NORTHERN UTILITIES, INC.
NEW HAMPSHIRE DIVISION
Calculation of the Projected Over or Under Collection of the
Winter 2014-2015 Period Cost of Gas
DG 14-239
January 2015 Estimated

Under/(Over) collection as of 11/01/14 - forecast [1]			$	(1,343,308)
Forecasted firm therm sales 01/01/15 - 04/30/15				
Residential Heat & Non Heat		10,073,205		
HLF Classes		1,511,513		
LLF Classes		10,290,989		
Current recovery rate per therm				
Residential heat & non heat		$1.0574		
HLF classes		$0.9568		
LLF classes		$1.0722		
Total	$	(23,131,621)		
Forecasted recovered costs at current rates 01/01/15 - 04/30/15			$	(23,131,621)
Actual recovered costs 11/01/14 - 12/31/14			$	(10,300,510)
Estimated total recovered costs 11/01/14 - 04/30/15			$	(33,432,132)
Revised projected direct gas costs 11/01/14 - 04/30/15 [2]			$	32,344,206
Revised projected indirect gas costs 11/01/14 - 04/30/15 [3]			$	1,107,891
Projected under/(over) collection as of 04/30/15			$	(1,323,342)

Actual gas costs to date 11/01/14 - 12/31/14	$	11,748,613		
Revised projected indirect gas costs 01/01/15 - 04/30/15 [3]	$	809,912		
Revised projected direct gas costs 01/01/15 - 04/30/15 [2]	$	20,893,572		
Estimated total adjusted gas costs 11/01/14 - 04/30/15			$	33,452,097

Under/(over) collection as percent of total gas costs	-3.96%

Projected under/(over) collection as of 04/30/15	$	(1,323,342)

NOTES
[1] Includes prior period adjustments
[2] Revised as follows:
- Futures prices as of January 22, 2015
[3] Includes: Working Capital Allowance, Bad Debt Allowance, Production and Storage Capacity, Miscellaneous Overhead, and Interest

Northern Utilities
NEW HAMPSHIRE (Over) / Undercollection Analysis, Balances and Interest Calculation

			Summer						Winter						
	Sales Revenues										(Forecast)	(Forecast)	(Forecast)	(Forecast)	
1	Volumes	Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	Total
2	Residential Heat & Non Heat										3,521,890	2,944,201	2,269,613	1,337,500	10,073,205
3	Sales HLF Classes										528,470	441,786	340,562	200,696	1,511,513
4	Sales LLF Classes										3,598,034	3,007,855	2,318,683	1,366,417	10,290,989
5	Total										7,648,394	6,393,843	4,928,858	2,904,612	21,875,707
6	Rates														
7	Residential Heat & Non Heat CGA										$1.0574	$1.0574	$1.0574	$1.0574	
8	Sales HLF Classes CGA										$0.9568	$0.9568	$0.9568	$0.9568	
9	Sales LLF Classes CGA										$1.0722	$1.0722	$1.0722	$1.0722	
10	Revenues														
11	Residential Heat & Non Heat										$ (3,724,047)	$ (3,113,199)	$ (2,399,889)	$ (1,414,272)	$ (10,651,407)
12	Sales HLF Classes										$ (505,640)	$ (422,701)	$ (325,850)	$ (192,026)	$ (1,446,216)
13	Sales LLF Classes										$ (3,857,812)	$ (3,225,023)	$ (2,486,092)	$ (1,465,072)	$ (11,033,999)
14	Total Sales Revenues		$ 549,237	$ (1,352)	$ (246)	$ 144	$ 48	$ 5	$ (3,914,086)	$ (6,386,425)	$ (8,087,499)	$ (6,760,922)	$ (5,211,831)	$ (3,071,370)	**$ (33,432,132)**
15															

			Summer						Winter						
16															
17	**Gas Costs and Credits**										(Forecast)	(Forecast)	(Forecast)	(Forecast)	
18			May-15	Jun-15	Jul-15	Aug-15	Sep-15	Oct-15	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	Total
19	Net Demand Costs (Net of Injection Fees & Cap. Assign.)														
20	Pipeline										$ 264,249	$ 264,249	$ 264,249	$ 264,249	$ 1,056,998
21	Storage										$ 1,651,757	$ 1,651,757	$ 1,651,757	$ 615,612	$ 5,570,882
22	Peaking										$ 325,353	$ 325,353	$ 290,359	$ 49,674	$ 990,740
23	Total Demand Costs								$ 1,714,471	$ 1,716,773	$ 2,241,359	$ 2,241,359	$ 2,206,365	$ 929,535	$ 11,049,863
24	NUI Commodity Costs														
25	NUI Total Pipeline Volumes										961,402	837,790	928,066	628,089	$ 3,355,347
26	Pipeline Costs Modeled in Sendout™										$ 8,563,808	$ 7,538,678	$ 8,105,099	$ 2,531,737	$ 26,739,321
27	NYMEX Price Used for Forecast										$ 4.0920	$ 4.0780	$ 4.0090	$ 3.7900	
28	NYMEX Price Used for Update										$ 3.1890	$ 2.8350	$ 2.8270	$ 2.8170	
29	Increase/(Decrease) NYMEX Price										$ (0.90)	$ (1.24)	$ (1.18)	$ (0.97)	
30	Increase/(Decrease) in Pipeline Costs										$ (868,146)	$ (1,041,373)	$ (1,096,974)	$ (611,131)	
31	Updated Pipeline Costs										$ 7,695,662	$ 6,497,305	$ 7,008,125	$ 1,920,606	
32	Interruptible Volumes - NH										0	0	0	0	
33	Average Supply Cost ($/MMBtu)										$ 8.00	$ 7.76	$ 7.55	$ 3.06	
34	Interruptible Cost - NH										$ -	$ -	$ -	$ -	
35	Total Updated Pipeline Costs										$ 7,695,662	$ 6,497,305	$ 7,008,125	$ 1,920,606	
36	New Hampshire Allocated Percentage										47.58%	47.85%	47.54%	46.40%	
37	NH Updated Pipeline Costs								$ -		$ 3,661,976	$ 3,108,734	$ 3,331,910	$ 891,114	$ 10,993,734
38	Hedging (Gain)/Loss Estimate														
39	Time Triggered NYMEX Contracts (Allocated between ME and NH)														
40	NYMEX Options Contracts														
41	Number of contracts										13	12	9	0	
42	Option Contract Price										$ 0.0110	$ 0.1050	$ 0.1040	$ -	
43	Hedging Expense										$14,300	$12,600	$9,360	$0	
44	NYMEX Option Strike Price										$6	$6	$6	$0	
45	NYMEX Price Used for Forecast										$3	$3	$3	$0	
46	Strike Price Hit										No	No	No	$0	
47	Option Hedging Gain (Credit)										$0	$0	$0	$0	
48	Total Option Cost										$14,300	$12,600	$9,360	$0	
49	New Hampshire Allocated Percentage										47.58%	47.85%	47.54%	46.40%	
50	NH Futures Hedging (Gain)/Loss, Time Triggered										$ 6,805	$ 6,029	$ 4,450	$ -	$ 17,283
51	NH Commodity Costs														
52	Pipeline Excl Hedging										$ 3,661,976	$ 3,108,734	$ 3,331,910	$ 891,114	$ 10,993,734
53	Hedging (Gain)/Loss Estimate										$ 6,805	$ 6,029	$ 4,450	$ -	$ 17,283
54	Storage										$ 1,164,058	$ 980,624	$ 267,232	$ -	$ 2,411,914
55	Peaking										$ 1,067,041	$ 459,934	$ 288,640	$ 13,849	$ 1,829,463
56	Off-system Sales										$ (25,000)	$ (350,000)			
56	Total Commodity Costs		$ 115,960	$ 353	$ 407	$ 455	$ 477	$ 537	$ 3,478,636	$ 4,539,085	$ 5,874,879	$ 4,205,321	$ 3,892,231	$ 904,962	$ 22,895,115
57	Inventory Finance Charge								$ 872	$ 799	$ 630	$ 446	$ 274	$ 225	$ 3,245
58	Asset Management and Capacity Release														
59	NUI AMA Revenue										$ (933,171)	$ (933,171)	$ (933,171)	$ (933,171)	($3,732,685)
60	PNGTS Litigation Cost										$ 0	$ 0	$ 0	$ 0	$0
61	NUI Capacity Release										$ (24,603)	$ (24,603)	$ (24,603)	$ (24,603)	($98,411)

62	NUI AMA Rev & Cap. Release Subtotal										$ (957,774)	$ (957,774)	$ (957,774)	$ (957,774)	($3,831,096)
63	NH AMA Revenue										$ (389,303)	$ (389,303)	$ (389,303)	$ (389,303)	($1,557,214)
64	NH Capacity Release										$ (11,701)	$ (11,701)	$ (11,701)	$ (11,701)	($46,803)
65	NH Total Asset Management and Capacity Release										$ (401,004)	$ (401,004)	$ (401,004)	$ (401,004)	$ (1,604,016)
66															$ -
67	Net Demand Costs		$ 224,448	$ 253,600	$ 654,213	$ (180,614)	$ 433,357	$ 96,702	$ 1,714,471	$ 1,716,773	$ 1,840,355	$ 1,840,355	$ 1,805,361	$ 528,531	$ 9,445,846
68															$ -
69	**Total Anticipated Direct Cost of Gas**		$ 340,408	$ 253,952	$ 654,620	$ (180,160)	$ 433,834	$ 97,239	$ 5,193,978	$ 6,256,656	$ 7,715,864	$ 6,046,123	$ 5,697,867	$ 1,433,718	**$ 32,344,206**
70			Winter						Summer						
71											(Forecast)	(Forecast)	(Forecast)	(Forecast)	
72		Apr-14	May-14	Jun-14	Jul-14	Aug-14	Sep-14	Oct-14	Nov-14	Dec-14	Jan-15	Feb-15	Mar-15	Apr-15	Total
73	Working Capital														
74	Total Anticipated Direct Cost of Gas		$ 340,408	$ 253,952	$ 654,620	$ (180,160)	$ 433,834	$ 97,239	$ 5,193,978	$ 6,256,656	$ 7,715,864	$ 6,046,123	$ 5,697,867	$ 1,433,718	$ 32,344,206
75	Working Capital Percentage		0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.08%	0.0824%	
76	Working Capital Allowance		$ 280	$ 209	$ 539	$ (148)	$ 357	$ 80	$ 4,278	$ 5,153	$ 6,355	$ 4,980	$ 4,693	$ 1,181	**$ 26,640**
77	Beginning Period Working Capital Balance		$ (1,796)	$ (1,520)	$ (1,315)	$ (778)	$ (929)	$ (574)	$ 74	$ 4,357	$ 9,529	$ 15,919	$ 20,948	$ 25,704	
78	End of Period Working Capital Allowance		$ (1,516)	$ (1,311)	$ (776)	$ (927)	$ (572)	$ (494)	$ 4,351	$ 9,511	$ 15,884	$ 20,899	$ 25,641	$ 26,885	
79	Interest		$ (4)	$ (4)	$ (3)	$ (2)	$ (2)	$ (1)	$ 6	$ 19	$ 34	$ 50	$ 63	$ 71	$ 243
80	End of period with Interest	$ (1,796)	$ (1,520)	$ (1,315)	$ (778)	$ (929)	$ (574)	$ 74	$ 4,357	$ 9,529	$ 15,919	$ 20,948	$ 25,704	$ 26,957	
81	Bad Debt														
82															$ -
83	Bad Debt Allowance		$ 70,990	$ 47,420	$ 77,162	$ 41,773	$ 26,648	$ 5,826	$ 7,301	$ 3,532	$ 59,360.49	$ 59,360.49	$ 59,360.49	$ 59,360.49	**$ 248,276**
84	Beginning Period Bad Debt Balance		$ (118,517)	$ (47,752)	$ (397)	$ 76,868	$ 118,906	$ 145,913	$ 152,142	$ 159,865	$ 163,835	$ 223,720	$ 283,767	$ 343,976	
85	End of Period Bad Debt Balance		$ (47,527)	$ (332)	$ 76,765	$ 118,641	$ 145,554	$ 151,739	$ 159,443	$ 163,397	$ 223,196	$ 283,080	$ 343,127	$ 403,336	
86	Interest		$ (225)	$ (65)	$ 103	$ 265	$ 358	$ 403	$ 422	$ 438	$ 524	$ 686	$ 849	$ 1,012	$ 3,931
87	End of Period Bad Debt Balance with Interest	$ (118,517)	$ (47,752)	$ (397)	$ 76,868	$ 118,906	$ 145,913	$ 152,142	$ 159,865	$ 163,835	$ 223,720	$ 283,767	$ 343,976	$ 404,348	
88	Local Production and Storage Capacity								$ 70,110	$ 70,110	$ 70,110	$ 70,110	$ 70,110	$ 70,110	**$ 420,658**
89	Miscellaneous Overhead								$ 69,469	$ 69,469	$ 69,469	$ 69,469	$ 69,469	$ 69,469	**$ 416,811**
90	Refunds								$ -	$ -	$ -	$ -	$ -	$ -	$ -
91	Gas Cost Other than Bad Debt and Working Capital Over/Under Collection														
92	Beginning Balance Over/Under Collection		$ (3,607,559)	$ (2,726,480)	$ (2,480,921)	$ (1,832,380)	$ (2,017,602)	$ (1,588,597)	$ (1,495,523)	$ (78,181)	$ (68,570)	$ (301,126)	$ (877,942)	$ (253,858)	
93	Net Costs - Revenues		$ 889,645	$ 252,601	$ 654,374	$ (180,016)	$ 433,883	$ 97,244	$ 1,419,471	$ 9,810	$ (232,057)	$ (575,221)	$ 625,614	$ (1,498,073)	
94	Ending Balance before Interest		$ (2,717,914)	$ (2,473,879)	$ (1,826,547)	$ (2,012,396)	$ (1,583,720)	$ (1,491,353)	$ (76,053)	$ (68,371)	$ (300,626)	$ (876,347)	$ (252,328)	$ (1,751,931)	
95	Average Balance		$ (3,162,736)	$ (2,600,179)	$ (2,153,734)	$ (1,922,388)	$ (1,800,661)	$ (1,539,975)	$ (785,788)	$ (73,276)	$ (184,598)	$ (588,737)	$ (565,135)	$ (1,002,895)	
96	Interest Rate		3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	3.25%	
97	Interest Expense		$ (8,566)	$ (7,042)	$ (5,833)	$ (5,206)	$ (4,877)	$ (4,171)	$ (2,128)	$ (198)	$ (500)	$ (1,594)	$ (1,531)	$ (2,716)	$ (8,668)
98	Ending Balance Incl Interest Expense	$ (3,607,559)	$ (2,726,480)	$ (2,480,921)	$ (1,832,380)	$ (2,017,602)	$ (1,588,597)	$ (1,495,523)	$ (78,181)	$ (68,570)	$ (301,126)	$ (877,942)	$ (253,858)	$ (1,754,647)	
99	**Total Over/Under Collection Ending Balance**		$ (2,775,752)	$ (2,482,633)	$ (1,756,290)	$ (1,899,626)	$ (1,443,258)	**$ (1,343,308)**	$ 86,042	$ 104,795	$ (61,488)	$ (573,227)	$ 115,822	$ (1,323,342)	
100															$ -
101															
102	**Total Indirect Cost of Gas**		$ 62,475	$ 40,518	$ 71,969	$ 36,681	$ 22,485	$ 2,137	$ 149,457	$ 148,522	$ 205,352	$ 203,060	$ 203,013	$ 198,487	$ 1,107,891
103															
104	**Total Cost of Gas**	$ (3,727,872)	$ 402,883	$ 294,470	$ 726,589	$ (143,479)	$ 456,319	$ 99,376	$ 5,343,436	$ 6,405,178	$ 7,921,217	$ 6,249,183	$ 5,900,880	$ 1,632,205	$ 33,452,097
105															
106	**Total Interest**	$ -	$ (8,795)	$ (7,111)	$ (5,732)	$ (4,944)	$ (4,521)	$ (3,769)	$ (1,700)	$ 258	$ 59	$ (858)	$ (619)	$ (1,633)	**$ (4,493)**

Northern Utilities, Inc.
Price Risk Management
Profit and Loss Statement
December 2014

Account # 53325

Current

ACB	$9.30
TE	$9.30
LV	$75,243.30

ACTIVITY - Purchase Cost and Profit and Loss						Expense	Profit and Loss
Date	Description	State	Contracts	Option Premuim	Strike Price	Option Purchase Cost	
	Net P&L						$0.00

TRANSACTION COSTS				Subtotal	Total
Transaction Cost-Enter Options	Both	0	$7.37	$0.00	
Transaction Cost-Exit Options		0	$3.37	$0.00	
Total New Transaction Costs					$0.00

OPEN CALL OPTION POSITIONS-Expense and Open Trade Equity					Total			Total
		State	QTY	Actual Option Premium	Option Purchase Cost	Strike Price	12/31/15 Futures Price	Current Open Trade Equity
08/09/13	Feb15 Options	NH	11	0.100	$11,000.00	$5.600	$2.889	$0.00
07/29/13	Feb15 Options	ME	12	0.105	$12,600.00	$5.750	$2.889	$0.00
08/28/13	Mar15 Options	Both	20	0.104	$20,800.00	$5.850	$2.896	$0.00
04/28/14	Nov15 Options	Both	27	0.105	$28,350.00	$5.700	$3.170	$0.00
05/28/14	Dec15 Options	Both	42	0.108	$45,360.00	$6.000	$3.378	$0.00
06/26/14	Jan16 Options	Both	52	0.110	$57,200.00	$6.500	$3.531	$0.00
07/29/14	Feb16 Options	Both	41	0.103	$42,230.00	$6.250	$3.530	$0.00
08/27/14	Mar16 Options	Both	33	0.105	$34,650.00	$6.500	$3.488	$0.00
	Total Expense, Open Trade Equity				**$252,190.00**			**$0.00**

OPEN CALL OPTION POSITIONS- Long Option Value					Total	
		State	QTY	Current Option Premium	Current Option Value	Strike Price
08/09/13	Feb15 Options	NH	11	0.0009	$99.00	$5.600
07/29/13	Feb15 Options	ME	12	0.0008	$96.00	$5.750
08/28/13	Mar15 Options	Both	20	0.0019	$380.00	$5.850
04/28/14	Nov15 Options	Both	27	0.0197	$5,319.00	$5.700
05/28/14	Dec15 Options	Both	42	0.0198	$8,316.00	$6.000
06/26/14	Jan16 Options	Both	52	0.0356	$18,512.00	$6.500
07/29/14	Feb16 Options	Both	41	0.0562	$23,042.00	$6.250
08/01/37	Mar16 Options	Both	33	0.0590	$19,470.00	$6.500
12/31/15	***Total Long Option Value***				**$75,234.00**	

MARGIN CASH BALANCE		Subtotal	Total
12/01/14	**Beginning Balance-carried forward from last month**		**$9.30**
	Interest Credit	$0.00	
	Net Deposit to Margin Account	$0.00	
	Option Premiums of new activity	.	
	Monthly Net P&L	$0.00	
	Monthly Transaction Costs	$0.00	
	Total Monthly Cash Adjustment		$0.00
12/31/15	***Ending Balance (ACB)***		**$9.30**

NORTHERN UTILITIES, INC.

DETERMINATION OF INVENTORY FINANCING FROM MONEY POOL

December 2014

	Total Inventory	Average bal beg + end / 2	Internally Financed	Money Pool Interest Rate	Interest to Defer	NH	ME
January 2013	$6,466,995.71	$7,918,468.38	$7,918,468.38	1.98%	$13,065.47	$6,062.38	$7,003.09
February	$3,490,957.62	$4,978,976.67	$4,978,976.67	1.98%	$8,215.31	$3,811.90	$4,403.41
March	$1,642,963.61	$2,566,960.61	$2,566,960.61	1.98%	$4,235.49	$1,965.27	$2,270.22
April	$3,429,843.57	$2,536,403.59	$2,536,403.59	1.98%	$4,185.07	$1,941.87	$2,243.20
May	$15,009,665.55	$9,219,754.56	$9,219,754.56	1.97%	$15,135.76	$7,022.99	$8,112.77
June	$7,473,818.58	$11,241,742.07	$11,241,742.07	1.97%	$18,455.19	$8,563.21	$9,891.98
July	$9,199,742.08	$8,336,780.33	$8,336,780.33	1.97%	$13,686.21	$6,350.40	$7,335.81
August	$10,873,192.78	$10,036,467.43	$10,036,467.43	1.96%	$16,392.90	$7,606.30	$8,786.59
September	$12,585,461.10	$11,729,326.94	$11,729,326.94	1.96%	$19,157.90	$8,889.27	$10,268.63
October	$14,279,790.40	$13,432,625.75	$13,432,625.75	1.61%	$18,022.11	$8,362.26	$9,659.85
November	$13,406,859.30	$13,843,324.85	$13,843,324.85	1.56%	$17,996.32	$8,499.66	$9,496.66
December	$10,672,941.18	$12,039,900.24	$12,039,900.24	1.56%	$15,651.87	$7,392.38	$8,259.49
January 2014	$6,995,461.07	$8,834,201.13	$8,834,201.13	1.56%	$11,484.46	$5,424.11	$6,060.35
February	$3,600,670.19	$5,298,065.63	$5,298,065.63	1.55%	$6,843.33	$3,232.11	$3,611.23
March	$1,384,721.84	$2,492,696.01	$2,492,696.01	1.55%	$3,219.73	$1,520.68	$1,699.05
April	$3,736,125.20	$2,560,423.52	$2,560,423.52	1.55%	$3,307.21	$1,562.00	$1,745.22
May	$6,048,965.75	$4,892,545.48	$4,892,545.48	1.55%	$6,319.54	$2,984.72	$3,334.82
June	$8,281,024.03	$7,164,994.89	$7,164,994.89	1.55%	$9,254.79	$4,371.03	$4,883.75
July	$10,495,523.84	$9,388,273.93	$9,388,273.93	1.55%	$12,126.52	$5,727.36	$6,399.16
August	$12,336,256.67	$11,415,890.25	$11,415,890.25	1.55%	$14,745.52	$6,964.31	$7,781.21
September	$14,258,183.80	$13,297,220.23	$13,297,220.23	1.55%	$17,175.58	$8,112.02	$9,063.55
October	$16,209,334.85	$15,233,759.32	$15,233,759.32	1.55%	$19,676.94	$9,293.42	$10,383.52
November	$16,001,676.03	$16,105,505.44	$16,105,505.44	1.54%	$20,668.73	$9,852.78	$10,815.95
December	$15,009,665.55	$15,505,670.79	$15,505,670.79	1.56%	$20,157.37	$9,609.02	$10,548.35

Inventory ACCT #		MMBTU	AMOUNT
	LNG		
515152	Inventory - Liquified Natural Gas		
	NATURAL GAS	9,253	$106,469.50
515114&115	Natural Gas Underground - SS-1 and FSS-1		
515116	Natural Gas Underground - SSNE	209,881	$744,127.90
515113	Natural Gas Underground - MCN	3,151,491	$14,159,068.16
516525	Washington 10 prepaid	-	
Total Inventory			$15,009,665.55