

				Supply Breakdown		Indirect Gas Cost Breakdown		
	Settlement	Delivery	Supply	Gas cost	Indirect Gas Cost	Production & Storage	Miscellaneous Gas Costs	Bad Debts
Operating Revenues	\$164,657,507	\$46,886,551	\$117,770,957	\$112,156,610	\$5,614,347	\$1,401,343	\$825,874	\$3,387,130
Firm Revenues	\$162,472,803	\$45,547,745	\$116,925,058	\$112,156,610	\$4,768,448	\$1,387,090	(\$5,772)	\$3,387,130
Other Revenues	\$2,184,705	\$1,338,806	\$845,899	\$0	\$845,899	\$14,253	\$831,646	\$0
Operating & Maintenance Expenses	\$139,517,168	\$22,291,543	\$117,225,627	\$112,156,611	\$5,069,016	\$876,389	\$805,497	\$3,387,130
Depreciation	\$7,891,627	\$7,422,168	\$469,459	\$0	\$469,459	\$449,323	\$20,136	\$0
Taxes Other than Income	\$4,942,564	\$4,677,592	\$264,971	\$0	\$264,971	\$258,848	\$6,123	\$0
Interest exp on Customer Deposits	\$19,557	\$19,557	\$0	\$0	\$0	\$0	\$0	\$0
Operating Income Before Federal Income Taxes	\$12,286,591	\$12,475,691	(\$189,100)	(\$1)	(\$189,100)	(\$183,218)	(\$5,882)	\$0
Total Federal & State Income Taxes	\$2,650,038	\$2,778,339	(\$128,302)	(\$0)	(\$128,302)	(\$124,301)	(\$4,001)	\$0
Operating Income After Federal & State Income Taxes	\$9,636,554	\$9,697,352	(\$60,798)	(\$0)	(\$60,798)	(\$58,917)	(\$1,881)	\$0
Rate Base Proposed	\$164,302,838	\$160,661,116	\$3,641,721	\$0	\$3,641,721	\$3,529,060	\$112,661	\$0
Rate of Return	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%	8.33%
Income Required	\$13,686,426	\$13,383,071	\$303,355	\$0	\$303,355	\$293,971	\$9,385	\$0
Adjusted Net Operating Income	\$9,636,554	\$9,697,352	(\$60,798)	(\$0)	(\$60,798)	(\$58,917)	(\$1,881)	\$0
Deficiency	\$4,049,873	\$3,685,719	\$364,154	\$0	\$364,153	\$352,888	\$11,266	\$0
Tax Effect	1.68138	1.68138	1.68138	1.68138	1.68138	1.68138	1.68138	1.68138
Revenue Deficiency	\$6,809,370	\$6,197,090	\$612,280	\$1	\$612,280	\$593,338	\$18,942	\$0
Total Firm Revenue Requirement	\$169,282,173	\$51,744,835	\$117,537,338	\$112,156,611	\$5,380,728	\$1,980,428	\$13,170	\$3,387,130

**National Grid NH
Rate Design Filing
Summary of Proposed Rates**

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Line No.	Description	RESIDENTIAL			C & I High Winter Use			C & I Low Winter Use			
		Non-Heat	Heat	Low Income (After Discount)	Small High Winter Use	Med High Winter Use	Large High Winter Use	Small Low Winter Use	Med Low Winter Use	Large Load Factor <90%	Large Load Factor >110%
		RNSH R-1	RSH R-3	RLIAP R-4	SH G-41	MH G-42	LH G-43	SL G-51	ML G-52	LLL90 G-53	LLG90 G-54
1	<u>Eligibility</u> Annual Usage, Therms	N/A	N/A	N/A	<=10,000	<=100,000	>100,000	<=10,000	<=100,000	>100,000	>100,000
2	Summer Usage, % of Annual	N/A	N/A	N/A	<=33%	<=33%	<=33%	>33%	>33%	>33%	>33%
3	Load Factor, Avg Use/Dec - Feb Avg Use	N/A	N/A	N/A	N/A	N/A	N/A	N/A	N/A	<90%	>=90%
4											
5	<u>Customer Charge, \$/Month</u>	\$11.75	\$17.00	\$6.80	\$40.00	\$120.00	\$515.00	\$40.00	\$120.00	\$530.00	\$530.00
6											
7	<u>Winter Rate</u>										
8	Head Block Size	N/A	100	100	100	1,000	N/A	100	1,000	N/A	N/A
9	Head Block Rate	\$ 0.1553	\$ 0.2689	\$ 0.1076	\$ 0.3192	\$ 0.2983	\$ 0.1832	\$ 0.1708	\$ 0.1652	\$ 0.1179	\$ 0.0407
10	Tail Block Rate	\$ 0.1553	\$ 0.2222	\$ 0.0889	\$ 0.2076	\$ 0.1971	\$ 0.1832	\$ 0.1103	\$ 0.1121	\$ 0.1179	\$ 0.0407
11											
12	<u>Summer Rate</u>										
13	Head Block Size	N/A	20	20	20	400	N/A	100	1,000	N/A	N/A
14	Head Block Rate	\$ 0.1553	\$ 0.2689	\$ 0.1076	\$ 0.3192	\$ 0.2983	\$ 0.0838	\$ 0.1708	\$ 0.1214	\$ 0.0564	\$ 0.0220
15	Tail Block Rate	\$ 0.1553	\$ 0.2222	\$ 0.0889	\$ 0.2076	\$ 0.1971	\$ 0.0838	\$ 0.1103	\$ 0.0699	\$ 0.0564	\$ 0.0220

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Line No.	Description	Residential			C&I High Winter Use			C&I Low Winter Use				Total
		Non-Heat	Heat	Low Income (Prior to Discount)	Small High Winter Use	Med High Winter Use	Large High Winter Use	Small Low Winter Use	Med Low Winter Use	Large Load Factor <90%	Large Load Factor >90%	
Rate Designation		RNSH R-1	RSH R-3	RLIAP R-4	SH G-41	MH G-42	LH G-43	SL G-51	ML G-52	LLL90 G-53	LLG90 G-54	
1												
2	Proposed Rates (Dry) - No R-4 Discount											
3	Winter Head Block Size	10	100	100	100	1,000	0	100	1,000	0	-	
4	Summer Head Block Size	10	20	20	20	400	0	100	1,000	0	-	
5	Proposed Customer Charge	\$11.75	\$17.00	\$17.00	\$40.00	\$120.00	\$515.00	\$40.00	\$120.00	\$530.00	\$860.00	
6	Proposed Winter Head Block Rate	\$0.15530	\$0.26890	\$0.26890	\$0.31920	\$0.29830	\$0.18320	\$0.17080	\$0.16520	\$0.11790	\$0.02020	
7	Proposed WinterTail Block Rate	\$0.15530	\$0.22220	\$0.22220	\$0.20760	\$0.19710	\$0.18320	\$0.11030	\$0.11210	\$0.11790	\$0.02020	
8	Proposed Summer Head Block Rate	\$0.15530	\$0.26890	\$0.26890	\$0.31920	\$0.29830	\$0.08380	\$0.17080	\$0.12140	\$0.05640	\$0.03170	
9	Proposed SummerTail Block Rate	\$0.15530	\$0.22220	\$0.22220	\$0.20760	\$0.19710	\$0.08380	\$0.11030	\$0.06990	\$0.05640	\$0.03170	
10												
11	Total Sales and Transportation (Dry)											
12	Test Year Normal (After Weather Normalization)											
13	Winter Bills	26,322	380,396	34,456	45,202	8,837	244	7,714	1,838	207	123	505,339
14	Summer Bills	27,468	386,374	32,235	45,156	8,968	236	7,981	1,872	216	123	510,629
15	Winter Sales, Therms	694,780	41,997,131	3,909,726	15,717,608	24,799,619	5,702,562	2,454,019	4,155,286	5,254,414	7,794,410	112,479,555
16	Summer Sales, Therms	352,122	9,662,537	770,255	2,503,058	5,538,175	1,862,758	1,280,733	2,519,576	3,658,766	8,134,354	36,282,334
17	Total Annual Sales	1,046,902	51,659,668	4,679,981	18,220,666	30,337,794	7,565,321	3,744,752	6,674,862	8,913,180	15,928,764	148,771,890
18	Winter Head Block Therms	237,862	28,839,430	2,833,378	3,655,916	8,278,113	-	575,467	1,710,731	-	0	46,130,897
19	Summer Head Block Therms	199,301	5,680,605	391,675	428,523	2,139,951	-	413,938	1,449,512	-	0	10,703,506
20												
21												
22	Billed Revenue											
23	Winter Customer Charge Revenue	309,279	6,466,730	585,744	1,808,063	1,060,492	125,814	308,564	220,620	109,710	65,420	11,060,436
24	Summer Customer Charge Revenue	322,747	6,568,361	548,001	1,806,220	1,076,144	121,712	319,251	224,668	114,692	64,960	11,166,755
25	Subtotal Customer Charge Revenue	632,025	13,035,091	1,133,745	3,614,283	2,136,636	247,526	627,815	445,288	224,402	130,380	22,227,191
26												
27	Winter Head Block Revenue	36,940	7,754,923	761,895	1,166,968	2,469,361	-	98,290	282,613	-	0	12,570,990
28	Tail Block Winter Therm Revenue	70,959	2,923,641	239,164	2,504,007	3,256,389	1,044,709	207,204	274,035	619,495	317,038	11,456,643
29	Subtotal Winter Therm Revenue	107,899	10,678,564	1,001,060	3,670,976	5,725,750	1,044,709	305,494	556,647	619,495	317,038	24,027,633
30												
31	Summer Head Block Revenue	30,951	1,527,515	105,321	136,785	638,347	-	70,701	175,971	-	0	2,685,591
32	Tail Block Summer Therm Revenue	23,733	884,785	84,121	430,673	669,790	156,099	96,711	74,797	206,354	178,904	2,805,967
33	Subtotal Summer Therm Revenues	54,685	2,412,300	189,442	567,458	1,308,137	156,099	167,411	250,768	206,354	178,904	5,491,558
34												
35	Total Annual Revenues	794,609	26,125,955	2,324,246	7,852,716	9,170,523	1,448,335	1,100,720	1,252,704	1,050,252	626,322	51,746,382
36												
37												
38	Target Revenues											
39	Total Target Base Revenue	794,660	26,120,903	2,328,000	7,852,554	9,170,023	1,448,189	1,100,839	1,252,550	1,050,355	626,752	51,744,835
40												
41												
42	Variance											
43	Variance, \$	(51)	5,052	(3,754)	162	500	136	(119)	154	(103)	(430)	1,547
44	Variance, %	0.0%	0.0%	-0.2%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	-0.1%	0.0%

National Grid NH
Rate Design Filing
Total Revenue Comparison

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Line No.	Description	Non-Heat	Heat	Low Income (After Discount)	Small High Winter Use	Med High Winter Use	Large High Winter Use	Small Low Winter Use	Med Low Winter Use	Large Load Factor <90%	Large Load Factor >110%	Total
	Rate Designation	RNSH R-1	RSH R-3	RLIAP R-4	SH G-41	MH G-42	LH G-43	SL G-51	ML G-52	LLL90 G-53	LLG99 G-54	
PRESNT RATES												
1	Cost of Gas Clause - Equivalent Dry Therm Rates (1)											
2	Winter	\$ 0.9369	\$ 0.9369	\$ 0.9369	\$ 0.9371	\$ 0.9371	\$ 0.9371	\$ 0.9364	\$ 0.9364	\$ 0.9364	\$ 0.9364	
3	Summer	\$ 0.6196	\$ 0.6196	\$ 0.6196	\$ 0.6201	\$ 0.6201	\$ 0.6201	\$ 0.6180	\$ 0.6180	\$ 0.6180	\$ 0.6180	
4												
5	Local Distribution Adjustment Clause - Dry therms (1)											
6	Winter (January, 2008)	\$ 0.0410	\$ 0.0404	\$ 0.0404	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	
7	Summer (October, 2007)	\$ 0.0410	\$ 0.0404	\$ 0.0404	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	
8												
9	Total Present Revenue											
10	Present Delivery Revenues	683,291	22,460,134	800,695	7,118,354	8,013,249	1,245,238	1,084,382	1,107,467	943,909	538,915	43,995,703
11	Delivery Adjustment (LDAC)	42,923	2,087,051	189,071	353,481	588,553	146,767	72,648	129,482	172,916	309,018	4,091,920
12	Supply Charges (COGC)	(2)	45,333,748	4,140,250	16,281,077	28,673,859	6,498,938	3,095,660	5,448,193	7,181,474	12,325,991	127,846,292
13	Total	1,595,318	69,880,931	5,130,016	23,752,943	35,275,661	7,890,943	4,252,700	6,665,182	8,298,298	13,173,923	175,935,915
14												
15												
16												
17	PROPOSED RATES											
18	Proposed Cost of Gas Clause - Equivalent Dry Therm Rates											
19	Winter	\$ 0.9439	\$ 0.9439	\$ 0.9439	\$ 0.9441	\$ 0.9441	\$ 0.9441	\$ 0.9434	\$ 0.9434	\$ 0.9434	\$ 0.9434	
20	Summer	\$ 0.6220	\$ 0.6220	\$ 0.6220	\$ 0.6225	\$ 0.6225	\$ 0.6225	\$ 0.6204	\$ 0.6204	\$ 0.6204	\$ 0.6204	
21												
22	Local Distribution Adjustment Clause - Dry therms (1)											
23	Winter (January, 2008)	\$ 0.0410	\$ 0.0404	\$ 0.0404	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	
24	Summer (October, 2007)	\$ 0.0410	\$ 0.0404	\$ 0.0404	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	\$ 0.0194	
25												
26	Total Proposed Revenue											
27	Proposed Delivery Revenues	794,809	26,125,855	929,857	7,852,716	9,170,523	1,448,335	1,100,720	1,252,704	1,050,252	626,588	50,351,993
28	Delivery Adjustment (LDAC)	42,923	2,087,051	189,071	353,481	588,553	146,767	72,648	129,482	172,916	309,018	4,091,920
29	Supply Charges (COGC)	(2)	45,950,923	4,189,467	18,397,115	28,880,782	6,543,332	3,115,929	5,483,313	7,227,017	12,400,031	128,722,703
30	Total	\$ 1,712,345	\$ 73,863,929	\$ 5,288,395	\$ 24,803,312	\$ 36,619,839	\$ 8,138,434	\$ 4,289,297	\$ 6,865,509	\$ 8,450,184	\$ 13,335,617	\$ 183,166,615
31												
32	Increase, %	7.34%	5.70%	3.09%	3.58%	3.81%	3.14%	0.86%	2.70%	1.83%	1.23%	4.11%

NOTES:
1 All rates reflect an adjustment to restate CGC and LDAC rates in terms of dry therms.
2 Imputes gas supply charges for all transportation customers

National Grid NH
Rate Design Filing
Report of Proposed Rate Changes

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Line No.	Puc 1604.02 (a)(2)	RESIDENTIAL			C & I High Winter Use			C & I Low Winter Use			
		Non-Heat	Heat	Low Income (After Discount)	Small High Winter Use	Med High Winter Use	Large High Winter Use	Small Low Winter Use	Med Low Winter Use	Large Load Factor <90%	Large Load Factor >90%
1	a. Rate Class Designation	RNSH	RSH	RLIAP	SH	MH	LH	SL	ML	LLL90	LLG90
2		R-1	R-3	R-4	G-41	G-42	G-43	G-51	G-52	G-53	G-54
3	b. Effect of Proposed Change										
4	Increase (Decrease)	\$ 117,028	\$ 3,982,997	\$ 158,379	\$ 850,369	\$ 1,344,178	\$ 247,490	\$ 36,597	\$ 180,327	\$ 151,886	\$ 161,694
5											
6											
7	c. Average Number of Customers	4,482	63,898	5,558	7,530	1,308	1,484	309	40	35	21
8											
9											
10	d. Estimated Annual Revenue										
11	Present Rates	1,595,318	69,880,931	5,130,016	23,752,943	35,275,661	7,890,943	4,252,700	6,685,182	8,298,298	13,173,923
12	Proposed Rates	1,712,345	73,863,929	5,288,395	24,603,312	36,619,839	8,138,434	4,289,297	6,865,509	8,450,184	13,335,617
13											
14	e. Proposed Rates, \$/bill										
15	Present Rates	\$ 29.66	\$ 91.14	\$ 76.92	\$ 262.88	\$ 2,247.52	\$ 443.18	\$ 1,146.05	\$ 13,909.11	\$ 19,599.19	\$ 53,552.51
16	Proposed Rates	\$ 31.83	\$ 96.33	\$ 79.30	\$ 272.29	\$ 2,333.16	\$ 457.08	\$ 1,155.92	\$ 14,284.30	\$ 19,957.92	\$ 54,209.80
17	Increase (Decrease)	\$ 2.18	\$ 5.19	\$ 2.37	\$ 9.41	\$ 85.64	\$ 13.90	\$ 9.86	\$ 375.19	\$ 358.73	\$ 657.29
18	Percentage Increase (Decrease)	7.34%	5.70%	3.09%	3.58%	3.81%	3.14%	0.86%	2.70%	1.83%	1.23%