

CALCULATION OF THE WINTER COST OF GAS RATE

Period Covered: Winter Period November 1, 2017 through April 30, 2018

Projected Gas Sales - therms		1,102,601
Total Anticipated Cost of Gas Sendout		\$1,410,222
Add: Prior Period Deficiency Uncollected Interest		\$0 \$0
Deduct: Prior Period Excess Collected Interest		(\$29,372) \$1,053
Prior Period Adjustments and Interest		(\$28,319)
Total Anticipated Cost		<u>\$1,381,903</u>

Cost of Gas Rate

Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)	<u>\$1.2533</u>
Fixed Price Option Premium	(\$0.0125)
Fixed Price Option Cost of Gas Rate (per therm)	<u>\$1.2408</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>\$1.5666</u>
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Issued: October 31, 2017
Effective: November 1, 2017

Issued By: /s/ Susan L. Fleck
Susan L. Fleck
President

Calculation of the Cost of Gas Rate

Period Covered: ~~Winter Period November 1, 2016 through April 30, 2017~~
Winter Period November 1, 2017 through April 30, 2018

Projected Gas Sales - therms		—1,014,258	1,102,601
Total Anticipated Cost of Gas Sendout		\$1,130,275	\$1,410,222
Add: Prior Period Deficiency Uncollected Interest	\$394,761 \$11,757	\$0 \$0	
Deduct: Prior Period Excess Collected Interest	\$0 \$0	(\$29,372) \$1,053	
Prior Period Adjustments and Interest		\$406,518	(\$28,319)
Total Anticipated Cost		<u>\$1,536,793</u>	<u>\$1,381,903</u>

Cost of Gas Rate

Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)		<u>\$1.5152</u>	<u>\$1.2533</u>
Fixed Price Option Premium		(\$0.0125)	
Fixed Price Option Cost of Gas Rate (per therm)		<u>\$1.5027</u>	<u>\$1.2408</u>
Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)		\$1.5152	
Mid-Period Adjustment - December 1, 2016		\$0.1013	
Mid-Period Adjustment - January 1, 2017		\$0.1529	
Mid-Period Adjustment - March 1, 2017		(\$0.4944)	
Mid-Period Adjustment - April 1, 2017		(\$0.1072)	
Revised Non-Fixed Price Option Cost of Gas Rate - Effective April 1, 2017 (per therm)		<u><u>\$1.1678</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>\$1.0985</u></u>	<u><u>\$1.5666</u></u>
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October 31, 2017
November 1, 2017

Issued By: _____
Susan L. Fleck
David R. Swain