

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
NEW HAMPSHIRE FILING REQUIREMENT SCHEDULES  
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**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE - COMPUTATION OF REVENUE DEFICIENCY  
 12 MONTHS ENDED DECEMBER 31, 2010**

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) AMOUNT
1	RATE BASE	Schedule RevReq-5	\$ 71,374,482
2	RATE OF RETURN	Schedule RevReq-6	<u>7.65%</u>
3	INCOME REQUIRED	Line 1 * Line 2	5,460,148
4	ADJUSTED NET OPERATING INCOME	Schedule RevReq-2	<u>3,198,831</u>
5	DEFICIENCY	Line 3 - Line 4	2,261,317
6	INCOME TAX EFFECT	Line 7 - Line 5	<u>1,483,206</u>
7	REVENUE DEFICIENCY	1.6559 (Schedule RevReq-1-1) * Line 5	<u><u>\$ 3,744,523</u></u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 1 - OPERATING INCOME STATEMENT  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) DESCRIPTION	(2) TEST YEAR 12 MONTHS ENDED 12/31/2010	(3) LESS		(4) ENVY. EFF., ENV. RESP. COSTS, & RES. LOW INC. <sup>(1)</sup>	(5) TEST YEAR DISTRIBUTION	(6) PRO FORMA ADJUSTMENTS <sup>(2)</sup>	(7) TEST YEAR DISTRIBUTION PRO FORMA	(8) CALENDAR YEAR 2009 <sup>(4)</sup>	(9) CALENDAR YEAR 2008 <sup>(4)</sup>
			COST OF GAS EXCLUDING PROD. & O.H. <sup>(3)</sup>							
1	OPERATING REVENUES									
	TOTAL SALES	62,402,126	42,373,268	1,491,207	18,537,650	277,064	18,814,714	56,143,159	68,468,214	
2	TOTAL OTHER OPERATING REVENUES	1,164,539	-	-	1,164,539	-	1,164,539	1,138,455	(497,666)	
3	TOTAL OPERATING REVENUES	63,566,665	42,373,268	1,491,207	19,702,190	277,064	19,979,254	57,281,614	67,970,548	
4	OPERATING EXPENSES:									
5	PRODUCTION	42,701,777	42,184,110	317,188	200,479	-	200,479	35,934,005	47,693,624	
6	TRANSMISSION	31,504	-	-	31,504	-	31,504	20,724	375,380	
7	DISTRIBUTION	3,082,544	-	-	3,082,544	101,660	3,184,204	3,212,949	1,496,405	
8	CUSTOMER ACCOUNTING	1,821,528	160,113	-	1,661,415	(230,551)	1,430,864	905,377	919,385	
9	CUSTOMER SERVICE	915,203	-	912,846	2,357	-	2,357	715,120	16,734	
10	SALES EXPENSES	-	-	-	-	-	-	-	453,970	
11	ADMINISTRATIVE & GENERAL	4,203,508	-	-	4,203,508	524,180	4,727,689	3,222,561	5,433,422	
12	DEPRECIATION	4,347,100	-	-	4,347,100	(88,101)	4,258,998	4,093,160	3,895,047	
13	AMORTIZATIONS	(102,295)	-	-	(102,295)	600,748	498,453	(259,346)	1,605,718	
14	TAXES OTHER THAN INCOME	1,648,288	-	-	1,648,288	221,428	1,869,716	1,298,496	1,442,624	
15	FEDERAL INCOME TAX	(1,739,141)	-	-	(1,739,141)	(19,025)	(1,758,165)	1,394,023	101,061	
16	STATE INCOME TAX	(430,437)	-	-	(430,437)	(5,198)	(435,635)	608,752	(43,989)	
17	DEFERRED FEDERAL & STATE INCOME TAXES	2,750,647	-	-	2,750,647	-	2,750,647	(53,844)	988,314	
18	INTEREST ON CUSTOMER DEPOSITS	19,313	-	-	19,313	-	19,313	20,634	62,659	
19	TOTAL OPERATING EXPENSES	59,249,539	42,344,223	1,230,034	15,675,282	1,105,141	16,780,423	51,112,612	64,440,355	
20	NET OPERATING INCOME	\$ 4,317,126	\$ 29,046	\$ 261,173	\$ 4,026,908	\$ (828,077)	\$ 3,198,831	\$ 6,169,003	\$ 3,530,193	

Notes

- 21 (1) See Workpaper - Cost of Gas.  
 22 (2) See Workpaper - Flowthrough Detail. Consists of Energy Efficiency, Environmental Response Costs, and Residential Low Income.  
 23 (3) See RevReq-3 Summary of Adjustments  
 24 (4) Calendar Years 2009 and 2008 represents Total Company (i.e., Flowthrough and Distribution).

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 1 ATTACHMENT - SUMMARY OF ADJUSTMENTS  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) DESCRIPTION	(2) CLASSIFICATION	(3) SCHEDULE NO.	(4) AMOUNT
1	REVENUE ADJUSTMENTS			
2	WEATHER NORMALIZATION	Dist Rev	Schedule RevReq-3-1	511,509
3	RESIDENTIAL LOW INCOME	Dist Rev	Schedule RevReq-3-2	200,748
4	UNBILLED REVENUE	Dist Rev	Schedule RevReq-3-3	(189,589)
5	NON-DISTRIBUTION BAD DEBT	Dist Rev	Schedule RevReq-3-9	(245,604)
6	TOTAL REVENUE ADJUSTMENTS			<u>\$ 277,064</u>
7	OPERATING & MAINTENANCE EXPENSE ADJUSTMENTS			
8	PAYROLL	Dist	Schedule RevReq-3-4	\$ 100,199
9	MEDICAL & DENTAL INSURANCES	A&G	Schedule RevReq-3-5	46,745
10	PENSION	A&G	Schedule RevReq-3-6	8,970
11	PBOP	A&G	Schedule RevReq-3-6	279,276
12	401K	A&G	Schedule RevReq-3-6	7,139
13	PROPERTY & LIABILITY INSURANCES	A&G	Schedule RevReq-3-7	34,364
14	DISTRIBUTION BAD DEBT	Cust Acct	Schedule RevReq-3-8	15,053
15	NON-DISTRIBUTION BAD DEBT	Cust Acct	Schedule RevReq-3-9	(245,604)
16	REGULATORY ASSESSMENT	A&G	Schedule RevReq-3-10	147,687
17	GAS PUBLIC SAFETY AWARENESS	Dist	Schedule RevReq-3-11	1,461
18	TOTAL OPERATING & MAINTENANCE EXPENSE ADJUSTMENTS			<u>\$ 395,289</u>
19	DEPRECIATION ANNUALIZATION ADJUSTMENT	Depr	Schedule RevReq-3-12	\$ 183,181
20	DEPRECIATION RATES ADJUSTMENT	Depr	Schedule RevReq-3-13	(173,658)
21	DEPRECIATION RESERVE ADJUSTMENT	Depr	Schedule RevReq-3-14	(97,624)
22	2011 PROJECT ADDITIONS AMORTIZATION ADJUSTMENT	Amort	Schedule RevReq-3-15	155,040
23	DG 08-048 AND DG 08-079 SETTLEMENT ADJUSTMENTS	Amort	Schedule RevReq-3-16	445,708
24	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENTS			<u>\$ 512,647</u>
25	TAXES OTHER THAN INCOME ADJUSTMENTS			
26	PROPERTY TAXES	Oth Tax	Schedule RevReq-3-17	215,055
27	PAYROLL TAXES	Oth Tax	Schedule RevReq-3-18	6,373
28	TOTAL TAXES OTHER THAN INCOME ADJUSTMENTS			<u>\$ 221,428</u>
29	INCOME TAXES ADJUSTMENTS			
30	FEDERAL INCOME TAX	FIT	Schedule RevReq-3-19	\$ (19,025)
31	NH BUSINESS PROFIT TAX	SIT	Schedule RevReq-3-19	(5,198)
32	TOTAL INCOME TAXES ADJUSTMENTS			<u>\$ (24,222)</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 1A - PROPERTY TAXES  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) MUNICIPALITY & STATE	(2) LOCAL TAX RATE	(3) ASSESSED VALUATION	(4) TOTAL ANNUALIZED TAXES (1)
1	Atkinson	\$ 13.02	\$ 117,300	\$ 1,527
2	Dover	21.20	11,092,600	233,000
3	Durham	25.09	3,528,282	88,524
4	East Kingston	21.01	514,500	10,810
5	Exeter	22.12	3,411,000	75,451
6	Greenland	11.87	405,800	4,817
7	Hampton--Class 4000	13.88	7,000,700	97,170
8	Hampton--Class 5000	14.53	3,448,100	50,101
9	Hampton Falls	16.95	32,700	554
10	Kensington	16.67	1,177,800	19,634
11	Madbury	21.71	292,500	6,350
12	Newington	6.61	1,180,700	7,804
13	North Hampton	12.65	249,600	3,157
14	Plaistow	22.11	2,221,560	49,119
15	Portsmouth	14.98	18,411,800	224,502
16	Rochester (Gonic & E. Rochester)	21.25	7,394,900	157,142
17	Rollinsford	18.22	66,500	1,212
18	Salem	12.65	6,644,600	84,054
19	Seabrook	10.76	5,730,700	94,922
20	Somersworth	24.81	4,578,500	113,592
21	Stratham	16.48	324,500	5,348
22	State Of NH	6.60	54,431,918	359,257
23	Total			\$ 1,688,047
24	Property tax increase (2)			1.03%
25	Total			\$ 1,705,485
26	Total Test Year Taxes Accrued			\$ 1,490,429
27	Proforma Adjustment			\$ 215,055

Notes

(1) Based on final 2010 property tax bills.

(2) Average annual change in taxes between calendar years 2005 and 2009 applied. See Schedule RevReq-3-17 Page 2.

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 1B - PAYROLL  
 12 MONTHS ENDED DECEMBER 31, 2010**

LINE NO.	(1) CATEGORY	(2) 12 MONTHS ENDED 12/31/2010
1	<u>Operation:</u>	
2	Production	\$ -
3	Transmission	476
4	Distribution	898,605
5	Customer Accounting	121,363
6	Customer Service	-
7	Sales Expense	-
8	Admin & General	27,261
9	Total Gas Operations	<u>\$1,047,705</u>
10	<u>Maintenance:</u>	
11	Production	\$ -
12	Transmission	-
13	Distribution	168,064
14	Admin & General	-
15	Total Gas Maintenance	<u>\$168,064</u>
16	<u>Construction:</u>	
17	Direct Payroll	\$ 622,432
18	Construction Overheads	1,064,209
19	Water Heater Overheads	-
20	Cost of Removal	3,320
21	Total Construction	<u>\$1,689,962</u>
22	Total Payroll	<u><u>\$2,905,730</u></u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
SCHEDULE 1C - NORMALIZATIONS  
12 MONTHS ENDED DECEMBER 31, 2010

<u>LINE NO.</u>	(1) <u>DESCRIPTION</u>	(2) <u>TOTAL</u>
1	To Increase Test Year Base Revenue to Normalize for the Effect of Warmer Than Normal Weather (1)	\$ 511,509
2	Pro Forma Adjustment to Remove Unbilled Revenue (2)	\$ (189,589)

Notes

(1) See Schedule RevReq 3-1

(2) See Schedule RevReq 3-3

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 2A - ASSETS & DEFERRED CHARGES  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) Category	(2) New Hampshire	(3) Maine	(4) Common	(5) Consolidated December 31, 2010	(6) Consolidated December 31, 2009	(7) Consolidated December 31, 2008
1	<u>Gas Plant</u>						
2	In Service	\$ 128,825,014	\$ 145,497,768	\$ -	\$ 274,322,782	\$ 246,104,418	\$ 235,430,371
3	Construction Work in Progress	3,180,298	1,726,411	-	4,906,709	14,407,232	6,115,487
4	Less: Reserve for Depreciation	(47,941,090)	(42,281,118)	-	(90,222,208)	(82,521,159)	(78,968,278)
5	Total Gas Plant	84,064,222	104,943,061	-	189,007,283	177,990,491	162,577,580
6	<u>Other Property</u>						
7	Plant - Other	(10,181,073)	(13,344,621)	-	(23,525,694)	(23,524,376)	(23,112,911)
8	Non Operating Property	-	517,771	-	517,771	656,779	921,257
9	Amortization	2,121,057	2,852,473	-	4,973,530	2,586,236	186,460
10	Uncollectible Accounts	(58,163)	(379,939)	-	(438,102)	(451,012)	(1,550,000)
11	Total Other & Non Operating Plant	(8,118,179)	(10,354,316)	-	(18,472,495)	(20,732,374)	(23,555,194)
12	<u>Investments</u>						
13	Other Investments	1,584	-	-	1,584	1,584	1,584
14	Total Investments	1,584	-	-	1,584	1,584	1,584
15	<u>Current Assets</u>						
16	Cash	1,978,275	(241,539)	(386,735)	1,350,001	2,777,195	6,928,317
17	Accounts Receivable - Gas	5,599,361	8,356,437	-	13,955,797	11,177,014	13,980,617
18	Accounts Receivable - Other	7,053	33,069	776,329	816,451	12,081	484,636
19	Notes Receivable	-	-	701,862	701,862	2,745,895	15,486,702
20	Material and Supplies	778,820	377,475	-	1,156,295	1,061,203	939,907
21	Stores Expense Undistributed	42,043	23,382	-	65,425	38,377	263,351
22	Other M&S	814,506	69,618	-	884,123	994,687	2,097,481
23	Prepayments	633,521	399,802	270,737	1,304,060	1,035,002	465,071
24	Miscellaneous Current Assets	2,949,344	3,641,676	-	6,591,021	6,773,152	7,885,722
25	Total	12,802,923	12,659,920	1,362,193	26,825,036	26,614,605	48,531,805
26	<u>Deferred Charges</u>						
27	Unamortized Debt Expense	-	-	962,393	962,393	734,200	658,869
28	Abandoned Property	74,930	25,000	-	99,930	278,100	206,027
29	Other - Deferred Debits	26,439,683	22,476,236	-	48,915,919	47,067,677	57,020,746
30	Total Deferred Charges	26,514,614	22,501,236	962,393	49,978,242	48,079,976	57,885,642
31	Total Assets & Deferred Charges	\$ 115,265,163	\$ 129,749,902	\$ 2,324,586	\$ 247,339,650	\$ 231,954,282	\$ 245,441,416

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 2B - STOCKHOLDERS EQUITY & LIABILITIES  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) Category	(2) New Hampshire	(3) Maine	(4) Common	(5) Consolidated December 31, 2010	(6) Consolidated December 31, 2009	(7) Consolidated December 31, 2008
1	<u>Capitalization</u>						
2	Common Stock	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
3	Paid in Capital	-	-	73,199,000	73,199,000	65,699,000	65,699,000
4	Earned Surplus	856,466	(792,556)	(736,144)	(672,234)	1,743,856	1,008,915
5	Stockholders Equity	856,466	(792,556)	72,463,856	72,527,766	67,443,856	66,708,915
6	<u>Long Term Debt</u>						
7	Bonds and Notes	-	-	105,000,000	105,000,000	80,000,000	80,000,000
8	Total	-	-	105,000,000	105,000,000	80,000,000	80,000,000
9	<u>Current and Accrued Liabilities</u>						
10	Accounts Payable	(132,669)	9,219	12,389,583	12,266,132	10,643,267	31,486,692
11	Notes Payable to Associated Co.	-	-	29,050,170	29,050,170	42,844,239	8,398,466
12	A/P to Associated Co's	-	-	3,457,987	3,457,987	4,055,076	33,736,129
13	Customer Deposits	672,184	685,796	-	1,357,979	1,811,181	1,772,478
14	Dividends Declared	-	-	620,000	620,000	1,766,000	695,509
15	Interest Accrued	-	-	943,949	943,949	463,454	447,473
16	Income & Franchise Tax Liabilities	1,932	-	-	1,932	-	-
17	Other Tax Liabilities	(7,953)	(5,798)	23,362	9,612	1,161,430	(723,664)
18	Other Accrued Liabilities	465,130	1,695,874	7,586,394	9,747,399	8,421,769	11,877,757
19	Total	998,624	2,385,091	54,071,444	57,455,159	71,166,417	87,690,839
20	<u>Deferred Credits</u>						
21	Deferred Taxes in Rate Base	(2,897,601)	(5,309,112)	-	(8,206,713)	(6,228,869)	(8,428,972)
22	Other Deferred Taxes	3,675,716	3,075,135	-	6,750,850	7,312,942	7,528,405
23	Other Deferred Credits	5,691,729	8,120,859	-	13,812,589	12,259,935	11,942,228
24	Total	6,469,844	5,886,882	-	12,356,726	13,344,009	11,041,662
25	Total Stockholders Equity & Liabilities	\$ 8,324,934	\$ 7,479,416	\$ 231,535,300	\$ 247,339,650	\$ 231,954,282	\$ 245,441,416

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
SCHEDULE 2 ATTACHMENT 1 - PLANT HELD FOR FUTURE USE  
12 MONTHS ENDED DECEMBER 31, 2010**

<b>LINE NO.</b>	<b>Account Description</b>	<b>Amount</b>
1	There is no Plant Held for Future Use	

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 2 ATTACHMENT 2 - DEFERRED CHARGES  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) Account Name	(2) New Hampshire	(3) Maine	(4) Consolidated
1	VACATION ACCRUAL - NH	\$ 67,398		\$ 67,398
2	INVENTORY - EXCHANGE GAS WASHI	8,347,906		8,347,906
3	REGULATORY ASSET - NON-DIST BAD DEBT - NH	245,604		245,604
4	REGULATORY ASSET - RATE CASE - NH	30,212		30,212
5	REGULATORY ASSET - PBOP FAS 15	1,468,382		1,468,382
6	REGULATORY ASSET - PENSION FAS	743,704		743,704
7	REGULATORY ASSET -SERP	35,466		35,466
8	REG ASSET - WORK CAP - PEAK COMM - NH	(71,657)		(71,657)
9	REG ASSET - DEF BAD DEBT - NH	35,042		35,042
10	REG ASSET - WORK CAP - OFF PEAK COMM - NH	(7,701)		(7,701)
11	REG ASSET - OFF PEAK BAD DEBT - NH	1,858		1,858
12	REG ASSET - ERC COSTS - NH	122,301		122,301
13	REG ASSET - ERC - PRIOR YEAR LAYERS - NH	777,531		777,531
14	REG ASSET - DEBT REDEMPTION PR	3,226		3,226
15	REG ASSET - PRICE RISK - NC - NH	101,180		101,180
16	REG ASSET - DEBT REDEMPTION PREM - NH	38,712		38,712
17	REGULATORY ASSET - SFAS109 - N	194,257		194,257
18	REG ASSET - PNGTS RATE CASE - NH	98,880		98,880
19	REG ASSET - PNGTS 2010 RATE CASE - NH	115,889		115,889
20	REG ASSET - GRANITE RATE CASE- NH	27,336		27,336
21	REG ASSET - RLIAP - NH	(46,016)		(46,016)
22	PREL SURVEY & INVESTIGATION-NH	20,332		20,332
23	TEMPORARY SERVICES - NH	16,938		16,938
24	NONPROD - CONTRA CLEARING ACCOUNT - NH	(187,822)		(187,822)
25	NONPROD - GAS DISTRIBUTION - NH	85,105		85,105
26	NONPROD - CUSTOMER SERVICE - NH	85,778		85,778
27	TRANSITION COSTS - NH	2,693,610		2,693,610
28	TRANSACTIONS COSTS - NH	3,189,884		3,189,884
29	ACCUM AMORT - TRANSITION COSTS	(561,169)		(561,169)
30	ACCUM AMORT-TRANSACTIONS COSTS - NH	(664,559)		(664,559)
31	UNRECOVERED GAS COSTS - OFF PEAK COMM - NH	(293,384)		(293,384)
32	UNRECOVERED GAS COSTS - PEAK COMM - NH	9,531,343		9,531,343
33	DEFERRED HEDGING COSTS - NH	194,117		194,117
34	VACATION ACCRUAL - ME		39,878	39,878
35	REGULATORY ASSET - NON-DIST BAD DEBT- ME		496,512	496,512
36	REGULATORY ASSET - RATE CASE - ME		31,413	31,413
37	REG ASSET - RATE CASE - ME- CAST IRON DOCKET		648,581	648,581
38	REGULATORY ASSET - PBOP FAS 15		1,261,443	1,261,443
39	REGULATORY ASSET - PENSION FAS		846,860	846,860
40	REGULATORY ASSET -SERP		36,590	36,590
41	REG ASSET - WORK CAP - PEAK COMM - ME		4,331	4,331
42	REG ASSET - WORK CAP - PEAK DEMAND - ME		25,655	25,655
43	REG ASSET - DEF BAD DEBT - ME		67,720	67,720
44	REG ASSET - WORK CAP - OFF PEAK DEMAND - ME		1,135	1,135
45	REG ASSET - WORK CAP - OFF PEAK COMM - ME		1,530	1,530
46	REG ASSET - OFF PEAK BAD DEBT - ME		5,668	5,668
47	REG ASSET - ERC COSTS - ME		171,456	171,456
48	REG ASSET - ERC - PRIOR YEAR LAYERS - ME		1,597,285	1,597,285
49	REG ASSET - ERC COSTS - ME		2,575,000	2,575,000
50	REG ASSET - DEBT REDEMPTION PREM - NC - ME		72,298	72,298
51	REG ASSET - PRICE RISK - NC - ME		82,050	82,050
52	REGULATORY ASSET - SFAS109 - M		2,700,767	2,700,767
53	REG ASSET - MANAGEMENT AUDIT - ME		112,299	112,299
54	NU ME REG ASSET ME LOW INCOME		248,863	248,863
55	REG ASSET - PNGTS RATE CASE - ME		394,439	394,439
56	REG ASSET - PNGTS 2010 RATE CASE - ME		129,430	129,430
57	PREL SURVEY & INVESTIGATION-ME		234,734	234,734
58	TEMPORARY SERVICES - ME		32,625	32,625
59	NONPROD - CONTRA CLEARING ACCOUNT - ME		(215,381)	(215,381)
60	NONPROD - GAS DISTRIBUTION - ME		108,503	108,503
61	NONPROD - CUSTOMER SERVICE - ME		74,253	74,253
62	TRANSITION COSTS - ME		3,280,264	3,280,264
63	TRANSACTIONS COSTS - ME		3,878,341	3,878,341
64	ACCUM AMORT - TRANSITION COSTS		(683,388)	(683,388)
65	ACCUM AMORT-TRANSACTIONS COSTS		(807,988)	(807,988)
66	UNRECOVERED GAS COSTS - OFF PEAK COMM - ME		(262,980)	(262,980)
67	UNRECOVERED GAS COSTS - OFF PEAK DEMAND - ME		431,704	431,704
68	UNRECOVERED GAS COSTS - PEAK COMM - ME		(428,552)	(428,552)
69	UNRECOVERED GAS COSTS - PEAK DEMAND - ME		5,282,898	5,282,898
70	TOTAL DEFERRED CHARGES	\$ 26,439,683	\$ 22,476,236	\$ 48,915,919

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 2 ATTACHMENT 3 - DEFERRED CREDITS  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	Account Name	(1)	(2)	(3)	(4)
			New Hampshire	Maine	Consolidated
1	PRICE RISK LIABILITY - NH		\$ 595,027		\$ 595,027
2	PRICE RISK LIABILITY - NC - NH		101,180		101,180
3	LT REIMB CONTRIBUTIONS - NH		324,234		324,234
4	CUSTOMER GIFT CERTIFICATE - NH		50		50
5	ACCRUED SFAS 106 LIABILITY		366,993		366,993
6	FAS 158 ADJ - PENSION		1,566,901		1,566,901
7	FAS 158 ADJ - PBOP		2,494,675		2,494,675
8	FAS 158 ADJ - SERP		242,670		242,670
9	PRICE RISK LIABILITY - ME			241,633	241,633
10	PRICE RISK LIABILITY - NC - ME			82,050	82,050
11	LT REIMB CONTRIBUTIONS - ME			142,733	142,733
12	CUSTOMER GIFT CERTIFICATE - ME			50	50
13	LT ERC COSTS - ME			2,450,000	2,450,000
14	ACCRUED SFAS 106 LIABILITY			372,714	372,714
15	FAS 158 ADJ - PENSION			1,754,847	1,754,847
16	FAS 158 ADJ - PBOP			2,166,125	2,166,125
17	FAS 158 ADJ - SERP			250,361	250,361
18	REG LIAB - SQI NOPV- ME			152,825	152,825
19	MAINE NOPV ACCRUAL			507,521	507,521
20	TOTAL DEFERRED CREDITS		\$ 5,691,729	\$ 8,120,859	\$ 13,812,589

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 2 ATTACHMENT 4 - ACCUMULATED DEFERRED TAXES  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) Account Name	(2) New Hampshire	(3) Maine	(4) Consolidated
<b>ACCOUNTS IN RATE BASE</b>				
1	ACC DEF FIT-NONCURRENT 27811	\$ (10,792)		(10,792)
2	ACC DEF SIT-NONCURRENT 27810	(2,988)		(2,988)
3	DEF FIT - ACCEL DEPR - NH	(2,351,703)		(2,351,703)
4	DEF FIT - SFAS 106 OPEB - NH	(157,488)		(157,488)
5	DEF FIT - PENSION FAS 87 - NH	347,359		347,359
6	DEF FIT - BAD DEBT - NH	(18,094)		(18,094)
7	REG LIAB - FAS109 COSTS - NH	29,354		29,354
8	DEF FIT - PREPAID PROPERTY TAX - NH	92,843		92,843
9	DEF FIT - DEF RATE CASE COSTS - NH	47,785		47,785
10	UNAMORTIZED ITC - NH	41,723		41,723
11	DEF FIT - INSURANCE CLAIM RESE	(1,920)		(1,920)
12	DEF SIT- ACCEL DEPR - NH	(998,516)		(998,516)
13	DEF SIT- SFAS 106 OPEB - NH	(43,025)		(43,025)
14	DEF SIT- PENSION FAS 87 - NH	94,907		94,907
15	DEF SIT- BAD DEBT - NH	(4,944)		(4,944)
16	DEF SIT- PREPAID PROPERTY TAXES - NH	25,367		25,367
17	DEF SIT- DEF RATE CASE COSTS - NH	13,056		13,056
18	DEF SIT - INSURANCE CLAIM RESE	(529)		(529)
19	ACC DEF FIT-NONCURRENT 27811		(6,155)	(6,155)
20	ACC DEF SIT-NONCURRENT 27810		(1,813)	(1,813)
21	DEF FIT - ACCEL DEPR - ME		(4,264,760)	(4,264,760)
22	DEF FIT - SFAS 106 OPEB - ME		(186,423)	(186,423)
23	DEF FIT - PENSION FAS 87 - ME		315,553	315,553
24	DEF FIT - BAD DEBT - ME		(117,643)	(117,643)
25	DEF FIT - PREPAID PROPERTY TAX - ME		(34,459)	(34,459)
26	DEF FIT - DEF RATE CASE COSTS - ME		416,290	416,290
27	DEF FIT - INSURANCE CLAIM RESE		(2,970)	(2,970)
28	DEF SIT- ACCEL DEPR - ME		(1,584,187)	(1,584,187)
29	DEF SIT- SFAS 106 OPEB - ME		(53,763)	(53,763)
30	DEF SIT- PENSION FAS 87 - ME		91,005	91,005
31	DEF SIT- BAD DEBT - ME		(33,928)	(33,928)
32	DEF SIT- PREPAID PROPERTY TAXES - ME		(9,938)	(9,938)
33	DEF SIT- DEF RATE CASE COSTS - ME		120,058	120,058
34	UNAMORTIZED ITC - ME		26,317	26,317
35	REG LIAB - FAS109 COSTS - ME		18,951	18,951
36	DEF SIT - INSURANCE CLAIM RESE		(1,247)	(1,247)
37	TOTAL ACCUMULATED DEFERRED TAXES IN RATE BASE	\$ (2,897,601)	\$ (5,309,112)	\$ (8,206,713)
<b>OTHER DEFERRED TAXES</b>				
38	DEF FIT - ACCRUED REVENUE - NH	\$ 3,192,118		\$ 3,192,118
39	DEF FIT - TRANSITION COSTS - NH	844,441		844,441
40	DEF FIT - TRANSACTION COSTS - NH	(217,687)		(217,687)
41	ACCUM DEF FIT NONCURR-RL 18811	62,218		62,218
42	ACCUM DEF SIT NONCURRENT-RL	16,510		16,510
43	DEF FIT FASB 158 ADJ - PBOP	(776,093)		(776,093)
44	DEF FIT - PENSION FAS 158	(494,035)		(494,035)
45	DEF FIT - SFAS 158 SERP	(75,488)		(75,488)
46	DEF FIT - REMEDIATION - NH	351,397		351,397
47	DEF SIT- ACCRUED REVENUE - NH	872,163		872,163
48	DEFSIT - TRANSITION COSTS - NH	230,722		230,722
49	DEF SIT - TRANSACTION COSTS - NH	(59,479)		(59,479)
50	DEF SIT FASB 158 ADJ - PBOP	(212,048)		(212,048)
51	DEF SIT- PENSION FAS 158	(134,410)		(134,410)
52	DEF SIT- REMEDIATION - NH	96,011		96,011
53	DEF SIT - SFAS 158 SERP	(20,625)		(20,625)
54	DEF FIT - ACCRUED REVENUE - ME		1,964,799	1,964,799
55	DEF SIT- ACCRUED REVENUE - ME		566,652	566,652
56	DEF FIT FASB 158 ADJ - PBOP		(670,111)	(670,111)
57	DEF FIT - SFAS 158 SERP		(77,880)	(77,880)
58	DEF FIT- PENSION FAS 158		(550,690)	(550,690)
59	DEF FIT - REMEDIATION - ME		964,857	964,857
60	DEF SIT- REMEDIATION - ME		278,266	278,266
61	DEF SIT FASB 158 ADJ - PBOP		(195,209)	(195,209)
62	DEF SIT- PENSION FAS 158		(156,373)	(156,373)
63	DEF SIT - SFAS 158 SERP		(21,279)	(21,279)
64	DEF FIT - TRANSITION COSTS - ME		1,024,319	1,024,319
65	DEF FIT - TRANSACTION COSTS - ME		(269,814)	(269,814)
66	DEFSIT - TRANSITION COSTS - ME		295,414	295,414
67	DEF SIT - TRANSACTION COSTS - ME		(77,815)	(77,815)
68	TOTAL OTHER DEFERRED TAXES	\$ 3,675,716	\$ 3,075,135	\$ 6,750,850

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 2 ATTACHMENT 5 - NET UTILITY PLANT IN SERVICE  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) Account Name	(2) CAPITAL 1/1	(3) IN USE 1/1	(4) ADDITIONS	(5) RETIREMENTS	(6) ADJ	(7) IN USE 12/31	(8) CAPITAL 12/31
1	<u>MFG. GAS PRODUC. PLANT:</u>							
2	305 STRUCT. AND IMPROVEMENTS	\$ 161,860	\$ -	\$ -	\$ -	\$ -	\$ -	161,860
3	311 LIQUEFIED PETRO. GAS EQUIP.	373,862	-	-	-	-	-	373,862
4	320 OTHER EQUIPMENT	7,640	-	-	-	-	-	7,640
5	321 LNG EQUIPMENT	56,861	-	-	-	-	-	56,861
6	TOTAL MFG GAS PROD. PLANT	600,223	-	-	-	-	-	600,223
7	<u>TRANSMISSION PLANT:</u>							
8	375.2 STRUCT, CITY GATE MEA & REG	45,256	-	-	-	-	-	45,256
9	375.7 STRUCT, OTHER DISTRIBUTION SYS	2,288,786	-	586,050	187,432	-	87,660	2,775,065
10	376.2 MAINS, COATED/WRAPPED	16,163,823	27,485	287,298	102,965	-	-	16,320,670
11	376.3 MAINS, BARE STEEL	375,033	5,406	-	1,706	-	-	367,921
12	376.4 MAINS, PLASTIC	42,556,346	559,314	1,698,562	57,747	-	3,991,262	47,629,111
13	376.5 MAINS, JOINT SEALS	538,097	-	4,048	-	-	-	542,145
14	376.6 MAINS, CATHODIC PROTECTION	500,693	24,938	32,001	-	-	9,472	517,229
15	376.8 MAINS, CAST IRON	87,239	-	-	6,292	-	-	80,947
16	378.2 MEAS & REG STA EQ, REGULATING	2,512,408	741,838	-	-	-	-	1,787,578
17	380.0 SERVICES	27,012,029	1,087,456	1,530,046	119,477	-	17,008	31,874,279
18	381.0 METER PURCHASES	3,392,505	669,020	295,511	2,275	-	4,539,137	3,506,040
19	382.0 METER INSTALLATIONS	11,411,295	707,464	1,030,055	-	-	489,320	12,313,745
20	383.0 HOUSE REGULATORS	185,195	-	37,536	-	-	579,859	222,731
21	386.1 CONVERSION BURNERS	773,292	-	-	6,674	-	-	766,618
22	386.2 WATER HEATERS	622,349	96,596	97,542	90,601	-	75,366	608,059
23	386.3 DIAMOND BOILER	1,148,341	-	-	-	-	-	1,148,341
24	TOTAL TRANSMISSION PLANT	109,612,687	3,919,517	5,598,649	575,169	-	9,789,083	120,505,734
25	<u>GENERAL PLANT:</u>							
26	391.1 OFFICE FURNITURE & EQ, UNSPECIFIED	486,404	-	221,851	119,867	-	6,139	594,527
27	391.11 OFFICE F&E, DATA HANDLING EQUIP	7,566	-	-	-	-	-	7,566
28	391.12 OFFICE F&E, INFORMATION SYSTEMS	123,870	-	-	123,870	-	-	-
29	392.2 TRANSPORTATION EQUIPMENT	22,974	-	-	-	-	-	22,974
30	393.0 STORES EQUIPMENT	31,520	-	-	-	-	-	31,520
31	394.1 TOOLS, GARAGE & SVC. EQUIPMENT	406,218	-	40,294	-	-	-	446,512
32	394.3 TOOLS, TOOLS & OTHER	187,745	-	157,850	-	-	81,971	427,565
33	396.0 POWER OPERATED EQUIPMENT	75,266	-	-	-	-	-	75,266
34	397.0 COMMUNICATION EQUIP	844,849	2,535	177,607	-	-	10,765	1,030,686
35	397.25 COMM EQ, METSCAN/TELEMETER	112,656	-	-	-	-	-	112,656
36	397.35 COMM EQ, ITRON EQUIP	2,260,979	-	65,997	-	-	-	2,326,975
37	TOTAL GENERAL PLANT	4,560,046	2,535	663,598	243,736	-	98,874	5,076,247
38	TOTAL DEPRECIABLE PLANT	114,772,955	3,922,052	6,262,247	818,905	-	9,887,957	126,182,203
39	<u>NON DEPRECIABLE PLANT:</u>							
40	304.2 LAND RIGHTS - MFG GAS PROD. PL	6,816	-	-	-	-	-	6,816
41	374.4 LAND RIGHTS - OTHRE DISTR SYS	89,111	-	-	-	-	-	89,111
42	374.5 RIGHTS OF WAY	17,911	-	-	-	-	-	17,911
43	389.1 LAND	232,947	-	-	-	-	-	232,947
44	TOTAL NON DEPRECIABLE PLANT	346,785	-	-	-	-	-	346,785
45	<u>AMORTIZABLE PLANT:</u>							
46	303 MISC INTANGIBLE PLANT	1,624,683	-	671,342	-	-	-	2,296,025
47	NET PLANT IN SERVICE	\$ 116,744,424	\$ 3,922,052	\$ 6,933,589	\$ 818,905	\$ -	\$ 9,887,957	\$ 128,825,014

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NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 2 ATTACHMENT 6 - ACCUMULATED DEPRECIATION & AMORTIZATION  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) Account Name	(2) RESERVE BALANCE 1/1	(3) RETIREMENTS	(4) COST OF REMOVAL	(5) SALVAGE	(6) DEPRECIATION	(7) RESERVE BALANCE 12/31
1	<u>MFG. GAS PRODUC. PLANT:</u>						
2	305 STRUCT. AND IMPROVEMENTS	\$ 115,643	\$ -	\$ -	\$ -	\$ 13,823	\$ 129,465
3	311 LIQUEFIED PETRO. GAS EQUIP.	378,456	-	-	-	17,235	395,691
4	320 OTHER EQUIPMENT	2,374	-	-	-	382	2,756
5	321 LNG EQUIPMENT	56,374	-	-	-	2,843	59,217
6	TOTAL MFG GAS PROD. PLANT	552,847	-	-	-	34,283	587,130
7	<u>GENERAL PLANT:</u>						
8	375.2 STRUCT, CITY GATE MEA & REG	(7,190)	-	-	-	1,294	(5,896)
9	375.7 STRUCT, OTHER DISTRIBUTION SYS	877,792	187,432	13,323	-	66,590	743,627
10	376.2 MAINS, COATED/WRAPPED	1,245,303	102,965	-	-	451,534	1,593,872
11	376.3 MAINS, BARE STEEL	(44,955)	1,706	87	-	15,008	(31,740)
12	376.4 MAINS, PLASTIC	18,510,679	57,747	1,817	-	1,253,578	19,704,693
13	376.5 MAINS, JOINT SEALS	(11,236)	-	-	-	45,046	33,810
14	376.6 MAINS, CATHODIC PROTECTION	130,487	-	-	-	35,373	165,860
15	376.8 MAINS, CAST IRON	(3,561)	6,292	-	-	1,690	(8,163)
16	378.2 MEAS & REG STA EQ, REGULATING	944,109	-	-	-	75,250	1,019,359
17	380.0 SERVICES	12,510,960	119,477	63,633	-	1,360,274	13,688,124
18	381.0 METER PURCHASES	1,630,791	2,275	-	-	114,861	1,743,377
19	382.0 METER INSTALLATIONS	3,608,203	-	-	-	408,071	4,016,274
20	383.0 HOUSE REGULATORS	45,742	-	-	-	6,792	52,533
21	386.1 CONVERSION BURNERS	664,596	6,674	20	250	76,995	735,147
22	386.2 WATER HEATERS	144,643	90,601	1,644	1,769	61,520	115,687
23	386.3 DIAMOND BOILER	-	-	-	-	-	-
24	TOTAL TRANSMISSION PLANT	40,246,363	575,169	80,525	2,019	3,973,876	43,566,564
25	<u>GENERAL PLANT:</u>						
26	391.1 OFFICE FURNITURE & EQ, UNSPECIFIED	512,756	119,867	8,754	-	49,128	433,264
27	391.11 OFFICE F&E, DATA HANDLING EQUIP	1,028	-	-	-	757	1,785
28	391.12 OFFICE F&E, INFORMATION SYSTEMS	112,780	123,870	-	-	7,742	(3,347)
29	392.2 TRANSPORTATION EQUIPMENT	47,597	-	-	-	-	47,597
30	393.0 STORES EQUIPMENT	33,733	-	-	-	2,424	36,157
31	394.1 TOOLS, GARAGE & SVC. EQUIPMENT	310,356	-	-	-	22,427	332,783
32	394.3 TOOLS, TOOLS & OTHER	58,099	-	-	-	17,106	75,205
33	396.0 POWER OPERATED EQUIPMENT	40,623	-	-	-	5,020	45,644
34	397.0 COMMUNICATION EQUIP	415,521	-	-	-	93,777	509,298
35	397.25 COMM EQ, METSCAN/TELEMETER	46,176	-	-	-	11,266	57,442
36	397.35 COMM EQ, ITRON EQUIP	648,910	-	-	-	153,008	801,918
37	TOTAL GENERAL PLANT	2,227,579	243,736	8,754	-	362,654	2,337,743
38	<u>AMORTIZATION:</u>						
39	101 303.3 SOFTWARE	51,739	-	-	-	249,573	301,312
40	101 386.3 DIAMOND BOILER	1,148,341	-	-	-	-	1,148,341
41	TOTAL AMORTIZATION	1,200,081	-	-	-	249,573	1,449,653
42	TOTAL ACCUMULATED DEPRECIATION & AMORTIZATION	\$ 44,226,869	\$ 818,905	\$ 89,279	\$ 2,019	\$ 4,620,385	\$ 47,941,090

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 2C - MATERIALS & SUPPLIES  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) DESCRIPTION	(2) DECEMBER 31 2010	(3) SEPTEMBER 30 2010	(4) JUNE 30 2010	(5) MARCH 31 2010	(6) DECEMBER 31 2009	(7) 5 QUARTER AVERAGE
1	Material and Supplies	\$ 778,820	\$ 929,194	\$ 905,065	\$ 737,813	\$ 738,076	\$ 817,794
2	Stores Expense Undistributed	42,043	155,709	67,647	95,602	37,164	79,633
3	Total M&S Inventories	\$ 820,863	\$ 1,084,903	\$ 972,712	\$ 833,415	\$ 775,240	\$ 897,427

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 3 - RATE BASE  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) TEST YEAR <sup>(1)</sup> AVERAGE	(4) 5 QUARTER AVERAGE	(5) ADJUSTMENTS TO REFLECT RATE BASE AT DECEMBER 31, 2010	(6) RATE BASE AT DECEMBER 31, 2010	(7) PRO FORMA ADJUSTMENTS	(8) PRO FORMA RATE BASE AT DECEMBER 31, 2010
1	UTILITY PLANT IN SERVICE	Schedule RevReq-5-1 & 5-3	\$ 123,197,953	\$121,659,251	\$ 7,165,763	\$ 128,825,014	\$ 1,785,271	\$ 130,610,285
2	LESS: RESERVE FOR DEPRECIATION & AMORTIZATION	Schedule RevReq-5-1 & 5-3	46,083,980	46,157,509	1,783,581	47,941,090	926,080	48,867,170
3	NET UTILITY PLANT		77,113,974	75,501,742	5,382,182	80,883,924	859,192	81,743,116
4	ADD: M&S INVENTORIES	Schedule RevReq-5-1	798,052	897,427	(76,564)	820,863	-	820,863
5	CASH WORKING CAPITAL <sup>(2)</sup>	Schedule RevReq-5-2	1,079,770	1,079,770	-	1,079,770	77,166	1,156,936
6	PREPAYMENTS	Schedule RevReq-5-1	(21,436)	7,290	(248,235)	(240,945)	-	(240,945)
7	SUB-TOTAL		1,856,386	1,984,487	(324,799)	1,659,688	77,166	1,736,854
8	LESS: NET DEFERRED INCOME TAXES	Schedule RevReq-5-1 & 5-4	(2,688,968)	(2,604,973)	(292,627)	(2,897,600)	14,006,670	11,109,070
9	CUSTOMER ADVANCES	Schedule RevReq-5-1	324,234	324,234	-	324,234	-	324,234
10	CUSTOMERS DEPOSITS	Schedule RevReq-5-1	744,526	688,390	(16,206)	672,184	-	672,184
11	SUB-TOTAL		(1,620,208)	(1,592,349)	(308,833)	(1,901,182)	14,006,670	12,105,488
12	RATE BASE		\$ 80,590,568	\$ 79,078,578	\$ 5,366,216	\$ 84,444,794	\$ (13,070,312)	\$ 71,374,482
13	NET OPERATING INCOME APPLICABLE TO RATE BASE		\$ 4,026,908	\$ 4,026,908		\$ 4,026,908		\$ 3,198,831
14	RATE OF RETURN		5.00%	5.09%		4.77%		4.48%

Notes:

(1) Two Point Average

(2) Computed Working Capital Based on Test Year O&M Expenses

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 3A - WORKING CAPITAL  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) TEST YEAR ACTUAL	(4) PRO FORMA ADJUSTMENTS	(5) TEST YEAR PRO FORMA
1	Distribution O&M Expense	Schedule RevReq-2	8,757,256	625,840	9,383,096
2	Total		\$ 8,757,256	\$ 625,840	\$ 9,383,096
3	Cash Working Capital Requirement:				
4	Other O&M Expense Days Lag (1) / 365	45 days	12.33%	12.33%	12.33%
5	Total Cash Working Capital	Line 5 X Line 3	\$ 1,079,770	\$ 77,166	\$ 1,156,936

Notes

6 (1) The traditional 45-day convention is utilized by Northern, consistent with PUC 1604.07 (t) which allows a formula based on the length of 1/2 of the utility's billing cycle plus 30 days. Northern bills on a monthly cycle: [365 days / 12 months / 2] + 30 = 45 days.

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 3 ATTACHMENT - PRO FORMA ADJUSTMENTS TO RATE BASE  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3)		(4)		(5)	
			RATE BASE AT DECEMBER 31, 2010	PRO FORMA ADJUSTMENTS	PRO FORMA RATE BASE AT DECEMBER 31, 2010	PRO FORMA RATE BASE AT DECEMBER 31, 2010		
1	UTILITY PLANT IN SERVICE	Schedule RevReq-5-1 & 5-3	\$ 128,825,014	\$ 1,785,271	\$	130,610,285		
2	LESS: RESERVE FOR DEPRECIATION & AMORTIZATION	Schedule RevReq-5-1 & 5-3	47,941,090	926,080		48,867,170		
3	NET UTILITY PLANT		80,883,924	859,192		81,743,116		
4	ADD: M&S INVENTORIES	Schedule RevReq-5-1	820,863	-		820,863		
5	CASH WORKING CAPITAL <sup>(1)</sup>	Schedule RevReq-5-2	1,079,770	77,166		1,156,936		
6	PREPAYMENTS	Schedule RevReq-5-1	(240,945)	-		(240,945)		
7	SUB-TOTAL		1,659,688	77,166		1,736,854		
8	LESS: NET DEFERRED INCOME TAXES	Schedule RevReq-5-1 & 5-4	(2,897,600)	14,006,670		11,109,070		
9	CUSTOMER ADVANCES	Schedule RevReq-5-1	324,234	-		324,234		
10	CUSTOMERS DEPOSITS	Schedule RevReq-5-1	672,184	-		672,184		
11	SUB-TOTAL		(1,901,182)	14,006,670		12,105,488		
12	RATE BASE		\$ 84,444,794	\$ (13,070,312)	\$	71,374,482		
13	NET OPERATING INCOME APPLICABLE TO RATE BASE		\$ 4,026,908		\$	3,198,831		
14	RATE OF RETURN		4.77%			4.48%		

Notes:

(1) Computed Working Capital Based on Test Year O&M Expenses

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SCHEDULE 3B - 13 MONTH RATE BASE ACCOUNTS  
 12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) ACCOUNT	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
		12/31/2009	1/31/2010	2/28/2010	3/31/2010	4/30/2010	5/31/2010	6/30/2010	7/31/2010	8/31/2010	9/30/2010	10/31/2010	11/30/2010	12/31/2010
1	UTILITY PLANT IN SERVICE	\$ 117,570,892	\$ 116,855,219	\$ 116,942,415	\$ 118,432,008	\$ 117,639,864	\$ 117,798,191	\$ 118,677,598	\$ 119,080,345	\$ 119,497,980	\$ 124,790,746	\$ 125,240,865	\$ 125,403,861	\$ 128,925,014
2	RESERVE FOR DEPRECIATION & AMORTIZATION	(44,226,869)	(44,618,920)	(45,011,236)	(45,403,557)	(45,795,875)	(46,064,324)	(46,132,563)	(46,528,385)	(46,923,340)	(47,083,444)	(47,451,250)	(47,737,658)	(47,941,090)
3	M&S INVENTORIES	775,240	808,418	808,656	833,415	1,006,997	1,081,956	972,712	1,006,473	1,043,496	1,084,903	1,038,810	812,546	820,863
4	CASH WORKING CAPITAL	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770
5	PREPAYMENTS	198,074	(12,807)	(136,357)	(95,315)	(129,192)	(106,216)	228,604	17,235	(31,395)	(53,969)	(179,527)	120,934	(240,945)
6	NET DEFERRED INCOME TAXES	(2,480,335)	(2,513,059)	(2,558,992)	(2,619,940)	(2,587,900)	(2,823,175)	(2,527,772)	(2,586,823)	(2,553,601)	(2,499,219)	(2,504,811)	(2,302,999)	(2,897,600)
7	CUSTOMER ADVANCES	324,234	324,234	324,234	324,234	324,234	324,234	324,234	324,234	324,234	324,234	324,234	324,234	324,234
8	CUSTOMERS DEPOSITS	816,867	811,806	767,318	689,711	681,094	693,016	666,824	619,613	589,207	596,363	616,901	646,366	672,184

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
COMPUTATION OF REVENUE DEFICIENCY AND REVENUE REQUIREMENT  
12 MONTHS ENDED DECEMBER 31, 2010**

Schedule RevReq-1

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) AMOUNT
1	RATE BASE	Schedule RevReq-5	\$ 71,374,482
2	RATE OF RETURN	Schedule RevReq-6	<u>7.65%</u>
3	INCOME REQUIRED	Line 1 * Line 2	5,460,148
4	ADJUSTED NET OPERATING INCOME	Schedule RevReq-2	<u>3,198,831</u>
5	DEFICIENCY	Line 3 - Line 4	2,261,317
6	INCOME TAX EFFECT	Line 7 - Line 5	<u>1,483,206</u>
7	REVENUE DEFICIENCY	1.6559 (Schedule RevReq-1-1) * Line 5	<u><u>\$ 3,744,523</u></u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 COMPUTATION OF GROSS-UP FACTOR FOR REVENUE REQUIREMENT  
 12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-1-1

LINE NO.	(1) DESCRIPTION	(2) RATE	(3) AMOUNT
1	Federal Income Tax Rate	34.00%	0.3400
2	State Income Tax Rate	8.50%	0.0850
3	Federal Benefit of State Income Tax	-(Line 1 * Line 2)	(0.0289)
4	Northern Effective Tax Rate	(Line 1 + Line 2 + Line 3)	0.3961
5	Gross-up Factor	(1 / 1 - Line 4)	1.6559

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 OPERATING INCOME STATEMENT  
 12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-2  
 Page 1 of 2

LINE NO.	(1) DESCRIPTION	(2) TEST YEAR 12 MONTHS ENDED 12/31/2010	LESS		(5) TEST YEAR DISTRIBUTION	(6) CALENDAR YEAR 2009 <sup>(3)</sup>	(7) CALENDAR YEAR 2008 <sup>(3)</sup>
			(3) COST OF GAS EXCLUDING PROD. & O.H. <sup>(1)</sup>	(4) ENGY. EFF., ENV. RESP. COSTS, & RES. LOW INC. <sup>(2)</sup>			
	OPERATING REVENUES						
1	TOTAL SALES	62,402,126	42,373,268	1,491,207	18,537,650	56,143,159	68,468,214
2	TOTAL OTHER OPERATING REVENUES	1,164,539	-	-	1,164,539	1,138,455	(497,666)
3	TOTAL OPERATING REVENUES	63,566,665	42,373,268	1,491,207	19,702,190	57,281,614	67,970,548
4	OPERATING EXPENSES:						
5	PRODUCTION	42,701,777	42,184,110	317,188	200,479	35,934,005	47,693,624
6	TRANSMISSION	31,504	-	-	31,504	20,724	375,380
7	DISTRIBUTION	3,082,544	-	-	3,082,544	3,212,949	1,496,405
8	CUSTOMER ACCOUNTING	1,821,528	160,113	-	1,661,415	905,377	919,385
9	CUSTOMER SERVICE	915,203	-	912,846	2,357	715,120	16,734
10	SALES EXPENSES	-	-	-	-	-	453,970
11	ADMINISTRATIVE & GENERAL	4,203,508	-	-	4,203,508	3,222,561	5,433,422
12	DEPRECIATION	4,347,100	-	-	4,347,100	4,093,160	3,895,047
13	AMORTIZATIONS	(102,295)	-	-	(102,295)	(259,346)	1,605,718
14	TAXES OTHER THAN INCOME	1,648,288	-	-	1,648,288	1,298,496	1,442,624
15	FEDERAL INCOME TAX	(1,739,141)	-	-	(1,739,141)	1,394,023	101,061
16	STATE INCOME TAX	(430,437)	-	-	(430,437)	608,752	(43,989)
17	DEFERRED FEDERAL & STATE INCOME TAXES	2,750,647	-	-	2,750,647	(53,844)	988,314
18	INTEREST ON CUSTOMER DEPOSITS	19,313	-	-	19,313	20,634	62,659
19	TOTAL OPERATING EXPENSES	59,249,539	42,344,223	1,230,034	15,675,282	51,112,612	64,440,355
20	NET OPERATING INCOME	\$ 4,317,126	\$ 29,046	\$ 261,173	\$ 4,026,908	\$ 6,169,003	\$ 3,530,193

Notes

- 21 (1) See Workpaper - Cost of Gas.  
 22 (2) See Workpaper - Flowthrough Detail. Consists of Energy Efficiency, Environmental Response Costs, and Residential Low Income.  
 23 (3) Calendar Years 2009 and 2008 represents Total Company (i.e., Flowthrough and Distribution).

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
PRO FORMA DISTRIBUTION OPERATING INCOME STATEMENT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-2  
Page 2 of 2

LINE NO.	DESCRIPTION	(1)	(2)	(3)	(4)	PROOF	
		TEST YEAR DISTRIBUTION	PRO FORMA ADJUSTMENTS	TEST YEAR DISTRIBUTION PRO FORMA	REVENUE REQUIREMENT	PRO FORMA RATE RELIEF	
	OPERATING REVENUES						
1	TOTAL SALES	18,537,650	277,064	18,814,714	3,744,523	22,559,237	
2	TOTAL OTHER OPERATING REVENUES	1,164,539	-	1,164,539	-	1,164,539	
3	TOTAL OPERATING REVENUES	19,702,190	277,064	19,979,254	3,744,523	23,723,777	
4	OPERATING EXPENSES:						
5	PRODUCTION	200,479	-	200,479	-	200,479	
6	TRANSMISSION	31,504	-	31,504	-	31,504	
7	DISTRIBUTION	3,082,544	101,660	3,184,204	-	3,184,204	
8	CUSTOMER ACCOUNTING	1,661,415	(230,551)	1,430,864	-	1,430,864	
9	CUSTOMER SERVICE	2,357	-	2,357	-	2,357	
10	SALES EXPENSES	-	-	-	-	-	
11	ADMINISTRATIVE & GENERAL	4,203,508	524,180	4,727,689	-	4,727,689	
12	DEPRECIATION	4,347,100	(88,101)	4,258,998	-	4,258,998	
13	AMORTIZATIONS	(102,295)	600,748	498,453	-	498,453	
14	TAXES OTHER THAN INCOME	1,648,288	221,428	1,869,716	-	1,869,716	
15	FEDERAL INCOME TAX	(1,739,141)	(19,025)	(1,758,165)	1,164,921	(593,244)	
16	STATE INCOME TAX	(430,437)	(5,198)	(435,635)	318,284	(117,350)	
17	DEFERRED FEDERAL & STATE INCOME TAXES	2,750,647	-	2,750,647	-	2,750,647	
18	INTEREST ON CUSTOMER DEPOSITS	19,313	-	19,313	-	19,313	
19	TOTAL OPERATING EXPENSES	15,675,282	1,105,141	16,780,423	1,483,206	18,263,629	
20	NET OPERATING INCOME	\$ 4,026,908	\$ (828,077)	\$ 3,198,831	\$ 2,261,317	\$ 5,460,148	

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
SUMMARY OF ADJUSTMENTS  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3

LINE NO.	(1) DESCRIPTION	(2) CLASSIFICATION	(3) SCHEDULE NO.	(4) AMOUNT
1	REVENUE ADJUSTMENTS			
2	WEATHER NORMALIZATION	Dist Rev	Schedule RevReq-3-1	\$ 511,509
3	RESIDENTIAL LOW INCOME	Dist Rev	Schedule RevReq-3-2	200,748
4	UNBILLED REVENUE	Dist Rev	Schedule RevReq-3-3	(189,589)
5	NON-DISTRIBUTION BAD DEBT	Dist Rev	Schedule RevReq-3-9	(245,604)
6	TOTAL REVENUE ADJUSTMENTS			<u>\$ 277,064</u>
7	OPERATING & MAINTENANCE EXPENSE ADJUSTMENTS			
8	PAYROLL	Dist	Schedule RevReq-3-4	\$ 100,199
9	MEDICAL & DENTAL INSURANCES	A&G	Schedule RevReq-3-5	46,745
10	PENSION	A&G	Schedule RevReq-3-6	8,970
11	PBOP	A&G	Schedule RevReq-3-6	279,276
12	401K	A&G	Schedule RevReq-3-6	7,139
13	PROPERTY & LIABILITY INSURANCES	A&G	Schedule RevReq-3-7	34,364
14	DISTRIBUTION BAD DEBT	Cust Acct	Schedule RevReq-3-8	15,053
15	NON-DISTRIBUTION BAD DEBT	Cust Acct	Schedule RevReq-3-9	(245,604)
16	REGULATORY ASSESSMENT	A&G	Schedule RevReq-3-10	147,687
17	GAS PUBLIC SAFETY AWARENESS	Dist	Schedule RevReq-3-11	1,461
18	TOTAL OPERATING & MAINTENANCE EXPENSE ADJUSTMENTS			<u>\$ 395,289</u>
19	DEPRECIATION ANNUALIZATION ADJUSTMENT	Depr	Schedule RevReq-3-12	\$ 183,181
20	DEPRECIATION RATES ADJUSTMENT	Depr	Schedule RevReq-3-13	(173,658)
21	DEPRECIATION RESERVE ADJUSTMENT	Depr	Schedule RevReq-3-14	(97,624)
22	2011 PROJECT ADDITIONS AMORTIZATION ADJUSTMENT	Amort	Schedule RevReq-3-15	155,040
23	DG 08-048 AND DG 08-079 SETTLEMENT ADJUSTMENTS	Amort	Schedule RevReq-3-16	445,708
24	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENTS			<u>\$ 512,647</u>
25	TAXES OTHER THAN INCOME ADJUSTMENTS			
26	PROPERTY TAXES	Oth Tax	Schedule RevReq-3-17	\$ 215,055
27	PAYROLL TAXES	Oth Tax	Schedule RevReq-3-18	6,373
28	TOTAL TAXES OTHER THAN INCOME ADJUSTMENTS			<u>\$ 221,428</u>
29	INCOME TAXES ADJUSTMENTS			
30	FEDERAL INCOME TAX	FIT	Schedule RevReq-3-19	\$ (19,025)
31	NH BUSINESS PROFIT TAX	SIT	Schedule RevReq-3-19	(5,198)
32	TOTAL INCOME TAXES ADJUSTMENTS			<u>\$ (24,222)</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
WEATHER NORMALIZATION ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-1

<u>LINE NO.</u>	(1) <u>DESCRIPTION</u>	(2) <u>TOTAL</u>
1	TO INCREASE TEST YEAR BASE REVENUE TO NORMALIZE FOR THE EFFECT OF WARMER THAN NORMAL WEATHER	<u>\$ 511,509</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
RESIDENTIAL LOW INCOME ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-2

<u>LINE NO.</u>	(1) <u>DESCRIPTION</u>	(2) <u>TOTAL</u>
1	TO REFLECT RECOVERY OF THE LOW INCOME DISCOUNT THROUGH THE LDAC SEE WORKPAPER - FLOWTHROUGH DETAIL	<u>\$ 200,748</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**UNBILLED REVENUE**  
**12 MONTHS ENDED DECEMBER 31, 2010**

Schedule RevReq-3-3

<u>Month</u>	<u>Monthly</u>	<u>YTD</u>
Jan-10	(14,738)	(14,738)
Feb-10	(71,213)	(85,951)
Mar-10	(291,350)	(377,301)
Apr-10	(386,906)	(764,207)
May-10	(302,835)	(1,067,042)
Jun-10	(69,189)	(1,136,231)
Jul-10	13,864	(1,122,367)
Aug-10	1,594	(1,120,772)
Sep-10	100,946	(1,019,827)
Oct-10	89,023	(930,803)
Nov-10	270,560	(660,244)
Dec-10	849,833	189,589
<b>Pro Forma Adjustment to Remove Unbilled Revenue</b>		<b>(189,589)</b>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
PAYROLL ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	DESCRIPTION (a)	NONUNION			UNION (d)	SUBTOTAL (f)	FROM USC	
		HOURLY (b)	SALARIED (c)	TOTAL (d)			NONUNION (g)	TOTAL (h)
1	Test Year Payroll	\$ 131,208	\$ 496,824	\$ 628,032	\$ 2,278,448	\$ 2,906,479	\$ 2,863,119	\$ 5,769,598
2	2010 Rate Increase, Annualized (1)	0	0	0	32,519	32,519	0	32,519
3	Payroll Annualized for 2010 Rate Increase	\$ 131,208	\$ 496,824	628,032	2,310,967	2,938,999	2,863,119	5,802,117
4	2011 Rate Increases (2)	3,936	14,905	18,841	105,380	124,221	85,894	210,115
5	Payroll Proformed for 2010 and 2011 Rate Increases	135,144	511,728	646,873	2,416,347	3,063,220	2,949,012	6,012,232
6	Less Amount Chargeable to Capital	78,887	298,834	377,721	1,406,314	1,784,035	787,386	2,571,421
7	O&M Payroll Proformed	56,258	212,894	269,152	1,010,033	1,279,185	2,161,626	3,440,811
8	Less: Test Year O&M Payroll					1,213,704	2,126,909	3,340,612
9	O&M Payroll Increase					\$ 65,481	\$ 34,717	\$ 100,199

10 (1) Average Union Increase of 3.29% effective June 6, 2010. See Schedule RevReq 3-4, pg 2.  
11 (2) Average increase of 3% for nonunion Northern employees effective January 1, 2011; average increase of 4.56% for union employees, effective June 6, 2011 and average increase of 3% for USC employees effective January 1, 2011.

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
PAYROLL ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

NORTHERN UTILITIES - NH UNION

LINE NO.	(1) DESCRIPTION	(2) TOTAL
1	To Annualize Rate Increase Effective June 6, 2010:	
2	Payroll - YTD June 5, 2010	\$ 988,424
3	2010 Rate Increase (1)	<u>\$ 32,519</u>
4	<u>Notes</u> (1) Average Union increase of 3.29% effective June 6, 2010.	

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
PAYROLL ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

UNITIL SERVICE CORP.

Line No.	(1) DESCRIPTION	(2) TOTAL
	Proformed Payroll Amount of USC Charge:	
1	Test Year Payroll	2,863,119
2	2011 Rate Increase (1)	<u>85,894</u>
3	Payroll Proformed for 2011 Rate Increase	2,949,012
4	Capitalized Payroll at 26.7%	<u>787,386</u>
5	Amount to O&M Expense	2,161,626
6	Test Year O&M Payroll Amount of USC Charge	<u>2,126,909</u>
7	O&M Payroll Increase	<u><u>\$ 34,717</u></u>

Notes

8 (1) Average Increase of 3% effective January 1, 2011.

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE DIVISION  
 MEDICAL AND DENTAL INSURANCE ADJUSTMENT  
 FOR THE 12 MONTHS ENDED DECEMBER 31, 2010, PROFORMED**

Schedule RevReq 3-5

LINE NO.	(1) DESCRIPTION	(2) TOTAL AMOUNT	(3) NORTHERN UTILITIES, INC.	(4) UNITIL SERVICE CORP.
1	PROFORMED 2011 MEDICAL AND DENTAL O&M EXPENSE	\$ 553,723	\$ 280,572	\$ 273,150
2	TEST YEAR MEDICAL AND DENTAL INSURANCE O&M EXPENSE	506,978	226,823	280,155
3	2011 O&M INCREASE	\$ 46,745	\$ 53,749	\$ (7,005)

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**Pension, PBOP and 401K Expense**  
**2010 Test Year**  
**(Pro-Formed)**

Line No.	Description	Total	Reference
1	Test Year Pension Expense	\$ 460,747	WP P-P, Pg 1, L.7
2	Test Year PBOP Expense	326,040	WP P-P, Pg 2, L.7
3	Test Year 401K Expense	109,198	WP P-P, Pg 3, L.7
4	<b>Total Test Year Pension and PBOP Expense</b>	<b>\$ 895,985</b>	L.1 + L.2 + L.3
5	Test Year Pension Expense, Pro-Forma Adjustment	8,970	WP P-P, Pg 7, L.3
6	Test Year PBOP Expense, Pro-Forma Adjustment	279,276	WP P-P, Pg 8, L.3
7	Test Year 401K Expense, Pro-Forma Adjustment	7,139	WP P-P, Pg 9, L.3
8	<b>Total Test Year Pension, PBOP and 401K Expense, Pro-Forma Adjustment</b>	<b>\$ 295,385</b>	L.5 + L.6 + L.7
9	<b>Total Test Year Pension and PBOP Expense, as Pro-Formed</b>	<b>\$ 1,191,370</b>	L.4 + L.8

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
PROPERTY AND LIABILITY INSURANCES ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-7  
Page 1 of 3

LINE NO.	(1) DESCRIPTION	(2) TOTAL	(3) NU-NH (1)	(4) FROM USC (2)
1	Current Coverage Periods			
2	Property Insurance:			
3	All Risk	\$ 14,957	\$ 13,921	\$ 1,036
4	Crime	1,303	1,034	269
5	K&E	224	205	19
6	Total Property Insurance	<u>16,485</u>	<u>15,160</u>	<u>1,324</u>
7	Liability Insurance:			
8	Workers' Compensation	102,525	87,329	15,196
9	Excess	142,018	129,435	12,583
10	Automobile	24,480	23,850	630
11	Directors and Officers	43,980	40,242	3,739
12	Fiduciary	3,051	2,791	259
13	Risk Track	1,345	1,146	199
14	Total Liability Insurance	<u>317,399</u>	<u>284,792</u>	<u>32,607</u>
15	Total Property & Liability Insurances	333,884	299,952	33,931
16	Less: Amounts Chargeable to Capital (3)	<u>109,042</u>	<u>99,984</u>	<u>9,058</u>
17	Proforma O&M Expense	224,842	199,969	24,873
19	Less: Test Year O&M Expense	<u>190,478</u>	<u>177,806</u>	<u>12,672</u>
20	O&M Property and Liability Insurance Increase	<u>\$ 34,364</u>	<u>\$ 22,162</u>	<u>\$ 12,201</u>

Notes

(1) See Schedule RR-3-7 2 of 3

(2) See Schedule RR-3-7 3 of 3

(3) See Workpaper W Ins 2, Line 7 and 17 (NU), and Schedule RR-3-7 3 of 3, Line 16.

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
PROPERTY AND LIABILITY INSURANCES ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-7  
Page 2 of 3

LINE NO.	(1) DESCRIPTION	(2) AMOUNT
1	Current Coverage Periods	
2	Property Insurance:	
3	All Risk	\$ 13,921
4	Crime	1,034
5	K&E	205
6	Total Property Insurance	<u>15,160</u>
7	Liability Insurance:	
8	Workers' Compensation	87,329
9	Excess	129,435
10	Automobile	23,850
11	Directors and Officers	40,242
12	Fiduciary	2,791
13	Risk Track	1,146
14	Total Liability Insurance	<u>284,792</u>
15	Total Property & Liability Insurances	299,952
16	Less: Amounts Chargeable to Capital (1)	<u>99,984</u>
17	Proforma O&M Expense	199,969
18	Less: Test Year O&M Expense	<u>177,806</u>
19	O&M Property and Liability Insurance Increase	<u>\$ 22,162</u>

Notes

(1) See Workpaper W Ins 2, Lines 7 and 17.

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
PROPERTY AND LIABILITY INSURANCES ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-7  
Page 3 of 3

UNITIL SERVICE CORP.

LINE NO.	(1) DESCRIPTION	(2) UNITIL SERVICE CORP. TOTAL (1)	(3) AMOUNT TO NU	(4) NU TOTAL	(5) AMOUNT TO NU NH	(6) NU NH TOTAL
1	USC Cost for Current Coverage Periods					
2	Property:					
3	All Risk	\$ 5,998		\$ 2,060		\$ 1,036
4	Crime	1,559		535		269
5	K&E	110		38		19
6	Total Property	<u>7,667</u>	34.35% (2)	<u>\$ 2,634</u>	50.28% (4)	<u>\$ 1,324</u>
7	Liability:					
8	Workers' Compensation	87,984		30,223		15,196
9	Excess	72,858		25,027		12,583
10	Automobile	3,650		1,254		630
11	Directors and Officers	21,647		7,436		3,739
12	Fiduciary	1,502		516		259
13	Risk Track	1,154		396		199
14	Total Liability	<u>188,794</u>	34.35% (2)	<u>\$ 64,851</u>	50.28% (4)	<u>\$ 32,607</u>
15	Total USC Property & Liability Insurances	196,462		67,485		33,931
16	Less Amount Chargeable to Capital		26.70% (2)	<u>18,016</u>	26.70% (2)	<u>9,058</u>
17	Total Property & Liability Insurances to O&M Expense			49,469		24,873
18	Less Test Year O&M Expense (3)			<u>12,672</u>		<u>12,672</u>
19	O&M Property and Liability Insurance Increase			<u>\$ 36,797</u>		<u>\$ 12,201</u>

Notes

(1) See Workpaper W Ins 1

(2) See Workpaper W Ins 7

(3) See Workpaper W Ins 8

(4) See Workpaper W Ins 9

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
DISTRIBUTION BAD DEBT ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-8

LINE NO.	(1) YEAR	(2) DELIVERY RELATED NET WRITE-OFFS	(3) DELIVERY RELATED RETAIL BILLED REVENUE	(4)	(5) BASE DISTRIBUTION
1	Y/E 12/31/2009	\$173,836	\$19,056,785		
2	Y/E 12/31/2010	<u>\$216,202</u>	<u>\$18,556,459</u>		
3	TOTAL	\$390,038.23	\$37,613,243.18		
4		NET WRITE-OFFS AS A % OF DELIVERY RETAIL BILLED REVENUE:		1.04%	
5		PER BOOKS DELIVERY RETAIL BILLED REVENUE:	\$18,556,459		
6		REVENUE INCREASE FROM RATE CASE: \$	<u>3,744,523</u>		
7		2010 TOTAL NORMALIZED DELIVERY RETAIL BILLED REVENUE:		\$22,300,982	
8			UNCOLLECTIBLE DELIVERY REVENUE:		\$231,255
9			(1.04% X 2010 NORMALIZED DELIVERY RETAIL BILLED REVENUE):		
10			LESS: TEST YEAR DELIVERY WRITE-OFFS:		\$216,202
11			INCREASE IN DELIVERY WRITE-OFFS:		<u>\$15,053</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
NON-DISTRIBUTION BAD DEBT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-9

LINE NO.	(1) DESCRIPTION	(2) AMOUNT
1	REMOVE: ACCRUED REVENUE - NON DIST BAD DEBT	\$ (245,604)
2	REMOVE: PROVISION FOR DOUBTFUL ACCTS - NON-DIST - NH	\$ (245,604)

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
REGULATORY ASSESSMENT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-10

LINE NO.	(1) DESCRIPTION	(2) AMOUNT
1	TEST YEAR EXPENSE: REG COMM ASSESSMENT/FEES-NH	\$ 85,170
2	AMOUNT REMOVED FROM BASE IN TEST YEAR	<u>147,687</u>
3	PRO FORMA REGULATORY COMMISSION EXPENSE IN TEST YEAR	<u>\$ 232,857</u>
4	REQUIRED PRO FORMA ADJUSTMENT (AMOUNT REMOVED FROM TEST YEAR)	<u>\$ 147,687</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
GAS PUBLIC SAFETY AWARENESS  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-11

LINE NO.	(1) DESCRIPTION	(2) AMOUNT
1	2011 BUDGETED EXPENSE FOR GAS PUBLIC SAFETY AWARENESS	\$ 44,000
2	LESS: TEST YEAR AMOUNT	<u>42,539</u>
3	PRO FORMA ADJUSTMENT	<u>\$ 1,461</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
DEPRECIATION ANNUALIZATION ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-12

LINE NO.	ACCOUNT NUMBER	(1) DESCRIPTION	(2) PLANT BALANCE @12/31/2010	(3) CURRENT DEPREC. ACCRUAL RATES	(4) CURRENT ANNUAL DEPREC. ACCRUAL
<u>MANUFACTURED GAS PRODUCTION PLANT</u>					
1	305.00	STRUCT. AND IMPROVEMENTS	161,860	N/A	N/A
2	311.00	LIQUEFIED PETRO. GAS EQUIP.	373,862	N/A	N/A
3	320.00	OTHER EQUIPMENT	7,640	N/A	N/A
4	321.00	LNG EQUIPMENT	56,861	N/A	N/A
5		<u>TOTAL MFG. GAS PROD. PLANT</u>	<u>600,223</u>	N/A	N/A
<u>DISTRIBUTION PLANT</u>					
6	375.20	STRUCT, CITY GATE MEA & REG	45,256	0.0286	1,294
7	375.70	STRUCT, OTHER DISTRIBUTION SYS	2,775,065	0.0263	72,984
8	376.20	MAINS, COATED/WRAPPED	16,320,670	0.0278	453,715
9	376.30	MAINS, BARE STEEL	367,921	N/A	N/A
10	376.40	MAINS, PLASTIC	47,629,111	0.0278	1,324,089
11	376.50	MAINS, JOINT SEALS	542,145	0.0834	45,215
12	376.60	MAINS, CATHODIC PROTECTION	517,229	0.0695	35,947
13	376.80	MAINS, CAST IRON	80,947	N/A	N/A
14	378.20	MEAS & REG STA EQ, REGULATING	1,787,578	0.0350	62,565
15	380.00	SERVICES	31,874,279	0.0462	1,472,592
16	381.00	METER PURCHASES	3,506,040	0.0333	116,751
17	382.00	METER INSTALLATIONS	12,313,745	0.0344	423,593
18	383.00	HOUSE REGULATORS	222,731	0.0333	7,417
19	386.00	WATER HEATERS/CONVERSION BURNERS	1,374,676	0.1000	137,468
20	386.30	DIAMOND BOILER	1,148,341	N/A	N/A
21		<u>TOTAL DISTRIBUTION PLANT</u>	<u>120,505,733</u>	0.0349	4,153,630
<u>GENERAL PLANT</u>					
22	391.10	OFFICE FURNITURE & EQ, UNSPECIFIED	594,527	0.0909	54,043
23	391.11	OFFICE F&E, DATA HANDLING EQUIP	7,566	0.1000	757
24	392.20	TRANSPORTATION EQUIPMENT	22,974	N/A	N/A
25	393.00	STORES EQUIPMENT	31,520	N/A	N/A
26	394.00	TOOLS, GARAGE & SVC. EQUIPMENT	874,077	0.0541	47,288
27	396.00	POWER OPERATED EQUIPMENT	75,266	0.0667	5,020
28	397.00	COMMUNICATION EQUIPMENT	1,143,342	0.1000	114,334
29	397.35	COMM EQ, ITRON EQUIP	2,326,975	0.0667	155,209
30		<u>TOTAL DEPREC. GENERAL PLANT</u>	<u>5,076,247</u>	0.0750	376,651
31		<u>TOTAL DEPREC. GAS PLANT</u>	<u>126,182,203</u>	0.0366	4,530,281
32		TEST YEAR EXPENSE			4,347,100
33		INCREASE IN DEPRECIATION EXPENSE			<u>183,181</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 DEPRECIATION RATES ADJUSTMENT  
 COMPARISON OF CURRENT AND PROPOSED WHOLE LIFE DEPRECIATION RATES  
 12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-13

LINE NO.	ACCOUNT NUMBER	(1) DESCRIPTION	(2) PLANT BALANCE @12/31/2010	(3) CURRENT DEPREC. ACCRUAL RATES	(4) CURRENT ANNUAL DEPREC. ACCRUAL	(5) PROPOSED WHOLE LIFE DEPREC. ACCRUAL RATES	(6) PROPOSED WHOLE LIFE ANNUAL DEPREC. ACCRUAL	(7) DIFFERENCE BETWEEN PROPOSED AND CURRENT ANNUAL DEPRECIATION ACCRUAL
<b>MANUFACTURED GAS PRODUCTION PLANT</b>								
1	305.00	STRUCT. AND IMPROVEMENTS	161,860	N/A	N/A	N/A	N/A	N/A
2	311.00	LIQUEFIED PETRO. GAS EQUIP.	373,862	N/A	N/A	N/A	N/A	N/A
3	320.00	OTHER EQUIPMENT	7,640	N/A	N/A	N/A	N/A	N/A
4	324.00	LNG EQUIPMENT	56,861	N/A	N/A	N/A	N/A	N/A
5		<b>TOTAL MFG. GAS PROD. PLANT</b>	<b>600,223</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>
<b>DISTRIBUTION PLANT</b>								
6	375.20	STRUCT, CITY GATE MEA & REG	45,256	0.0286	1,294	0.0175	792	(502)
7	375.70	STRUCT, OTHER DISTRIBUTION SYS	2,775,065	0.0263	72,984	0.0175	48,564	(24,420)
8	376.20	MAINS, COATED/WRAPPED	16,320,670	0.0278	453,715	0.0278	453,715	-
9	376.30	MAINS, BARE STEEL	367,921	N/A	N/A	N/A	N/A	N/A
10	376.40	MAINS, PLASTIC	47,629,111	0.0278	1,324,089	0.0305	1,452,688	128,599
11	376.50	MAINS, JOINT SEALS	542,145	0.0834	45,215	0.0834	45,215	-
12	376.60	MAINS, CATHODIC PROTECTION	517,229	0.0695	35,947	0.0625	32,327	(3,620)
13	376.80	MAINS, CAST IRON	80,947	N/A	N/A	N/A	N/A	N/A
14	378.20	MEAS & REG STA EQ, REGULATING	1,787,578	0.0350	62,565	0.0350	62,565	-
15	380.00	SERVICES	31,874,279	0.0462	1,472,592	0.0389	1,239,909	(232,683)
16	381.00	METER PURCHASES	3,506,040	0.0333	116,751	0.0333	116,751	-
17	382.00	METER INSTALLATIONS	12,313,745	0.0344	423,593	0.0333	410,048	(13,545)
18	383.00	HOUSE REGULATORS	222,731	0.0333	7,417	0.0286	6,370	(1,047)
19	386.00	WATER HEATERS/CONVERSION BURNERS	1,374,676	0.1000	137,468	0.1000	137,468	-
20	386.30	DIAMOND BOILER	1,148,341	N/A	N/A	N/A	N/A	N/A
21		<b>TOTAL DISTRIBUTION PLANT</b>	<b>120,505,733</b>	<b>0.0349</b>	<b>4,153,630</b>	<b>0.0337</b>	<b>4,006,412</b>	<b>(147,218)</b>
<b>GENERAL PLANT</b>								
22	391.10	OFFICE FURNITURE & EQ, UNSPECIFIED	594,527	0.0909	54,043	0.0816	48,513	(5,530)
23	391.11	OFFICE F&E, DATA HANDLING EQUIP	7,566	0.1000	757	0.1000	757	-
24	392.20	TRANSPORTATION EQUIPMENT	22,974	N/A	N/A	N/A	N/A	N/A
25	393.00	STORES EQUIPMENT	31,520	N/A	N/A	N/A	N/A	N/A
26	394.00	TOOLS, GARAGE & SVC. EQUIPMENT	874,077	0.0541	47,288	0.0526	45,976	(1,312)
27	396.00	POWER OPERATED EQUIPMENT	75,266	0.0667	5,020	0.0600	4,516	(504)
28	397.00	COMMUNICATION EQUIPMENT	1,143,342	0.1000	114,334	0.0833	95,240	(19,094)
29	397.35	COMM EQ, ITRON EQUIP	2,326,975	0.0667	155,209	0.0667	155,209	-
30		<b>TOTAL DEPREC. GENERAL PLANT</b>	<b>5,076,247</b>	<b>0.0750</b>	<b>376,651</b>	<b>0.0697</b>	<b>350,211</b>	<b>(26,440)</b>
31		<b>TOTAL DEPREC. GAS PLANT</b>	<b>126,182,203</b>	<b>0.0366</b>	<b>4,530,281</b>	<b>0.0352</b>	<b>4,356,623</b>	<b>(173,658)</b>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 DEPRECIATION RESERVE ADJUSTMENT  
 12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-14

(1)

(2)

LINE NO.	DESCRIPTION		
1	<u>Depreciation Reserve Deficiency</u>		
2	Total Reserve Deficiency (See Testimony of Paul Normand)	\$	(1,464,364)
3	Amortization Period		15.00 yrs
4	Total Reserve Deficiency Amortization Adjustment	\$	(97,624)

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 2011 PROJECT ADDITIONS AMORTIZATION ADJUSTMENT  
 DECEMBER 31, 2010

Schedule RevReq-3-15

Line No.	(1) Description	(2) Project Cost	(3) Annual Amortization
1	Existing Asset Amortization		327,372
2	Additional Projects to be completed in 2011:		
3	MDS Phase 2	15,281	3,056
4	CIS 2010 Project	28,212	5,642
5	Website Upgrade 2010 Project	24,544	4,909
6	Infrastructure-Power House - 2010 Project	119,122	23,824
7	Call Center - Business Continuity and ERM	4,960	992
8	UPC Enhancements	11,232	2,246
9	MS Office	28,800	5,760
10	Outsource Payment Process	12,960	2,592
11	Flexi Upgrade to 5.1	2,528	506
12	GIS Updates to support DIMP	6,882	1,376
13	Power Plant	127,760	25,552
14	Bill Print Redesign	3,920	784
15	Total	386,202	404,612
16	Test Year 2010 Amortization		
17	30-40-10-00-4040300 AMORTIZATION OF COMP SOFTWARE		249,573
18	Total		249,573
19	Adjustment to Test Year		155,040

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**SETTLEMENT ADJUSTMENTS PURSUANT TO DG 08-048 AND DG 08-079**  
**12 MONTHS ENDED DECEMBER 31, 2010**

Schedule RevReq-3-16

<b>LINE NO.</b>	<b>(1) DESCRIPTION</b>	<b>(2) AMOUNT</b>
1	Transition and Transaction Cost Amortization	(\$672,399)
2	Purchase Acquisition Adjustment Amortization	\$1,018,107
3	TOTAL	\$445,708

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
PROPERTY TAXES  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-17  
Page 1 of 2

LINE NO.	(1) MUNICIPALITY & STATE	(2) TAXATION PERIOD	(3) TOTAL ANNUALIZED TAXES (1)	(4) TOTAL TEST YEAR TAXES ACCRUED	(5) TEST YEAR NON-UTILITY AMOUNTS	(6) TEST YEAR CAPITALIZED AMOUNTS	(7) PROFORMA ADJUSTMENT (8)-(4)-(5)-(6)	(8) PROFORMED UTILITY EXPENSE (3)+(5)+(6)	(9) LOCAL TAX RATE	(10) ASSESSED VALUATION
1	Atkinson	4/1 - 3/31	\$ 1,527					\$ 13.02	\$ 117,300	
2	Dover	7/1 - 6/30	233,000					\$ 21.20	11,092,600	
3	Durham	1/1 - 12/31	88,524					\$ 25.09	3,528,282	
4	East Kingston	4/1 - 3/31	10,810					\$ 21.01	514,500	
5	Exeter	4/1 - 3/31	75,451					\$ 22.12	3,411,000	
6	Greenland	4/1 - 3/31	4,817					\$ 11.87	405,800	
7	Hampton--Class 4000	4/1 - 3/31	97,170					\$ 13.88	7,000,700	
8	Hampton--Class 5000	4/1 - 3/31	50,101					\$ 14.53	3,448,100	
9	Hampton Falls	4/1 - 3/31	554					\$ 16.95	32,700	
10	Kensington	4/1 - 3/31	19,634					\$ 16.67	1,177,800	
11	Madbury	4/1 - 3/31	6,350					\$ 21.71	292,500	
12	Newington	4/1 - 3/31	7,804					\$ 6.61	1,180,700	
13	North Hampton	4/1 - 3/31	3,157					\$ 12.65	249,600	
14	Plaistow	4/1 - 3/31	49,119					\$ 22.11	2,221,560	
15	Portsmouth	7/1 - 6/30	224,502					\$ 14.98	18,411,800	
16	Rochester (Gonic & E. Roch	4/1 - 3/31	157,142					\$ 21.25	7,394,900	
17	Rollinsford	4/1 - 3/31	1,212					\$ 18.22	66,500	
18	Salem	4/1 - 3/31	84,054					\$ 12.65	6,644,600	
19	Seabrook	4/1 - 3/31	94,922					\$ 10.76	5,730,700	
20	Somersworth	4/1 - 3/31	113,592					\$ 24.81	4,578,500	
21	Stratham	4/1 - 3/31	5,348					\$ 16.48	324,500	
22	State Of NH	1/1 - 12/31	359,257					\$ 6.60	54,431,918	
23	Total		<u>\$ 1,688,047</u>						<u>\$ 132,256,560</u>	
24	Property tax increase (2)		<u>1.03%</u>							
25	Total		<u>\$ 1,705,485</u>	<u>\$ 1,490,429</u>	<u>\$ -</u>	<u>\$ -</u>	<u>215,055</u>	<u>\$ 1,705,485</u>		

Notes

(1) Based on final 2010 property tax bills.

(2) Average annual change in taxes between calendar years 2005 and 2009 applied. See Schedule RevReq-3-17 Page 2.

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 PROPERTY TAX ESCALATION RATE  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 200X

LINE NO.	(1) DESCRIPTION	(2) 2009	(3) 2008	(4) 2007	(5) 2006	(6) 2005
1	Total NORTHERN NH Property Taxes	\$1,166,449	\$1,220,860	\$1,011,029	\$1,082,577	\$1,146,269
2	Annual Percentage Change	-4.46%	20.75%	-6.61%	-5.56%	
3	Average Annual Percentage Change	1.03%				

**NORTHERN UTILITIES, INC. - NH DIVISION  
PAYROLL TAX ADJUSTMENT  
FOR THE 12 MONTHS ENDED DECEMBER 31, 2010, PROFORMED**

LINE NO.	DESCRIPTION	SOCIAL SECURITY	MEDICARE	TOTAL
1	Increase in O&M Payroll 1/	\$100,199	\$100,199	
	Less Amounts in Excess of Taxable Limit 2/:			
2	Northern Utilities - NH Division	(1,360)		
3	Unitil Service Corp	(19,485)		
4	O&M Payroll Subject to Payroll Taxes	79,353	100,199	
5	Payroll Tax Rates	6.20%	1.45%	
6	Increase in Payroll Taxes	<u>\$4,920</u>	<u>\$1,453</u>	<u>\$6,373</u>

1/ See Rev Req 3-4

2/ Northern Utilities - NH Division and USC employees whose pay exceeds the wage limit of \$106,800 subject to social security tax.

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 COMPUTATION OF FEDERAL AND STATE INCOME TAXES  
 12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-19  
 Page 1 of 3

LINE NO.	(1) DESCRIPTION	(2) Amount
1	Increase/(Decrease) to Taxable Income:	
2	Normalizing Adjustments:	
	<u>Increases / (Decreases) to Revenue</u>	
3	Weather Normalization	511,509
4	Residential Low Income	200,748
5	Unbilled Revenue	(189,589)
6	Non-Distribution Bad Debt	(245,604)
7	Total Revenue Adjustments	277,064
	<u>Increases / (Decreases) to Expenses</u>	
8	Payroll	100,199
9	Medical & Dental Insurances	46,745
10	Pension	8,970
11	PBOP	279,276
12	401K	7,139
13	Property & Liability Insurances	34,364
14	Distribution Bad Debt	15,053
15	Non-Distribution Bad Debt	(245,604)
16	Regulatory Assessment	147,687
17	Gas Public Safety Awareness	1,461
18	Depreciation Annualization Adjustment	183,181
19	Depreciation Rates Adjustment	(173,658)
20	Depreciation Reserve Adjustment	(97,624)
21	2011 Project Additions Amortization Adjustment	155,040
22	DG 08-048 and DG 08-079 Settlement Adjustments	445,708
23	Property Taxes	215,055
24	Payroll Taxes	6,373
25	Prior Period Taxes	(8,562)
26	Flowthrough Net Operating Income	290,219
27	Change In Interest Exp (Refer to Schedule RevReq-3-19 Page 2)	(1,072,804)
28	Total Expense Adjustments	338,216
29	Increase / (Decrease) In Taxable Income	(61,152)
30	Federal Income & NH Business Profits Tax	
31	Effective Federal Income Tax	31.11% (1) (19,025)
32	NH Business Profits Tax, net	8.50% (2) (5,198)
33	Increase (Decrease) In Income Taxes	(24,222)
	<u>Notes</u>	
31	Federal Income Tax Rate	34.00%
32	Federal Benefit of State Tax -(Line 31 * Line 34)	-2.89%
33	(1) Effective Federal Income Tax Rate	31.11%
34	(2) State Tax Rate, net of Federal Benefit	8.50%
35	Northern New Hampshire Tax Rate (Line 33 + Line 34)	39.61%

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NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
CHANGE IN INTEREST EXPENSE APPLICABLE TO INCOME TAX COMPUTATION FOR RATEMAKING  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-3-19  
Page 2 of 3

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) AMOUNT	(4)
1	Interest Expense Application to Computation of Income Taxes for Ratemaking:			
2	Ratemaking Interest Synchronization:			
3	Rate Base	Schedule RevReq-5	\$ 71,374,482	
4	Cost of Debt In Proposed Rate of Return	Schedule RevReq-6	<u>3.42%</u>	
5	Interest Expense for Ratemaking			2,441,007
6	Test Year Interest Expense:			
7	Interest Charges (427-432)		<u>\$ 3,513,811</u>	
8	Test Year Interest			3,513,811
9	Increase / (Decrease) in Interest Expense		<u>\$ (1,072,804)</u>	

NORTHERN UTILITIES INC.  
NEW HAMPSHIRE DIVISION  
COMPUTATION OF FEDERAL AND STATE INCOME TAXES  
12 MONTHS ENDED DECEMBER 31, 2010

LINE NO	DESCRIPTION	(2) TEST YEAR ACTUAL	(3) PRO-FORMA ADJUSTMENTS	(4) TEST YEAR DISTRIBUTION
1	NET INCOME	\$ 856,466	\$ -	\$ 856,466
2	FEDERAL INCOME TAX-CURRENT	(1,711,758)		(1,711,758)
3	MISC PRIOR PERIOD ADJUSTMENT	(8,562)		(8,562)
4	NH STATE INCOME TAX-CURRENT	(424,888)		(424,888)
5	NH STATE BUSINESS ENTERPRISE CREDIT AGAINST NH BPT	1,932		1,932
6	DEFERRED FEDERAL INCOME TAX	2,194,686		2,194,686
7	DEFERRED STATE INCOME TAX	555,961		555,961
8	NET INCOME BEFORE INCOME TAXES	1,463,837		1,463,837
	<u>PERMANENT ITEMS</u>			
9	DRUG SUBSIDIES	(7,244)		(7,244)
10	LOBBYING	0		0
11	PENALTIES	2,000		2,000
12	STATE REGULATORY ASSET AMORTIZATION	106,680		106,680
13	UNALLOWABLE MEALS	955		955
14	TOTAL PERMANENT ITEMS	102,391		102,391
	<u>TEMPORARY DIFFERENCES</u>			
15	ACCRUED REVENUE	(4,037,699)		(4,037,699)
16	BAD DEBT	(43,341)		(43,341)
17	DEFERRED RATE CASE	197,852		197,852
18	INSURANCE CLAIM RESERVE	(51,826)		(51,826)
19	FASB 87-PENSIONS	(747,608)		(747,608)
20	PREPAID PROPERTY TAXES	(102,382)		(102,382)
21	REMEDIATION	148,644		148,644
22	PBOP SFAS 106	144,141		144,141
23	TRANSACTION COSTS	1,938,266		1,938,266
24	TRANSITION COSTS	(370,879)		(370,879)
25	UTILITY PLANT DIFFERENCES	(4,086,096)		(4,086,096)
26	TOTAL TEMPORARY DIFFERENCES	(7,010,928)	0	(7,010,928)
	<u>INVESTMENT TAX CREDIT AMORTIZATION</u>			
27	UNAMORTIZED ITC	(12,840)		(12,840)
28	TOTAL INVESTMENT TAX CREDIT AMORTIZATION	(12,840)	0	(12,840)
	<u>FEDERAL AND STATE TAX DIFFERENCES</u>			
29	TAX DEPRECIATION	470,221		470,221
30	TOTAL FEDERAL AND STATE TAX DIFFERENCES	470,221	0	470,221
31	STATE TAXABLE BASE INCOME	(4,987,319)	0	(4,987,319)
32	STATE BUSINESS PROFITS TAX - CURRENT	(423,922)		(423,922)
33	STATE BUSINESS ENTERPRISE TAX CREDIT	(966)		(966)
34	STATE BUSINESS ENTERPRISE TAX	1,932		1,932
	TOTAL STATE TAX EXPENSE	(422,956)		(422,956)
35	FEDERAL TAXABLE INCOME BASE BEFORE FEDERAL AND STATE TAX DIFFERENCES	(4,564,363)	0	(4,564,363)
36	LESS: FEDERAL AND STATE TAX DIFFERENCES	470,221		470,221
37	FEDERAL TAXABLE INCOME BASE	(5,034,584)	0	(5,034,584)
38	FEDERAL INCOME TAX-CURRENT	(1,711,759)		(1,711,759)
	<u>SUMMARY OF UTILITY INCOME TAXES:</u>			
39	FEDERAL INCOME TAX-CURRENT	(1,739,141)		(1,739,141)
40	AMOUNT TO NON-UTILITY OPERATIONS	27,383	(27,383)	0
41	MISC PRIOR PERIOD ADJUSTMENT	(8,562)	8,562	0
42	STATE BUSINESS PROFITS TAX-CURRENT	(430,437)		(430,437)
43	STATE BUSINESS PROFITS TAX-PRIOR	0	0	0
44	AMOUNT TO NON-UTILITY OPERATIONS	7,481	(7,481)	0
45	DEFERRED FEDERAL INCOME TAX	2,194,686	0	2,194,686
46	DEFERRED STATE BUSINESS PROFITS TAX	555,961	0	555,961
47	TOTAL INCOME TAXES	\$ 607,370	\$ (26,302)	\$ 581,069

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
ASSETS & DEFERRED CHARGES  
12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) Category	(2) New Hampshire	(3) Maine	(4) Common	(5) Consolidated December 31, 2010	(6) Consolidated December 31, 2009	(7) Consolidated December 31, 2008
1	<u>Gas Plant</u>						
2	In Service	\$ 128,825,014	\$ 145,497,768	\$ -	\$ 274,322,782	\$ 246,104,418	\$ 235,430,371
3	Construction Work in Progress	3,180,298	1,726,411	-	4,906,709	14,407,232	6,115,487
4	Less: Reserve for Depreciation	<u>(47,941,090)</u>	<u>(42,281,118)</u>	-	<u>(90,222,208)</u>	<u>(82,521,159)</u>	<u>(78,968,278)</u>
5	Total Gas Plant	84,064,222	104,943,061	-	189,007,283	177,990,491	162,577,580
6	<u>Other Property</u>						
7	Plant - Other	(10,181,073)	(13,344,621)	-	(23,525,694)	(23,524,376)	(23,112,911)
8	Non Operating Property	-	517,771	-	517,771	656,779	921,257
9	Amortization	2,121,057	2,852,473	-	4,973,530	2,586,236	186,460
10	Uncollectible Accounts	<u>(58,163)</u>	<u>(379,939)</u>	-	<u>(438,102)</u>	<u>(451,012)</u>	<u>(1,550,000)</u>
11	Total Other & Non Operating Plant	(8,118,179)	(10,354,316)	-	(18,472,495)	(20,732,374)	(23,555,194)
12	<u>Investments</u>						
13	Other Investments	1,584	-	-	1,584	1,584	1,584
14	Total Investments	1,584	-	-	1,584	1,584	1,584
15	<u>Current Assets</u>						
16	Cash	1,978,275	(241,539)	(386,735)	1,350,001	2,777,195	6,928,317
17	Accounts Receivable - Gas	5,599,361	8,356,437	-	13,955,797	11,177,014	13,980,617
18	Accounts Receivable - Other	7,053	33,069	776,329	816,451	12,081	484,636
19	Notes Receivable	-	-	701,862	701,862	2,745,895	15,486,702
20	Material and Supplies	778,820	377,475	-	1,156,295	1,061,203	939,907
21	Stores Expense Undistributed	42,043	23,382	-	65,425	38,377	263,351
22	Other M&S	814,506	69,618	-	884,123	994,687	2,097,481
23	Prepayments	633,521	399,802	270,737	1,304,060	1,035,002	465,071
24	Miscellaneous Current Assets	<u>2,949,344</u>	<u>3,641,676</u>	-	<u>6,591,021</u>	<u>6,773,152</u>	<u>7,885,722</u>
25	Total	12,802,923	12,659,920	1,362,193	26,825,036	26,614,605	48,531,805
26	<u>Deferred Charges</u>						
27	Unamortized Debt Expense	-	-	962,393	962,393	734,200	658,869
28	Abandoned Property	74,930	25,000	-	99,930	278,100	206,027
29	Other - Deferred Debits	26,439,683	22,476,236	-	48,915,919	47,067,677	57,020,746
30	Total Deferred Charges	26,514,614	22,501,236	962,393	49,978,242	48,079,976	57,885,642
31	Total Assets & Deferred Charges	<u>\$ 115,265,163</u>	<u>\$ 129,749,902</u>	<u>\$ 2,324,586</u>	<u>\$ 247,339,650</u>	<u>\$ 231,954,282</u>	<u>\$ 245,441,416</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**STOCKHOLDERS EQUITY & LIABILITIES**  
**12 MONTHS ENDED DECEMBER 31, 2010**

LINE NO.	(1) Category	(2) New Hampshire	(3) Maine	(4) Common	(5) Consolidated December 31, 2010	(6) Consolidated December 31, 2009	(7) Consolidated December 31, 2008
1	<b>Capitalization</b>						
2	Common Stock	\$ -	\$ -	\$ 1,000	\$ 1,000	\$ 1,000	\$ 1,000
3	Paid in Capital	-	-	73,199,000	73,199,000	65,699,000	65,699,000
4	Earned Surplus	856,466	(792,556)	(736,144)	(672,234)	1,743,856	1,009,916
5	Stockholders Equity	<u>856,466</u>	<u>(792,556)</u>	<u>72,463,856</u>	<u>72,527,766</u>	<u>67,443,856</u>	<u>66,708,915</u>
6	<b>Long Term Debt</b>						
7	Bonds and Notes	-	-	105,000,000	105,000,000	80,000,000	80,000,000
8	Total	<u>-</u>	<u>-</u>	<u>105,000,000</u>	<u>105,000,000</u>	<u>80,000,000</u>	<u>80,000,000</u>
9	<b>Current and Accrued Liabilities</b>						
10	Accounts Payable	(132,669)	9,219	12,399,583	12,266,132	10,543,267	31,486,692
11	Notes Payable to Associated Co.	-	-	29,050,170	29,050,170	42,844,239	6,399,466
12	A/P to Associated Co's	-	-	3,457,927	3,457,987	4,055,076	33,736,129
13	Customer Deposits	672,184	695,796	-	1,357,979	1,811,181	1,772,478
14	Dividends Declared	-	-	620,000	620,000	1,766,000	695,509
15	Interest Accrued	-	-	943,949	943,949	463,464	447,473
16	Income & Franchise Tax Liabilities	1,932	-	-	1,932	-	-
17	Other Tax Liabilities	(7,963)	(5,796)	23,382	9,612	1,151,430	(723,664)
18	Other Accrued Liabilities	465,130	1,595,874	7,596,394	9,747,399	6,421,769	11,577,757
19	Total	<u>998,624</u>	<u>2,385,091</u>	<u>54,071,444</u>	<u>57,455,159</u>	<u>71,166,417</u>	<u>87,690,839</u>
20	<b>Deferred Credits</b>						
21	Deferred Taxes In Rate Base	(2,997,801)	(5,309,112)	-	(8,206,713)	(6,229,869)	(6,429,972)
22	Other Deferred Taxes	3,875,716	3,075,126	-	6,750,850	7,312,942	7,529,406
23	Other Deferred Credits	5,691,729	8,120,869	-	13,812,589	12,259,936	11,942,228
24	Total	<u>6,469,844</u>	<u>5,886,882</u>	<u>-</u>	<u>12,356,726</u>	<u>13,344,009</u>	<u>11,041,662</u>
25	Total Stockholders Equity & Liabilities	<u>\$ 8,324,934</u>	<u>\$ 7,479,416</u>	<u>\$ 231,535,300</u>	<u>\$ 247,339,651</u>	<u>\$ 231,954,282</u>	<u>\$ 245,441,416</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
RATE BASE  
12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-5

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) TEST YEAR <sup>(1)</sup> AVERAGE	(4) 5 QUARTER AVERAGE	(5) ADJUSTMENTS TO REFLECT RATE BASE AT DECEMBER 31, 2010	(6) RATE BASE AT DECEMBER 31, 2010	(7) PRO FORMA ADJUSTMENTS	(8) PRO FORMA RATE BASE AT DECEMBER 31, 2010
1	UTILITY PLANT IN SERVICE	Schedule RevReq-5-1 & 5-3	\$ 123,197,953	\$121,659,251	\$ 7,165,763	\$ 128,825,014	\$ 1,785,271	\$ 130,610,285
2	LESS: RESERVE FOR DEPRECIATION & AMORTIZATION	Schedule RevReq-5-1 & 5-3	46,083,980	46,157,509	1,783,581	47,941,090	926,080	48,867,170
3	NET UTILITY PLANT		77,113,974	75,501,742	5,382,182	80,883,924	859,192	81,743,116
4	ADD: M&S INVENTORIES	Schedule RevReq-5-1	798,052	897,427	(76,564)	820,863	-	820,863
5	CASH WORKING CAPITAL <sup>(2)</sup>	Schedule RevReq-5-2	1,079,770	1,079,770	-	1,079,770	77,166	1,156,936
6	PREPAYMENTS	Schedule RevReq-5-1	(21,436)	7,290	(248,235)	(240,945)	-	(240,945)
7	SUB-TOTAL		1,856,386	1,984,487	(324,799)	1,659,688	77,166	1,736,854
8	LESS: NET DEFERRED INCOME TAXES	Schedule RevReq-5-1 & 5-4	(2,688,968)	(2,604,973)	(292,627)	(2,897,600)	14,006,670	11,109,070
9	CUSTOMER ADVANCES	Schedule RevReq-5-1	324,234	324,234	-	324,234	-	324,234
10	CUSTOMERS DEPOSITS	Schedule RevReq-5-1	744,526	688,390	(16,206)	672,184	-	672,184
11	SUB-TOTAL		(1,620,208)	(1,592,349)	(308,833)	(1,901,182)	14,006,670	12,105,488
12	RATE BASE		\$ 80,590,568	\$ 79,078,578	\$ 5,366,216	\$ 84,444,794	\$ (13,070,312)	\$ 71,374,482
13	NET OPERATING INCOME APPLICABLE TO RATE BASE		\$ 4,026,908	\$ 4,026,908		\$ 4,026,908		\$ 3,198,831
14	RATE OF RETURN		5.00%	5.09%		4.77%		4.48%

Notes:

(1) Two Point Average

(2) Computed Working Capital Based on Test Year O&M Expenses

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
RATE BASE ITEMS  
QUARTERLY BALANCES

Schedule RevReq-5-1

LINE NO.	(1) DESCRIPTION	(2) DECEMBER 31 2010	(3) SEPTEMBER 30 2010	(4) JUNE 30 2010	(5) MARCH 31 2010	(6) DECEMBER 31 2009	(7) 5 QUARTER AVERAGE
	Utility Plant in Service						
1	Plant In Service	\$ 118,937,057	114,741,333	\$ 113,813,685	\$ 113,220,824	\$ 112,822,372	\$ 114,707,054
2	Completed Construction Not Classified	9,887,957	10,049,413	4,863,913	5,211,184	4,748,520	6,952,197
3	Total Utility Plant in Service	<u>128,825,014</u>	<u>124,790,746</u>	<u>118,677,598</u>	<u>118,432,008</u>	<u>117,570,892</u>	<u>121,659,251</u>
4	Depreciation & Amortization Reserves	\$ (47,941,090)	\$ (47,083,444)	\$ (46,132,583)	\$ (45,403,557)	\$ (44,226,869)	\$ (46,157,509)
	Add:						
	M&S Inventories						
5	Material and Supplies	778,820	929,194	905,065	737,813	738,076	817,794
6	Stores Expense Undistributed	42,043	155,709	67,647	95,602	37,164	79,633
7	Total M&S Inventories	<u>\$ 820,863</u>	<u>\$ 1,084,903</u>	<u>\$ 972,712</u>	<u>\$ 833,415</u>	<u>\$ 775,240</u>	<u>\$ 897,427</u>
	Prepayments						
8	Prepayments - Other	408,637	39,884	276,607	47,834	204,054	195,403
9	Prepayments Pension	743,704	678,227	678,227	678,227	661,875	688,052
10	Prepayments OPEB	(1,393,286)	(772,080)	(726,230)	(821,376)	(667,855)	(876,165)
11	Total Prepayments	<u>\$ (240,945)</u>	<u>\$ (53,969)</u>	<u>\$ 228,604</u>	<u>\$ (95,315)</u>	<u>\$ 198,074</u>	<u>\$ 7,290</u>
12	Cash Working Capital	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770	1,079,770
	Less:						
	Total Deferred Income Taxes						
13	Def Inc Tax - Accel Depr	(3,350,219)	(2,859,299)	(2,690,979)	(2,659,727)	(2,706,879)	(2,853,421)
14	Def Inc Tax - FAS 87 / 106	241,753	122,756	61,829	(39,318)	2,719	77,948
15	Def Inc Tax - Bad Debt	(23,037)	(46,986)	(119,015)	(124,766)	(40,206)	(70,802)
16	Def Inc Tax - Prepaid Property Tax	118,210	8,116	106,957	(8,010)	77,658	60,586
17	Def Inc Tax - Def Rate Case Costs	60,841	72,693	72,693	167,928	139,210	102,673
18	Def Inc Tax - Unamort ITC (Acct 255)	71,077	75,558	80,955	86,352	91,749	81,138
19	Def Inc Tax - Accum Non-Current	(13,780)	(15,052)	(17,239)	(19,426)	(21,613)	(17,422)
20	Def Inc Tax - Insurance Claim	(2,445)	(22,973)	(22,973)	(22,973)	(22,973)	(18,867)
21	Def Inc Tax - Other	-	165,968	-	-	-	33,194
22	Total Deferred Income Taxes	<u>(2,897,600)</u>	<u>(2,499,219)</u>	<u>(2,527,772)</u>	<u>(2,619,940)</u>	<u>(2,480,335)</u>	<u>(2,604,973)</u>
23	Customer Advances	324,234	324,234	324,234	324,234	324,234	324,234
24	Customer Deposits	672,184	596,363	666,824	689,711	816,867	688,390
25	Rate Base	<u>\$ 84,444,794</u>	<u>\$ 81,396,628</u>	<u>\$ 76,362,815</u>	<u>\$ 76,452,316</u>	<u>\$ 76,736,341</u>	<u>\$ 79,078,579</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 CASH WORKING CAPITAL  
 12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-5-2

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) TEST YEAR ACTUAL	(4) PRO FORMA ADJUSTMENTS	(5) TEST YEAR PRO FORMA
1	Distribution O&M Expense	Schedule RevReq-2	8,757,256	625,840	9,383,096
2	Total		\$ 8,757,256	\$ 625,840	\$ 9,383,096
3	Cash Working Capital Requirement:				
4	Other O&M Expense Days Lag (1) / 365	45 days	12.33%	12.33%	12.33%
5	Total Cash Working Capital	Line 5 X Line 3	\$ 1,079,770	\$ 77,166	\$ 1,156,936

**Notes**

6 (1) The traditional 45-day convention is utilized by Northern, consistent with PUC 1604.07 (t) which allows a formula based on the length of 1/2 of the utility's billing cycle plus 30 days. Northern bills on a monthly cycle:  $[365 \text{ days} / 12 \text{ months} / 2] + 30 = 45 \text{ days}$ .

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 SUPPLEMENTAL PLANT PRO FORMA ADJUSTMENT  
 12 MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-5-3

LINE NO.	(1) DESCRIPTION	(2) BALANCE 12/31/2010
1	<b>Plant in Service</b>	
2	<u>New Hampshire</u>	
3	304 Land - Barberry Lane	6,816
4	305 Structures & Improvements	161,860
5	311 LP Gas Equipment	373,862
6	320 Other Equipment	7,640
7	321 LNG Equipment	56,861
8	Total NH	607,039
9	<u>Maine</u>	
10	304 Land - Portland	-
11	305 Structures & Improvements	87,587
12	311 LP Gas Equipment	549,591
13	320 Other Equipment	-
14	360 Land - Lewiston	58,301
15	361 Structures & Improvements	376,184
16	362 Gas Holders	3,152,388
17	363 Other Equipment	87,313
18	Total ME	4,311,362
19	Total Plant in Service NH and ME	4,918,401
20	NH Allocation Via Annual Proportional Responsibility Factor	48.64% 2,392,310
21	ME Allocation Via Annual Proportional Responsibility Factor	51.36% 2,526,091
22	<b>Depreciation Reserve</b>	
23	<u>New Hampshire</u>	
24	305 Structures & Improvements	129,465
25	311 LP Gas Equipment	395,691
26	320 Other Equipment	2,756
27	321 LNG Equipment	59,217
28	Total NH	587,130
29	<u>Maine</u>	
30	305 Structures & Improvements	5,641
31	311 LP Gas Equipment	49,186
32	320 Other Equipment	-
33	361 Structures & Improvements	92,422
34	362 Gas Holders	2,279,104
35	363 Other Equipment	97,557
36	Total ME	2,523,909
37	Total Depreciation Reserve NH and ME	3,111,039
38	NH Allocation Via Annual Proportional Responsibility Factor	48.64% 1,513,210
39	ME Allocation Via Annual Proportional Responsibility Factor	51.36% 1,597,830
40	<b>Supplemental Plant Adjustment</b>	
41	NH Supplemental Plant Adjustment (Line 20 - Line 8)	1,785,271
42	ME Supplemental Plant Adjustment (Line 21 - Line 18)	(1,785,271)
43	<b>Supplemental Depreciation Reserve Adjustment</b>	
44	NH Supplemental Plant Adjustment (Line 38 - Line 28)	926,080
45	ME Supplemental Plant Adjustment (Line 39 - Line 36)	(926,080)

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**DEFERRED INCOME TAX PRO FORMA ADJUSTMENT**  
**SETTLEMENT ADJUSTMENTS PURSUANT TO DG 08-048 AND DG 08-079**  
**12 MONTHS ENDED DECEMBER 31, 2010**

Schedule RevReq-5-4

LINE NO.	(1) DESCRIPTION	(2) DECEMBER 31 2010
1	Nisource Original Plant Federal and State DIT Basis	\$ 12,033,170
2	Unitil Acquired Plant Federal and State DIT Basis	(2,810,513)
3	Greater of Line 1 or Line 2 to be Utilized as DIT Basis Per Stipulation	<u>\$ 12,033,170</u>
4	Post-Acquisition Capital Expenditures Federal and State DIT Basis	\$ 692,773
5	Net Operating Loss DIT Related to 2010 Tax Year	(2,069,492)
6	Total Plant and Capex Federal and State DIT to be Used in Rate Base (Line 3 + Line 4 + Line 5)	<u>\$ 10,656,451</u>
7	Less Test Year: Def Inc Tax - Accel Depr	<u>(3,350,219)</u>
8	Required Pro Forma Adjustment (Line 6 - Line 7)	<u>\$ 14,006,670</u>

NORTHERN UTILITIES, INC.  
WEIGHTED COST OF CAPITAL  
DECEMBER 31, 2010 PRO FORMA

Schedule RevReq-6

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	
LINE NO.	DESCRIPTION	AMOUNT	PROFORMA ADJUSTMENT	PROFORMED AMOUNT	WEIGHT	COST OF CAPITAL	WEIGHTED COST OF CAPITAL	REFERENCE
1	COMMON STOCK EQUITY	\$ 72,527,766	\$ -	\$72,527,766	40.25%	10.50%	4.23%	Schedule RevReq 6-1 and 6-2
2	PREFERRED STOCK EQUITY	-	-	-	-	-	-	Schedule RevReq 6-1 and 6-3
3	LONG TERM DEBT	105,000,000	-	105,000,000	58.28%	5.81%	3.39%	Schedule RevReq 6-1 and 6-4
4	SHORT TERM DEBT	2,651,480	-	2,651,480	1.47%	2.28%	0.03%	Schedule RevReq 6-1 and 6-5
5	TOTAL	<u>\$ 180,179,245</u>	<u>\$ -</u>	<u>\$ 180,179,245</u>	<u>100.00%</u>		<u>7.65%</u>	

**NORTHERN UTILITIES, INC.**  
**CAPITAL STRUCTURE FOR RATEMAKING PURPOSES**  
**DECEMBER 31, 2010 PRO FORMA**

Schedule RevReq-6-1

LINE NO.	(1) DESCRIPTION	(2) AMOUNT	(3) PROFORMA ADJUSTMENT	(4) PROFORMA AMOUNT	(5) PERCENT
1	Common Stock Equity				
2	Common Stock	\$ 1,000	-	1,000	
3	Misc. Paid In Capital	73,199,000	-	73,199,000	
4	Retained Earnings	<u>(672,234)</u>	<u>-</u>	<u>(672,234)</u>	
5	Total Common Stock Equity	72,527,766	-	72,527,766	40.25%
6	Preferred Stock Equity	-	-	-	-
7	Long-Term Debt	105,000,000	-	105,000,000	58.28%
8	Short-Term Debt (1)	<u>2,651,480</u>	<u>-</u>	<u>2,651,480</u>	<u>1.47%</u>
9	Total	<u>\$ 180,179,245</u>	<u>\$ -</u>	<u>\$ 180,179,245</u>	<u>100.0%</u>
10	(1) Reference Schedule RevReq-6-5				

NORTHERN UTILITIES, INC.  
COST OF COMMON EQUITY CAPITAL  
DECEMBER 31, 2010

Schedule RevReq-6-2

THE INFORMATION CONCERNING THE COST OF COMMON EQUITY CAPITAL IS PROVIDED  
IN THE TESTIMONY AND EXHIBITS OF DR. SAMUEL C. HADAWAY

NORTHERN UTILITIES, INC.  
WEIGHTED AVERAGE COST OF PREFERRED STOCK  
DECEMBER 31, 2010

Schedule RevReq-6-3

NORTHERN UTILITIES, INC. DOES NOT HAVE PREFERRED STOCK OUTSTANDING

NORTHERN UTILITIES, INC.  
WEIGHTED AVERAGE COST OF LONG-TERM DEBT  
DECEMBER 31, 2010 PRO FORMA

Schedule RevReq-6-4  
Page 1 of 2

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)
<u>CURRENT LONG-TERM DEBT</u>													
LINE NO.	ISSUE	DATE ISSUED	TERM	FACE VALUE	OUTSTANDING AMOUNT	ISSUANCE COSTS	NET PROCEEDS RATIO [(5)-(7)/(5)]	UNAMORTIZED ISSUANCE COSTS	NET PROCEEDS OUTSTANDING (6)-(9)	ANNUAL ISSUANCE COST	ANNUAL INTEREST COST Rate * (6)	TOTAL ANNUAL COST (11)+(12)	COST RATE BASED ON NET PROCEEDS (13)/[(6)-(9)]
1	6.95% Sr. Notes	12/3/2008	10 Yrs	\$ 30,000,000	\$ 30,000,000	\$ 266,834	99.11%	\$ 211,429	\$ 29,788,571	\$ 26,707	\$ 2,085,000	\$ 2,111,707	7.09%
2	7.72% Sr. Notes	12/3/2008	30 Yrs	50,000,000	50,000,000	435,899	99.13%	405,741	49,594,259	14,534	3,860,000	3,874,534	7.81%
3	5.29% Sr. Notes	3/2/2010	10 Yrs	25,000,000	25,000,000	376,390	98.49%	345,223	24,654,777	31,167	1,322,500	1,353,667	5.49%
4	Total			\$ 105,000,000	\$ 105,000,000	\$ 1,079,123		\$ 962,393	\$ 104,037,607	\$ 72,408	\$ 7,267,500	\$ 7,339,908	7.06%
<u>STIPULATED LONG-TERM DEBT</u>													
LINE NO.	ISSUE	DATE ISSUED	TERM	FACE VALUE	OUTSTANDING AMOUNT	ISSUANCE COSTS	NET PROCEEDS RATIO [(5)-(7)/(5)]	UNAMORTIZED ISSUANCE COSTS	NET PROCEEDS OUTSTANDING (6)-(9)	ANNUAL ISSUANCE COST	ANNUAL INTEREST COST Rate * (6)	TOTAL ANNUAL COST (11)+(12)	COST RATE BASED ON NET PROCEEDS (13)/[(6)-(9)]
1	4.80% Sr. Notes	6/1/2003	10 Yrs	\$ 60,000,000	\$ 60,000,000	N/A	N/A	\$ 104,264	\$ 59,895,736	\$ 43,144	\$ 2,880,000	\$ 2,923,144	4.88%
2	Total			\$ 60,000,000	\$ 60,000,000	N/A		\$ 104,264	\$ 59,895,736	\$ 43,144	\$ 2,880,000	\$ 2,923,144	4.88%

NORTHERN UTILITIES, INC.  
 WEIGHTED AVERAGE COST OF LONG-TERM DEBT  
 DECEMBER 31, 2010 PRO FORMA

<u>LINE NO.</u>	(1)	(2) AMOUNT	(3) WEIGHT	(4) COST RATE	(5) WEIGHTED COST
1	Stipulated Long-Term Debt	\$ 60,000,000	57.14%	4.88%	2.79%
2	Remaining Total Long-Term Debt at Unital's Current Long-Term Debt Cost Rate	45,000,000	42.86%	7.06%	3.03%
4	Pro Forma Total Long-Term Debt	<u>\$ 105,000,000</u>	<u>100.00%</u>		<u>5.81%</u>

**NORTHERN UTILITIES, INC.**  
**DISTRIBUTION SHORT-TERM DEBT**  
**AVERAGE TWELVE MONTHS ENDED DECEMBER 31, 2010**

**Schedule RevReq-6-5**  
**Page 1 of 2**

<u>LINE NO.</u>	(1)	(2) <u>AMOUNT</u>
1	Average Short-Term Debt Balance	\$ 14,743,709
2	Average Accrued Revenue Net of Unbilled	(6,585,294)
3	Purchased Gas Working Capital	(3,206,914)
4	Average Margin Hedging Balance	(2,300,021)
5	Short-Term Debt Balance Used in Capital Structure	<u>\$ 2,651,480</u>

NORTHERN UTILITIES, INC.  
 COST OF SHORT-TERM DEBT  
 FOR THE TWELVE MONTHS ENDED DECEMBER 31, 2010

Schedule RevReq-6-5  
 Page 2 of 2

LINE NO.	(1) MONTH	(2) MONTH-END AMOUNT OUTSTANDING	(3) AVERAGE DAILY BORROWINGS	(4) MONTHLY SHORT-TERM INTEREST	(5) INTEREST RATE (1)
1	January 2010	\$ 45,164,198	\$ 43,140,905	\$ 82,899	2.26%
2	February 2010	33,788,814	32,471,741	56,300	2.26%
3	March 2010	2,710,824	6,034,661	11,607	2.26%
4	April 2010	-	330,366	622	2.29%
5	May 2010	-	-	-	N/A
6	June 2010	2,597,225	341,489	625	2.23%
7	July 2010	4,793,155	3,773,853	7,583	2.37%
8	August 2010	11,598,374	8,112,580	15,895	2.31%
9	September 2010	17,460,127	14,715,058	27,663	2.29%
10	October 2010	20,759,671	18,905,144	36,732	2.29%
11	November 2010	23,031,390	21,940,087	41,191	2.28%
12	December 2010	29,050,170	<u>27,158,618</u>	52,896	<u>2.29%</u>
13	Average for the Year		14,743,709		2.28%

Notes

(1) The Interest Rate is calculated as follows: [Column (4) / # of days in month \* 365] / Column (3).

NORTHERN UTILITIES, INC.  
HISTORICAL CAPITAL STRUCTURE  
DECEMBER 31, 200X

Schedule RevReq-6-6

LINE NO.	(1) DESCRIPTION	(2) 2010	(3) 2009	(4) 2008
1	Common Stock Equity	\$ 72,527,766	\$ 67,443,856	\$ 66,708,915
2	Preferred Stock Equity	-	-	-
3	Long-Term Debt	105,000,000	80,000,000	80,000,000
4	Short-Term Debt (Year-End)	<u>29,050,170</u>	<u>42,844,239</u>	<u>8,398,466</u>
5	Total	<u>\$ 206,577,935</u>	<u>\$ 190,288,096</u>	<u>\$ 155,107,381</u>

NORTHERN UTILITIES, INC.  
HISTORICAL CAPITALIZATION RATIOS  
DECEMBER 31, 200X

Schedule RevReq-6-7

LINE NO.	(1) DESCRIPTION	(2) 2010	(3) 2009	(4) 2008
1	Common Stock Equity	35.11%	35.44%	43.01%
2	Preferred Stock Equity	-	-	-
3	Long-Term Debt	50.83%	42.04%	51.58%
4	Short-Term Debt (Year-End)	14.06%	22.52%	5.41%
5	Total	100.00%	100.00%	100.00%

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 RATE CASE SURCHARGE COSTS  
 PROJECTED THROUGH THE COMPLETION OF THE CASE

Schedule RevReq-7

LINE NO. DESCRIPTION	(1)	(2)	(3) AMOUNT
1	LEGAL	ORR & RENO	\$ 230,000
2	ACCOUNTING COST OF SERVICE STUDY	MANAGEMENT APPLICATIONS CONSULTING, INC.	60,000
3	MARGINAL COST STUDY	MANAGEMENT APPLICATIONS CONSULTING, INC.	54,000
4	RATE DESIGN	MANAGEMENT APPLICATIONS CONSULTING, INC.	20,000
5	DEPRECIATION STUDY	MANAGEMENT APPLICATIONS CONSULTING, INC.	60,000
6	LEAD LAG STUDY	MANAGEMENT APPLICATIONS CONSULTING, INC.	26,000
7	RETURN ON EQUITY	FINANCO, INC.	31,250
8	COMMISSION COSTS		75,000
9	MISCELLANEOUS		35,000
10	TOTAL		<u>\$ 591,250</u>



**Amended and Restated**  
**Cash Pooling and Loan Agreement**

**Dated as of December 1, 2008**



This Amended and Restated Cash Pooling and Loan Agreement ("Cash Pooling Agreement") is dated as of December 1, 2008.

WHEREAS, Unitil Corporation, a New Hampshire corporation ("Unitil"), Unitil Energy Services, Inc., a New Hampshire corporation ("UES"), Fitchburg Gas and Electric Light Company, d/b/a Unitil, a Massachusetts corporation ("FG&E"), Unitil Power Corp., a New Hampshire corporation ("UPC"), Unitil Realty Corp., a New Hampshire corporation ("Unitil Realty"), Unitil Resources, Inc., a New Hampshire corporation ("URI"), and Unitil Service Corp., a New Hampshire corporation ("Service Corp."), are parties to a Cash Pooling and Loan Agreement dated as of February 1, 1985, which has been amended five times by amendments dated December 15, 1986, April 29, 1992, June 1, 1993, December 2, 2002, and August 12, 2005;

WHEREAS, effective December 1, 2008, Unitil acquired Northern Utilities, Inc., a New Hampshire corporation ("Northern"), and Granite State Gas Transmission, Inc. a New Hampshire corporation ("Granite"); and

WHEREAS, Unitil, UES, FGE, UPC, Unitil Realty, URI, Service Corp., Northern and Granite are hereinafter sometimes referred to individually as a "Party" and collectively as the "Parties,"

NOW, THEREFORE in consideration of the foregoing, the mutual covenants contained herein and other good and valuable consideration, the receipt and sufficiency is hereby acknowledged by each Party to the others, the Parties hereto agree as follows:

Section 1. Certain Defined Terms. As used in this Cash Pooling Agreement and unless otherwise expressly indicated herein, the following terms shall have the following meanings (such meanings to be equally applicable to both the singular and plural forms of the terms defined):

"Advance" means an advance from the Cash Pool pursuant to Section 3 hereof and refers to a Bank Advance or a Surplus Advance.

"Bank Advance" means an Advance of Bank Borrowings.

"Bank Borrowings" means bank borrowings made by Unitil and contributed to the Cash Pool.

"Business Day" means a day of the year on which banks are not required or authorized to close in Boston, Massachusetts.

"Cash Pool" means the pool of cash, comprising Surplus Funds and Bank Borrowings, from which Advances are made.

"Surplus Advance" means an Advance of Surplus Funds.

"Surplus Funds" means surplus funds contributed to the Cash Pool by the Parties.

**Section 2. Contributions to the Cash Pool.** Funds contributed to the Cash Pool will be deposited in one or more common bank deposit accounts established and maintained for the Cash Pool. Each Party shall have an independent withdrawal authority with respect to the funds which it has contributed to the Cash Pool and any earnings attributable to such funds which are not funding an outstanding Advance.

**Section 3. Advances.** (a) Each Party, except Unitil, may request Advances from the Cash Pool from time to time during the period from the date hereof until this Cash Pooling Agreement is terminated by written agreement of the Parties; provided, however, that the aggregate amount of all Advances to be requested by any Party hereunder shall not exceed the applicable borrowing limits, if any, established by such Party's Board of Directors and any regulatory authority having jurisdiction over such Party or established pursuant to any agreement binding upon such Party.

(b) To the extent possible, Advances will be made first from Surplus Funds and second from Bank Borrowings.

(c) Surplus Advances will be made on a pro rata basis from the Surplus Funds contributed to the Cash Pool by each Party in the proportion which each Party's Surplus Funds in the Cash Pool bear to the total amount of Surplus Funds in the Cash Pool.

**Section 4. Interest on Advances.** (a) Each Party receiving an Advance shall pay interest on the unpaid principal amount of such Advance to the Cash Pool from the date of such Advance until such principal amount shall be paid in full. The interest rate applicable on any day to Surplus Advances shall be the daily rate of interest applicable to loans to Unitil by the bank designated from time to time by Unitil as its "lead bank". The interest rate applicable on any day to Bank Advances shall be calculated to produce an aggregate interest charge on all such Bank Advances, at a rate which shall be uniform for all such Bank Advances, equal to the net cost to Unitil of the Bank Borrowings used to fund such Bank Advances on such day.

(b) The benefits, and/or costs and fees, of any hedging instrument(s) entered into by a lending Party with respect to funds contributed to the Cash Pool hereunder will be passed through to each Party borrowing those funds through the Cash Pool as part of, and pursuant to the same allocation method as, interest charges calculated hereunder. Therefore, on a monthly basis, the income and/or costs and fees of the hedging instrument(s) shall be allocated to each Party on a pro rata basis in the proportion which each Party's aggregate principal amount of Advances during the calendar month bore to the aggregate principal amount of all Advances for such calendar month.

**Section 5. Repayment of Advances.** Each Party receiving an Advance shall repay the principal amount of such Advance to the Cash Pool, together with all interest accrued thereon, within 365 days of the date on which such Advance was made, unless such day on which payment is due is not a Business Day, in which case such payment shall be made on the preceding Business Day.

**Section 6. Bank Fees.** During the first year of this Cash Pooling Agreement the costs of compensating balances, commitment fees and fees paid to banks to maintain bank accounts and

credit lines for purposes of Bank Advances shall be allocated provisionally among the Parties at the discretion of Service Corp. In each year thereafter such costs and fees shall be allocated provisionally to each Party on a pro rata basis in the proportion which each Party's aggregate principal amount of Advances for the prior calendar year bore to the aggregate principal amount of all Advances for such prior calendar year. Such costs and fees shall be retroactively reallocated at the end of each calendar year on a pro rata basis in the proportion which each Party's aggregate principal amount of Advances for such calendar year bore to the aggregate principal amount of all Advances for such calendar year.

Section 7. Event of Default. If any Party shall generally not pay its debts as such debts become due, or shall admit in writing its inability to pay its debts generally, or shall make a general assignment for the benefit of creditors; or any proceeding shall be instituted by or against any Party seeking to adjudicate it a bankrupt or insolvent, then the other parties may declare the unpaid principal amount of any Advances to such party, and all interest thereon, to be forthwith due and payable and all such amounts shall forthwith become due and payable.

Section 8. Amendments, Waivers. This Cash Pooling Agreement may not be modified or amended in any respect except in writing executed by the Parties. No provision of this Cash Pooling Agreement shall be deemed waived unless such waiver is set forth in writing and executed by the Party making such waiver.

Section 9. Legal Responsibility. Nothing herein contained shall render any Party liable for the obligations of any other Party hereunder and the rights, obligations and liabilities of the Parties are several in accordance with their respective obligations, and not joint.

Section 10. Records and Administration. Service Corp. shall be responsible for the administration of this Cash Pooling Agreement and for ensuring that all relationships and arrangements between the Parties hereunder are in compliance with the authorization and any applicable limitations of Report and Supplemental Order No. 17,373 and Order No. 18,416 of the NHPUC and such other order(s) which have or will be issued by the appropriate regulatory authorities having jurisdiction. Service Corp. shall further be responsible for the determination of all applicable interest rates and charges to be applied to Advances outstanding at any time hereunder, shall maintain records of all Advances, interest charges and accruals and interest and principal payments for purposes hereof, and shall prepare regular reports thereof for the Parties.

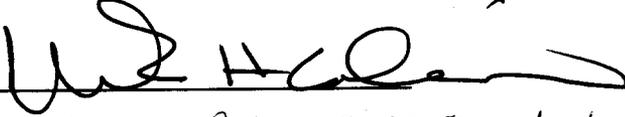
Section 11. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of New Hampshire.

IN WITNESS WHEREOF, the parties have caused this Cash Pooling Agreement to be executed by their respective officers thereunto duly authorized, as of the date first above written.

UNITIL CORPORATION

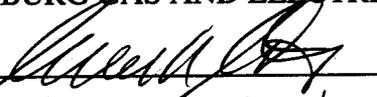
By: 

Name: George R. Gantz, Senior Vice President

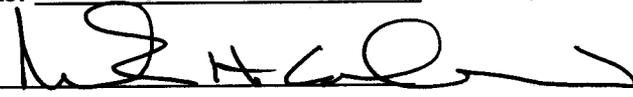
By: 

Name: Mark H. Collin, Sr. Vice President,  
Chief Financial Officer & Treasurer

FITCHBURG GAS AND ELECTRIC LIGHT COMPANY, d/b/a UNITIL

By: 

Name: George R. Gantz, Senior Vice President

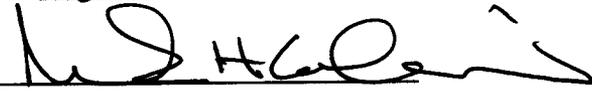
By: 

Name: Mark H. Collin, Treasurer

UNITIL ENERGY SYSTEMS, INC.

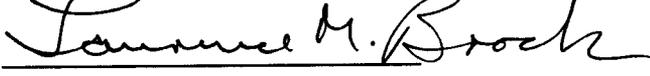
By: 

Name: George R. Gantz,  
Senior Vice President

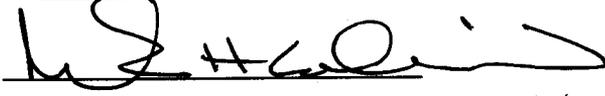
By: 

Name: Mark H. Collin, Treasurer

UNITIL POWER CORP.

By: 

Name: Laurence M. Brock, Controller

By: 

Name: Mark H. Collin, President & Treasurer

UNITIL REALTY CORP.

By: George E. Long, Jr.

Name: GEORGE E. LONG, JR., PRESIDENT

By: Mark H. Collin

Name: Mark H. Collin, Sr. Vice President & Treasurer

UNITIL RESOURCES, INC

By: Todd R. Black

Name: Todd R. Black, President

By: George E. Long, Jr.

Name: GEORGE E. LONG, JR., VP + SECRETARY

UNITIL SERVICE CORP.

By: Mark H. Collin

Name: Mark H. Collin, President & Treasurer

By: Laurence M. Brock

Name: Laurence M. Brock, Vice President & Controller

NORTHERN UTILITIES, INC.

By: Mark H. Collin

Name: Mark H. Collin, Treasurer

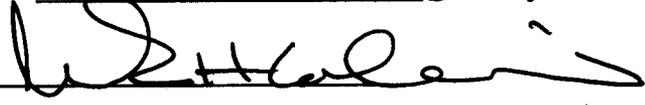
By: George R. Grant

Name: George R. Grant, Senior Counsel

**GRANITE STATE GAS TRANSMISSION, INC.**

By: 

Name: George R. Banks

By: 

Name: Mark H. Collin, Treasurer

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 CAPITALIZATION VERSUS RATE BASE: IMPACT TO RETURN ON EQUITY**

	<u>Capitalization Method</u>	<u>Rate Base Method</u>	<u>Difference</u>
Total Capitalization / Combined Rate Base	\$180,179,245	\$166,824,751	\$13,354,494
Return	7.65%	7.65%	
Total Return	<u>\$13,780,986</u>	<u>\$12,759,569</u>	<u>\$1,021,417</u>
Less: Interest Expense	6,165,570	6,165,570	
Equals: Return Applicable to Common Equity	<u>\$7,615,415</u>	<u>\$6,593,999</u>	<u>\$1,021,417</u>
Common Equity Outstanding	72,527,766	72,527,766	
Realized Return on Common Equity	10.50%	9.09%	<b>1.41%</b>
<b><u>Weighted Cost of Capital</u></b>	<b><u>Weight</u></b>	<b><u>Cost</u></b>	<b><u>Weighted Cost</u></b>
Common Equity	40.25%	10.50%	4.23%
Long-Term Debt	58.28%	5.81%	3.39%
Short-Term Debt	1.47%	2.28%	0.03%
Total	<u>100.00%</u>		<u>7.65%</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 2012 STEP ADJUSTMENT**

<u>Revenue Requirement</u>	<u>Amount</u>
2011 Budgeted Capital Additions With Overhead	\$8,972,770
Deferred Income Tax	(8,174)
Rate Base	<u>\$8,964,596</u>
Pre-Tax Rate of Return	11.15%
Return and Related Income Taxes	<u>\$999,253</u>
Annual Book Depreciation (3.52%) <sup>(1)</sup>	315,842
Property Taxes (\$12.92 / 1,000) <sup>(2)</sup>	<u>115,928</u>
<b>2012 Step Adjustment Revenue Requirement</b>	<b><u><u>\$1,431,022</u></u></b>
2010 Distribution Total Operating Revenues (Including Adjustments)	\$19,979,254
Revenue Requirement from Rate Case	<u>3,744,523</u>
Pro Forma 2010 Distribution Total Operating Revenues	<u><u>\$23,723,777</u></u>
<b>% Increase (2012 Step Adjustment / Pro Forma 2010 Revenues)</b>	<b><u><u>6.03%</u></u></b>

<u>Pre-Tax Rate of Return</u>	<u>Weight</u>	<u>Cost</u>	<u>Weighted Cost</u>	<u>Tax Factor</u>	<u>Pre-Tax Cost</u>
Common Equity	40.25%	10.50%	4.23%	1.6559	7.00%
Long-Term Debt	58.28%	7.06%	4.11%		4.11%
Short-Term Debt	1.47%	2.28%	0.03%		0.03%
Total	<u>100.00%</u>		<u>8.37%</u>		<u>11.15%</u>

(1) Based on proposed weighted-average depreciation rate for total depreciable plant. See Schedule RevReq-3-13.

(2) Reflects weighted-average property tax rate in NH based on assessed valuation.

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 ILLUSTRATIVE MECHANICS OF TARGETED INFRASTRUCTURE REPLACEMENT ADJUSTMEN'

	<u>2012</u>	<u>2013</u>	<u>2014</u>
<b>Capital Expenditure Budget</b>			
NH Main Replacement Program With Overhead	3,743,785	3,920,619	4,107,762
<b>Rate Base</b>			
Beginning Utility Plant	-	3,743,785	7,664,404
Utility Plant Additions	3,743,785	3,920,619	4,107,762
Ending Utility Plant	3,743,785	7,664,404	11,772,166
Beginning Accumulated Depreciation	-	114,185	347,950
Depreciation	114,185	233,764	359,051
Ending Accumulated Depreciation	114,185	347,950	707,001
Net Utility Plant	3,629,600	7,316,454	11,065,165
Less: Deferred Income Taxes	10,380	83,074	212,991
Rate Base	<u>3,619,219</u>	<u>7,233,380</u>	<u>10,852,174</u>
<b>Revenue Requirement</b>			
Rate Base	3,619,219	7,233,380	10,852,174
Pre-Tax Rate of Return	11.15%	11.15%	11.15%
Return and Related Income Taxes	403,422	806,280	1,209,655
Annualized Depreciation (3.05%)	114,185	233,764	359,051
Annualized Property Taxes (\$12.92 / \$1,000)	46,894	94,529	142,962
Cumulative Revenue Requirement	<u>564,502</u>	<u>1,134,573</u>	<u>1,711,668</u>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 ILLUSTRATIVE MECHANICS OF TARGETED INFRASTRUCTURE REPLACEMENT ADJUSTMEN'

<b>Carrying Charge</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Annual Rate Base Additions	3,619,219	3,614,161	3,618,793
Pre-Tax Rate of Return	11.15%	11.15%	11.15%
4 Month Factor (From Prior Year End to Effective Date)	0.333	0.333	0.333
Annual Carrying Charge	134,474	134,286	134,458

<b>O&amp;M Offset</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Cumulative Number of Miles Replaced	4.9	9.7	14.6
O&M Offset per Mile	2,717	2,717	2,717
Cumulative O&M Offset	13,202	26,405	39,607

<b>Annual Revenue Adjustment</b>	<b>2012</b>	<b>2013</b>	<b>2014</b>
Annual Change in Revenue Requirement	564,502	570,071	577,095
Annual Change in Carrying Charge	134,474	(188)	172
Annual Change in O&M Offset	(13,202)	(13,202)	(13,202)
<b>Total Annual Revenue Change</b>	<b>685,773</b>	<b>556,681</b>	<b>564,064</b>
Pro Forma Annualized Distribution Revenue (with 2% Growth)	26,171,053	27,393,963	28,509,656
<b>TIRA Factor % Increase</b>	<b>2.62%</b>	<b>2.03%</b>	<b>1.98%</b>
Effective Date	5/1/2013	5/1/2014	5/1/2015

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
 ILLUSTRATIVE MECHANICS OF TARGETED INFRASTRUCTURE REPLACEMENT ADJUSTMEN

**Supporting Schedules**

		2012	2013	2014		
<u>Book Depreciation</u>	3.05%					
2011	3,743,785	114,185	114,185	114,185		
2012	3,920,619		119,579	119,579		
2013	4,107,762			125,287		
Total	11,772,166	114,185	233,764	359,051		
<u>Tax Depreciation</u>	20 yr MACRS	3.75%	7.22%	6.68%		
2011	3,743,785	140,392	270,264	249,973		
2012	3,920,619		147,023	283,029		
2013	4,107,762			154,041		
Total	11,772,166	140,392	417,287	687,043		
Tax-Book Difference		26,206	183,523	327,992		
ADIT Additions	39.61%	10,380	72,693	129,918		
Accumulated ADIT		10,380	83,074	212,991		
<u>Pre-Tax Rate of Return</u>						
	Wgt.	Cost.	Wgt. Cost	Tax Factor		Pre-Tax Cost
Common Equity	40.25%	10.50%	4.23%	1.6559		7.00%
Long-Term Debt	58.28%	7.06%	4.11%			4.11%
Short-Term Debt	1.47%	2.28%	0.03%			0.03%
Total	100.00%		8.37%			11.15%

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**ILLUSTRATIVE MECHANICS OF TARGETED INFRASTRUCTURE REPLACEMENT ADJUSTMENT**

**O&M Offset Per Mile**

Line		2009	2010	Explanation
	<b>Mains Leak Repair Data</b>			
1	Total Leak Repairs	128	109	Company data.
2	Bare Steel Leak Repairs	93	52	Company data.
	<b>Expense Data</b>			
3	887- Maintenance of Mains	201,893	161,395	Company data.
	<b>Gas Main Material Data</b>			
4	Bare & Unprotected Steel	33.18	28.34	Company data.
5	Cast Iron	0.00	0.00	Material not included in the program
6	Ductile Iron	0.00	0.00	Company data
7	Total Miles	33.18	28.34	Sum(Lines 4, 5, 6)
	<b>Avoided Leak Analysis</b>			
8	Cost per leak repaired	\$1,577.29	\$1,480.69	Line 3 / Line 1
9	Cast iron / bare Steel leaks per Cast Iron/BS mile of mains	2.80	1.83	Line 2 / Line 7
10	Avoided cost per mile	\$4,420.97	\$2,716.86	Line 9 x Line 8

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**COMPUTATION OF REVENUE DEFICIENCY AND REVENUE REQUIREMENT FOR TEMPORARY RATES**  
**12 MONTHS ENDED DECEMBER 31, 2010**

LINE NO.	(1) DESCRIPTION	(2) REFERENCE	(3) AMOUNT
1	RATE BASE	2010 5-Quarter Average	\$ 65,931,100
2	RATE OF RETURN	Utilizes Last Authorized ROE	<u>7.31%</u>
3	INCOME REQUIRED	Line 1 * Line 2	4,819,563
4	ADJUSTED NET OPERATING INCOME	Actual 2010 Results Less Pro Forma Adjustments	<u>3,758,965</u>
5	DEFICIENCY	Line 3 - Line 4	1,060,598
6	INCOME TAX EFFECT	Line 7 - Line 5	<u>695,650</u>
7	REVENUE DEFICIENCY	1.6559 (Schedule RevReq-1-1) * Line 5	<u><u>\$ 1,756,248</u></u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**COMPUTATION OF PER BOOKS RATE OF RETURN AND RETURN ON EQUITY**  
**12 MONTHS ENDED DECEMBER 31, 2010**

<b>LINE NO.</b>	<b>(1) DESCRIPTION</b>	<b>(2) AMOUNT</b>
1	ADJUSTED NET OPERATING INCOME	\$ 3,758,965
2	RATE BASE	<u>65,931,100</u>
3	RATE OF RETURN	5.70%
4	LESS: WEIGHTED COST OF DEBT	<u>3.42%</u>
5	WEIGHTED COST OF EQUITY	2.28%
6	EQUITY RATIO	<u>40.25%</u>
7	RETURN ON EQUITY	<u>5.67%</u>

NORTHERN UTILITIES, INC.  
WEIGHTED COST OF CAPITAL FOR TEMPORARY RATES  
DECEMBER 31, 2010 PRO FORMA

LINE NO.	(1) DESCRIPTION	(2) AMOUNT	(3) PROFORMA ADJUSTMENT	(4) PROFORMED AMOUNT	(5) WEIGHT	(6) COST OF CAPITAL	(7) WEIGHTED COST OF CAPITAL	(8) REFERENCE
1	COMMON STOCK EQUITY	\$ 72,527,766	\$ -	\$72,527,766	40.25%	9.67%	3.89%	Schedule RevReq 6-1 and 6-2
2	PREFERRED STOCK EQUITY	-	-	-	-	-	-	Schedule RevReq 6-1 and 6-3
3	LONG TERM DEBT	105,000,000	-	105,000,000	58.28%	5.81%	3.39%	Schedule RevReq 6-1 and 6-4
4	SHORT TERM DEBT	2,651,480	-	2,651,480	1.47%	2.28%	0.03%	Schedule RevReq 6-1 and 6-5
5	TOTAL	<u>\$ 180,179,245</u>	<u>\$ -</u>	<u>\$ 180,179,245</u>	<u>100.00%</u>		<u>7.31%</u>	

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
SUMMARY OF ADJUSTMENTS FOR TEMPORARY RATES  
12 MONTHS ENDED DECEMBER 31, 2010

LINE NO.	(1) DESCRIPTION	(2) CLASSIFICATION	(3) SCHEDULE NO.	(4) AMOUNT
1	REVENUE ADJUSTMENTS			
2	WEATHER NORMALIZATION	Dist Rev	Schedule RevReq-3-1	\$ 511,509
3	RESIDENTIAL LOW INCOME	Dist Rev	Schedule RevReq-3-2	200,748
4	UNBILLED REVENUE	Dist Rev	Schedule RevReq-3-3	(189,589)
5	NON-DISTRIBUTION BAD DEBT	Dist Rev	Schedule RevReq-3-9	(245,604)
6	TOTAL REVENUE ADJUSTMENTS			<u>\$ 277,064</u>
7	OPERATING & MAINTENANCE EXPENSE ADJUSTMENTS			
8	PAYROLL	Dist	Schedule RevReq-3-4	\$ -
9	MEDICAL & DENTAL INSURANCES	A&G	Schedule RevReq-3-5	-
10	PENSION	A&G	Schedule RevReq-3-6	-
11	PBOP	A&G	Schedule RevReq-3-6	-
12	401K	A&G	Schedule RevReq-3-6	-
13	PROPERTY & LIABILITY INSURANCES	A&G	Schedule RevReq-3-7	-
14	DISTRIBUTION BAD DEBT	Cust Acct	Schedule RevReq-3-8	-
15	NON-DISTRIBUTION BAD DEBT	Cust Acct	Schedule RevReq-3-9	(245,604)
16	REGULATORY ASSESSMENT	A&G	Schedule RevReq-3-10	-
17	GAS PUBLIC SAFETY AWARENESS	Dist	Schedule RevReq-3-11	-
18	TOTAL OPERATING & MAINTENANCE EXPENSE ADJUSTMENTS			<u>\$ (245,604)</u>
19	DEPRECIATION ANNUALIZATION ADJUSTMENT	Depr	Schedule RevReq-3-12	\$ -
20	DEPRECIATION RATES ADJUSTMENT	Depr	Schedule RevReq-3-13	-
21	DEPRECIATION RESERVE ADJUSTMENT	Depr	Schedule RevReq-3-14	-
22	2011 PROJECT ADDITIONS AMORTIZATION ADJUSTMENT	Amort	Schedule RevReq-3-15	-
23	DG 08-048 AND DG 08-079 SETTLEMENT ADJUSTMENTS	Amort	Schedule RevReq-3-16	445,708
24	TOTAL DEPRECIATION AND AMORTIZATION EXPENSE ADJUSTMENTS			<u>\$ 445,708</u>
25	TAXES OTHER THAN INCOME ADJUSTMENTS			
26	PROPERTY TAXES	Oth Tax	Schedule RevReq-3-17	\$ -
27	PAYROLL TAXES	Oth Tax	Schedule RevReq-3-18	-
28	TOTAL TAXES OTHER THAN INCOME ADJUSTMENTS			<u>\$ -</u>
29	INCOME TAXES ADJUSTMENTS			
30	FEDERAL INCOME TAX	FIT	Schedule RevReq-3-19	\$ 270,889
31	NH BUSINESS PROFIT TAX	SIT	Schedule RevReq-3-19	74,013
32	TOTAL INCOME TAXES ADJUSTMENTS			<u>\$ 344,902</u>

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
WORKPAPERS SUPPORTING REVENUE REQUIREMENT  
12 MONTHS ENDED DECEMBER 31, 2010**

	2009 Base	2009 Flowthru	Total	2010 Base	2010 Flowthru	Total
<b>OPERATING REVENUES</b>						
Sales:						
Residential (480)	\$7,911,390.73	\$18,303,227.29	\$26,214,618.02	\$7,783,669.60	\$15,444,358.69	\$23,228,028.29
General Service (481)	5,558,250.84	23,969,202.65	29,527,453.49	5,068,406.58	17,435,448.64	22,503,855.22
Firm Transport Revenues (484, 489) (External)	4,171,805.96	573,516.11	4,745,322.07	4,435,772.89	458,414.32	4,894,187.21
Interruptible (481.04)	0.00	0.00	0.00	0.00	0.00	0.00
Sales for Resale (483)	0.00	475,888.74	475,888.74	0.00	8,360,618.97	8,360,618.97
Other Sales (495)	795,989.62	(5,616,113.08)	(4,820,123.46)	435,192.84	2,980,243.19	3,415,436.03
<b>Total Sales (Non External Supplier)</b>	<b>18,437,437.15</b>	<b>37,705,721.71</b>	<b>56,143,158.86</b>	<b>17,723,041.91</b>	<b>44,679,083.81</b>	<b>62,402,125.72</b>
Other Operating Revenues:						
Late Charge (487)	171,623.25	0.00	171,623.25	123,278.97	0.00	123,278.97
Misc. Service Revenues (488)	810,465.43	0.00	810,465.43	920,096.37	0.00	920,096.37
Rent from Property (493)	0.00	0.00	0.00	0.00	0.00	0.00
Other Revenues	108,515.22	47,851.50	156,366.72	121,164.00	0.00	121,164.00
<b>Total Other Operating Revenues</b>	<b>1,090,603.90</b>	<b>47,851.50</b>	<b>1,138,455.40</b>	<b>1,164,539.34</b>	<b>0.00</b>	<b>1,164,539.34</b>
<b>TOTAL OPERATING REVENUES</b>	<b>19,528,041.05</b>	<b>37,753,573.21</b>	<b>57,281,614.26</b>	<b>18,887,581.25</b>	<b>44,679,083.81</b>	<b>63,566,665.06</b>
<b>OPERATING EXPENSES</b>						
Operation & Maint. Expenses:						
Production (710-813)	208,889.36	35,725,115.77	35,934,005.13	200,478.50	42,501,298.56	42,701,777.06
Transmission (850-857)	20,723.77	0.00	20,723.77	31,504.31	0.00	31,504.31
Distribution (870-894) (586)	3,212,948.85	0.00	3,212,948.85	3,082,543.96	0.00	3,082,543.96
Cust. Accounting (901-905)	745,653.65	159,723.20	905,376.85	1,661,415.10	160,112.63	1,821,527.73
Cust. Service & Info (906-910)	2,840.00	712,280.47	715,120.47	2,357.00	912,845.56	915,202.56
Sales Expenses (911-916)	0.00	0.00	0.00	0.00	0.00	0.00
Admin. & General (920-935)	3,222,561.04	0.00	3,222,561.04	4,203,508.47	0.00	4,203,508.47
<b>Total O &amp; M Expenses</b>	<b>7,413,616.67</b>	<b>36,597,119.44</b>	<b>44,010,736.11</b>	<b>9,181,807.34</b>	<b>43,574,256.75</b>	<b>52,756,064.09</b>
Other Operating Expenses:						
Deprtn. & Amort. (403-407)	3,833,814.25	0.00	3,833,814.25	4,244,804.65	0.00	4,244,804.65
Taxes-Other Than Inc. (408)	1,298,496.36	0.00	1,298,496.36	1,648,288.06	0.00	1,648,288.06
Federal Income Tax (409)	1,394,023.00	0.00	1,394,023.00	(1,739,140.81)	0.00	(1,739,140.81)
State Franchise Tax (409)	608,752.00	0.00	608,752.00	(430,436.78)	0.00	(430,436.78)
Def. Income Taxes (410,411)	(53,844.00)	0.00	(53,844.00)	2,750,647.06	0.00	2,750,647.06
<b>Total Other Operating Expenses</b>	<b>7,081,241.61</b>	<b>0.00</b>	<b>7,081,241.61</b>	<b>6,474,162.18</b>	<b>0.00</b>	<b>6,474,162.18</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>14,494,858.28</b>	<b>36,597,119.44</b>	<b>51,091,977.72</b>	<b>15,655,969.52</b>	<b>43,574,256.75</b>	<b>59,230,226.27</b>
<b>NET UTILITY OPERATING INCOME</b>	<b>5,033,182.77</b>	<b>1,156,453.77</b>	<b>6,189,636.54</b>	<b>3,231,611.73</b>	<b>1,104,827.06</b>	<b>4,336,438.79</b>
<b>OTHER INCOME &amp; DEDUCTIONS</b>						
Other Income:						
Other (415- 421)	120,389.51	1,438.40	121,827.91	205,536.05	(20,056.15)	185,479.90
Other Income Deduc. (425, 426)	63,167.07	0.00	63,167.07	97,467.72	0.00	97,467.72
Taxes Other than Income Taxes:						
Income Tax, Other Inc & Ded	23,236.00	0.00	23,236.00	34,861.66	0.00	34,861.66
<b>Net Other Income &amp; Deductions</b>	<b>33,986.44</b>	<b>1,438.40</b>	<b>35,424.84</b>	<b>73,206.67</b>	<b>(20,056.15)</b>	<b>53,150.52</b>
<b>GROSS INCOME</b>	<b>5,067,169.21</b>	<b>1,157,892.17</b>	<b>6,225,061.38</b>	<b>3,304,818.40</b>	<b>1,084,770.91</b>	<b>4,389,589.31</b>
Interest Charges (427 - 432)	3,300,464.72	14,227.16	3,314,691.88	3,524,133.87	8,989.51	3,533,123.38
<b>NET INCOME</b>	<b>\$1,766,704.49</b>	<b>\$1,143,665.01</b>	<b>\$2,910,369.50</b>	<b>(\$219,315.47)</b>	<b>\$1,075,781.40</b>	<b>\$856,465.93</b>
<b>Net Income Check: (should be zero)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>

	Demand COG Peak	Demand COG Off Peak	Working Capital Peak	Working Capital Off Peak	Bad Debt Peak	Bad Debt Off Peak	Residential Low Income	Energy Efficiency	Environ Response Costs	Total	Cost of Gas Total	LDAC Flowthrough Total
<b>OPERATING REVENUES</b>												
Sales:												
Residential (480)	\$12,749,001.59	\$2,092,774.05	\$23,916.36	\$780.20	\$77,528.77	\$6,927.93	\$82,073.84	\$324,176.85	\$87,179.10	\$15,444,358.69	\$14,950,928.90	\$493,429.79
General Service	14,299,133.66	2,695,627.77	26,799.74	1,140.31	87,050.76	8,930.96	94,939.03	121,072.98	100,753.43	17,435,448.64	17,118,683.20	316,765.44
Firm Transport Revenues (489)	39,468.20	0.00	0.00	0.00	0.00	0.00	120,501.21	169,188.99	129,255.92	458,414.32	39,468.20	418,946.12
Interruptible	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Sales for Resale (483)	7,680,424.28	680,194.69	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,360,618.97	8,360,618.97	0.00
Other Sales (495)	2,495,785.59	275,298.15	(33,515.88)	935.42	(27,266.40)	6,940.61	(96,766.29)	358,831.99	0.00	2,980,243.19	2,718,177.49	262,065.70
<b>Total Sales</b>	<b>37,263,813.32</b>	<b>5,743,894.66</b>	<b>17,200.22</b>	<b>2,855.93</b>	<b>137,313.13</b>	<b>22,799.50</b>	<b>200,747.79</b>	<b>973,270.81</b>	<b>317,188.45</b>	<b>44,679,083.81</b>	<b>43,187,876.76</b>	<b>1,491,207.05</b>
Other Operating Revenues:												
Late Charge (487)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Misc. Service Revenues (488)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Rent from Property (493)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other Revenues	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Operating Revenues</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL OPERATING REVENUES</b>	<b>37,263,813.32</b>	<b>5,743,894.66</b>	<b>17,200.22</b>	<b>2,855.93</b>	<b>137,313.13</b>	<b>22,799.50</b>	<b>200,747.79</b>	<b>973,270.81</b>	<b>317,188.45</b>	<b>44,679,083.81</b>	<b>43,187,876.76</b>	<b>1,491,207.05</b>
<b>OPERATING EXPENSES</b>												
Operation & Maint. Expenses:												
Production (710-813)	36,471,476.45	5,712,633.66	0.00	0.00	0.00	0.00	0.00	0.00	317,188.45	42,501,298.56	42,184,110.11	317,188.45
Other Pwr Supp Exp	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Transmission (850-857)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Distribution (870-894)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Cust. Accounting (901-905)	0.00	0.00	0.00	0.00	137,313.13	22,799.50	0.00	0.00	0.00	160,112.63	160,112.63	0.00
Cust. Service & Info (906-910)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	912,845.56	0.00	912,845.56	0.00	912,845.56
Sales Expenses (911-916)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Admin. & General (920-935)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total O &amp; M Expenses</b>	<b>36,471,476.45</b>	<b>5,712,633.66</b>	<b>0.00</b>	<b>0.00</b>	<b>137,313.13</b>	<b>22,799.50</b>	<b>0.00</b>	<b>912,845.56</b>	<b>317,188.45</b>	<b>43,574,256.75</b>	<b>42,344,222.74</b>	<b>1,230,034.01</b>
Other Operating Expenses:												
Deprtn. & Amort. (403-407)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Taxes-Other Than Inc. (408)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Federal Income Tax (409)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
State Franchise Tax (409)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Def. Income Taxes (410,411)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Inv. Tax Credit Adj. (411)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Total Other Operating Expenses</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>
<b>TOTAL OPERATING EXPENSES</b>	<b>36,471,476.45</b>	<b>5,712,633.66</b>	<b>0.00</b>	<b>0.00</b>	<b>137,313.13</b>	<b>22,799.50</b>	<b>0.00</b>	<b>912,845.56</b>	<b>317,188.45</b>	<b>43,574,256.75</b>	<b>42,344,222.74</b>	<b>1,230,034.01</b>
<b>NET UTILITY OPERATING INCOME</b>	<b>792,336.87</b>	<b>31,261.00</b>	<b>17,200.22</b>	<b>2,855.93</b>	<b>0.00</b>	<b>0.00</b>	<b>200,747.79</b>	<b>60,425.25</b>	<b>0.00</b>	<b>1,104,827.06</b>	<b>843,654.02</b>	<b>261,173.04</b>
<b>OTHER INCOME &amp; DEDUCTIONS</b>												
Other Income:												
AFUDC - Other Funds (41901)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Other (415- 421)	0.00	0.00	(17,200.22)	(2,855.93)	0.00	0.00	0.00	0.00	0.00	(20,056.15)	(20,056.15)	0.00
Other Income Deduc. (425, 426)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Extraordinary Item 2001												
Taxes Other than Income Taxes												
Income Tax, Other Inc & Ded	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Net Other Income &amp; Deductions</b>	<b>0.00</b>	<b>0.00</b>	<b>(17,200.22)</b>	<b>(2,855.93)</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>(20,056.15)</b>	<b>(20,056.15)</b>	<b>0.00</b>
Extraordinary Income - (434-435)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>GROSS INCOME</b>	<b>792,336.87</b>	<b>31,261.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>200,747.79</b>	<b>60,425.25</b>	<b>0.00</b>	<b>1,084,770.91</b>	<b>823,597.87</b>	<b>261,173.04</b>
Interest Charges (427 - 432)	8,989.51	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	8,989.51	8,989.51	0.00
<b>NET INCOME</b>	<b>\$783,347.36</b>	<b>\$31,261.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$0.00</b>	<b>\$200,747.79</b>	<b>\$60,425.25</b>	<b>\$0.00</b>	<b>\$1,075,781.40</b>	<b>\$814,608.36</b>	<b>261,173.04</b>

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
**COST OF GAS OPERATING INCOME STATEMENT**  
 12 MONTHS ENDED DECEMBER 31, 2010

Workpaper - Cost of Gas

LINE NO.	DESCRIPTION	(1) TEST YEAR COST OF GAS	(2) LESS: INDIRECT PRODUCTION & O.H.	(3) COST OF GAS EXCL. PROD. & O.H.
	OPERATING REVENUES			
1	TOTAL SALES	43,187,877	814,608	42,373,268
2	TOTAL OTHER OPERATING REVENUES	-	-	-
3	TOTAL OPERATING REVENUES	43,187,877	814,608	42,373,268
4	OPERATING EXPENSES:			
5	PRODUCTION	42,184,110	-	42,184,110
6	TRANSMISSION	-	-	-
7	DISTRIBUTION	-	-	-
8	CUSTOMER ACCOUNTING	160,113	-	160,113
9	CUSTOMER SERVICE	-	-	-
10	SALES EXPENSES	-	-	-
11	ADMINISTRATIVE & GENERAL	-	-	-
12	DEPRECIATION	-	-	-
13	AMORTIZATIONS	-	-	-
14	TAXES OTHER THAN INCOME	-	-	-
15	FEDERAL INCOME TAX	-	-	-
16	STATE INCOME TAX	-	-	-
17	DEFERRED FEDERAL & STATE INCOME TAXES	-	-	-
18	INTEREST ON CUSTOMER DEPOSITS	-	-	-
19	TOTAL OPERATING EXPENSES	42,344,223	-	42,344,223
20	NET OPERATING INCOME	843,654	814,608	29,046

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE DIVISION**  
**Union and Nonunion Payroll/Compensation 1/**  
**12 Months Ended December 31, 2010**

LINE NO.	DESCRIPTION (a)	Amount (b)		
1	Union Weekly Payroll	2,278,448		
	Nonunion			
2	Hourly	126,500		
3	Salaried	476,430		
4	Total Payroll	2,881,377		
	Incentive Comp			
5	Hourly	4,708		
6	Salaried	20,394		
7	Total Incentive Comp	25,102		
	Payroll & Incentive Comp/Bonus			
8	Hourly	131,208		
9	Salaried	496,824		
10	Total Non union	628,032		
11	Total Northern-NH	2,906,479		
			Payroll	Incentive Comp
12	Total NU-NH Payroll / Compensation	2,881,377		25,102
13	Amount Charged to Capital	1,676,962 2/		15,814 3/
14	Total Test Year O&M Payroll/Compensation	1,204,416		9,288
			Total	
				2,906,479
				1,692,776
				1,213,704

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 1/ From the ADP Payroll Registers for the period ending December 31, 2010.

2/ Capitalization Rate from Workpaper 2, Page 2 58.2%.

3/ Capitalization Rate from Workpaper 2, Page 3 - 63%

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE  
Capitalized Payroll/Compensation 1/  
12 Months Ended December 31, 2010

LINE NO.	DESCRIPTION	HOURLY	NONUNION SALARY	TOTAL
1	Regular Payroll 12 Months Ended 12/31/10 (1)	\$ 126,500	\$ 476,430	\$ 602,930
2	2011 Increase (2)	3,795	14,293	18,088
3	Proformed Payroll for 2011 Increase	130,295	490,723	621,018
4	Capitalized at 58.2% (3)	75,832	285,601	361,432
5	Regular Payroll to O&M	54,463	205,122	259,585
6	Incentive Comp 12 Months Ended 12/31/10	4,708	20,394	25,102
7	2011 Increase (2)	141	612	753
8	Proformed Incentive Comp for 2011 Increase	4,849	21,006	25,855
9	Capitalized at 63.0% (4)	3,055	13,234	16,289
10	Incentive Comp to O&M	1,794	7,772	9,566
11	Total Payroll/Compensation Proformed for 2011 Rate Increase	135,144	511,728	646,873
12	Amounts Chargeable to Capital (L. 4 + L. 9)	78,887	298,834	377,721
13	O&M Payroll/Compensation Proformed	\$ 56,258	\$ 212,894	\$ 269,152

- 14 (1) See Workpaper 1.  
15 (2) Average Increase of 3% effective January 1, 2011.  
16 (3) See Workpaper 2, page 2.  
17 (4) See Workpaper 2, page 3.

**SALARIES AND WAGES  
SCHEDULE 27  
NU-NEW HAMPSHIRE PERIOD ENDING DECEMBER 2010**

Workpaper Payroll 2  
Page 2 of 3

	12 MONTHS ENDED 12/31/2010	Jobbing Eliminted (1)	Other Payroll Eliminated (2)	% 's	Clearing Accounts Allocated (3)	% 's	Unproductive Time Allocated (4)		Other Payroll (5)	12 MONTHS ENDED 12/31/2010	
<b>OPERATIONS</b>											
PRODUCTION:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
TRANSMISSION:	\$435			0.0%	\$23	0.0%	\$15	0.0%	\$2	\$476	
DISTRIBUTION:	\$821,757			73.9%	\$43,572	73.9%	\$28,983	73.9%	\$4,293	\$898,605	
CUSTOMER ACCOUNTING:	\$110,984			10.0%	\$5,885	10.0%	\$3,914	10.0%	\$580	\$121,363	
CUSTOMER SERVICE:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
SALES EXPENSE:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
ADMIN & GENERAL:	\$24,930			2.2%	\$1,322	2.2%	\$879	2.2%	\$130	\$27,261	
TOTAL GAS OPERATIONS:	\$958,106				\$50,802		\$33,792		\$5,005	\$1,047,705	
<b>MAINTENANCE</b>											
PRODUCTION:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
TRANSMISSION:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
DISTRIBUTION:	\$153,691			13.8%	\$8,149	13.8%	\$5,421	13.8%	\$803	\$168,064	
ADMIN & GENERAL:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
TOTAL GAS MAINTENANCE:	\$153,691				\$8,149		\$5,421		\$803	\$168,064	
<b>TOTAL OPER &amp; MAIN</b>											
PRODUCTION:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
TRANSMISSION:	\$435			0.0%	\$23	0.0%	\$15	0.0%	\$2	\$476	
DISTRIBUTION:	\$975,449			87.7%	\$51,721	87.7%	\$34,404	87.7%	\$5,096	\$1,066,669	
CUSTOMER ACCOUNTING:	\$110,984			10.0%	\$5,885	10.0%	\$3,914	10.0%	\$580	\$121,363	
CUSTOMER SERVICE:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
SALES EXPENSE:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
ADMIN & GENERAL:	\$24,930			2.2%	\$1,322	2.2%	\$879	2.2%	\$130	\$27,261	
TOTAL OPER & MAINT	\$1,111,798			39.0%	\$58,951	30.0%	\$39,212		\$5,808	\$1,215,769	41.8%
<b>CONSTRUCTIONS</b>											
DIRECT PAYROLL:	\$318,267			36.8%	\$33,960	36.8%	\$33,699	36.8%	\$236,506	\$622,432	
CONST OVERHEADS:	\$544,160			63.0%	\$58,064	63.0%	\$57,617	63.0%	\$404,369	\$1,064,209	
WTRHT OVERHEADS:	\$0			0.0%	\$0	0.0%	\$0	0.0%	\$0	\$0	
COST OF REMOVAL:	\$1,698			0.2%	\$181	0.2%	\$180	0.2%	\$1,262	\$3,320	
TOTAL CONSTRUCTION:	\$864,124			61.0%	\$92,205	70.0%	\$91,496		\$642,137	\$1,689,962	58.2%
<b>TOTAL OPER &amp; MAINT AND CONSTRUCTION</b>	\$1,975,922				\$151,156		\$130,708		\$647,945	\$2,905,730	
<b>OTHE PAYROLL</b>											
JOBBING:	\$1,212	(\$1,212)								\$0	
TEMPORARY SERVICES:	\$0									\$0	
CLEARING ACCOUNTS:	\$151,156				(\$151,156)					\$0	
UNPROD TIME -DR:	\$130,708						(\$130,708.20)			\$0	
OTHER PAYROLL:	\$728,977		(\$81,032)						(\$647,945)	\$0	
<b>TOTAL OTHER PAYROLL:</b>	\$1,012,053	(\$1,212)	(\$81,032)		(\$151,156)		(\$130,708)		(\$647,945)	\$0	
<b>SCHEDULE 27 GRAND TOTALS :</b>	\$2,987,975	(\$1,212)	(\$81,032)		\$0		\$0		(\$0)	\$2,905,730	

- (1) Below the line jobbing payroll eliminated
- (2) Incentive Compensation being adjusted separately from Payroll Adjustment related to payroll rate increases; also includes employee benefits run through payroll.
- (3) Consists of Vehicle Clearing and Storeroom Clearing Accounts  
Vehicle Clearing capitalization rate at 35.7%  
Storeroom Clearing capitalization rate at 86.3% 61.0%
- (4) Allocated between Capital and Total O&M at 70% and 30%, respectively
- (5) See workpaper 2, page 3.

NORTHERN UTILITIES - NEW HAMPSHIRE DIVISION  
CAPITALIZED INCENTIVE COMPENSATION  
12 MONTHS ENDED DECEMBER 31, 2010

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
1	Actual Incentive Compensation Paid in 2010	\$ 25,102
2	2010 Capitalization Rate	63%
3	Amounts Chargeable to Capital (Line 1 * Line 2)	<u>\$ 15,814</u>

Workpaper Payroll 3

NORTHERN UTILITIES, INC.  
PAYROLL ADJUSTMENT  
12 MONTHS ENDED DECEMBER 31, 2010

NORTHERN-NH UNION PAYROLL

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>TOTAL</u>
1	YTD Earnings - June 5, 2010 (1)	<u>\$ 988,424</u>

Footnote:

2 (1) From the ADP Payroll Registers.

NORTHERN UTILITIES, INC.  
 CAPITALIZATION BREAKDOWN FOR UTIL SERVICE CHARGE  
 12 MONTHS ENDED DECEMBER 31, 2010

USC CAPITALIZATION BREAKDOWN DETAIL FOR 01/10 TO 12/10

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Total
NU-Labor Capitalization	\$ 126,989	\$ 110,827	\$ 123,968	\$ 130,882	\$ 127,105	\$ 123,194	\$ 124,700	\$ 122,318	\$ 181,970	\$ 123,237	\$ 121,467	\$ 134,300	\$ 1,530,968
NU-Ovhd Capitalization	120,640	110,827	123,968	117,794	120,750	110,874	112,230	116,202	153,524	117,075	109,320	127,467	1,440,671
Total Capitalization	\$ 247,629	\$ 221,653	\$ 247,937	\$ 248,675	\$ 247,855	\$ 234,068	\$ 236,931	\$ 238,520	\$ 315,603	\$ 240,311	\$ 230,788	\$ 261,768	\$ 2,971,638
													Per Labor & OH Report: 2,971,638
													Variance: (0)

	2010	Maine	New Hampshire	
NU-O&M	\$ 4,203,842			
NU-Labor Capitalization	1,530,968	2,076,934	2,126,009	New Source: USC Labor by Account, net of cap
NU-Total Labor	\$ 5,734,808	2,871,690	2,853,119	New Source: USC Labor by Account
NU - Total Labor Capitalized	26.70%			
NU-Ovhd Capitalization	\$ 1,440,671			
NU-Total Ovhd	\$ 5,397,489			
NU - Total Overheads Capitalized	26.69%			
NU - Total Labor & Overhead Capitalized	26.69%			

Note: Revenue-based Weather Normalized O&M Allocators for 2010: ME: 49.72% and NH 50.28%

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE DIVISION  
MEDICAL AND DENTAL INSURANCE - UNITIL SERVICE CORP  
FOR THE 12 MONTHS ENDED DECEMBER 31, 2010, PROFORMED

Line No.	Coverage	Employee Census 1/		2011 Rates			Costs		
		Medical	Dental	Medical 2/	Dental 3/	Medical	Dental	Total	
1	Individual	59	59	\$511.43	\$46.20	\$30,174	\$2,726	\$32,900	
2	Two Person	43	56	\$914.62	\$89.09	39,329	4,989	44,318	
3	Family	76	87	\$1,257.33	\$160.12	95,557	13,930	109,488	
4		<u>178</u>	<u>202</u>			<u>165,060</u>	<u>21,645</u>	<u>186,705</u>	
5	Annual Cost based on Employee Enrollments at December 31, 2010					1,980,721	259,743	2,240,465	
6	Average Annual Cost per Employee					11,128	1,286		
7	Additional Enrollments for Open Positions 4/					13	13		
8	Annual Cost for Additional Enrollments					144,659	16,716	161,376	
9	Total Medical and Dental Cost					2,125,381	276,460	2,401,840	
10	Employee Contribution 5/					<u>(425,076)</u>	<u>(55,292)</u>	<u>(480,368)</u>	
11	Net Cost					1,700,305	221,168	1,921,472	
12	Plus: Company Contribution to HSA					159,163	0	159,163	
13	Payments to Employees to Opt out					76,990	0	76,990	
14	Total HSA and Opt out Payments					<u>236,153</u>	<u>0</u>	<u>236,153</u>	
15	Total Proformed 2011 Medical and Dental Annual Cost					1,936,458	221,168	2,157,625	
16	USC Billing to Northern at 34.35%					665,173	75,971	741,144	
17	Less amount chargeable to Capital at 26.7%							<u>(197,886)</u>	
18	Total 2011 Proformed Medical and Dental Insurance O&M Expense							543,259	
19	Amount Allocated to the New Hampshire Division at 50.28%							273,150	
20	Less Test Year O&M Expense							<u>280,155</u>	
21	Test Year Medical and Dental Insurance O&M Adjustmen							<u><u>(\$7,005)</u></u>	

1/ Insurance enrollments as of December 31, 2010.  
2/ Weighted average rates based on Anthem BCBS monthly premiums effective January 1, 2011 and Health Plans, Inc. monthly premiums, effective March 1, 2011.  
3/ Northeast Delta Dental monthly premiums effective January 1, 2011.  
4/ Based on approved positions as of December 31, 2010.  
5/ Employee Contributions: 20%

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**Pension Expense**  
**2010 Test Year**

<u>Line No.</u>	<u>Description</u>	<u>Total</u>	<u>Reference</u>
A1	USC Labor & Overhead Charged	33.52%	
A2	NU-NH Division O&M Allocation Factor	50.28%	
A3	NU-NH capitalization Rates	32.50%	
A4	USC Labor & Overhead construction	27.80%	
A5	Total USC Pension Expense	\$ 2,066,937	Per Actuary
<b>I. Calculation of Pension Expense, net of amounts chargeable to construction</b>			
<b>I.a NU-NH Pension Expense, net:</b>			
1	2010 NU-NH Pension Expense	\$ 309,973	Per Actuary
2	Less: Amounts chargeable to construction	(100,741)	L.1 * 2010 rate = A3 above
3	Total NU-NH Pension Expense, net	<u>\$ 209,232</u>	L.1 - L.2
<b>I.b Unitil Service Pension Expense allocated to NU-NH, net:</b>			
4	2010 Unitil Service Pension Expense	\$ 348,359	A5 above * A1 above * A2 above
5	Less: Amounts chargeable to construction	(96,844)	L. 4 * 2010 rate = A4 above
6	Total Unitil Service Pension Expense allocated to NU-NH, net	<u>\$ 251,515</u>	L.4 - L.5
7	<b>Total 2010 NU-NH Pension Expense</b>	<u><u>\$ 460,747</u></u>	L.3 + L.6

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**PBOP Expense**  
**2010 Test Year**

<u>Line No.</u>	<u>Description</u>	<u>Total</u>	<u>Reference</u>
A1	USC Labor & Overhead Charged	33.52%	
A2	NU-NH Division O&M Allocation Factor	50.28%	
A3	NU-NH capitalization Rates	32.50%	
A4	USC Labor & Overhead construction	27.80%	
A5	Total USC PBOP Expense	\$ 1,150,706	Per Actuary
<b>I. Calculation of PBOP Expense, net of amounts chargeable to construction</b>			
<b>I.a NU-NH PBOP Expense, net:</b>			
1	2010 NU-NH PBOP Expense	\$ 275,580	Per Actuary
2	Less: Amounts chargeable to construction	(89,564)	L.1 * 2010 rate = A3 above
3	NU-NH PBOP Expense, net	<u>\$ 186,017</u>	L.1 - L.2
<b>I.b Unitil Service PBOP Expense allocated to NU-NH, net:</b>			
4	2010 Unitil Service PBOP Expense	193,938	A5 above * A1 above * A2 above
5	Less: Amounts chargeable to construction	(53,915)	L. 4 * 2010 rate = A4 above
6	Unitil Service PBOP Expense Allocated to NU-NH, net	<u>\$ 140,023</u>	L.4 - L.5
7	<b>Total 2010 NU-NH PBOP Expense</b>	<u><u>\$ 326,040</u></u>	L.3 + L.6

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**401K Expense**  
**2010 Test Year**

Line No.	Description	Total	Reference
A1	USC Labor & Overhead Charged	33.52%	
A2	NU-NH Division O&M Allocation Factor	50.28%	
A3	NU-NH capitalization Rates	32.50%	
A4	USC Labor & Overhead construction	27.80%	
A5	Total USC 401k Expense	\$ 619,606	2010 USC Expense
<b>I. Calculation of 401k Expense, net of amounts chargeable to construction</b>			
<b>I.a Northern 401k Expense, net:</b>			
1	2010 Northern 401k Expense	\$ 50,076	2010 Northern expense from ledger
2	Less: Amounts chargeable to construction	(16,275)	L.1 * 2010 rate = A3 above
3	Northern 401k Expense, net	<u>\$ 33,801</u>	L.1 - L.2
<b>I.b Unitil Service 401k Expense allocated to Northern, net:</b>			
4	2010 Unitil Service 401k Expense	104,427	A5 above * A1 above * A2 above
5	Less: Amounts chargeable to construction	(29,031)	L. 4 * 2010 rate = A4 above
6	Unitil Service 401k Expense Allocated to Northern, net	<u>\$ 75,397</u>	L.4 - L.5
7	<b>Total 2010 Northern 401k Expense</b>	<u><u>\$ 109,198</u></u>	L.3 + L.6

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**Pension Expense**  
**2011 - Actuarial Calculation**

Line No.	Description	Total	Reference
A1	USC Labor & Overhead Charged	34.35%	
A2	NU-NH Division O&M Allocation Factor	50.24%	
A3	NU-NH capitalization Rates	31.80%	
A4	USC Labor & Overhead construction	26.69%	
A5	Total USC Pension Expense	\$ 2,318,010	Estimate per Actuary
<b>I. Calculation of Pension Expense Estimate, net of amounts chargeable to construction</b>			
<b>I.a NU-NH Pension Expense Estimate, net:</b>			
1	2011 NU-NH Pension Expense Estimate	\$ 258,732	Estimate per Actuary
2	Less: Amounts chargeable to construction	(82,277)	L.1 * 2011 rate = A3 above
3	Total NU-NH Pension Expense Estimate, net	<u>\$ 176,455</u>	L.1 - L.2
<b>I.b Unitil Service Pension Expense Estimate allocated to NU-NH, net:</b>			
4	2011 Unitil Service Pension Expense Estimate	400,029	A5 above * A1 above * A2 above
5	Less: Amounts chargeable to construction	(106,768)	L. 4 * 2011 rate = A4 above
6	Total Unitil Service Pension Expense Estimate allocated to NU-NH, net	<u>\$ 293,261</u>	L.4 - L.5
7	<b>Total 2011 NU-NH Pension Expense Estimate, Pro-Formed</b>	<u><u>\$ 469,717</u></u>	L.3 + L.6

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**PBOP Expense**  
**2011 - Actuarial Calculation**

Line No.	Description	Total	Reference
A1	USC Labor & Overhead Charged	34.35%	
A2	NU-NH Division O&M Allocation Factor	50.24%	
A3	NU-NH capitalization Rates	31.80%	
A4	USC Labor & Overhead construction	26.69%	
A5	Total USC PBOP Expense	\$ 1,400,490	Estimate per Actuary
<b>I. Calculation of PBOP Expense Estimate, net of amounts chargeable to construction</b>			
<b>I.a NU-NH PBOP Expense Estimate, net:</b>			
1	2011 NU-NH PBOP Expense Estimate	\$ 627,762	Estimate per Actuary
2	Less: Amounts chargeable to construction	(199,628)	L.1 * 2011 rate = A3 above
3	NU-NH PBOP Expense Estimate, net	<u>\$ 428,134</u>	L.1 - L.2
<b>I.b Unutil Service PBOP Expense Estimate allocated to NU-NH, net:</b>			
4	2011 Unutil Service PBOP Expense Estimate	241,689	A5 above * A1 above * A2 above
5	Less: Amounts chargeable to construction	(64,507)	L. 4 * 2011 rate = A4 above
6	Unutil Service PBOP Expense Estimate Allocated to NU-NH, net	<u>\$ 177,182</u>	L.4 - L.5
7	<b>Total 2011 NU-NH PBOP Expense Estimate, Pro-Formed</b>	<u><u>\$ 605,316</u></u>	L.3 + L.6

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**401K Expense**  
**2011 Proformed**

Line No.	Description	Total	Reference
A1	USC Labor & Overhead Charged	34.35%	
A2	NU-NH Division O&M Allocation Factor	50.24%	
A3	NU-NH capitalization Rates	31.80%	
A4	USC Labor & Overhead construction	26.69%	
A5	Total USC 401k Expense	\$ 638,194	2011 USC Expense Estimate *
<b>I. Calculation of 401k Expense, net of amounts chargeable to construction</b>			
<b>I.a Northern 401k Expense, net:</b>			
1	2011 Northern 401k Expense	\$ 52,194	2011 Northern expense estimate *
2	Less: Amounts chargeable to construction	(16,598)	L.1 * 2010 rate = A2 above
3	Northern 401k Expense, net	<u>\$ 35,597</u>	L.1 - L.2
<b>I.b Unutil Service 401k Expense allocated to Northern, net:</b>			
4	2011 Unutil Service 401k Expense	110,136	A4 above * A1 above
5	Less: Amounts chargeable to construction	(29,395)	L. 4 * 2010 rate = A3 above
6	Unutil Service 401k Expense Allocated to Northern, net	<u>\$ 80,741</u>	L.4 - L.5
7	<b>Total 2011 Northern 401k Expense</b>	<u><u>\$ 116,337</u></u>	L.3 + L.6
*	2010 401K Expense x 2011 payroll percentage of increase		
	Unutil Service Corp	3.00%	Avg Increase
	Northern - NH - average increase (Union & NonUnion)	4.23%	Weighted Avg Increase Union/NonUnion

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**Pension Expense, Pro-Forma Adjustment**  
**2010 Test Year**

<u>Line No.</u>	<u>Description</u>	<u>Total</u>	<u>Reference</u>
	<b>I. Calculation of Pension Expense, Pro-Forma Adjustment</b>		
1	2011 Forecast Pension Expense	\$ 469,717	WP P-P, Pg.4, L. 7
2	Less: Test Year Pension Expense	460,747	WP P-P, Pg.1, L. 7
3	<b>Test Year Pension Expense, Pro-Forma Adjustment</b>	<u>\$ 8,970</u>	L.1 - L.2

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**PBOP Expense, Pro-Forma Adjustment**  
**2010 Test Year**

<u>Line No.</u>	<u>Description</u>	<u>Total</u>	<u>Reference</u>
	<b>I. Calculation of PBOP Expense, Pro-Forma Adjustment</b>		
1	2011 Forecast PBOP Expense	\$ 605,316	WP P-P, Pg.5, L. 7
2	Less: Test Year PBOP Expense	326,040	WP P-P, Pg.2, L. 7
3	<b>Test Year PBOP Expense, Pro-Forma Adjustment</b>	<u>\$ 279,276</u>	L.1 - L.2

**NORTHERN UTILITIES, INC. - NEW HAMPSHIRE**  
**401K Expense, Pro-Forma Adjustment**  
**2010 Test Year**

<u>Line No.</u>	<u>Description</u>	<u>Total</u>	<u>Reference</u>
	<b>I. Calculation of PBOP Expense, Pro-Forma Adjustment</b>		
1	2011 Forecast 401k Expense	\$ 116,337	WP P-P, Pg.6, L. 7
2	Less: Test Year 401k Expense	109,198	WP P-P, Pg.3, L. 7
3	<b>Test Year 401k Expense, Pro-Forma Adjustment</b>	<u>\$ 7,139</u>	L.1 - L.2

**Northern Utilities, Inc. - New Hampshire Division  
401k Adjustment  
2011 Weighted Average Pay Increase**

	<u>2010 Annualized Payroll</u>	<u>2011 Average Pay Increase *</u>	<u>Weighted Average Increase</u>
Nonunion	\$ 628,032	3.00%	0.64%
Union	2,310,967	4.56%	3.59%
<b>Total</b>	<u>\$ 2,938,999</u>		<u><b>4.23%</b></u>

\* 2011 payroll percentage of increase from SCH RR 3-4, P.1

## Casualty & Property Insurance

Workpaper Ins 1

		CASUALTY											PROPERTY							
		AL (prem)	RiskTrak (fee)	NH-WC (prem)	MA-WC (prem)	ME-WC (prem)	PA-WC (prem)	NY-WC (prem)	XL (prem)	XL (brkr)	FL (prem)	D&O (prem)	D&O (brkr)	CASUALTY TOTAL	ARP (prem)	CRIME (prem)	K&E (prem)	TRANSIT (prem)	TOTAL PROP	TOTAL
NU - NH	2010a	25,801		69,206					119,568	3,335	2,791	37,632	2,610	260,943	13,921	1,034	205		15,160	276,104
	2011a	23,850	1,146	87,329					126,085	3,349				241,759			-		0	241,759
USC	2010a	4,047		104,526	640	4,412			64,319	1,794	1,502	20,243	1,404	202,887	5,998	1,559	110		7,667	210,554
	2011a	3,650	1,154	82,530	819	4,635			70,972	1,885				165,646			-		0	165,646

NORTHERN UTILITIES, INC  
PROPERTY AND LIABILITY INSURANCES ADJUSTMENT WORKPAPER  
12 MONTHS ENDED DECEMBER 31, 2010

Workpaper Ins 2

LINE NO.	DESCRIPTION	AMOUNT
1	Current Coverage Periods	
2	Property:	
3	All Risk	\$ 13,921
4	Crime	1,034
5	K&E	205
6	Total Property	<u>15,160</u>
7	Less amount chargeable to Capital (1)	<u>6,641</u>
8	Total Property to O&M Expense	8,520
9	Liability:	
10	Workers' Compensation	87,329
11	Excess	129,435
12	Automobile	23,850
13	Directors and Officers	40,242
14	Fiduciary	2,791
15	Risk Track	1,146
16	Total Liability	<u>284,792</u>
17	Less amount chargeable to Capital (2)	<u>93,343</u>
18	Total Liability to O&M Expense	191,449
19	Total Property & Liability Insurances to O&M Expense	199,969
20	Less Test Year O&M Expense	<u>177,806</u>
21	O&M Property and Liability Insurance Increase	<u>\$ 22,162</u>

Notes

- 22 (1) All risk is capitalized at 39.43% (See Workpaper W Ins 3)  
All other Property Insurance is capitalized at 98.71% (see Workpaper W Ins 4)
- 23 (2) All except Auto Liability capitalized at 32.5% (See Workpaper W Ins 5)  
Auto Liability at 35.7% (See Workpaper W Ins 6)



Northern Utilities, Inc.  
Year Ended December 31, 2010

Workpaper Ins 4

Northern NH			
<u>(b) DETERMINATION OF SERVICE CENTER PROPERTY INSURANCE:</u>			
BUDGETED ALL RISK PROPERTY INSURANCE			26,592
RATIO OF SERVICE CENTER TO TOTAL PROPERTY			98.71%
TOTAL SERVICE CENTER PROPERTY INSURANCE			26,250
	<u>SCH31B BAL. 12/31/2008</u>		(d)
	SERVICE	ALL	projected
	CENTER	STRUCTURE	DEPR. EXPENSE
GAS STRUCTURES - DIST. ACCT. 375.20	-	45,256	-
STRUCTURES-OTHER DIST SYS 375.70	2,286,938	2,286,938	60,147
GENERAL PLANT - (TOTAL LESS COMMUN. EQ) (ACCT. 391,393,394,395,398)	1,182,291	1,182,291	-
TOTAL COST	<u>3,469,229</u>	<u>3,514,485</u>	<u>60,147</u>

Northern Utilities, Inc.  
**CAPITALIZATION RATIOS**  
**2010 BUDGET**

Workpaper Ins 5

**FOR COMPUTATION OF PAYROLL BENEFIT RELATED OVERHEADS**

BASIS FOR ALLOCATION:

DESCRIPTION	Budget Budget Ave	<i>Budget Budget RATIO</i>	2009 EST RATIO	Actual CURRENT RATIO	Actual CURRENT RATIO
<b>NU NH</b>					
CONSTRUCTION PAYROLL:					
INDIRECT	0.217		0.144		
DIRECT PAYROLL & COST OF REM.	0.108		0.072		
TOTAL CONSTRUCTION PAYROLL	0.325	<b>0.325</b>	0.379	0.216	0.384
OTHER PAYROLL:					
TOTAL PAYROLL	<u>1.000</u>	<u>0.621</u>	<u>0.784</u>	<u>0.625</u>	<u>0.616</u>
	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>	<u>1.000</u>

Vehicle Clearing Account  
 Total Charges & Total Clearings to Expense & Capital  
 Twelve months ended 12/31/10

Workpaper Ins 6

Total Clearings from Clearing Account:

	NU NH		Total GL	Total Sch 12	Variance
	Expense	Capital			
Jan-10	48,343.40	26,180.30	74,523.70	74,523.70	-
Feb-10	34,451.20	17,250.20	51,701.40	51,701.40	-
Mar-10	39,120.90	20,000.10	59,121.00	59,121.00	-
Apr-10	50,718.40	27,589.60	78,308.00	78,308.00	-
May-10	51,073.60	39,554.40	90,628.00	90,628.00	-
Jun-10	40,844.00	24,407.20	65,251.20	65,251.20	-
Jul-10	47,817.00	22,280.90	70,097.90	70,097.90	-
Aug-10	40,971.80	19,503.90	60,475.70	60,475.70	-
Sep-10	38,844.70	17,587.50	56,432.20	56,432.20	-
Oct-10	33,348.00	19,124.00	52,472.00	52,472.00	-
Nov-10	26,323.50	17,927.00	44,250.50	44,250.50	-
Dec-10	-	-	-	-	-
	<u>451,856.50</u>	<u>251,405.10</u>	<u>703,261.60</u>	<u>703,261.60</u>	<u>-</u>

Capitalization Rate 35.7%

Weighted Capital Clearing %  
35.7%

Vehicle Clearing Account  
 Auto Liability Insurance  
 Twelve months ended 12/31/10

Auto Liability Insurance Payments into Clearing Account: (1)

Jan-10	6,503
Feb-10	2,164
Mar-10	2,650
Apr-10	2,164
May-10	
Jun-10	2,164
Jul-10	
Aug-10	
Sep-10	
Oct-10	8,215
Nov-10	2,241
Dec-10	
Total	<u>26,101</u>

(1) Payments during test year were for 2010 coverage year 10/1/09-9/30/10.  
 and 2011 coverage 10/1/10-9/30/11

Auto Liability Insurance Expense through Clearing Account

	NU
	26,101
Cap. Rates	35.7%
Cap. Amount	9,331
O&M Amount	<u>16,771</u>

NORTHERN UTILITIES, INC.  
 CAPITALIZATION BREAKDOWN FOR UNITIL SERVICE CHARGES  
 12 MONTHS ENDED DECEMBER 31, 2010

Workpaper Ins 7

USC CAPITALIZATION BREAKDOWN DETAIL FOR 01/10 TO 12/10

	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Nov-10	Dec-10	Total
NU-Labor Capitalization	\$ 126,989	\$ 110,827	\$ 123,968	\$ 130,882	\$ 127,105	\$ 123,194	\$ 124,700	\$ 122,318	\$ 161,979	\$ 123,237	\$ 121,467	\$ 134,300	\$ 1,530,966
NU-Ovhds Capitalization	120,640	110,827	123,968	117,794	120,750	110,874	112,230	116,202	153,524	117,075	109,320	127,467	1,440,671
<b>Total Capitalization</b>	<b>\$ 247,629</b>	<b>\$ 221,653</b>	<b>\$ 247,937</b>	<b>\$ 248,675</b>	<b>\$ 247,855</b>	<b>\$ 234,068</b>	<b>\$ 236,931</b>	<b>\$ 238,520</b>	<b>\$ 315,503</b>	<b>\$ 240,311</b>	<b>\$ 230,788</b>	<b>\$ 261,766</b>	<b>\$ 2,971,636</b>

Per Labor & OH Report: 2,971,636  
 Variance: (0)

**Labor Summary**

UES	5,424,364	
FGE	4,887,805	
NU	5,734,808	34.35% Labor %
GSG	517,797	
URI	21,986	
URC	76,835	
Corp	2,356	
Usource	29,249	
<b>Total</b>	<b>16,695,200</b>	

	<b>2010</b>
NU-O&M	\$ 4,203,842
NU-Labor Capitalization	1,530,966
NU-Total Labor	\$ 5,734,808

**NU - Total Labor Capitalized** 26.70%

**Overhead Summary**

UES	5,113,237	
FGE	4,597,356	
NU	5,397,489	34.34% OH %
GSG	487,347	
URI	20,869	
URC	72,104	
Corp	2,215	
Usource	27,474	
<b>Total</b>	<b>15,718,091</b>	

NU-Ovhds Capitalization	\$ 1,440,671
NU-Total Ovhds	\$ 5,397,489

**NU - Total Overheads Capitalized** 26.69%

**Labor & Overhead**

UES	10,537,601	
FGE	9,485,161	
NU	11,132,297	34.35% Labor & OH %
GSG	1,005,144	
URI	42,855	
URC	148,939	
Corp	4,571	
Usource	56,723	
<b>Total</b>	<b>32,413,291</b>	

UNITIL SERVICE CORP.  
PROPERTY & LIABILITY INSURANCE TEST YEAR COSTS  
12 MONTHS ENDED DECEMBER 31, 2010

Workpaper Ins 8

<u>Northern Utilities New Hampshire Apportionment</u>	<u>Total Test Year</u>		
12 30 08 00 924 01 00	PROPERTY INSURANCE	\$ 4,160	
12 30 08 00 925 01 00	INJURIES & DAMAGES	<u>95,928</u>	
	Total	\$ 100,087	
	NU Apportionment	<u>34.35%</u>	
	NU Amount	34,380	
	NU NH Apportionment	<u>50.28%</u>	
	NU NH Amount	17,286	
	Capitalization Rate	<u>26.70%</u>	
	Capitalization Amount	\$ 4,615	
	O&M Expense Amount	<u><u>\$ 12,672</u></u>	

**Northern Utilities**  
**Development of Net Revenue Allocator**  
**12 Months Ended December 31, 2009**

Workpaper Ins 9

**Development of 2009 Net Revenue Allocator:**

	NH	ME	Total
<b>Revenues</b>			
<i>Source:</i>			
Customer Charge	\$ 4,353,982	\$ 2,552,706	\$ 6,906,688
Consumption Charge	13,287,465	14,552,148	27,839,613
Unbilled Base Distribution Revenue	751,595	917,378	1,668,973
Sundry Base Distribution Revenue	984,945	522,841	1,507,786
Less: Water Heater, CB Rental; Equip Prote	384,706	-	384,706
<b>Base Revenue</b>	<b>18,993,281</b>	<b>18,545,072</b>	<b>37,538,353</b>
Weather Normalization Adjustment	(118,455)	122,464	4,009
<b>Net Base Distribution Revenue</b>	<b>\$ 18,874,826</b>	<b>\$ 18,667,537</b>	<b>\$ 37,542,362</b>
<b>Net Revenue Allocator</b>	<b>50.28%</b>	<b>49.72%</b>	<b>100.00%</b>

2009 Dec F-1

	Month NH	Month Maine	Month Total	Period NH	Period Maine	Period Total
Distribution Beginning Balance				\$575,000.00	\$975,000.00	\$1,550,000.00
Balance Beginning of Year (144.00.00)				575,000.00	975,000.00	1,550,000.00
Add - Allowance for Doubtful Accts:						
Allow for Doubtful Accts - (144.01)	71,305.46	345,971.88	417,277.34	110,801.98	347,964.39	458,766.37
Allow for Doubtful Accts - CEA (144.07)						
ME Sales Tax Dist (144.12)	0.00	(7.74)	(7.74)	0.00	(1,162.00)	(1,162.00)
Subtotal	71,305.46	345,964.14	417,269.60	110,801.98	346,802.39	457,604.37
Total Allowance for Doubtful Accounts	71,305.46	345,964.14	417,269.60	110,801.98	346,802.39	457,604.37
Less - Accounts Written Off:						
NU Converted Write Offs - Distribution (00.144.00.XX)						
NH R5 & ME R2	10,108.37	198.43	10,306.80	174,040.04	198.43	174,238.47
NH R6 & ME R1	0.00	23,855.28	23,855.28	0.00	253,106.10	253,106.10
G52	0.00	0.00	0.00	0.00	15,634.74	15,634.74
Total NU Converted Write Offs - Dist	10,108.37	24,053.71	34,162.07	174,040.04	268,939.28	442,979.32
NU Converted Write Offs - Non Distribution (00.144.04.XX)	24,965.77	64,055.10	89,020.88	429,846.28	716,186.27	1,146,032.56
NU Distribution Write Offs - Summer (02.144.02.XX)						
NH R5 & ME R2	2,547.82	2,043.28	4,591.10	6,960.17	2,212.88	9,173.05
NH R6 & ME R2	285.68	1,355.47	1,641.15	634.73	1,401.78	2,036.51
R10	168.59	0.00	168.59	567.54	0.00	567.54
G40	431.81	864.66	1,296.47	967.82	884.00	1,851.82
G50	105.63	201.25	306.88	398.57	216.03	615.60
G41	106.53	27.22	133.75	445.35	140.95	586.30
G51	0.00	0.00	0.00	0.00	51.33	51.33
G52	0.00	0.00	0.00	0.00	2,928.48	2,928.48
Total NU Distribution Write Offs - Summer Period	3,646.06	4,491.88	8,137.94	9,975.18	7,835.45	17,810.63
NU Distribution Write Offs - No Season (03.144.02.XX)						
Non Rate Class Specific	511.56	354.95	866.51	2,194.17	600.76	2,794.93
Total NU Distribution Write Offs - No Season	511.56	354.95	866.51	2,194.17	600.76	2,794.93
NU Distribution Write Offs - Winter (01.144.02.XX)						
NH R5 & ME R2	15.51	4.04	19.55	56.99	4.04	61.03
NH R6 & ME R1	2.10	3.48	5.58	2.10	3.48	5.58
G40	0.00	3.94	3.94	0.00	3.94	3.94
G50	0.00	4.57	4.57	0.00	4.57	4.57
Total NU Distribution Write Offs - Winter Period	17.61	16.03	33.64	59.09	16.03	75.12
NU Distribution Write Offs - Total						
NH R5 & ME R2	2,563.33	2,047.32	4,610.65	7,017.16	2,216.92	9,234.08
NH R6 & ME R2	287.78	1,358.95	1,646.73	636.83	1,405.26	2,042.09
R10	168.59	0.00	168.59	567.54	0.00	567.54
G40	431.81	868.60	1,300.41	967.82	887.94	1,855.76
G50	105.63	205.82	311.45	398.57	220.60	620.17
G41	106.53	27.22	133.75	445.35	140.95	586.30
G51	0.00	0.00	0.00	0.00	51.33	51.33
G52	0.00	0.00	0.00	0.00	2,928.48	2,928.48
Non Rate Class Specific	511.56	354.95	866.51	2,194.17	600.76	2,794.93
Total NU Distribution Write Offs - Total	4,175.23	4,862.86	9,038.09	12,228.44	8,452.24	20,680.68

	Month NH	Month Maine	Month Total	Period NH	Period Maine	Period Total
NU Non-Distribution Write Offs - Summer (02.144.04.XX)						
NH R5 & ME R2	1,608.61	1,269.13	2,877.74	4,393.85	1,461.28	5,855.13
NH R6 & ME R1	161.36	585.32	746.68	291.61	603.67	895.28
R10	312.35	0.00	312.35	1,072.90	0.00	1,072.90
G40	240.48	201.81	442.29	721.95	229.03	950.98
G50	68.70	134.68	203.38	322.43	139.74	462.17
G41	0.00	14.90	14.90	1,222.03	14.90	1,236.93
G52	0.00	0.00	0.00	0.00	20,948.18	20,948.18
Total NU Non-Distribution Write Offs - Summer Period	2,391.50	2,205.84	4,597.34	8,024.77	23,396.80	31,421.57
NU Non-Distribution Write Offs - Winter (01.144.04.XX)						
NH R5 & ME R2	25.79	2.51	28.30	81.75	2.51	84.26
NH R6 & ME R1	1.03	2.72	3.75	1.03	2.72	3.75
R10	0.22	0.00	0.22	0.22	0.00	0.22
G40	0.00	2.70	2.70	0.00	2.70	2.70
G50	0.00	4.11	4.11	0.00	4.11	4.11
Total NU Non-Distribution Write Offs - Winter Period	27.04	12.04	39.08	83.00	12.04	95.04
NU Non-Distribution Write Offs - Total						
NH R5 & ME R2	1,634.40	1,271.64	2,906.04	4,475.60	1,463.79	5,939.39
NH R6 & ME R1	162.39	588.04	750.43	292.64	606.39	899.03
R10	312.57	0.00	312.57	1,073.12	0.00	1,073.12
G40	240.48	204.51	444.99	721.95	231.73	953.68
G50	68.70	138.79	207.49	322.43	143.85	466.28
G41	0.00	14.90	14.90	1,222.03	14.90	1,236.93
G52	0.00	0.00	0.00	0.00	20,948.18	20,948.18
Total NU Non-Distribution Write Offs - Total	2,418.54	2,217.88	4,636.42	8,107.77	23,408.84	31,516.61
NU Write Offs - Total						
NH R5 & ME R2	39,271.87	4,045.81	43,317.68	615,379.08	4,407.56	619,786.64
NH R6 & ME R1	450.17	89,328.95	89,779.12	929.47	929,140.23	930,069.70
R10	481.16	0.00	481.16	1,640.66	0.00	1,640.66
G40	672.29	1,073.11	1,745.40	1,689.77	1,119.67	2,809.44
G50	174.33	344.61	518.94	722.00	364.45	1,086.45
G41	106.53	42.12	148.65	1,667.38	155.85	1,823.23
G51	0.00	0.00	0.00	0.00	51.33	51.33
G52	0.00	0.00	0.00	0.00	81,146.78	81,146.78
Non Rate Class Specific	511.56	354.95	866.51	2,194.17	600.76	2,794.93
Total Write Offs	41,667.91	95,189.55	136,857.46	624,222.53	1,016,986.63	1,641,209.16
Add - Recoveries:						
Distribution (144.05.00)	10,319.21	6,648.09	16,967.30	39,924.58	44,692.51	84,617.09
Total Recoveries	10,319.21	6,648.09	16,967.30	39,924.58	44,692.51	84,617.09
Net Write Offs	31,348.70	88,541.46	119,890.16	584,297.95	972,294.12	1,556,592.07
Ending Balance (144.XX.XX)				\$101,504.03	\$349,508.27	\$451,012.30
				173,836.39	264,172.54	Distribution
				410,461.56	708,121.58	Non-distribution
				584,297.95	972,294.12	Total
				584,297.95	972,294.12	Check
				584,297.95	972,294.12	Check

**Reassignment of Converted Data - Distribution vs Non distribution:**

Converted write offs as % of total write offs:	96.74%	96.87%
Write offs assigned to non-distr in write offs/recoveries:	71.18%	72.70%
Write offs recovery to all non-distribution:	27,492.49	31,473.53
Write offs recovery to all distribution:	12,432.09	13,218.98
<b>Check for total:</b>	<b>39,924.58</b>	<b>44,692.51</b>

Northern Utilities, Inc.  
 Accumulated Provision for Uncollectible Accounts  
 G\_NU\_8

Workpaper BD 2  
 12/31/2010

	Month NH	Month Maine	Month Total	Period NH	Period Maine	Period Total
Distribution Beginning Balance				\$109,611.80	\$372,917.11	\$482,528.91
Non-Distribution Beginning Balance				(8,107.77)	(23,408.84)	(31,516.61)
Balance Beginning of Year (144.00.00)				101,504.03	349,508.27	451,012.30
Add - Allowance for Doubtful Accts:						
Allow for Doubtful Accts - (144.01)	471.08	(39,040.87)	(38,569.79)	251,032.22	378,601.58	629,633.80
Allow for Doubtful Accts - CGA (144.07)	23,599.21	37,572.77	61,171.98	88,027.88	177,362.17	265,390.05
Allow for Doubtful Accts - CEA (144.07)						
ME Sales Tax Dist (144.12)	0.00	(294.96)	(294.96)	0.00	(2,451.09)	(2,451.09)
Allow for Doubtful Accts - Non Dist Bad Debt (144.00.27)	568.56	66,796.43	67,364.99	245,603.99	496,512.44	742,116.43
Subtotal	24,638.85	65,033.37	89,672.22	584,664.09	1,050,025.10	1,634,689.19
Total Allowance for Doubtful Accounts	24,638.85	65,033.37	89,672.22	584,664.09	1,050,025.10	1,634,689.19
Less - Accounts Written Off:						
NU Converted Write Offs - Distribution (00.144.00.XX)						
NH R5 & ME R2	70.51	0.00	70.51	61,867.86	65.00	61,932.86
NH R6 & ME R1	0.00	3,304.89	3,304.89	0.00	221,819.46	221,819.46
G40	0.00	0.00	0.00	0.00	65.03	65.03
G50	0.00	0.00	0.00	0.00	11.24	11.24
Total NU Converted Write Offs - Dist	71	3,305	3,375	61,868	221,961	283,829
NU Converted Write Offs - Non Distribution (00.144.04.XX)						
NH R5 & ME R2	174.17	0.00	174.17	152,803.56	173.12	152,976.68
NH R6 & ME R1	0.00	8,802.53	8,802.53	0.00	590,748.33	590,748.33
G50	0.00	0.00	0.00	0.00	203.09	203.09
Total NU Converted Write Offs - Non Dist	174	8,803	8,977	152,804	591,125	743,928
NU Distribution Write Offs - Summer (02.144.02.XX)						
NH R5 & ME R2	3,570.11	1,446.57	5,016.68	34,237.77	19,235.55	53,473.32
NH R6 & ME R1	639.89	372.21	1,012.10	3,586.83	8,343.10	11,929.93
R10	220.49	0.00	220.49	2,125.00	0.00	2,125.00
R11	57.20	0.00	57.20	152.04	0.00	152.04
G40	230.97	274.40	505.37	3,409.69	5,477.18	8,886.87
G50	210.30	0.00	210.30	1,836.71	2,341.76	4,178.47
G41	52.26	0.00	52.26	1,625.61	2,394.60	4,020.21
G51	547.83	0.00	547.83	621.99	3,398.08	4,020.07
G52	0.00	0.00	0.00	0.00	2,882.36	2,882.36
Total NU Distribution Write Offs - Summer Period	5,529.05	2,093.18	7,622.23	47,595.64	44,072.63	91,668.27
NU Distribution Write Offs - No Season (03.144.02.XX)						
NH R5 & ME R2	203.10	1,413.65	1,616.75	4,791.87	7,293.24	12,085.11
NH R6 & ME R1	15.70	118.31	134.01	157.14	1,145.45	1,302.59
R10	20.32	0.00	20.32	483.30	0.00	483.30
R11	4.56	0.00	4.56	52.85	0.00	52.85
G40	2.47	149.94	152.41	468.07	744.60	1,212.67
G50	10.83	0.00	10.83	104.11	214.88	318.99
G41	0.00	0.00	0.00	347.29	192.37	539.66
G51	143.17	0.00	143.17	143.17	436.42	579.59
G42	0.00	0.00	0.00	10.45	0.00	10.45
G52	0.00	0.00	0.00	0.00	2,032.93	2,032.93
Non Rate Class Specific	1,223.54	2,343.72	3,567.26	21,322.04	21,404.79	42,726.83
Total NU Distribution Write Offs - No Season	1,623.69	4,025.62	5,649.31	27,880.29	33,464.68	61,344.97
NU Distribution Write Offs - Winter (01.144.02.XX)						
NH R5 & ME R2	1,822.35	6,446.53	8,268.88	83,023.56	33,156.67	116,180.23
NH R6 & ME R1	191.73	894.59	1,086.32	3,887.00	7,598.26	11,485.26
R10	32.95	0.00	32.95	2,805.90	0.00	2,805.90
R11	37.87	0.00	37.87	477.53	0.00	477.53
G40	97.11	1,513.17	1,610.28	10,496.13	7,809.75	18,305.88
G50	0.00	0.00	0.00	1,933.81	2,034.48	3,968.29
G41	0.00	0.00	0.00	9,058.24	1,032.22	10,090.46
G51	476.68	0.00	476.68	1,266.01	956.64	2,222.65
G42	0.00	0.00	0.00	176.24	0.00	176.24
G52	0.00	0.00	0.00	0.00	4,211.25	4,211.25
Total NU Distribution Write Offs - Winter Period	2,658.69	8,854.29	11,512.98	113,124.42	56,799.27	169,923.69
NU Distribution Write Offs - Total						
NH R5 & ME R2	5,595.56	9,306.75	14,902.31	122,053.20	59,685.46	181,738.66
NH R6 & ME R1	847.32	1,385.11	2,232.43	7,630.97	17,086.81	24,717.78
R10	273.76	0.00	273.76	5,414.20	0.00	5,414.20
R11	99.63	0.00	99.63	682.42	0.00	682.42
G40	330.55	1,937.51	2,268.06	14,373.89	14,031.53	28,405.42
G50	221.13	0.00	221.13	3,874.63	4,591.12	8,465.75
G41	52.26	0.00	52.26	11,031.14	3,619.19	14,650.33
G51	1,167.68	0.00	1,167.68	2,031.17	4,791.14	6,822.31
G42	0.00	0.00	0.00	186.69	0.00	186.69
G52	0.00	0.00	0.00	0.00	9,126.54	9,126.54
Non Rate Class Specific	1,223.54	2,343.72	3,567.26	21,322.04	21,404.79	42,726.83
Total NU Distribution Write Offs - Total	9,811.43	14,973.09	24,784.52	188,600.35	134,336.58	322,936.93

Northern Utilities, Inc.  
 Accumulated Provision for Uncollectible Accounts  
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	Month NH	Month Maine	Month Total	Period NH	Period Maine	Period Total
<b>NU Non-Distribution Write Offs - Summer (02.144.04.XX)</b>						
NH R5 & ME R2	2,325.79	2,088.81	4,414.60	26,586.04	23,390.74	49,976.78
NH R6 & ME R1	293.87	269.33	563.20	1,754.82	6,786.07	8,540.89
R10	392.54	0.00	392.54	4,854.44	0.00	4,854.44
R11	51.76	0.00	51.76	114.54	0.00	114.54
G40	45.26	382.45	427.71	2,479.52	4,815.21	7,294.73
G50	379.45	0.00	379.45	2,596.02	2,889.31	5,485.33
G41	0.00	0.00	0.00	4,540.92	6,814.42	11,355.34
G51	0.00	0.00	0.00	0.00	3,731.29	3,731.29
<b>Total NU Non-Distribution Write Offs - Summer Period</b>	<b>3,488.67</b>	<b>2,740.59</b>	<b>6,229.26</b>	<b>42,926.30</b>	<b>48,427.04</b>	<b>91,353.34</b>
<b>NU Non-Distribution Write Offs - Winter (01.144.04.XX)</b>						
NH R5 & ME R2	3,663.76	19,175.53	22,839.29	187,780.81	96,709.71	284,490.52
NH R6 & ME R1	132.20	1,507.42	1,639.62	4,792.96	12,550.25	17,343.21
R10	248.48	0.00	248.48	17,473.40	0.00	17,473.40
R11	73.78	0.00	73.78	1,777.25	0.00	1,777.25
G40	177.44	5,419.19	5,596.63	26,206.53	25,247.94	51,454.47
G50	0.00	0.00	0.00	5,876.82	4,508.87	10,385.69
G41	0.00	0.00	0.00	25,843.99	7,030.56	32,874.55
G51	0.00	0.00	0.00	0.00	3,681.30	3,681.30
G52	0.00	0.00	0.00	0.00	18,943.97	18,943.97
<b>Total NU Non-Distribution Write Offs - Winter Period</b>	<b>4,295.66</b>	<b>26,102.14</b>	<b>30,397.80</b>	<b>269,751.76</b>	<b>168,672.60</b>	<b>438,424.36</b>
<b>NU Non-Distribution Write Offs - Total</b>						
NH R5 & ME R2	5,989.55	21,264.34	27,253.89	214,366.85	120,100.45	334,467.30
NH R6 & ME R1	426.07	1,776.75	2,202.82	6,547.78	19,336.32	25,884.10
R10	641.02	0.00	641.02	22,327.84	0.00	22,327.84
R11	125.54	0.00	125.54	1,891.79	0.00	1,891.79
G40	222.70	5,801.64	6,024.34	28,686.05	30,063.15	58,749.20
G50	379.45	0.00	379.45	8,472.84	7,399.18	15,871.02
G41	0.00	0.00	0.00	30,384.91	13,844.98	44,229.89
G51	0.00	0.00	0.00	0.00	7,412.59	7,412.59
G52	0.00	0.00	0.00	0.00	18,943.97	18,943.97
<b>Total NU Non-Distribution Write Offs - Total</b>	<b>7,784.33</b>	<b>28,842.73</b>	<b>36,627.06</b>	<b>312,678.06</b>	<b>217,099.64</b>	<b>529,777.70</b>
<b>NU Write Offs - Total</b>						
NH R5 & ME R2	11,829.79	30,571.09	42,400.88	551,091.47	180,024.03	731,115.50
NH R6 & ME R1	1,273.39	15,269.28	16,542.67	14,178.75	848,990.92	863,169.67
R10	914.78	0.00	914.78	27,742.04	0.00	27,742.04
R11	225.17	0.00	225.17	2,574.21	0.00	2,574.21
G40	553.25	7,739.15	8,292.40	43,059.94	44,332.87	87,392.81
G50	600.58	0.00	600.58	12,347.47	12,030.47	24,377.94
G41	52.26	0.00	52.26	41,416.05	17,464.17	58,880.22
G51	1,167.68	0.00	1,167.68	2,031.17	12,203.73	14,234.90
G42	0.00	0.00	0.00	186.69	0.00	186.69
G52	0.00	0.00	0.00	0.00	28,070.51	28,070.51
Non Rate Class Specific	1,223.54	2,343.72	3,567.26	21,322.04	21,404.79	42,726.83
<b>Total Write Offs</b>	<b>17,840.44</b>	<b>55,923.24</b>	<b>73,763.68</b>	<b>715,949.83</b>	<b>1,164,521.49</b>	<b>1,880,471.32</b>
<b>Add - Recoveries:</b>						
Distribution (144.05.00)	2,712.86	(5,748.19)	(3,035.33)	<b>34,266.37</b>	<b>49,630.72</b>	156,004.15
Non-Distribution (144.05.01)	3,774.02	(17,814.33)	(14,040.31)	<b>53,678.34</b>	<b>95,296.40</b>	76,867.68
<b>Total Recoveries</b>	<b>6,486.88</b>	<b>(23,562.52)</b>	<b>(17,075.64)</b>	<b>87,944.71</b>	<b>144,927.12</b>	<b>232,871.83</b>
<b>Net Write Offs</b>	<b>11,353.56</b>	<b>79,485.76</b>	<b>90,839.32</b>	<b>628,005.12</b>	<b>1,019,594.37</b>	<b>1,647,599.49</b>
<b>Ending Balance (144.XX.XX)</b>						
				<b>\$58,163.00</b>	<b>\$379,939.00</b>	<b>\$438,102.00</b>
				<b>216,201.84</b>	<b>306,666.58</b>	<b>Distribution</b>
				<b>411,803.28</b>	<b>712,927.79</b>	<b>Non-distribution</b>
				628,005.12	1,019,594.37	Total
				628,005.12	1,019,594.37	Check
				628,005.12	1,019,594.37	Check
<b>Reassignment of Converted Data - Distribution vs Non distribution:</b>						
Total converted - dist Jan-May 2010:				188,275.61	493,076.59	
Total converted - dist Jan-May 2010:				188,275.61	493,076.59	
Total converted - non dist Jan-May 2010:				54,261.03	134,609.91	
Total converted - non dist Jan-May 2010:				134,014.58	358,466.68	
Write offs assigned to non-dist in write offs/recoveries:				71.18%	72.70%	
Total write offs Jan-May 2010:				311,164.56	530,973.16	
Converted write offs as % of total write offs:				60.51%	92.86%	
Total recoveries Jan - May 2010:				21,775.44	92,915.85	
Total converted recoveries to non distribution Jan-May 2010:				9,378.40	62,728.66	
Total converted recoveries to distribution Jan-May 2010:				12,397.04	30,187.19	

	R5 Residential Heat	R6 Residential Non - Heat	R10 Residential LI Heat	R11 Residential LI Non - Heat	G40 Small Comm High Winter	G50 Small Comm Low Winter	G41 Med Comm High Winter	G51 Med Comm Low Winter	G42 Large C&I High Winter	G52 Large C&I Low Winter	Sp Ct Simplex-NH	Sp Ct Nat Gypsum-NH	Sp Ct Foss - NH	Total Billed CIS Revenue	Cycle 22 Accrued Rev	Total Firm Gas	Interruptible Gas	Total All Classes
<b>Total Revenue (Winter, Summer &amp; Common)</b>																		
Customer Counts	19,437.00	1,616.00	865.00	22.00	4,529.00	965.00	547.00	234.00	33.00	26.00	0.00	1.00	1.00	28,276.00	0.00	28,276.00	0.00	28,276.00
Meter Counts	19,355.00	1,615.00	865.00	22.00	4,502.00	961.00	543.00	234.00	31.00	26.00	0.00	2.00	1.00	28,157.00	0.00	28,157.00	0.00	28,157.00
<b>Consumption (therms)</b>																		
First Step	7,554,968.50	141,809.77	487,603.87	2,041.24	2,275,167.23	517,737.14	11,204,106.08	2,580,786.10	6,006,414.83	11,037,584.73	6,857,460.69	2,631,581.64	1,200,000.00	52,497,241.82	(2,698,653.00)	49,798,588.82	0.00	49,798,588.82
Excess	7,433,223.42	182,303.99	339,274.74	2,547.82	6,486,502.55	1,678,648.05	0.00	1,475,949.84	0.00	0.00	0.00	0.00	1,303,979.81	18,902,430.22	0.00	18,902,430.22	0.00	18,902,430.22
Total Consumption	14,988,191.92	324,113.76	826,878.61	4,589.06	8,761,669.78	2,196,385.19	11,204,106.08	4,056,735.94	6,006,414.83	11,037,584.73	6,857,460.69	2,631,581.64	2,503,979.81	71,399,672.04	(2,698,653.00)	68,701,019.04	0.00	68,701,019.04
<b>Revenue</b>																		
Customer Charge	2,153,209.68	186,361.81	50,145.62	1,713.04	995,075.71	223,664.12	378,989.54	167,541.32	93,192.60	79,298.80	17,104.00	4,596.00	3,090.00	4,353,982.24	0.00	4,353,982.24	0.00	4,353,982.24
Distribution First Step	3,394,533.05	64,910.63	88,389.62	698.29	798,905.94	185,878.19	2,076,560.02	433,977.00	938,401.22	1,151,871.92	595,681.19	235,000.26	108,204.00	10,064,012.33	0.00	10,064,012.33	0.00	10,064,012.33
Distribution Excess	2,214,211.88	56,076.10	38,404.65	584.94	1,289,389.34	330,022.96	0.00	179,265.57	0.00	0.00	0.00	0.00	94,743.42	4,213,718.86	0.00	4,213,718.86	0.00	4,213,718.86
Converted Data	(322,535.08)	(7,136.88)	0.00	0.00	(99,719.77)	(30,012.75)	(88,740.59)	(9,736.77)	(2,161.16)	0.00	0.00	0.00	0.00	(598,169.79)	(394,096.11)	(990,265.90)	0.00	(990,265.90)
Total Base Revenue	7,428,419.53	300,211.66	178,939.89	3,007.27	2,993,661.22	709,552.52	2,366,908.97	744,657.10	1,021,857.05	1,229,009.56	612,785.19	239,586.26	206,037.42	18,035,543.64	(394,096.11)	17,641,447.53	0.00	17,641,447.53
Demand Cost of Gas	4,439,359.45	86,628.60	249,413.80	1,239.52	2,827,542.07	338,544.64	2,500,124.63	525,842.76	386,616.63	75,637.17	0.00	0.00	0.00	11,430,749.07	0.00	11,430,749.07	0.00	11,430,749.07
Commodity Cost of Gas	11,661,819.73	230,782.68	654,252.12	3,115.85	6,532,889.79	1,081,185.67	5,740,861.11	1,681,370.92	848,572.32	240,957.93	0.00	0.00	0.00	28,645,788.12	0.00	28,645,788.12	0.00	28,645,788.12
Reconciliation Costs	143,508.70	7,056.99	3,208.26	149.74	34,507.34	46,452.41	103,256.51	63,546.04	13,635.10	8,947.34	0.00	0.00	0.00	424,140.43	0.00	424,140.43	0.00	424,140.43
Working Capital	33,450.58	713.18	1,846.62	10.17	17,111.78	3,820.46	15,875.04	5,770.53	2,351.09	847.77	0.00	0.00	0.00	81,797.22	0.00	81,797.22	0.00	81,797.22
Bad Debt	80,879.42	1,748.31	4,446.80	25.21	41,189.91	9,377.57	38,521.60	14,128.63	5,690.87	2,075.58	0.00	0.00	0.00	198,082.90	0.00	198,082.90	0.00	198,082.90
Production & Storage Capacity	227,131.81	3,884.71	12,993.44	57.30	125,728.55	18,250.88	106,316.46	30,545.95	17,976.09	4,087.28	0.00	0.00	0.00	546,982.47	0.00	546,982.47	0.00	546,982.47
Miscellaneous Overhead	41,988.76	949.16	2,272.33	13.95	20,870.54	5,222.12	20,080.88	7,740.70	2,879.49	1,150.98	0.00	0.00	0.00	103,058.81	0.00	103,058.81	0.00	103,058.81
Capacity Reserve Charge	0.00	0.00	0.00	0.00	2,487.55	626.98	7,236.04	1,561.01	21,548.61	52,259.68	23,825.55	14,473.69	0.00	124,029.11	0.00	124,029.11	0.00	124,029.11
Residential Low Income Assistance	81,376.14	1,320.68	3,365.28	19.28	35,623.15	8,855.68	16,399.72	25,429.09	46,081.20	0.00	0.00	0.00	0.00	244,110.87	0.00	244,110.87	0.00	244,110.87
Demand Side Management	182,286.02	3,925.88	9,943.93	58.25	58,525.60	14,621.01	73,152.75	26,813.89	38,600.06	72,844.47	0.00	0.00	0.00	480,771.86	0.00	480,771.86	0.00	480,771.86
Environmental Response Cost	146,801.21	3,174.29	8,224.18	42.97	84,902.39	21,253.90	105,067.14	38,826.66	54,137.06	103,995.39	0.00	0.00	0.00	566,425.19	0.00	566,425.19	0.00	566,425.19
Total Flow Thru Revenue	17,008,352.82	340,184.48	949,966.56	4,732.14	9,781,398.67	1,547,991.32	8,756,132.81	2,392,546.81	1,417,436.41	608,904.79	23,825.55	14,473.69	0.00	42,845,946.05	0.00	42,845,946.05	0.00	42,845,946.05
Total Revenue	24,437,772.35	640,396.14	1,128,906.45	7,739.41	12,775,059.89	2,257,543.84	11,122,941.78	3,137,203.91	2,439,293.46	1,837,914.35	636,610.74	254,069.95	206,037.42	60,881,489.69	(394,096.11)	60,487,393.58	0.00	60,487,393.58
<b>Winter Period Only (Nov-Apr)</b>																		
<b>Consumption</b>																		
First Step	4,922,915.75	69,808.65	348,156.77	952.37	1,599,485.08	335,929.51	8,662,187.47	1,397,008.46	4,577,639.34	7,010,521.68	4,866,387.00	851,909.20	383,333.32	34,934,034.60	0.00	34,934,034.60	0.00	34,934,034.60
Excess	7,032,679.40	131,771.88	333,075.63	1,849.05	5,940,763.89	1,003,305.37	0.00	945,289.55	0.00	0.00	0.00	0.00	419,545.29	15,808,279.86	0.00	15,808,279.86	0.00	15,808,279.86
Total Consumption	11,955,595.15	201,580.53	679,232.40	2,801.42	7,540,248.97	1,239,234.88	8,662,187.47	2,342,298.01	4,577,639.34	7,010,521.68	4,866,387.00	851,909.20	812,878.61	50,742,314.46	0.00	50,742,314.46	0.00	50,742,314.46
<b>Revenue</b>																		
Customer Charge	1,063,519.49	91,654.16	27,125.21	855.01	499,536.51	107,594.65	184,675.58	82,649.20	48,744.62	42,495.82	8,081.00	1,506.47	1,012.83	2,159,450.55	0.00	2,159,450.55	0.00	2,159,450.55
Distribution First Step	2,298,821.80	35,207.24	65,506.05	384.49	589,719.22	102,233.54	1,775,909.21	302,245.07	800,687.30	888,904.67	339,532.29	76,075.50	35,466.87	7,310,653.25	0.00	7,310,653.25	0.00	7,310,653.25
Distribution Excess	2,085,467.07	40,534.10	38,980.95	431.75	1,190,140.51	197,063.89	0.00	138,042.84	0.00	0.00	0.00	0.00	0.00	3,729,354.44	0.00	3,729,354.44	0.00	3,729,354.44
Demand Cost of Gas	3,927,503.76	66,725.13	226,241.15	958.43	2,611,509.40	230,282.52	2,172,322.98	393,987.64	362,592.31	52,533.29	0.00	0.00	0.00	10,034,656.61	0.00	10,034,656.61	0.00	10,034,656.61
Commodity Cost of Gas	8,933,746.47	164,291.11	576,577.50	2,177.08	5,890,369.61	682,730.93	4,769,602.24	1,137,331.94	777,085.86	156,024.26	0.00	0.00	0.00	24,089,917.00	0.00	24,089,917.00	0.00	24,089,917.00
Reconciliation Costs	(24,244.98)	383.92	(4,432.09)	55.43	(21,116.09)	3,028.24	17,155.28	7,048.15	7,474.29	(462.84)	0.00	0.00	0.00	(15,110.69)	0.00	(15,110.69)	0.00	(15,110.69)
Working Capital	27,032.47	459.23	1,554.23	6.61	14,985.24	2,159.18	12,581.35	3,609.34	2,115.44	487.78	0.00	0.00	0.00	64,990.87	0.00	64,990.87	0.00	64,990.87
Bad Debt	64,688.93	1,103.53	3,708.60	16.13	35,828.63	5,185.08	30,208.73	8,673.96	5,096.07	1,167.06	0.00	0.00	0.00	155,676.72	0.00	155,676.72	0.00	155,676.72
Production & Storage Capacity	227,131.81	3,884.71	12,993.44	57.30	125,728.55	18,250.88	106,316.46	30,545.95	17,976.09	4,087.28	0.00	0.00	0.00	546,982.47	0.00	546,982.47	0.00	546,982.47
Miscellaneous Overhead	31,491.59	537.79	1,799.66	7.98	17,429.06	2,533.20	14,758.39	4,241.37	2,497.93	568.14	0.00	0.00	0.00	75,865.11	0.00	75,865.11	0.00	75,865.11
Capacity Reserve Charge	0.00	0.00	0.00	0.00	2,487.55	626.98	7,236.04	1,561.01	21,548.61	52,259.68	23,825.55	14,473.69	0.00	124,029.11	0.00	124,029.11	0.00	124,029.11
Total Winter Period Revenue	19,645,158.41	404,780.92	950,034.70	4,930.21	10,956,628.19	1,351,689.09	9,090,766.26	2,099,936.47	2,045,778.52	1,199,075.14	371,438.84	92,055.66	65,193.03	48,276,465.44	0.00	48,276,465.44	0.00	48,276,465.44
<b>Summer Period Only (May-Oct)</b>																		
<b>Consumption</b>																		
First Step	2,632,052.75	72,201.12	141,447.10	1,088.87	675,682.15	281,807.63	2,541,918.61	1,183,757.64	1,428,775.49	4,027,063.05	1,991,073.69	1,779,672.44	806,666.68	17,563,207.22	0.00	17,563,207.22	0.00	17,563,207.22
Excess	400,544.02	50,532.31	6,199.11	698.77	545,736.86	675,342.68	0.00	530,660.29	0.00	0.00	0.00	0.00	884,434.52	3,094,150.36	0.00	3,094,150.36	0.00	3,094,150.36
Total Consumption	3,032,596.77	122,733.43	147,646.21	1,787.64	1,221,420.81	957,150.31	2,541,918.61	1,714,417.93	1,428,775.49	4,027,063.05	1,991,073.69	1,779,672.44	1,691,101.20	20,657,357.58	0.00	20,657,357.58	0.00	20,657,357.58
<b>Revenue</b>																		
Customer Charge	1,089,690.19	94,707.65	23,020.41	858.03	495,539.20	116,069.47	194,313.96	84,892.12	44,447.98	36,802.98	9,023.00	3,089.53	2,077.17	2,194,531.69	0.00	2,194,531.69	0.00	2,194,531.69
Distribution First Step	1,085,711.25	29,703.39</																

	R5 Residential Heat	R6 Residential Non - Heat	R10 Residential LI Heat	R11 Residential LI Non - Heat	G40 Small Comm High Winter	G50 Small Comm Low Winter	G41 Med Comm High Winter	G51 Med Comm Low Winter	G42 Large C&I High Winter	G52 Large C&I Low Winter	Sp Ct Simplex	Sp Ct Nat Gypsum	Sp Ct Foss - NH	Total Billed CIS Revenue	Cycle 22 Accrued Rev	Total Firm Gas	Interruptible Gas	Total All Classes
<b>Total Revenue (Winter, Summer &amp; Common)</b>																		
Customer Counts	19,473.00	1,582.00	1,053.00	28.00	4,504.00	947.00	559.00	234.00	30.00	28.00	0.00	1.00	1.00	28,440.00	0.00	28,440.00	0.00	28,440.00
Meter Counts	19,460.00	1,579.00	1,052.00	27.00	4,489.00	947.00	559.00	234.00	30.00	27.00	0.00	2.00	1.00	28,407.00	0.00	28,407.00	0.00	28,407.00
<b>Consumption (therms)</b>																		
First Step	7,387,574.65	140,452.52	359,759.62	3,291.35	2,170,542.97	506,346.37	10,264,795.24	2,513,607.79	5,271,210.37	11,147,743.47	0.00	5,194,664.48	2,400,000.00	47,359,988.83	0.00	47,359,988.83	0.00	47,359,988.83
Excess	7,059,258.03	199,057.13	250,499.29	8,807.25	5,915,361.04	1,659,335.59	0.00	1,284,810.15	0.00	0.00	0.00	0.00	2,859,015.61	19,236,144.09	0.00	19,236,144.09	0.00	19,236,144.09
<b>Total Consumption</b>	<b>14,446,832.68</b>	<b>339,509.65</b>	<b>610,258.91</b>	<b>12,098.60</b>	<b>8,085,904.01</b>	<b>2,165,681.96</b>	<b>10,264,795.24</b>	<b>3,798,417.94</b>	<b>5,271,210.37</b>	<b>11,147,743.47</b>	<b>0.00</b>	<b>5,194,664.48</b>	<b>5,259,015.61</b>	<b>66,596,132.92</b>	<b>0.00</b>	<b>66,596,132.92</b>	<b>0.00</b>	<b>66,596,132.92</b>
<b>Revenue</b>																		
Customer Charge	2,201,064.68	184,737.34	43,515.26	2,699.10	990,889.06	217,441.33	392,654.54	169,481.65	91,685.54	82,211.33	0.00	9,374.59	6,290.04	4,392,044.46	0.00	4,392,044.46	0.00	4,392,044.46
Distribution First Step	3,031,137.79	57,145.98	59,054.97	1,014.16	668,363.82	152,836.88	1,827,356.58	386,355.77	798,978.50	1,137,853.89	0.00	472,907.39	0.00	8,813,260.58	0.00	8,813,260.58	0.00	8,813,260.58
Distribution Excess	2,110,276.27	61,342.62	29,960.40	2,056.51	1,186,925.49	326,723.42	0.00	158,454.30	0.00	0.00	0.00	0.00	210,414.02	4,082,544.03	0.00	4,082,544.03	0.00	4,082,544.03
<b>Total Base Revenue</b>	<b>7,342,478.74</b>	<b>303,225.94</b>	<b>132,530.63</b>	<b>5,769.77</b>	<b>2,846,178.37</b>	<b>697,001.63</b>	<b>2,220,011.12</b>	<b>710,682.72</b>	<b>890,664.04</b>	<b>1,220,065.22</b>	<b>0.00</b>	<b>482,281.98</b>	<b>436,958.91</b>	<b>17,287,849.07</b>	<b>0.00</b>	<b>17,287,849.07</b>	<b>0.00</b>	<b>17,287,849.07</b>
Demand Cost of Gas	4,840,918.09	100,043.95	203,515.39	4,674.17	2,639,663.19	289,298.96	2,208,452.92	399,366.11	317,666.98	15,336.95	0.00	0.00	0.00	11,018,936.71	0.00	11,018,936.71	0.00	11,018,936.71
Commodity Cost of Gas	7,637,516.85	179,147.99	322,705.51	6,130.35	3,552,705.70	959,758.38	3,072,414.97	1,306,377.18	450,117.37	51,484.63	0.00	0.00	0.00	17,538,358.93	0.00	17,538,358.93	0.00	17,538,358.93
Reconciliation Costs	1,126,435.52	20,351.70	46,342.87	910.87	590,954.56	82,892.11	472,331.90	116,108.02	67,725.00	3,625.20	0.00	0.00	0.00	2,527,677.75	0.00	2,527,677.75	0.00	2,527,677.75
Working Capital	23,341.98	437.97	916.33	0.28	12,034.53	1,963.03	9,710.18	2,678.87	1,488.38	65.06	0.00	0.00	0.00	52,636.61	0.00	52,636.61	0.00	52,636.61
Bad Debt	79,466.49	1,643.02	3,290.17	57.02	39,850.68	7,485.45	33,138.13	10,284.55	4,853.94	368.97	0.00	0.00	0.00	180,438.42	0.00	180,438.42	0.00	180,438.42
Production & Storage Capacity	282,307.15	5,335.56	11,677.50	239.70	146,070.47	22,617.60	118,267.95	31,493.88	16,979.21	1,066.26	0.00	0.00	0.00	636,055.28	0.00	636,055.28	0.00	636,055.28
Miscellaneous Overhead	50,169.75	1,186.80	2,123.45	42.47	23,858.18	5,876.87	20,855.05	7,993.14	3,071.95	330.74	0.00	0.00	0.00	115,508.40	0.00	115,508.40	0.00	115,508.40
Capacity Reserve Charge	0.00	0.00	0.00	0.00	102.64	12.11	703.72	58.13	7,272.46	20,256.74	0.00	11,062.40	0.00	39,468.20	0.00	39,468.20	0.00	39,468.20
Residential Low Income Assistance P	76,965.56	1,819.60	3,235.41	58.32	42,946.38	11,602.98	54,511.57	20,328.59	27,408.27	58,637.40	0.00	0.00	0.00	297,514.08	0.00	297,514.08	0.00	297,514.08
Demand Side Management	303,782.52	7,024.42	13,043.03	343.91	56,139.96	14,226.47	71,330.41	25,108.14	41,395.18	82,044.78	0.00	0.00	0.00	614,438.82	0.00	614,438.82	0.00	614,438.82
Environmental Response Cost	81,735.20	1,929.98	3,452.20	66.98	45,683.58	12,265.74	58,201.19	21,510.26	29,649.96	62,873.36	0.00	0.00	0.00	317,188.45	0.00	317,188.45	0.00	317,188.45
<b>Total Flow Thru Revenue</b>	<b>14,502,639.11</b>	<b>318,920.99</b>	<b>610,301.86</b>	<b>12,524.07</b>	<b>7,150,009.87</b>	<b>1,407,999.70</b>	<b>6,119,737.99</b>	<b>1,941,306.87</b>	<b>967,628.70</b>	<b>296,090.09</b>	<b>0.00</b>	<b>11,062.40</b>	<b>0.00</b>	<b>33,338,221.65</b>	<b>0.00</b>	<b>33,338,221.65</b>	<b>0.00</b>	<b>33,338,221.65</b>
<b>Total Revenue</b>	<b>21,845,117.85</b>	<b>622,146.93</b>	<b>742,832.49</b>	<b>18,293.84</b>	<b>9,996,188.24</b>	<b>2,105,001.33</b>	<b>8,339,749.11</b>	<b>2,651,989.59</b>	<b>1,858,292.74</b>	<b>1,516,155.31</b>	<b>0.00</b>	<b>493,344.38</b>	<b>436,958.91</b>	<b>50,626,070.72</b>	<b>0.00</b>	<b>50,626,070.72</b>	<b>0.00</b>	<b>50,626,070.72</b>
Distribution Revenue, including LDAC	7,804,962.02	313,999.94	152,261.27	6,238.98	2,991,050.93	735,108.93	2,404,578.01	777,687.84	996,389.91	1,443,877.50	0.00	493,344.38	436,958.91	18,556,458.62	0.00	18,556,458.62	0.00	18,556,458.62
CGAC Revenue	14,040,155.83	308,146.99	590,571.22	12,054.86	7,005,137.31	1,369,892.40	5,935,171.10	1,874,301.75	861,902.83	72,277.81	0.00	0.00	0.00	32,069,612.10	0.00	32,069,612.10	0.00	32,069,612.10
<b>Winter Period Only (Nov-Apr)</b>																		
<b>Consumption</b>																		
First Step	4,971,511.45	70,725.87	242,048.99	1,900.87	1,588,346.86	260,413.87	8,234,630.32	1,424,561.82	3,821,731.51	6,730,807.96	0.00	2,797,084.70	1,199,784.92	31,343,549.14	0.00	31,343,549.14	0.00	31,343,549.14
Excess	6,707,346.32	150,817.51	240,814.05	7,930.37	5,335,439.14	1,026,529.90	0.00	795,197.37	0.00	0.00	0.00	0.00	1,434,602.10	15,698,676.76	0.00	15,698,676.76	0.00	15,698,676.76
<b>Total Consumption</b>	<b>11,678,857.77</b>	<b>221,543.38</b>	<b>482,863.04</b>	<b>9,831.24</b>	<b>6,923,786.00</b>	<b>1,286,943.77</b>	<b>8,234,630.32</b>	<b>2,219,759.19</b>	<b>3,821,731.51</b>	<b>6,730,807.96</b>	<b>0.00</b>	<b>2,797,084.70</b>	<b>2,634,387.02</b>	<b>47,042,225.90</b>	<b>0.00</b>	<b>47,042,225.90</b>	<b>0.00</b>	<b>47,042,225.90</b>
<b>Revenue</b>																		
Customer Charge	1,093,547.36	90,392.57	20,583.53	1,476.27	497,566.52	105,627.29	193,674.43	83,528.14	45,695.35	40,974.40	0.00	4,693.27	3,133.24	2,180,892.37	0.00	2,180,892.37	0.00	2,180,892.37
Distribution First Step	2,039,825.53	28,778.11	39,738.04	585.59	488,774.44	78,604.46	1,599,165.64	265,253.72	659,248.68	849,428.01	0.00	254,967.40	109,715.46	6,414,085.08	0.00	6,414,085.08	0.00	6,414,085.08
Distribution Excess	2,005,217.29	46,473.96	28,801.69	1,851.76	1,070,823.70	202,124.05	0.00	116,855.51	0.00	0.00	0.00	0.00	88,813.97	3,560,761.93	0.00	3,560,761.93	0.00	3,560,761.93
Demand Cost of Gas	4,494,333.22	85,220.85	187,512.93	4,390.30	2,502,730.65	229,985.07	2,031,893.57	320,952.83	289,939.04	11,357.53	0.00	0.00	0.00	10,157,315.79	0.00	10,157,315.79	0.00	10,157,315.79
Commodity Cost of Gas	6,034,358.41	110,908.44	248,398.67	4,943.22	3,046,030.26	544,710.96	2,422,279.38	757,621.45	344,564.19	24,316.71	0.00	0.00	0.00	13,537,996.28	0.00	13,537,996.28	0.00	13,537,996.28
Reconciliation Costs	1,166,081.99	22,010.38	48,108.99	943.22	603,641.88	93,278.48	489,328.10	129,782.50	70,322.83	4,318.18	0.00	0.00	0.00	2,626,817.55	0.00	2,626,817.55	0.00	2,626,817.55
Working Capital	22,616.98	417.13	882.26	(0.01)	11,797.22	1,748.88	9,376.07	2,392.17	1,433.90	50.50	0.00	0.00	0.00	50,716.10	0.00	50,716.10	0.00	50,716.10
Bad Debt	73,107.12	1,374.76	2,995.09	51.80	37,876.83	5,823.03	30,572.14	8,085.07	4,436.33	257.36	0.00	0.00	0.00	164,579.53	0.00	164,579.53	0.00	164,579.53
Production & Storage Capacity	282,307.15	5,335.56	11,677.50	239.70	146,070.47	22,617.60	118,267.95	31,493.88	16,979.21	1,066.26	0.00	0.00	0.00	636,055.28	0.00	636,055.28	0.00	636,055.28
Miscellaneous Overhead	39,928.53	751.70	1,652.11	34.13	20,654.57	3,198.61	16,724.66	4,454.86	2,400.01	151.17	0.00	0.00	0.00	89,950.35	0.00	89,950.35	0.00	89,950.35
Capacity Reserve Charge	0.00	0.00	0.00	0.00	102.64	12.11	703.72	58.13	7,272.46	20,256.74	0.00	11,062.40	0.00	39,468.20	0.00	39,468.20	0.00	39,468.20
<b>Total Winter Period Revenue</b>	<b>17,251,323.58</b>	<b>391,663.46</b>	<b>590,350.81</b>	<b>14,380.57</b>	<b>8,426,069.18</b>	<b>1,287,731.54</b>	<b>6,910,985.66</b>	<b>1,720,278.06</b>	<b>1,441,292.00</b>	<b>952,177.86</b>	<b>0.00</b>	<b>270,723.07</b>	<b>201,662.67</b>	<b>39,458,638.46</b>	<b>0.00</b>	<b>39,458,638.46</b>	<b>0.00</b>	<b>39,458,638.46</b>
<b>Summer Period Only (May-Oct)</b>																		
<b>Consumption</b>																		
First Step	2,416,063.20	69,728.65	117,710.63	1,390.48	582,196.11	245,932.50	2,030,164.92	1,089,045.97	1,449,478.86	4,416,935.51	0.00	2,397,579.78	1,200,215.08	16,016,439.69	0.00	16,016,439.69	0.00	16,016,439.69
Excess	351,911.71	48,239.62	9,685.24	876.88	579,921.90	632,805.69	0.00	489,612.78	0.00	0.00	0.00	0.00	1,424,413.51	3,537,467.33	0.00	3,537,467.33	0.00	3,537,467.33
<b>Total Consumption</b>	<b>2,767,974.91</b>	<b>117,968.27</b>	<b>127,395.87</b>	<b>2,267.36</b>														

**NORTHERN UTILITIES, INC. - NH DIVISION**  
**PAYROLL TAXES ADJUSTMENT**  
**FOR THE 12 MONTHS ENDED DECEMBER 31, 2010**  
**UNITIL SERVICE CORP.**

Line No.	2010 Taxable Wages Subj to Pay Increase <sup>1/</sup>	2011 Pay Increase 3.0%	Total Proformed Payroll	Payroll Increase Exclusion
1	<u>\$5,189,812</u>	<u>\$155,694</u>	<u>\$5,345,506</u>	153,913
2	To Northern Utilities at 34.35% <sup>2/</sup>			<u>52,869</u>
3	To NH Division at 50.28% <sup>2/</sup>			26,583
4	Less amount chargeable to Capital at 26.7% <sup>2/</sup>			<u>(7,098)</u>
5	Pay Increase to O&M not subject to SS tax above annual limit of \$106,800			<u>\$19,485</u>

1/ For 30 employees subject to Social Security maximum  
2/ Test Year actual data

**NORTHERN UTILITIES, INC. - NH DIVISION**  
**PAYROLL TAXES ADJUSTMENT**  
**FOR THE 12 MONTHS ENDED DECEMBER 31, 2010**

Line No.	2010 Taxable Wages Subj to Pay Increase	1/	2011 Nonunion Increase 3.0%	Total Proformed Wages	Wage Increase Limit
1	\$108,472		\$3,254	\$111,726	\$3,254
2	Less: Capitalized at 58.2% 2/				<u>(1,894)</u>
3	Pay Increase to O&M not subject to SS tax above annual limit of \$106,800				<u><u>\$1,360</u></u>

1/ Northern Utilities - NH Division employee whose pay exceeds the wage limit of \$106,800 subject to social security tax.  
2/ See Workpaper Payroll 2, Page 2 of 3.