

NORTHERN UTILITIES, INC. - NEW HAMSHIRE DIVISION
Summer 2016 Cost of Gas Filing

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**N.H.P.U.C No. 11
NORTHERN UTILITIES, INC.**

Anticipated Cost of Gas

New Hampshire Division
Period Covered: May 1, 2016 - October 31, 2016

Column A	Column B	Column C
1 <u>ANTICIPATED DIRECT COST OF GAS</u>		
2 Purchased Gas for Sales Service:		
3 Demand Costs:	\$ 525,885	
4 Supply Costs:	\$ 2,040,682	
5		
6 Storage & Peaking Gas for Sales Service:		
7 Demand, Capacity:	\$ 407,523	
8 Commodity Costs:	\$ 49,933	
9		
10 Hedging (Gain)/Loss	\$ -	
11		
12 Inventory Finance Charge	\$ -	
13		
14 Capacity Release	\$ -	
15		
16 Adjustment for Actual Costs	<u>\$ -</u>	
17		
18 Total Anticipated Direct Cost of Gas		\$ 3,024,024
19		
20 <u>ANTICIPATED INDIRECT COST OF GAS</u>		
21 Adjustments:		
22 Prior Period Under/(Over) Collection	\$ 23,260	
23 Miscellaneous	\$ -	
24 Interest	\$ (335)	
25 Refunds	\$ -	
26 <u>Interruptible Margins</u>	\$ -	
27 Total Adjustments		\$ 22,925
28		
29 Working Capital:		
30 Total Anticipated Direct Cost of Gas	\$ 3,024,024	
31 Working Capital Percentage	<u>0.0887%</u>	
32 Working Capital Allowance	\$ 2,682	
33		
34 Plus: Working Capital Reconciliation (Acct 182.11)	<u>\$ (431)</u>	
35		
36 Total Working Capital Allowance		\$ 2,251
37		
38 Bad Debt:		
39 Bad Debt Allowance	\$ 22,890	
40 Plus: Bad Debt Reconciliation (Acct 182.16)	<u>\$ (12,773)</u>	
41 Total Bad Debt Allowance		\$ 10,117
42		
43 Local Production and Storage Capacity		\$ -
44		
45 Miscellaneous Overhead-22.99% Allocated to Summer Season		<u>\$ 117,870</u>
46		
47 Total Anticipated Indirect Cost of Gas		\$ 153,163
48		
49 Total Cost of Gas		<u>\$ 3,177,188</u>
50		
51		
52		

**N.H.P.U.C No. 11
 NORTHERN UTILITIES, INC.**

Summary

Anticipated Cost of Gas

New Hampshire Division
 Period Covered: May 1, 2016 - October 31, 2016

Column A	Column D
1 <u>ANTICIPATED DIRECT COST OF GAS</u>	
2 Purchased Gas for Sales Service:	
3 Demand Costs:	Schedule 1A, LN 71 - Schedule 1A, LN 80
4 Supply Costs:	Schedule 1B, LN 14
5	
6 Storage & Peaking Gas for Sales Service:	
7 Demand, Capacity:	Schedule 1A, LN 73 - Schedule 1A, LN 79
8 Commodity Costs:	Schedule 1B, LN 16 + Schedule 1B, LN 17
9	
10 Hedging (Gain)/Loss	Schedule 1B, LN 15
11	
12 Inventory Finance Charge	Schedule 22, LN 104
13	
14 Capacity Release	-(Schedule 1A, LN 76)
15	
16 Adjustment for Actual Costs	
17	
18 Total Anticipated Direct Cost of Gas	Sum (LN 3 : LN 16)
19	
20 <u>ANTICIPATED INDIRECT COST OF GAS</u>	
21 Adjustments:	
22 Prior Period Under/(Over) Collection	Schedule 3, LN 108: April
23 Miscellaneous	
24 Interest	Schedule 3, LN 115: Total
25 Refunds	
26 <u>Interruptible Margins</u>	-(Schedule 1A, LN 77)
27 Total Adjustments	Sum (LN 22 : LN 26)
28	
29 Working Capital:	
30 Total Anticipated Direct Cost of Gas	LN 18
31 Working Capital Percentage	NHPUC No. 11 Section 4.06.1
32 Working Capital Allowance	LN 30 * LN 31
33	
34 Plus: Working Capital Reconciliation (Acct 182.11)	Schedule 3, LN 85: October
35	
36 Total Working Capital Allowance	Sum (LN 32 : LN 34)
37	
38 Bad Debt:	
39 Bad Debt Allowance	Schedule 4, LN 20
40 Plus: Bad Debt Reconciliation (Acct 182.16)	Schedule 3, LN 96: October
41 Total Bad Debt Allowance	LN 39 + LN 40
42	
43 Local Production and Storage Capacity	Schedule 1A, LN 85
44	
45 Miscellaneous Overhead-22.99% Allocated to Summer Season	Schedule 1A, LN 84
46	
47 Total Anticipated Indirect Cost of Gas	Sum (LN 27 : LN 45)
48	
49 Total Cost of Gas	LN 47 + LN 18
50	
51	
52	

53 CALCULATION OF FIRM SALES COST OF GAS RATE
 54 Period Covered: May 1, 2016 - October 31, 2016

56	Column A	Column B	Column C
58	Total Anticipated Direct Cost of Gas	\$ 3,024,024	
59	Projected Prorated Sales (05/01/16 - 10/30/16)	9,940,234	
60	Direct Cost of Gas Rate		\$ 0.3042 per therm
62	Demand Cost of Gas Rate	\$ 933,408	\$ 0.0939 per therm
63	Commodity Cost of Gas Rate	\$ 2,090,615	\$ 0.2103 per therm
64	Total Direct Cost of Gas Rate	\$ 3,024,024	\$ 0.3042 per therm
66	Total Anticipated Indirect Cost of Gas	\$ 153,163	
67	Projected Prorated Sales (05/01/16 - 10/31/16)	9,940,234	
68	Indirect Cost of Gas		\$ 0.0154 per therm
71	TOTAL PERIOD AVERAGE COST OF GAS EFFECTIVE 05/01/16		\$ 0.3196 per therm
73	RESIDENTIAL COST OF GAS RATE - 05/01/16		
74		COGwr	\$ 0.3196 per therm
75		Maximum (COG+25%)	\$ 0.3995
77	COM/IND LOW WINTER USE COST OF GAS RATE - 05/01/16		
78		COGwl	\$ 0.2832 per therm
79		Maximum (COG+25%)	\$ 0.3540
80	C&I HLF Demand Costs Allocated per SMBA	\$ 173,257	
81	PLUS: Residential Demand Reallocation to C&I HLF	\$ 26,630	
82	C&I HLF Total Adjusted Demand Costs	\$ 199,887	
83	C&I HLF Projected Prorated Sales (05/01/16 - 10/31/16)	3,477,731	
84	Demand Cost of Gas Rate	\$ 0.0575	
86	C&I HLF Commodity Costs Allocated per SMBA	\$ 731,431	
87	PLUS: Residential Commodity Reallocation to C&I HLF	\$ 35	
88	C&I HLF Total Adjusted Commodity Costs	\$ 731,466	
89	C&I HLF Projected Prorated Sales (05/01/16 - 10/31/16)	3,477,731	
90	Commodity Cost of Gas Rate	\$ 0.2103	
92	Indirect Cost of Gas	\$ 0.0154	
94	Total C&I HLF Cost of Gas Rate	\$ 0.2832	
97	COM/IND HIGH WINTER USE COST OF GAS RATE - 05/01/16		
98		COGwh	\$ 0.3619 per therm
99		Maximum (COG+25%)	\$ 0.4524
100	C&I LLF Demand Costs Allocated per SMBA	\$ 353,322	
101	PLUS: Residential Demand Reallocation to C&I LLF	\$ 54,307	
102	C&I LLF Total Adjusted Demand Costs	\$ 407,629	
103	C&I LLF Projected Prorated Sales (05/01/16 - 05/31/16)	2,991,879	
104	Demand Cost of Gas Rate	\$ 0.1362	
106	C&I LLF Commodity Costs Allocated per SMBA	\$ 629,248	
107	PLUS: Residential Commodity Reallocation to C&I LLF	\$ 30	
108	C&I LLF Total Adjusted Commodity Costs	\$ 629,277	
109	C&I LLF Projected Prorated Sales (05/01/16 - 10/31/16)	2,991,879	
110	Commodity Cost of Gas Rate	\$ 0.2103	
112	Indirect Cost of Gas	\$ 0.0154	
114	Total C&I LLF Cost of Gas Rate	\$ 0.3619	

53	CALCULATION OF FIRM SALES COST OF GAS RATE	
54	Period Covered: May 1, 2016 - October 31, 2016	
55		
56	Column A	Column D
57		
58	Total Anticipated Direct Cost of Gas	LN 18
59	Projected Prorated Sales (05/01/16 - 10/30/16)	Schedule 10B, LN 11
60	Direct Cost of Gas Rate	LN 58 / LN 59
61		
62	Demand Cost of Gas Rate	Column B : SUM (LN 3 , LN 7 , LN 14)
63	Commodity Cost of Gas Rate	Column B : SUM (LN 4 , LN 8 , LN 10)
64	Total Direct Cost of Gas Rate	SUM (LN 62 : LN 63)
65		
66	Total Anticipated Indirect Cost of Gas	LN 47
67	Projected Prorated Sales (05/01/16 - 10/31/16)	LN 61
68	Indirect Cost of Gas	LN 66 / LN 67
69		
70		
71	TOTAL PERIOD AVERAGE COST OF GAS EFFECTIVE 05/01/16	LN 64 + LN 68
72		
73	RESIDENTIAL COST OF GAS RATE - 05/01/16	LN 73
74		LN 73 * 1.25
75		
76		
77	COM/IND LOW WINTER USE COST OF GAS RATE - 05/01/16	LN 96
78		LN 77 * 1.25
79		
80	C&I HLF Demand Costs Allocated per SMBA	Schedule 10A, LN 169
81	PLUS: Residential Demand Reallocation to C&I HLF	Schedule 23, LN 16
82	C&I HLF Total Adjusted Demand Costs	Sum (LN 80 : LN 81)
83	C&I HLF Projected Prorated Sales (05/01/16 - 10/31/16)	Schedule 10B, LN 14
84	Demand Cost of Gas Rate	LN 82 / LN 83
85		
86	C&I HLF Commodity Costs Allocated per SMBA	Schedule 10C, LN 139
87	PLUS: Residential Commodity Reallocation to C&I HLF	Schedule 23, LN 26
88	C&I HLF Total Adjusted Commodity Costs	Sum (LN 86 : LN 87)
89	C&I HLF Projected Prorated Sales (05/01/16 - 10/31/16)	LN 85
90	Commodity Cost of Gas Rate	LN 88 / LN 89
91		
92	Indirect Cost of Gas	LN 68
93		
94	Total C&I HLF Cost of Gas Rate	Sum (LN 84, LN 90, LN 92)
95		
96		
97	COM/IND HIGH WINTER USE COST OF GAS RATE - 05/01/16	LN 116
98		LN 97 * 1.25
99		
100	C&I LLF Demand Costs Allocated per SMBA	Schedule 10A, LN 170
101	PLUS: Residential Demand Reallocation to C&I LLF	Schedule 23, LN 17
102	C&I LLF Total Adjusted Demand Costs	Sum (LN 100 : LN 101)
103	C&I LLF Projected Prorated Sales (05/01/16 - 05/31/16)	Schedule 10B, LN 15
104	Demand Cost of Gas Rate	LN 102 / LN 103
105		
106	C&I LLF Commodity Costs Allocated per SMBA	Schedule 10C, LN 140
107	PLUS: Residential Commodity Reallocation to C&I LLF	Schedule 23, LN 27
108	C&I LLF Total Adjusted Commodity Costs	Sum (LN 106 : LN 107)
109	C&I LLF Projected Prorated Sales (05/01/16 - 10/31/16)	LN 105
110	Commodity Cost of Gas Rate	LN 108 / LN 109
111		
112	Indirect Cost of Gas	LN 68
113		
114	Total C&I LLF Cost of Gas Rate	Sum (LN 104, LN 110, LN 112)