company's distribution rates as compared to the amounts booked for such expenses by the Company pursuant to FAS 87 and FAS 106.

18(I)(2) Applicability

The Pension and OPEB Reconciliation Adjustment Factor ("PRAF") shall be applied to all firm sales and transportation tariff customers. The PRAF shall be determined annually by the Company and filed with the Company's peak season Cost of Gas Clause filing for review and approval by the Commission.

18(I)(3) Effective Date

On or before the first business day in September of each year, the Company shall file with the NHPUC for its review and approval, the Company's request for a change in the PRAF, which shall be applicable to all firm sales, delivery and transportation service throughput for the subsequent twelve-month period commencing November 1 of each year.

18(I)(4) Pension and OPEB Costs Allowable for LDAC

The costs to be recovered shall be comprised of all the pension costs associated with the Company's Pension Plans as determined by SFAS-87 and all the OPEB costs as determined by SFAS-106 and as approved by the NHPUC that have not yet been included in the Company's distribution rates.

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18(I)(5) PRAF Formula

$$PRAF_x = \frac{EXPx - EXP_{TY} + PPRA_x}{A{:}TPvol}$$

Where:

PRAF = The annual Pension & OPEB Reconciliation Adjustment Factor.

EXP_x = (Pension and OPEB expense) Total FAS 87 pension expense and Total FAS 106 OPEB expense charged to account 926, including amounts directly charged by the Company, and charges from affiliated service companies and other National Grid affiliates during the most recent calendar year.

EXP_{TY} = (Pension and OPEB Expense Allowance in Test Year) Total FAS 87 pension expense and total FAS 106 OPEB allowed to be recovered in base rate per the Company's most recent rate case.

$PPRA_x$ = The Past Period Reconciliation Amount is (a) the difference between: (1) the amount of PRAF revenue that should have been collected in the Prior Year; and (2) the amount of PRAF revenue actually received by the Company in the Prior Year and (b) the amount computed in the clause (a) times the prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates.

A:TPvol = Annual forecasted throughput volumes inclusive of all sales and transportation throughput.

x = The current year.

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18(J) Cast Iron and Bare Steel Replacement/Public Works Costs Allowable for the LDAC

18(J)(1) Purpose

The Purpose of this provision is to establish a procedure that allows the Company to adjust its rates on an annual basis for the recovery of NHPUC-approved revenue requirement associated with the implementation of the Cast Iron and Bare Replacement/Public Works ("CIBS/PW") program established in Docket DG 06-107 Order No. 24,777, Docket DG 10-017, and any subsequent NHPUC approved modifications.

18(J)(2) Applicability

The CIBS/PW Adjustment Factor shall be applied to all firm sales and transportation tariff customers. The CIBS/PW shall be determined annually by the Company and filed by May 15th for review and approval by the Commission.

18(J)(3) Effective Date

On or before May 15th of each year, the Company shall file with the NHPUC for its consideration and approval, the Company's request for a change in the CIBS/PW applicable to all firm sales and transportation service throughput for the subsequent twelve-month period commencing July 1 of each year.

18(J)(4) CIBS/PW Costs Allowable for LDAC

The costs to be recovered shall be those approved by the NHPUC based on the Company's annual May 15th CIBS/PW filing. Such costs shall be based on the Company's actual amount expended in implementing the CIBS/PW plan for the prior fiscal year. The CIBS/PW Factor will reflect the on-going charge for the revenue requirement of the cumulative CIBS/PW spending for the prior and previous years as approved by the NHPUC.

18(J)(5) CIBS/PW Factor Formula

$$CIBS/PWF = \frac{CIBS/PW_{RRCum}}{A{:}\,TP_{vol}} + RCIBS/PW$$

Where:

$A{:}TP_{vol}$	Forecast Annual Throughput Volumes of all firm sales and transportation tariff customers eligible to receive firm delivery-only service from the Company.
$CIBS/PW_{RRCum}$	Cumulative revenue requirement from May 15th annual CIBS/PW filing as approved by NHPUC

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RCIBS/PW CIBS/PW Reconciliation Adjustment - Account 175.67, inclusive of the associated Account 175.67 interest, as outlined in Section 18(J)(6).

18(J)(6) Reconciliation Adjustments

Account 175.67 shall contain the accumulated difference between revenues toward CIBS/PW Expenses as calculated by multiplying the CIBS/PW Factor times monthly volumes of customers eligible to receive firm delivery service and CIBS/PW expenses allowed, plus carrying charges calculated on the average monthly balance using the monthly prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates, and then added to the end-of-month balance.

18(K) Revenue Decoupling Mechanism Costs Allowable for the LDAC

18(K)(1) Purpose

The purpose of the Revenue Decoupling Mechanism is to establish procedures that allow the Company, to adjust, on a semi-annual basis, its rates for firm gas sales and firm transportation service in order to reconcile actual base revenue recoveries with benchmark base revenues.

18(K)(2) Applicability

The Revenue Decoupling Mechanism factor ('RDMF') shall be applied to all firm sales and transportation tariffed customers. The RDMF shall be calculated by the Company semi-annually and filed with the Company's peak and off-peak season Cost of Gas Clause filings for review and approval by the Commission.

18(K)(3) Effective Date

The Peak Period Revenue Decoupling Adjustment Factor ("RDAF") shall be effective on the first day of each Peak Period as defined herein. The Off-peak RDAF shall become effective on the first day of each Off-peak Period as defined herein.

18(K)(4) Definitions

Actual Base Revenue per Customer is the actual base revenue divided by the respective number of customers booked by the Company over a given season for a Customer Class Group exclusive of customers and associated revenues for customers connected to the Company's distribution system since the end of the test period for the Company's most recent base rate case

Base Rate Element is any customer, volumetric or demand charge reflected in the Company's Rate Schedules that recovers a portion of the Company's base revenue requirements as established in its most recent base rate case or other proceeding that results in a base rate adjustment.

Base Rates are the collection of Base Rate Elements for all the Company's Rate Schedules.

Customer Class is the group of customers all taking service pursuant to the same Rate Schedule.

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Customer Class Group is the group of Rate Schedules combined for purposes of calculating the Revenue Decoupling Mechanism Adjustment amounts. There are three Customer Class Groups as follows:

1. The Residential Heating Customer Class Group shall consist of all customers taking service pursuant to one of the Company's residential heating rate schedules.
2. The Residential Non-Heating Customer Class Group shall consist of all customers taking service pursuant to one of the Company's residential non-heating rate schedules.
3. The Commercial and Industrial Customer Class Group shall consist of all sales and transportation customers taking service pursuant to one of the Company's general service G-40 and G-50 rate schedules.

Off-Peak Period is the continuous period from May 1st through October 31st

Peak Period is the continuous period from November 1st through April 30th.

Benchmark Base Revenue per Customer is the allowed average revenue per Customer for a given season for a Customer Class Group, reflecting the base revenue for the Company's last base rate case or other proceeding that results in a base rate adjustment.

18(K)(5) Calculation of Revenue Decoupling Mechanism Adjustment

After the conclusion of each Peak or Off-peak Period, the Company shall calculate a Decoupling Revenue Adjustment to be applied to customer bills in the next corresponding season. The Decoupling Revenue Adjustment for the Peak Period will be applied to customer bills in the next Peak Period and the Decoupling Revenue Adjustment for the Off-peak Period will be applied to customer bills in the next Off-peak Period.

The Decoupling Revenue Adjustment shall be calculated by comparing the difference between the actual Revenue per Customer to the Benchmark Base Revenue per Customer for the applicable Customer Class Group. The Decoupling Revenue Adjustment shall equal the sum of the adjustments calculated for each of the three Customer Class Groups and shall include a reconciliation component.

18(K)(6) Revenue Decoupling Adjustment Formula

$$RD = \frac{\sum_{cg=1}^{cg=3} \left(\left(BRPC_{T-1} - ARPC_{T-1} \right) * \sum_{n=1}^{n=1} ACUSTS_{T-1} \right) + RF_{RD}}{TP_{VOL}}$$

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Where:

RD		The Revenue Decoupling Adjustment for the Peak or Off-peak Period (T-1).
ARPC	*cg* / T-1	The Actual Base Revenue Per Customer for the applicable Customer Class Group for the most recently completed Peak or Off-peak Period (T-1), as defined in 18(K)(4). For purposes of calculating the Actual Base Revenue Per Customer, the non-discounted base revenues shall replace the discounted base revenues charged through low income rate schedules.
BRPC	*cg* / T-1	The Benchmark Base Revenue Per Customer for the applicable Customer Class Group as defined in 18(K)(4) for the most recently completed Peak or Off-peak Period (T-1).
I		The total number of Rate Schedules included in the Customer Class Group.
ACUSTS	*cg* / T-1	The Actual number of customers for the applicable Customer Class Group for the most recently completed Peak or Off-peak Period (T-1), exclusive of customers connected to the Company's distribution system since the end of the test period for the Company's most recent base rate case.
TP	/ Vol	Forecast Throughput Volumes inclusive of all firm sales and firm transportation throughput for the Peak or Off-peak Period.
RF	/ RD	Revenue Decoupling Reconciliation Adjustment - Account 182 as outlined in XXXX.

18(K)(7) Reconciliation Adjustments

Accounts 175.71 (Res.Heat), 175.72 (Res.Non-Heat), and 175.73 (C&I) shall contain the accumulated difference between revenues toward the Revenue Decoupling Adjustment for the Peak Period, and Accounts 175.74 (Res.Heat), 175.75 (Res.Non-Heat), and 175.76 (C&I) shall contain the accumulated difference between revenues toward the Revenue Decoupling Adjustment for the Off-peak Period as calculated by multiplying the RD times corresponding seasonal firm sales and transportation throughput and revenue decoupling adjustment allowed revenues for the Peak or Off-peak Period as calculated pursuant to 18(K)(6), plus carrying charges. The interest rate is to be adjusted monthly using the monthly prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates.

18(K)(8) Information to be Filed with the NHPUC

Information related to the RDM will be filed with the NHPUC consistent with the filing requirements of all cost and revenue information included in the LDAC. The RDM filing shall include the calculation of the updated benchmark revenue per customer, applicable revenue decoupling revenue adjustment and revenue decoupling reconciliation adjustment.

I. GENERAL TERMS AND CONDITIONS

18. LOCAL DELIVERY ADJUSTMENT CLAUSE

18(L) Net Inflation Adjustment Factor Allowable for the LDAC

18(L)(1) Purpose

The purpose of this mechanism is to establish a procedure that allows the Company, to annually adjust its revenues based on changes in its specified test year operation and maintenance expenses.

18(L)(2) Applicability

The Net Inflation Adjustment ("NIA") Factor shall be applied to all firm sales and transportation tariff customers. The NIA Factor shall be determined annually by the Company and filed with the Company's peak season Cost of Gas Clause filing for review and approval by the Commission.

18(L)(3) Effective Date

On or before the first business day in September of each year, the Company shall file with the NHPUC for its consideration and approval, the Company's request for a NIA applicable to all firm sales, and transportation service throughput for the subsequent twelve-month period commencing with November 1 of each year.

18(L)(4) NIA Allowable for LDAC

The NIA allows the Company to annually adjust its "Operating and Maintenance test year expenses subject to inflation" (as defined below) by an index representing inflation less a productivity offset representing customers' share of operating efficiencies ("Net Inflation Adjustment"). Inflation shall be measured as the change in the four-quarter average of the Gross Domestic Product Price Index ("$GDPPI_Y$") for the year ending June in the year of filing and the four-quarter average of the $GDPPI_{TY}$ for the year ending June 2009. The change shall be reflected as a percentage. The productivity offset shall be 0.5% and shall be deducted from the change in the GDP-PI and shall be fixed until the Company's next general distribution rate filing. The Net Inflation Adjustment as calculated above shall be applicable to the following twelve months commencing with usage November 1st.

18(L)(5) NIA Factor Formula

$$NIAF = \frac{O\&M_{TY} * \left[\frac{GDPPI_Y}{GDPPI_{TY}} - 0.5\% - 1 \right]}{A;TP_{VOL}}$$

Where:

NIAF = Net Inflation Adjustment Factor

$O\&M_{TY}$ = Operation & Maintenance test year expenses subject to inflation.

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18. LOCAL DELIVERY ADJUSTMENT CLAUSE

$GDPPI_Y$ = Gross Domestic Product Price Index based on four quarterly measures as of the second quarter of each year

$GDPPI_{TY}$ = Gross Domestic Product Price Index based on four quarterly measures as of the second quarter of 2009 test year

$A;TP_{VOL}$ = Forecasted Annual Throughput Volumes for all firm sales and transportation tariff customers eligible to receive firm delivery-only service from the Company.

18(L)(6) Reconciliation Adjustments

Account 175.77 shall contain the accumulated difference between revenues toward the NIA as calculated by multiplying the NIAF times corresponding firm sales and transportation throughput and NIA adjustment allowed revenues as calculated pursuant to 18(I)(5), plus carrying charges. The interest rate is to be adjusted monthly using the monthly prime lending rate, as reported by the Federal Reserve Statistical Release of Selected Interest Rates

18(M) Effective Date of Local Delivery Adjustment Clause

The LDAC shall be filed annually and become effective on November 1 of each year pursuant to NHPUC approval. In order to minimize the magnitude of future reconciliation adjustments, the Company may request interim revisions to the LDAC rates, subject to review and approval of the NHPUC.

18(N) Local Delivery Adjustment Clause Formulas

The LDAC shall be calculated on an annual basis, by customer, by summing up the various factors included in the LDAC, where applicable.

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18. LOCAL DELIVERY ADJUSTMENT CLAUSE

LDAC Formula

$LDAC^X = CC^X + ES - ITMC + GREF^x + RCE + RLIAP + PRAF + CIBS/PW + RDM + NIA$

And:

$ES^X = RHS + MGP$

Where:

$LDAC^X$	Annualized class specific Local Delivery Adjustment Charge.
CC^X	Annualized class specific CC or EE Charge.
ITMC	Annualized Interruptible Transportation Margin Credit.
ES	Total firm annualized ES.
RHS	Annualized charge to recover the costs of the closure of the Relief Holder at Gas Street, Concord, NH
MGP	Annualized charge to cover the remediation costs related to former manufactured gas plants.
$GREF^x$	Total firm annualized class specific Gas Restructuring Expense Factor.
RCE	Rate Case Expense Factor.
RLIAP	Residential Low Income Assistance Program Rate
PRAF	Pension costs and Post Retirement Benefits Other Than Pensions Adjustment Factor
CIBS/PW	Cast Iron and Bare Steel Replacement/Public Works Costs
RDM	Revenue Decoupling Mechanism Adjustment
NIA	Net Inflation Adjustment

18(O) Application of LDAC to Bills

The component costs comprising the LDAC ($ per therm) shall be calculated to the nearest one one-hundredth of a cent per therm and shall be applied to the monthly firm sales and firm delivery service throughput in accordance with the table shown in Section 18(B).

18(P) Other Rules

(1) The NHPUC may, where appropriate, on petition or on its own motion, grant an exception from the provisions of these regulations, upon such terms that it may determine to be in the public interest.
(2) Such amendments may include the addition or deletion of component cost categories, subject to the review and approval of the NHPUC.
(3) The Company may implement an amended LDAC with the NHPUC approval at any time.
(4) The NHPUC may, at any time, require the Company to file an amended LDAC.
(5) The operation of the LDAC is subject to all powers of suspension and investigation vested in the NHPUC.

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18. LOCAL DELIVERY ADJUSTMENT CLAUSE

18(Q) Amendments To Uniform System Of Accounts

175.42 Interruptible Transportation Margin Reconciliation Adjustment for LDAC

This account shall be used to record the cumulative difference between annual Interruptible Transportation margin returns and annual Interruptible Transportation margins. Entries to this account shall be determined as outlined in the Local Delivery Adjustment Clause, 18(E).

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175.85 Gas Restructuring Expense Reconciliation Adjustment

This account shall be used to record the cumulative difference between the recovery and actual amounts of third party incremental expenses associated with the Company's Gas Restructuring initiatives. Entries to this account shall be determined as outlined in the Local Delivery Adjustment Clause, 18(F).

175.22 Demand-Side Management and/or Energy Efficiency Reconciliation Adjustment

This account shall be used to record the cumulative difference between the sum of DSM and/or EE Expenditures incurred by the Company plus the sum of DSM and/or EE Repayments and the revenues collected from customers pursuant to this clause with respect to a given Rate Category. Entries to this account shall be determined as outlined in the Local Delivery Adjustment Clause, 18(C).

175.90 Environmental Response Costs Reconciliation Adjustment

This account shall be used to record the cumulative difference between the revenues toward environmental response costs as calculated by multiplying the ES times monthly firm sales volumes and delivery service throughput and environmental response costs allowable per formula. Entries to this account shall be determined as outlined in the Local Delivery Adjustment Clause, 18(D).

175.65 Rate Case Expense/Temporary Rates Reconciliation Adjustment

This account shall be used to record the cumulative difference between the recovery and actual amounts of third-party incremental expenses associated with the Company's Rate Case initiatives and the difference between the final and temporary distribution rates. Entries to this account shall be determined as outlined in the Local Distribution Adjustment Clause, 18(G).

175.39 Residential Low Income Assistance Program Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the RLIAP rate and the actual costs of the program, which consists of the revenue shortfall and all administrative and marketing costs, as outlined in the Local Distribution Adjustment Clause, 18(H).

175.66 Pension and OPEB Expense Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the PRAF rate and the total pension and OPEB expense amounts booked by the Company in the prior year.

175.67 CIBS/PW Expense Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the CIBS/PW rate and the total CIBS/PW expense amounts approved by the NHPUC for prior years.

175.71 Peak Period Res-Heat RDM Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the Peak Period Res-Heat RDM rate

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18. LOCAL DELIVERY ADJUSTMENT CLAUSE

and the total Peak Period Res-Heat RDM revenue amounts approved by the NHPUC for prior years.

175.72 Peak Period Res-NonHeat RDM Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the Peak Period Res-NonHeat RDM rate and the total Peak Period Res-NonHeat RDM revenue amounts approved by the NHPUC for prior years.

175.73 Peak Period C&I RDM Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the Peak Period C&I RDM rate and the total Peak Period C&I RDM revenue amounts approved by the NHPUC for prior years.

175.74 Off-Peak Period Res-Heat RDM Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the Off-Peak Period Res-Heat RDM rate and the total Off-Peak Period Res-Heat RDM revenue amounts approved by the NHPUC for prior years.

175.75 Off-Peak Period Res-NonHeat RDM Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the Off-Peak Period Res-NonHeat RDM rate and the total Off-Peak Period Res-NonHeat RDM revenue amounts approved by the NHPUC for prior years.

175.76 Off-Peak Period C&I RDM Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the Off-Peak Period C&I RDM rate and the total Off-Peak Period C&I RDM revenue amounts approved by the NHPUC for prior years.

175.77 NIA Reconciliation Adjustment

This account shall be used to record the cumulative difference between the actual revenue derived from the actual sales and transportation service throughput multiplied by the NIA rate and the total NIA revenue amounts approved by the NHPUC for prior years.

II. RATE SCHEDULES

Residential Non Heating Rate
Classification No. R-1

Availability
This rate is available to all residential customers who do not have gas space heating equipment, who consume less than 80% of their normal usage in the six winter months of November through April and whose usage does not exceed 100 therms in any winter month. Available for use which is separately metered and billed for each dwelling unit. Availability is limited to use in locations served by the Company's mains and for which the Company's facilities are adequate.

Character of Service
Natural gas or equivalent will be supplied at a thermal content of nominally one (1) therm in each one hundred (100) cubic feet.

Delivery Charge

Customer Charge Per Meter	$0.3750 per day	or	$11.25	per 30 day month
Winter Period All therms per 30 day month at			$0.3003	per therm
Summer Period All therms per 30 day month at			$ 0.3003	per therm

* The number of therms billed in the first block will be calculated by multiplying the therms in the first block of the rate by a fraction the numerator of which is the number of days in the billing period and the denominator of which is 30.

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Cost of Gas Charge
All gas delivered under this rate is subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service
The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge
When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is incurred in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00.

Terms and Conditions
Meters are read and bills are presented monthly. In the event a meter reader is unable to obtain a meter reading, an estimated billwill be rendered to the customer.

Amounts not paid prior to the due date; normally the next following meter reading date and a date not less than twenty-five (25) days from the date the bill is mailed - are subject to a late payment charge of one and one-half percent (1½%) per month on the unpaid balance - equivalent to an eighteen percent (18%) annual rate. There is a $15.00 charge for each bad check tendered for payment.

A customer must give at least four (4) days notice before discontinuance of service and is responsible for all charges through the end of the notice period.

Service under this rate is subject to the rules and regulations and the published tariff, terms and conditions presently effective, or as filed from time to time, with the New Hampshire Public Utilities Commission.

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Title: President

II. RATE SCHEDULES

Residential Heating Rate
Classification No. R-3

Availability

This rate is for all residential use for those domestic customers who use gas as the principal household heating fuel. Availability is limited to use in domestic locations which are separately metered and billed and which are served by the Company's mains and for which the Company's facilities are adequate.

Character of Service

Natural gas or equivalent will be supplied at a thermal content of nominally one (1) therm in each one hundred (100) cubic feet.

Delivery Charge

Customer Charge Per Meter	$0.7000 per day	or	$21.00	per 30 day month
Winter Period				
First 100 * therms per 30 day month at			$0.2706	per therm
All over 100 therms per 30 day month at			$0.2039	per therm
Summer Period				
First 20 * therms per 30 day month at			$0.2706	per therm
All over 20 therms per 30 day month at			$0.2039	per therm

* The number of therms billed in the first block will be calculated by multiplying the therms in the first block of the rate by a fraction the numerator of which is the number of days in the billing period and the denominator of which is 30.

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Cost of Gas Charge

All gas delivered under this rate is subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service

The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge

When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is incurred in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00.

Terms and Conditions

Eligibility shall be determined based on the reasonable discretion of the Company subject to verification of heating usage.

Meters are read and bills are presented monthly. In the event a meter reader is unable to obtain a meter reading, an estimated bill will be rendered to the customer.

Amounts not paid prior to the due date; normally the next following meter reading date and a date not less than twenty-five (25) days from the date the bill is mailed - are subject to a late payment charge of one and one-half percent (1½%) per month on the unpaid balance - equivalent to an eighteen percent (18%) annual rate. There is a $15.00 charge for each bad check tendered for payment.

A customer must give at least four (4) days notice before discontinuance of service and is responsible for all charges through the end of the notice period.

Service under this rate is subject to the rules and regulations and the published tariff, terms and conditions presently effective, or as filed from time to time, with the New Hampshire Public Utilities Commission.

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II. RATE SCHEDULES

Low Income Residential Heating Rate
Classification No. R-4

Availability

This rate is for residential use for those domestic customers who use gas as the principal household heating fuel if any member of the household qualifies for a benefit through one of the programs listed below, subject to the qualification period described under the "Terms and Conditions" of this rate. Availability is limited to use in domestic locations which are separately metered and billed and which are served by the Company's mains and for which the Company facilities are adequate.

Qualified Programs:

a. Low Income Home Energy Assistance Program (LIHEAP)
b. Electric Assistance Program (EAP)
c. Supplemental Security Income Program
d. Women, Infants and Children Program
e. Commodity Surplus Foods Program (for women, infants and children)
f. Elderly Commodity Surplus Foods Program
g. Temporary Aid to Needy Families Program
h. Housing Choice Voucher Program (also known as Section 8)
i. Head Start Program
j. Aid to the Permanently and Totally Disabled Program
k. Aid to the Needy Blind Program
l. Old Age Assistance Program
m. Food Stamps Program
n. Any successor program of a-m

Character of Service

Natural gas or equivalent will be supplied at a thermal content of nominally one (1) therm in each one hundred (100) cubic feet.

Delivery Charge

Customer Charge Per Meter	$0.2800 per day	or $8.40	per 30 day month
Winter Period			
First 100 * therms per 30 day month at		$0.1082	per therm
All over 100 therms per 30 day month at		$0.0816	per therm
Summer Period			
First 20 * therms per 30 day month at		$0.1082	per therm
All over 20 therms per 30 day month at		$0.0816	per therm

* The number of therms billed in the first block will be calculated by multiplying the therms in the first block of the rate by a fraction the numerator of which is the number of days in the billing period and the denominator of which is 30.

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Cost of Gas Charge

All gas delivered under this rate is subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service

The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge

When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is incurred in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00.

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II. RATE SCHEDULES

Commercial/Industrial Service
Low Annual Use, High Winter Use
Rate Classification G-41

Availability
This rate is available for commercial, industrial and public authority customers in locations served by the Company's mains and for which the Company's facilities are adequate. A customer receiving service under this rate must have annual usage less than or equal to 10,000 therms and a Winter Period usage greater than or equal to 67% of annual usage as determined by the Company's records and procedures.

Character of Service
Natural gas or equivalent will be supplied at a thermal content of nominally one (1) therm in each one hundred (100) cubic feet.

Delivery Charge

Customer Charge Per Meter	$1.4333 per day	or	$43.00	per 30 day month
Winter Period				
First 100 * therms per 30 day month at			$0.3120	Per therm
All over 100 therms per 30 day month at			$0.2029	Per therm
Summer Period				
First 20 * therms per 30 day month at			$0.3120	Per therm
All over 20 therms per 30 day month at			$0.2029	Per therm

* The number of therms billed in the first block will be calculated by multiplying the therms in the first block of the rate by a fraction the numerator of which is the number of days in the billing period and the denominator of which is 30.

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Supplier Charges
If the customer purchases its gas from a third party, supplier charges will be as agreed upon between the customer and the third party supplier and will be billed directly by the third party supplier. If the customer does not purchase its gas from a third party, the gas supplied by the Company will be subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service
The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge
When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is incurred in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00.

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II. RATE SCHEDULES

Commercial/Industrial Service
Medium Annual Use, High Winter Use
Rate Classification G-42

Availability
This rate is for commercial, industrial and public authority customers in locations served by the Company's mains and for which the Company's facilities are adequate. A customer receiving service under this rate must have annual usage greater than 10,000 therms and less than or eqaul to 100,000 therms and a Winter Period usage greater than or equal to 67% of annual usage as determined by the Company's records and procedures.

Character of Service
Natural gas or equivalent will be supplied at a heat content of nominally one (1) therm in each one hundred (100) cubic feet.

Delivery Charge

Customer Charge Per Meter	$4.0000 per day	or	$120.00	per 30 day month
Winter Period				
First 1,000 * therms per 30 day month at			$0.3077	per therm
All over 1,000 therms per 30 day month at			$0.2032	per therm
Summer Period				
First 400 * therms per 30 day month at			$0.3077	per therm
All over 400 therms per 30 day month at			$0.2032	per therm

* The number of therms billed in the first block will be calculated by multiplying the therms in the first block of the rate by a fraction the numerator of which is the number of days in the billing period and the denominator of which is 30.

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Supplier Charges
If the customer purchases its gas from a third party, supplier charges will be as agreed upon between the customer and the third party supplier and will be billed directly by the third party supplier. If the customer does not purchase its gas from a third party, the gas supplied by the Company will be subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service
The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge
When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is incurred in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00.

II. RATE SCHEDULES

Commercial/Industrial Service
High Annual Use, High Winter Use
Rate Classification G-43

Availability
This rate is for commercial, industrial and public authority customers in locations served by the Company's mains and for which the Company's facilities are adequate. A customer receiving service under this rate must have annual usage greater than 100,000 therms and a Winter Period usage greater than or equal to 67% of annual usage as determined by the Company's records and procedures.

Character of Service
Natural gas or equivalent will be supplied at a thermal content of nominally one (1) therm in each one hundred (100) cubic feet. Should the customer's consumption fail to meet the availability requirements for this rate, the customer's service will be transferred to the otherwise applicable tariff as described under the terms and conditions of this tariff.

Delivery Charge

Customer Charge Per Meter	$17.1667 per day	or	$515.00	per 30 day month
Winter Period				
All therms per 30 day month at			$0.2037	per therm
Summer Period				
All therms per 30 day month at			$0.0932	per therm

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Supplier Charges
If the customer purchases its gas from a third party, supplier charges will be as agreed upon between the customer and the third party supplier and will be billed directly by the third party supplier. If the customer does not purchase its gas from a third party, the gas supplied by the Company will be subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service
The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge
When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is incurred in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00.

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II. RATE SCHEDULES

Commercial/Industrial Service
Low Annual Use, Low Winter Use
Rate Classification G-51

Availability
This rate is for commercial, industrial and public authority customers in locations served by the Company's mains and for which the Company's facilities are adequate. A customer receiving service under this rate must have annual usage less than or equal to 10,000 therms and a Winter Period usage less than 67% of annual usage as determined by the Company's records and procedures.

Character of Service
Natural gas or equivalent will be supplied at a thermal content of nominally one (1) therm in each one hundred (100) cubic feet.

Delivery Charge

Customer Charge Per Meter	$1.2167 per day	or $36.50	per 30 day month
Winter Period			
First 100 * therms per 30 day month at		$0.1943	per therm
All over 100 therms per 30 day month at		$0.1255	per therm
Summer Period			
First 100 * therms per 30 day month at		$0.1943	per therm
All over 100 therms per 30 day month at		$0.1255	per therm

* The number of therms billed in the first block will be calculated by multiplying the therms in the first block of the rate by a fraction the numerator of which is the number of days in the billing period and the denominator of which is 30.

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Supplier Charges
If the customer purchases its gas from a third party, supplier charges will be as agreed upon between the customer and the third party supplier and will be billed directly by the third party supplier. If the customer does not purchase its gas from a third party, the gas supplied by the Company will be subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service
The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge
When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is made in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00

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Title: President

II. RATE SCHEDULES

Commercial/Industrial Service
Medium Annual Use, Low Winter Use
Rate Classification G-52

Availability
This rate is for commercial, industrial and public authority customers in locations served by the Company's mains and for which the Company's facilities are adequate. A customer receiving service under this rate must have annual usage greater than 10,000 therms and less than or equal to 100,000 therms and a Winter Period usage less than 67% of annual usage as determined by the Company's records and procedures.

Character of Service
Natural gas or equivalent will be supplied at a thermal content of nominally one (1) therm in each one hundred (100) cubic feet. Should the customer's consumption fail to meet the availability requirements for this rate, the customer's service will be transferred to the otherwise applicable tariff as described under the terms and conditions of this tariff.

Delivery Charge

Customer Charge Per Meter	$4.00 per day	or $120.00	per 30 day month
Winter Period			
First 1,000 * therms per 30 day month at		$0.1737	per therm
All over 1,000 therms per 30 day month at		$0.1178	per therm
Summer Period			
First 1,000 * therms per 30 day month at		$0.1276	per therm
All over 1,000 therms per 30 day month at		$0.0735	per therm

* The number of therms billed in the first block will be calculated by multiplying the therms in the first block of the rate by a fraction the numerator of which is the number of days in the billing period and the denominator of which is 30.

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Supplier Charges
If the customer purchases its gas from a third party, supplier charges will be as agreed upon between the customer and the third party supplier and will be billed directly by the third party supplier. If the customer does not purchase its gas from a third party, the gas supplied by the Company will be subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service
The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge
When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is incurred in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00.

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II. RATE SCHEDULES

Commercial/Industrial Service
High Annual Use, Load Factor Less Than 90%
Rate Classification G-53

Availability
This rate is for commercial, industrial and public authority customers in locations served by the Company's mains and for which the Company's facilities are adequate. A customer receiving service under this rate must have annual usage greater than 100,000 therms, a Winter Period usage less than 67% of annual usage, and a 12 month average usage less than 90% of the average usage of December, January and February as determined by the Company's records and procedures.

Character of Service
Natural gas or equivalent will be supplied at a heat content value of nominally one (1) therm in each one hundred (100) cubic feet.

Delivery Charge

Customer Charge Per Meter	$17.6667 per day	$530.00	per month
Winter Period			
All therms per month at		$0.1226	per therm
Summer Period			
All therms per month at		$0.0586	per therm

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Supplier Charges
If the customer purchases its gas from a third party, supplier charges will be as agreed upon between the customer and the third party supplier and will be billed directly by the third party supplier. If the customer does not purchase its gas from a third party, the gas supplied by the Company will be subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service
The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge
When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is incurred in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00.

II. RATE SCHEDULES

Commercial/Industrial Service
High Annual Use, Load Factor Greater Than 90%
Rate Classification G-54

Availability
This rate is for commercial, industrial and public authority customers in locations served by the Company's mains and for which the Company's facilities are adequate. A customer receiving service under this rate must have annual usage greater than 100,000 therms, a Winter Period usage less than 67% of annual usage, and a 12 month average usage greater than or equal to 90% of the average usage of December, January and February as determined by the Company's records and procedures.

Character of Service
Natural gas or equivalent will be supplied at a heat content value of nominally one (1) therm in each one hundred (100) cubic feet.

Delivery Charge

Customer Charge Per Meter	$17.6667 per day	$530.00	per month
Winter Period All therms per month at		$0.0462	per therm
Summer Period All therms per month at		$0.0250	per therm

The above rates shall be adjusted to reflect the recovery of all applicable taxes. The Winter Period shall be the months of November through April inclusive. The Summer Period shall be the months of May through October inclusive.

Supplier Charges
If the customer purchases its gas from a third party, supplier charges will be as agreed upon between the customer and the third party supplier and will be billed directly by the third party supplier. If the customer does not purchase its gas from a third party, the gas supplied by the Company will be subject to a per therm cost of gas rate. The cost of gas rate is not included in the delivery charge presented above. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and cost of gas rates.

Other Charges for Delivery Service
The customer must also pay such charges and adjustments as are set forth in the Company's Local Distribution Adjustment Clause (LDAC), as in effect from time to time and on file with he New Hampshire Public Utilities Commission (NHPUC). The delivery charge presented above are exclusive of these charges. Refer to Page 76 of this Tariff for firm rate schedules which present both the delivery charge and the LDAC rates.

Meter Account Charge
When the Company establishes or re-establishes a gas service account for a customer at a meter location, a meter account charge is incurred in addition to all other charges. The meter account charge is $20.00 when the visit to the meter location is scheduled at the mutual convenience of the Company and the customer. Otherwise, the charge is $30.00.

II RATE SCHEDULES
FIRM RATE SCHEDULES

	Winter Period				Summer Period			
	Delivery Charge	Cost of Gas Rate Page 87	LDAC Page 94	Total Rate	Delivery Charge	Cost of Gas Rate Page 87	LDAC Page 94	Total Rate
Residential Non Heating - R-1								
Customer Charge per Month per Meter	$ 11.25			$ 11.25	$ 11.25			$ 11.25
All therms	$ 0.3003	$ 1.0230	$ 0.0410	$ 1.3643	$ 0.3003	$ 0.5272	$ 0.0254	$ 0.8529
Residential Heating - R-3								
Customer Charge per Month per Meter	$ 21.00			$ 21.00	$ 21.00			$ 21.00
Size of the first block	100 therms				20 therms			
Therms in the first block per month at	$ 0.2706	$ 1.0230	$ 0.0404	$ 1.3340	$ 0.2706	$ 0.5272	$ 0.0260	$ 0.8238
All therms over the first block per month at	$ 0.2039	$ 1.0230	$ 0.0404	$ 1.2673	$ 0.2039	$ 0.5272	$ 0.0260	$ 0.7571
Residential Heating - R-4								
Customer Charge per Month per Meter	$ 8.40			$ 8.40	$ 8.40			$ 8.40
Size of the first block	100 therms				20 therms			
Therms in the first block per month at	$ 0.1082	$ 1.0230	$ 0.0404	$ 1.1716	$ 0.1082	$ 0.5272	$ 0.0260	$ 0.6614
All therms over the first block per month at	$ 0.0816	$ 1.0230	$ 0.0404	$ 1.1450	$ 0.0816	$ 0.5272	$ 0.0260	$ 0.6348
Commercial/Industrial - G-41								
Customer Charge per Month per Meter	$ 43.00			$ 43.00	$ 43.00			$ 43.00
Size of the first block	100 therms				20 therms			
Therms in the first block per month at	$ 0.3120	$ 1.0232	$ 0.0194	$ 1.3546	$ 0.3120	$ 0.5277	$ 0.0278	$ 0.8675
All therms over the first block per month at	$ 0.2029	$ 1.0232	$ 0.0194	$ 1.2455	$ 0.2029	$ 0.5277	$ 0.0278	$ 0.7584
Commercial/Industrial - G-42								
Customer Charge per Month per Meter	$ 120.00			$ 120.00	$ 120.00			$ 120.00
Size of the first block	1000 therms				400 therms			
Therms in the first block per month at	$ 0.3077	$ 1.0232	$ 0.0194	$ 1.3503	$ 0.3077	$ 0.5277	$ 0.0278	$ 0.8632
All therms over the first block per month at	$ 0.2032	$ 1.0232	$ 0.0194	$ 1.2458	$ 0.2032	$ 0.5277	$ 0.0278	$ 0.7587
Commercial/Industrial - G-43								
Customer Charge per Month per Meter	$ 515.00			$ 515.00	$ 515.00			$ 515.00
All therms over the first block per month at	$ 0.2037	$ 1.0232	$ 0.0194	$ 1.2463	$ 0.0932	$ 0.5277	$ 0.0278	$ 0.6487
Commercial/Industrial - G-51								
Customer Charge per Month per Meter	$ 36.50			$ 36.50	$ 36.50			$ 36.50
Size of the first block	100 therms				100 therms			
Therms in the first block per month at	$ 0.1943	$ 1.0225	$ 0.0194	$ 1.2362	$ 0.1943	$ 0.5257	$ 0.0278	$ 0.7478
All therms over the first block per month at	$ 0.1255	$ 1.0225	$ 0.0194	$ 1.1674	$ 0.1255	$ 0.5257	$ 0.0278	$ 0.6790
Commercial/Industrial - G-52								
Customer Charge per Month per Meter	$ 120.00			$ 120.00	$ 120.00			$ 120.00
Size of the first block	1000 therms				1000 therms			
Therms in the first block per month at	$ 0.1737	$ 1.0225	$ 0.0194	$ 1.2156	$ 0.1276	$ 0.5257	$ 0.0278	$ 0.6811
All therms over the first block per month at	$ 0.1178	$ 1.0225	$ 0.0194	$ 1.1597	$ 0.0735	$ 0.5257	$ 0.0278	$ 0.6270
Commercial/Industrial - G-53								
Customer Charge per Month per Meter	$ 530.00			$ 530.00	$ 530.00			$ 530.00
All therms over the first block per month at	$ 0.1226	$ 1.0225	$ 0.0194	$ 1.1645	$ 0.0586	$ 0.5257	$ 0.0278	$ 0.6121
Commercial/Industrial - G-54								
Customer Charge per Month per Meter	$ 530.00			$ 530.00	$ 530.00			$ 530.00
All therms over the first block per month at	$ 0.0462	$ 1.0225	$ 0.0194	$ 1.0881	$ 0.0250	$ 0.5257	$ 0.0278	$ 0.5785

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