

Calculation of the Cost of Gas Rate

Period Covered: Winter Period November 1, 2011 through April 30, 2012

Projected Gas Sales - therms		996,907
Total Anticipated Cost of Propane Sendout		\$2,134,869
Add: Prior Period Deficiency Uncollected Interest	\$33,215	
	\$3,560	
Deduct: Prior Period Excess Collected Interest	\$0	
	\$0	
Prior Period Adjustments and Interest		\$36,775
Total Anticipated Cost		<u>\$2,171,644</u>
Fixed Price Option Cost of Gas Rate (per therm) *	\$2.2357	
Forecasted Fixed Price Option Sales (therms)	<u>155,000</u>	
Forecasted Fixed Price Option Cost of Gas Revenue		\$346,534
Remaining Gas Cost to be Recovered		<u>\$1,825,110</u>
Forecasted Non-Fixed Price Option Sales (therms)		841,907
Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)		<u><u>\$2.1678</u></u>
Pursuant to tariff section 17(d), the Company may adjust the approved cost of gas rate upward on a monthly basis to the following rate:		
Maximum Cost of Gas Rate - Non-Fixed Price Option (per therm)		<u><u>\$2.7098</u></u>

* The Fixed Price Option rate was determined in the initial cost of gas filing on September 20, 2011, based on the Non-Fixed Price Option rate plus a \$0.02 fixed price option premium. (NHPUC Order No. 24,516)

Issued: October 31, 2011
 Effective: November 1, 2011

Issued By:

Michael D. Eastman

Michael D. Eastman
 Treasurer

In Compliance with DG 11-212, Order No. 25,281