

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE DIVISION
 Variance Analysis of Components of Proposed CGA vs. Actual Costs 2005-2006

| November, 2006 through April, 2007 | | | | November, 2005 through April, 2006 | | | | Difference |
|--|----------------------|--------------------|------------------|--|---------------------|--------------------|------------------|------------------|
| Costs | Therm Sales | Rate Effect on CGA | | Costs | Therm Sales | Rate Effect on CGA | Rate | |
| DEMAND | | | | DEMAND | | | | |
| Product Demand | \$ 1,092,648 | | \$ 0.0327 | Product Demand | \$ 1,314,995 | \$ 0.0411 | \$(0.0084) | |
| Pipeline - Reservation | \$ 1,646,632 | | \$ 0.0493 | Pipeline - Reservation | \$ 5,380,396 | \$ 0.1683 | \$(0.1190) | |
| Storage Demand | \$ 6,825,419 | | \$ 0.2044 | Storage Demand | \$ 1,150,121 | \$ 0.0360 | \$ 0.1684 | |
| Capacity Release | \$ (178,900) | | \$(0.0054) | Capacity Release | \$ (353,340) | \$(0.0110) | \$ 0.0056 | |
| | | | | Capacity Exchange w/ME | \$ 22,508 | \$ 0.0007 | \$(0.0007) | |
| Total Demand Effect | \$ 9,385,799 | 33,385,510 | \$ 0.2811 | Total Demand Effect | \$7,514,679 | 31,978,093 | \$ 0.2350 | \$ 0.0461 |
| COMMODITY | | | | COMMODITY | | | | |
| Granite State | \$ 2,784,418 | | \$ 0.0834 | Granite State | \$ 1,205,402 | \$ 0.0377 | \$ 0.0457 | |
| Canadian | \$ 1,529,033 | | \$ 0.0458 | Canadian | \$ - | \$ - | \$ 0.0458 | |
| Domestic | \$ 8,706,119 | | \$ 0.2608 | Domestic | \$ 14,323,371 | \$ 0.4479 | \$(0.1871) | |
| Hedging Gain/Loss | \$ 980,544 | | \$ 0.0294 | Hedging Gain/Loss | \$ (1,140,559) | \$(0.0357) | \$ 0.0651 | |
| LPG/LNG/Peaking/Other | \$ 180,983 | | \$ 0.0054 | LPG/LNG/Peaking/Other | \$ (264,159) | \$(0.0083) | \$ 0.0137 | |
| Distrigas Vapor/Spot | \$ 2,517,555 | | \$ 0.0754 | Distrigas Vapor/Spot | \$ 2,516,388 | \$ 0.0787 | \$(0.0033) | |
| Storage Supplies | \$ 14,853,592 | | \$ 0.4449 | Storage Supplies | \$ 12,878,675 | \$ 0.4027 | \$ 0.0422 | |
| Peaking Supplies | \$ 212,354 | | \$ 0.0064 | Peaking Supplies | \$ - | \$ - | \$ 0.0064 | |
| | | | | Miscellaneous | \$ (8,878) | \$(0.0003) | \$ 0.0003 | |
| | | | | | \$ - | \$ - | \$ - | |
| Total Commodity Effect | \$ 31,764,598 | 33,385,510 | \$ 0.9514 | Total Pipeline Commodity Effect | \$29,510,240 | 31,978,093 | \$ 0.9228 | \$ 0.0286 |
| TOTAL WINTER GAS COSTS | \$ 41,150,396 | 33,385,510 | \$ 1.2326 | TOTAL WINTER GAS COSTS | \$37,024,919 | 31,978,093 | \$ 1.1578 | \$ 0.0748 |
| Under/Over Collection | \$ 2,262,217 | | \$ 0.0678 | Under/Over Collection | \$ 2,185,271 | \$ 0.0683 | \$(0.0005) | |
| Refunds | \$ 0 | | \$ - | Refunds | \$ - | \$ - | \$ - | |
| Interest | \$ 35,119 | | \$ 0.0011 | Interest | \$ 229,807 | \$ 0.0072 | \$(0.0061) | |
| Miscellaneous Overhead-Allocated to Winter | \$ 95,460 | | \$ 0.0029 | Miscellaneous Overhead-Allocated to Winter | \$ 95,871 | \$ 0.0030 | \$(0.0001) | |
| Working Capital Allowance | \$ 76,318 | | \$ 0.0023 | Working Capital Allowance | \$ 72,012 | \$ 0.0023 | \$ - | |
| Bad Debt Allowance | \$ 190,403 | | \$ 0.0057 | Bad Debt Allowance | \$ 170,405 | \$ 0.0053 | \$ 0.0004 | |
| Production and Storage Capacity | \$ 686,673 | | \$ 0.0206 | Production and Storage Capacity | \$ 686,674 | \$ 0.0215 | \$(0.0009) | |
| Summer Costs Deferred to Winter | \$ 1,247,278 | | \$ 0.0374 | Summer Costs Deferred to Winter | \$ - | \$ - | \$ 0.0374 | |
| Interruptible Profits | \$ (2,524) | | \$(0.0001) | Miscellaneous | \$ (11,781) | \$(0.0004) | \$ 0.0003 | |
| TOTAL | \$ 45,741,340 | 33,385,510 | \$ 1.3701 | TOTAL | \$40,453,179 | 31,978,093 | \$ 1.2650 | \$ 0.1051 |