

Calculation of the Cost of Gas Rate

Period Covered: Winter Period November 1, 2012 through April 30, 2013

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|---|--------------------|
| Projected Gas Sales - therms | 931,112 |
| Total Anticipated Cost of Propane Sendout | \$1,445,302 |
| Add: Prior Period Deficiency Uncollected Interest | \$0 \$437 |
| Deduct: Prior Period Excess Collected Interest | (\$47,527) \$0 |
| Prior Period Adjustments and Interest | (\$47,090) |
| Total Anticipated Cost | <u>\$1,398,212</u> |

Cost of Gas Rate

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|---|------------------------|
| Non-Fixed Price Option Cost of Gas Rate (per therm) | <u>\$1.5017</u> |
| Fixed Price Option Premium | \$0.0200 |
| Fixed Price Option Cost of Gas Rate (per therm) | <u>\$1.5217</u> |
| Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm) | \$1.5017 |
| Mid Period Adjustment - January 1, 2013 | (\$0.0543) |
| Revised Non-Fixed Price Option Cost of Gas Rate - Effective January 1, 2013 (per therm) | <u><u>\$1.4474</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:

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|---|------------------------|
| Maximum Cost of Gas Rate - Non-Fixed Price Option (per therm) | <u><u>\$1.8771</u></u> |
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Issued: December 20, 2012
Effective: January 1, 2013

Issued By:



Michael D. Eastman
Treasurer

In Compliance with DG 12-284, Order No. 25,433