

January 19, 2018

Debra Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit St., Suite 10
Concord, NH 03301-2429

Re: Northern Utilities, Inc., New Hampshire Division - Docket DG 17-144
January 2018 Monthly Cost of Gas Report

Dear Director Howland:

Pursuant to Commission Order No. 26,068 in Docket DG 17-144, enclosed is Northern Utilities - New Hampshire Division's ("Northern" or the "Company") current calculation of its Cost of Gas (COG) Clause projected target over-/under-collection of gas costs for the 2017/2018 winter season. The Company is also providing a summary of its hedging transactions and monthly inventory interest calculation, both updated through December 2017.

Northern's projected target over-/under-collection has been updated to reflect the actual November 1, 2017 balance, actual costs and revenues for November and December 2017, and January 2018 through April 2018 NYMEX futures prices on January 11, 2018. The updated calculations indicate an increase in COG Rates up to the maximum allowable, 25%, is required at this time. Support for this decision is provided in the attached summary and tables. Accordingly, pursuant to its tariff, the Company has enclosed for filing the following Tariff Pages reflecting an increase in its COG Rates:

Supplement No. 2, First Revised Page 1,
Supplement No. 2, First Revised Page 3,
Twentieth Revised Page 43.

These Tariff Pages are issued January 19, 2018 to be effective on February 1, 2017. Red-line versions of these Tariff Pages are also enclosed.

The impact of the February 1 change in the COG Rate on the typical residential heating customer for the 2017/2018 winter season will be \$51.39 or 5.4 percent more than the winter period bill at the Company's current COG rate.

George H. Simmons
Manager Regulatory Services

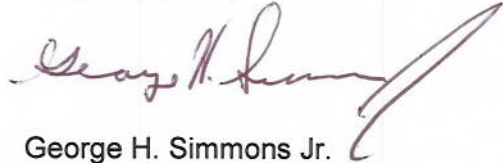
6 Liberty Lane West
Hampton, NH 03842

one: 603-773-6534
x: 603-773-6734

simmons@unitil.com

If you have any questions regarding this filing, please do not hesitate to contact me or Chris Kahl at (603)773-6425.

Very truly yours,

A handwritten signature in dark ink, appearing to read "George H. Simmons Jr.", with a long, sweeping flourish extending to the right.

George H. Simmons Jr.

Enclosures

cc: Alex Speidel, Staff Counsel
Donald Kreis, Consumer Advocate

New Hampshire Monthly Cost of Gas Report

Winter Period

January 2018 Summary

The objective of the Winter Period Monthly Cost of Gas (“COG”) analysis is to determine if COG rates need to be adjusted in order to minimize differences between the April 30, 2018 target balance and the corresponding estimated end of Winter Period balance. An adjustment is made to COG rates if the difference between the estimated and target end of Winter Period balances exceeds 2% of total projected gas costs.

As shown on Table 1, Line 22, the estimated end of Winter Period balance is an under-collection of \$1,089,880 and, Line 25, the target end of Winter Period balance is an over-collection of (\$2,708,745). Thus, the variance between the estimated and target balances is an under-collection of \$3,798,625, Line 27. This under-collection represents a variance of 15.2% of total gas costs, Line 32. Therefore, Northern will increase its COG rates by the maximum allowance of 25%. This rate increase will allow Northern to recover approximately \$2,500,000 of the estimated under-recovery by the end of the Winter Period. If Northern continues to estimate a substantial end of Winter Period under-collection in subsequent months, the Company may submit a supplemental COG rate filing for approval by the Commission.

Support for the estimated end of Winter Period balance is provided in Table 2. Support for the target end of Winter Period balance is provided in Table 3.

NORTHERN UTILITIES - NEW HAMPSHIRE DIVISION
WINTER SEASON RESIDENTIAL RATES

Winter Season November 2017 - April 2018		Tariff Rates	Total Delivery Rates (Includes LDAC)	Total Billed Rates Tariff Rates, LDAC Plus Cost of Gas
Residential Heating	<u>Tariff Rate R 5:</u>			
	Monthly Customer Charge	\$21.36	\$21.36	\$21.36
	First 50 therms	\$0.6468	\$0.7028	\$1.5674
	All usage over 50 therms	\$0.5332	\$0.5892	\$1.4538
	LDAC	\$0.0560		
<u>Gas Cost Adjustment:</u>				
Cost of Gas		\$0.8646		
Residential Heating Low Income	<u>Tariff Rate R 10:</u>			
	Monthly Customer Charge	\$8.54	\$8.54	\$8.54
	First 50 therms	\$0.2725	\$0.3285	\$1.1931
	All usage over 50 therms	\$0.2270	\$0.2830	\$1.1476
	LDAC	\$0.0560		
<u>Gas Cost Adjustment:</u>				
Cost of Gas		\$0.8646		
Residential Non-Heating	<u>Tariff Rate R 6:</u>			
	Monthly Customer Charge	\$21.36	\$21.36	\$21.36
	First 10 therms	\$0.4443	\$0.5003	\$1.3649
	All usage over 10 therms	\$0.4443	\$0.5003	\$1.3649
	LDAC	\$0.0560		
<u>Gas Cost Adjustment:</u>				
Cost of Gas		\$0.8646		
Residential Non-Heating Low Income	<u>Tariff Rate R 11:</u>			
	Monthly Customer Charge	\$15.52	\$15.52	\$15.52
	First 10 therms	\$0.3425	\$0.3985	\$1.2631
	All usage over 10 therms	\$0.3425	\$0.3985	\$1.2631
	LDAC	\$0.0560		
<u>Gas Cost Adjustment:</u>				
Cost of Gas		\$0.8646		

Issued: January 19, 2018

Effective: With Service Rendered On and After February 1, 2018

Authorized by NHPUC Order No. 26,068 in Docket No. DG 17-144, dated October 31, 2017

Issued by:

Title:



Senior Vice President

NORTHERN UTILITIES - NEW HAMPSHIRE DIVISION
WINTER SEASON C&I RATES

Winter Season November 2017 - April 2018		Tariff Rates	Total Delivery Rates (Includes LDAC)	Total Billed Rates Tariff Rates, LDAC Plus Cost of Gas
C&I Low Annual/High Winter	<u>Tariff Rate G 40:</u> Monthly Customer Charge First 75 therms All usage over 75 therms LDAC <u>Gas Cost Adjustment:</u> Cost of Gas	\$67.45 \$0.1844 \$0.1844 \$0.0293 \$0.8779	 \$67.45 \$0.2137 \$0.2137	 \$67.45 \$1.0916 \$1.0916
C&I Low Annual/Low Winter	<u>Tariff Rate G 50:</u> Monthly Customer Charge First 75 therms All usage over 75 therms LDAC <u>Gas Cost Adjustment:</u> Cost of Gas	\$67.45 \$0.1844 \$0.1844 \$0.0293 \$0.7767	 \$67.45 \$0.2137 \$0.2137	 \$67.45 \$0.9904 \$0.9904
C&I Medium Annual/High Winter	<u>Tariff Rate G 41:</u> Monthly Customer Charge All usage LDAC <u>Gas Cost Adjustment:</u> Cost of Gas	\$196.73 \$0.2327 \$0.0293 \$0.8779	 \$196.73 \$0.2620	 \$196.73 \$1.1399
C&I Medium Annual/Low Winter	<u>Tariff Rate G 51:</u> Monthly Customer Charge First 1,300 therms All usage over 1,300 therms LDAC <u>Gas Cost Adjustment:</u> Cost of Gas	\$196.73 \$0.1749 \$0.1467 \$0.0293 \$0.7767	 \$196.73 \$0.2042 \$0.1760	 \$196.73 \$0.9809 \$0.9527
C&I High Annual/High Winter	<u>Tariff Rate G 42:</u> Monthly Customer Charge All usage LDAC <u>Gas Cost Adjustment:</u> Cost of Gas	\$1,124.19 \$0.1993 \$0.0293 \$0.8779	 \$1,124.19 \$0.2286	 \$1,124.19 \$1.1065
C&I High Annual/Low Winter	<u>Tariff Rate G 52:</u> Monthly Customer Charge All usage LDAC <u>Gas Cost Adjustment:</u> Cost of Gas	\$1,124.19 \$0.1770 \$0.0293 \$0.7767	 \$1,124.19 \$0.2063	 \$1,124.19 \$0.9830

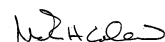
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Title: Senior Vice President



CALCULATION OF FIRM SALES COST OF GAS RATE

Period Covered: November 1, 2017 - April 30, 2018

(Col 1)	(Col 2)	(Col 3)
Total Anticipated Direct Cost of Gas	\$24,032,363	
Projected Prorated Sales (11/01/17 - 04/30/18)	34,865,979	
Direct Cost of Gas Rate		\$0.6893 per therm
Demand Cost of Gas Rate	\$9,128,178	\$0.2618 per therm
Commodity Cost of Gas Rate	<u>\$14,904,185</u>	<u>\$0.4275</u> per therm
Total Direct Cost of Gas Rate	\$24,032,363	\$0.6893 per therm
Total Anticipated Indirect Cost of Gas	\$731,226	
Projected Prorated Sales (11/01/17 - 04/30/18)	34,865,979	
Indirect Cost of Gas		\$0.0210 per therm
TOTAL PERIOD AVERAGE COST OF GAS		\$0.7103 per therm

Period Ending over-collection as determined on 01/19/17

\$2,500,000

Projected Sales (02/01/18 - 04/30/18)

16,202,626

Per unit change in Cost of Gas (02/01/18 - 04/30/18)

\$0.1543

*1 Over-collection w/o rate adjustment as contained in NUI's COG Report dated January 19, 2018

RESIDENTIAL COST OF GAS RATE - 02/01/18	COGwr	\$0.8646 per therm
	Maximum (COG+25%)	\$0.8879

RESIDENTIAL COST OF GAS RATE - 11/01/17

\$0.7103

CHANGE IN PER UNIT COST

\$0.1543

RESIDENTIAL COST OF GAS RATE - 2/01/18

\$0.8646

COM/IND LOW WINTER USE COST OF GAS RATE - 02/01/18	COGwl	\$0.7767 per therm
	Maximum (COG+25%)	\$0.7780

COMM/IND LOW WINTER USE COST OF GAS RATE - 11/01/17

\$0.6224

CHANGE IN PER UNIT COST

\$0.1543

COMM/IND LOW WINTER USE COST OF GAS RATE - 2/01/18

\$0.7767

COM/IND HIGH WINTER USE COST OF GAS RATE - 02/01/18	COGwh	\$0.8779 per therm
	Maximum (COG+25%)	\$0.9045

COMM/IND HIGH WINTER USE COST OF GAS RATE - 11/01/17

\$0.7236

CHANGE IN PER UNIT COST

\$0.1543

COMM/IND HIGH WINTER USE COST OF GAS RATE - 2/01/18

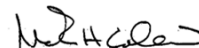
\$0.8779

Issued: January 19, 2018

Effective Date: February 1, 2018

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Issued By:



Senior Vice President

NORTHERN UTILITIES - NEW HAMPSHIRE DIVISION
WINTER SEASON RESIDENTIAL RATES

Winter Season November 2017 - April 2018		Tariff Rates	Total Delivery Rates (Includes LDAC)	Total Billed Rates Tariff Rates, LDAC Plus Cost of Gas
Residential Heating	<u>Tariff Rate R 5:</u>			
	Monthly Customer Charge	\$21.36	\$21.36	\$21.36
	First 50 therms	\$0.6468	\$0.7028	\$1.4131 <u>\$1.5674</u>
	All usage over 50 therms	\$0.5332	\$0.5892	\$1.2995 <u>\$1.4538</u>
	LDAC	\$0.0560		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.7403 <u>\$0.8646</u>		
Residential Heating Low income	<u>Tariff Rate R 10:</u>			
	Monthly Customer Charge	\$8.54	\$8.54	\$8.54
	First 50 therms	\$0.2725	\$0.3285	\$1.0388 <u>\$1.1931</u>
	All usage over 50 therms	\$0.2270	\$0.2830	\$0.9933 <u>\$1.1476</u>
	LDAC	\$0.0560		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.7403 <u>\$0.8646</u>		
Residential Non-Heating	<u>Tariff Rate R 6:</u>			
	Monthly Customer Charge	\$21.36	\$21.36	\$21.36
	First 10 therms	\$0.4443	\$0.5003	\$1.2106 <u>\$1.3649</u>
	All usage over 10 therms	\$0.4443	\$0.5003	\$1.2106 <u>\$1.3649</u>
	LDAC	\$0.0560		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.7403 <u>\$0.8646</u>		
Residential Non-Heating Low income	<u>Tariff Rate R 11:</u>			
	Monthly Customer Charge	\$15.52	\$15.52	\$15.52
	First 10 therms	\$0.3425	\$0.3985	\$1.4088 <u>\$1.2631</u>
	All usage over 10 therms	\$0.3425	\$0.3985	\$1.4088 <u>\$1.2631</u>
	LDAC	\$0.0560		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.7403 <u>\$0.8646</u>		

Issued: ~~November 6, 2017~~ January 19, 2018

Effective Date: ~~November 1, 2017~~ February 1, 2018

Authorized by NHPUC Order No. 26,068 in Docket No. DG 17-144, dated October 31, 2017

Issued by:

Title:

Senior Vice Presiden

NORTHERN UTILITIES - NEW HAMPSHIRE DIVISION
WINTER SEASON C&I RATES

Winter Season November 2017 - April 2018		Tariff Rates	Total Delivery Rates (Includes LDAC)	Total Billed Rates Tariff Rates, LDAC Plus Cost of Gas
C&I Low Annual/High Winter	<u>Tariff Rate G 40:</u>			
	Monthly Customer Charge	\$67.45	\$67.45	\$67.45
	First 75 therms	\$0.1844	\$0.2137	\$0.9373 <u>\$1.0916</u>
	All usage over 75 therms	\$0.1844	\$0.2137	\$0.9373 <u>\$1.0916</u>
	LDAC	\$0.0293		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.7236 <u>\$0.8779</u>		
C&I Low Annual/Low Winter	<u>Tariff Rate G 50:</u>			
	Monthly Customer Charge	\$67.45	\$67.45	\$67.45
	First 75 therms	\$0.1844	\$0.2137	\$0.8361 <u>\$0.9904</u>
	All usage over 75 therms	\$0.1844	\$0.2137	\$0.8361 <u>\$0.9904</u>
	LDAC	\$0.0293		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.6224 <u>\$0.7767</u>		
C&I Medium Annual/High Winter	<u>Tariff Rate G 41:</u>			
	Monthly Customer Charge	\$196.73	\$196.73	\$196.73
	All usage	\$0.2327	\$0.2620	\$0.9856 <u>\$1.1399</u>
	LDAC	\$0.0293		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.7236 <u>\$0.8779</u>		
C&I Medium Annual/Low Winter	<u>Tariff Rate G 51:</u>			
	Monthly Customer Charge	\$196.73	\$196.73	\$196.73
	First 1,300 therms	\$0.1749	\$0.2042	\$0.8266 <u>\$0.9809</u>
	All usage over 1,300 therms	\$0.1467	\$0.1760	\$0.7984 <u>\$0.9527</u>
	LDAC	\$0.0293		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.6224 <u>\$0.7767</u>		
C&I High Annual/High Winter	<u>Tariff Rate G 42:</u>			
	Monthly Customer Charge	\$1,124.19	\$1,124.19	\$1,124.19
	All usage	\$0.1993	\$0.2286	\$0.9522 <u>\$1.1065</u>
	LDAC	\$0.0293		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.7236 <u>\$0.8779</u>		
C&I High Annual/Low Winter	<u>Tariff Rate G 52:</u>			
	Monthly Customer Charge	\$1,124.19	\$1,124.19	\$1,124.19
	All usage	\$0.1770	\$0.2063	\$0.8287 <u>\$0.9830</u>
	LDAC	\$0.0293		
	<u>Gas Cost Adjustment:</u>			
	Cost of Gas	\$0.6224 <u>\$0.7767</u>		

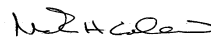
Issued: November 6, 2017 January 19, 2018

Effective Date: November 1, 2017 February 1, 2018

Authorized by NHPUC Order No. 26,068 in Docket No. DG 17-144, dated October 31, 2017

Issued by:

Title:



Senior Vice President

CALCULATION OF FIRM SALES COST OF GAS RATE

Period Covered: November 1, 2017 - April 30, 2018

(Col 1)	(Col 2)	(Col 3)
Total Anticipated Direct Cost of Gas	\$24,032,363	
Projected Prorated Sales (11/01/17 - 04/30/18)	34,865,979	
Direct Cost of Gas Rate		\$0.6893 per therm
Demand Cost of Gas Rate	\$9,128,178	\$0.2618 per therm
Commodity Cost of Gas Rate	\$14,904,185	\$0.4275 per therm
Total Direct Cost of Gas Rate	\$24,032,363	\$0.6893 per therm
Total Anticipated Indirect Cost of Gas	\$731,226	
Projected Prorated Sales (11/01/17 - 04/30/18)	34,865,979	
Indirect Cost of Gas		\$0.0210 per therm
TOTAL PERIOD AVERAGE COST OF GAS		\$0.7103 per therm

<u>Period ending over-collection as determined on 1/19/18</u>	\$2,500,000
<u>Projected sales (02/01/18 - 04/30/18)</u>	16,202,626
<u>Per unit change in Cost of Gas (02/01/18 - 04/30/18)</u>	<u>\$0.1543</u>
-1 Over-collection w/o rate adjustment as contained in NUI's COG Report dated January 19, 2018	

RESIDENTIAL COST OF GAS RATE - 11/01/17 - 02/01/18	COGwr	\$0.7103	\$0.8646	per therm
	Maximum (COG+25%)		\$0.8879	
<u>RESIDENTIAL COST OF GAS RATE - 11/01/17</u>			<u>\$0.7103</u>	
<u>CHANGE IN PER UNIT COST</u>			<u>\$0.1543</u>	
<u>RESIDENTIAL COST OF GAS RATE - 02/01/18</u>			<u>\$0.8646</u>	

COM/IND LOW WINTER USE COST OF GAS RATE - 11/01/17 - 02/01/18	COGwl	\$0.6224	\$0.7767	per therm
	Maximum (COG+25%)		\$0.7780	
C&I HLF DEMAND COSTS ALLOCATED PER SMBA	\$349,557			
PLUS: RESIDENTIAL DEMAND RELOCATION TO C&I HLF	\$57,241			
C&I HLF TOTAL ADJUSTED DEMAND COSTS	\$406,798			
C&I HLF PROJECTED PRORATED SALES (11/01/17 - 04/30/18)	2,448,624			
DEMAND COST OF GAS RATE	\$0.1661			
C&I HLF COMMODITY COSTS ALLOCATED PER SMBA	\$1,066,497			
PLUS: RESIDENTIAL COMMODITY COSTS	(\$584)			
C&I HLF TOTAL ADJUSTED COMMODITY COSTS	\$1,065,913			
C&I HLF PROJECTED PRORATED SALES (11/01/17 - 04/30/18)	2,448,624			
COMMODITY COST OF GAS RATE	\$0.4353			
INDIRECT COST OF GAS	\$0.0210			
TOTAL C&I HLF COST OF GAS RATE	\$0.6224			
<u>COM/IND LOW WINTER USE COST OF GAS RATE - 11/01/17</u>			<u>\$0.6224</u>	
<u>CHANGE IN PER UNIT COST</u>			<u>\$0.1543</u>	
<u>COM/IND LOW WINTER USE COST OF GAS RATE - 02/01/18</u>			<u>\$0.7767</u>	

COM/IND HIGH WINTER USE COST OF GAS RATE - 11/01/17 - 02/01/18	COGwh	\$0.7236	\$0.8779	per therm
	Maximum (COG+25%)		\$0.9045	
C&I LLF COMMODITY COSTS ALLOCATED PER SMBA	\$3,841,918			
PLUS: RESIDENTIAL DEMAND RELOCATION TO C&I LLF	\$629,123			
C&I LLF TOTAL ADJUSTED DEMAND COSTS	\$4,471,041			
C&I LLF PROJECTED PRORATED SALES (11/01/17 - 04/30/18)	16,182,767			
DEMAND COST OF GAS RATE	\$0.2763			
C&I LLF COMMODITY COSTS ALLOCATED PER SMBA	\$6,992,243			
PLUS: RESIDENTIAL COMMODITY RELOCATION TO C&I LLF	(\$3,782)			
C&I LLF TOTAL ADJUSTED COMMODITY COSTS	\$6,988,461			
C&I LLF PROJECTED PRORATED SALES (11/01/17 - 04/30/18)	16,182,767			
COMMODITY COST OF GAS RATE	\$0.4263			
INDIRECT COST OF GAS	\$0.0210			
TOTAL C&I LLF COST OF GAS RATE	\$0.7236			
<u>COM/IND HIGH WINTER USE COST OF GAS RATE - 11/01/17</u>			<u>\$0.7236</u>	
<u>CHANGE IN PER UNIT COST</u>			<u>\$0.1543</u>	
<u>COM/IND HIGH WINTER USE COST OF GAS RATE - 02/01/18</u>			<u>\$0.8779</u>	

NORTHERN UTILITIES, INC.
NEW HAMPSHIRE DIVISION
Calculation of the Projected Over or Under Collection of the
Winter 2017-2018 Period Cost of Gas
DG 17-144
January 2018 Estimated

1	Under/(Over) collection as of 11/01/17	\$ 352,624	Table 2, PG. 3, Line 99
2			
3	Forecasted firm therm sales 11/01/17 - 4/30/18		
4	Residential Heat & Non Heat	11,259,737	Table 2, PG. 2, Line 2
5	HLF Classes	1,698,279	Table 2, PG. 2, Line 3
6	LLF Classes	11,223,794	Table 2, PG. 2, Line 4
7			
8	Current recovery rate per therm		
9	Residential heat & non heat	\$0.7103	Table 2, PG. 1, Line 7
10	HLF classes	\$0.6224	Table 2, PG. 1, Line 8
11	LLF classes	\$0.7236	Table 2, PG. 1, Line 9
12			
13	Total	\$ (17,176,337)	(LN 4 * Ln 9) + (LN 5 * LN 10) + (LN 6 * LN 11)
14			
15	Forecasted recovered costs at current rates 01/01/2018 - 04/30/2018	\$ (17,176,337)	LN 13
16	Actual Recovered Costss 11/01/2017 - 12/31/2017	\$ (7,074,448)	
17	Estimated total recovered costs 11/01/17 - 04/30/18	\$ (24,250,786)	LN 15 + LN 16
18			
19	Revised projected direct gas costs 11/01/17 - 04/30/18 [1]	\$ 24,102,816	Table 2, PG. 2, Line 71
20	Revised projected indirect gas costs 11/01/17 - 04/30/18 [2]	\$ 885,225	Table 2, PG. 4, Line 101
21			
22	Projected April 30, 2018 End of Winter Period Balance	\$ 1,089,880	LN 1 + Ln 17 + LN 19 + LN 20
23			
24			
25	April 30, 2018 Target Balance	(\$2,708,745)	Table 2, PG. 3, Line 107
26			
27	Variance from Projected Target Balance	\$ 3,798,625	LN 25 - LN 22
28			
29	Total Projected Gas Costs	\$ 24,988,041	LN 19 + LN 20
30			
31			
32	Under/(over) collection as percent of total gas costs	15.20%	LN 27 / LN 29

NOTES

[1] Reflects futures prices as of January 11, 2018

[2] 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

		Winter						Summer					
Sales Revenues					(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)
Volumes	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
Residential Heat & Non Heat				3,715,334	3,261,260	2,797,567	1,485,575	702,997	482,427	419,957	422,211	443,199	927,645
Sales HLF Classes				560,375	491,888	421,950	224,066	363,643	249,548	217,233	218,399	229,256	479,847
Sales LLF Classes				3,703,475	3,250,850	2,788,637	1,480,833	561,252	385,156	335,281	337,080	353,837	740,604
Total				7,979,184	7,003,998	6,008,154	3,190,474	1,627,891	1,117,130	972,471	977,690	1,026,291	2,148,096
Rates													
Residential Heat & Non Heat CGA				\$0.7103	\$0.7103	\$0.7103	\$0.7103	\$0.3975	\$0.3975	\$0.3975	\$0.3975	\$0.3975	\$0.3975
Sales HLF Classes CGA				\$0.6224	\$0.6224	\$0.6224	\$0.6224	\$0.3543	\$0.3543	\$0.3543	\$0.3543	\$0.3543	\$0.3543
Sales LLF Classes CGA				\$0.7236	\$0.7236	\$0.7236	\$0.7236	\$0.4254	\$0.4254	\$0.4254	\$0.4254	\$0.4254	\$0.4254
Revenues													
Residential Heat & Non Heat				\$ (2,639,002)	\$ (2,316,473)	\$ (1,987,112)	\$ (1,055,204)	\$ (279,441)	\$ (191,765)	\$ (166,933)	\$ (167,829)	\$ (176,172)	\$ (368,739)
Sales HLF Classes				\$ (348,777)	\$ (306,151)	\$ (262,622)	\$ (139,458)	\$ (128,839)	\$ (88,415)	\$ (76,966)	\$ (77,379)	\$ (81,225)	\$ (170,010)
Sales LLF Classes				\$ (2,679,834)	\$ (2,352,315)	\$ (2,017,858)	\$ (1,071,531)	\$ (238,756)	\$ (163,845)	\$ (142,629)	\$ (143,394)	\$ (150,522)	\$ (315,053)
Total Sales		\$ (1,965,771)	\$ (5,108,678)	\$ (5,667,613)	\$ (4,974,939)	\$ (4,267,591)	\$ (2,266,193)	\$ (647,036)	\$ (444,025)	\$ (386,527)	\$ (388,601)	\$ (407,919)	\$ (853,802)
		Winter						Summer					
Gas Costs and Credits					(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)	(Forecast)
	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18
Net Demand Costs (Net of Injection Fees & Cap. Assign.)													
Pipeline		\$ 278,965	\$ 278,965	\$ 278,965	\$ 278,965	\$ 278,965	\$ 278,965	\$ 278,965	\$ 278,965	\$ 278,965	\$ 278,965	\$ 278,020	\$ 278,020
Storage		\$ 1,118,336	\$ 1,118,336	\$ 1,118,336	\$ 1,118,336	\$ 1,118,336	\$ 443,264	\$ 443,264	\$ 410,369	\$ 410,369	\$ 410,369	\$ 410,369	\$ 410,369
Peaking		\$ 242,893	\$ 327,662	\$ 327,662	\$ 327,662	\$ 242,893	\$ 90,295	\$ 42,108	\$ 42,108	\$ 42,108	\$ 42,108	\$ 42,108	\$ 42,108
Total Demand Costs		\$ 1,640,194	\$ 1,724,963	\$ 1,724,963	\$ 1,724,963	\$ 1,640,194	\$ 812,524	\$ 764,337	\$ 731,442	\$ 731,442	\$ 731,442	\$ 730,497	\$ 730,497
Asset Management and Capacity Release													
NUI AMA Revenue				\$ (494,079)	\$ (494,079)	\$ (494,079)	\$ (293,679)	\$ (394,079)	\$ (394,079)	\$ (394,079)	\$ (394,079)	\$ (394,079)	\$ (394,079)
NUI Capacity Release				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NUI AMA Rev & Cap. Release Subtotal				\$ (494,079)	\$ (494,079)	\$ (494,079)	\$ (293,679)	\$ (394,079)	\$ (394,079)	\$ (394,079)	\$ (394,079)	\$ (394,079)	\$ (394,079)
NH AMA Revenue				\$ (220,409)	\$ (220,409)	\$ (220,409)	\$ (131,010)	\$ (175,799)	\$ (175,799)	\$ (175,799)	\$ (175,799)	\$ (175,799)	\$ (175,799)
NH Capacity Release				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NH Total Asset Management and Capacity Release				\$ (220,409)	\$ (220,409)	\$ (220,409)	\$ (131,010)	\$ (175,799)	\$ (175,799)	\$ (175,799)	\$ (175,799)	\$ (175,799)	\$ (175,799)
PNGTS Refund				\$ (293,328.41)	\$ (293,328.41)	\$ (293,328.41)	\$ (293,328.41)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Net Demand Costs		\$ 812,941	\$ 854,867	\$ 1,211,226	\$ 1,211,226	\$ 1,126,457	\$ 388,185	\$ 588,539	\$ 555,644	\$ 555,644	\$ 555,644	\$ 554,698	\$ 554,698
NUI Commodity Costs													
NUI Total Pipeline Volumes				898,057	943,605	1,070,055	883,856	474,732	321,807	282,899	284,126	306,404	614,624
Pipeline Costs Modeled in Sendout™				\$ 11,474,093	\$ 7,280,330	\$ 3,338,452	\$ 2,395,366	\$ 1,273,432	\$ 862,289	\$ 761,921	\$ 763,018	\$ 800,369	\$ 1,648,370
NYMEX Price Used for Forecast				\$ 2.7380	\$ 3.2000	\$ 2.9930	\$ 2.7890	\$ 2.8900	\$ 2.9200	\$ 2.9400	\$ 2.9500	\$ 2.9200	\$ 2.9400
NYMEX Price Used for Update				\$ 2.7380	\$ 3.2000	\$ 2.9930	\$ 2.7890	\$ 2.8900	\$ 2.9200	\$ 2.9400	\$ 2.9500	\$ 2.9200	\$ 2.9400
Increase/(Decrease) NYMEX Price				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Increase/(Decrease) in Pipeline Costs				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Updated Pipeline Costs				\$ 11,474,093	\$ 7,280,330	\$ 3,338,452	\$ 2,395,366	\$ 1,273,432	\$ 862,289	\$ 761,921	\$ 763,018	\$ 800,369	\$ 1,648,370
Interruptible Volumes - NH				0	0	0	0	0	0	0	0	0	0
Average Supply Cost (\$/MMBtu)				\$ 12.78	\$ 7.72	\$ 3.12	\$ 2.71	\$ 2.68	\$ 2.68	\$ 2.69	\$ 2.69	\$ 2.61	\$ 2.68
Interruptible Cost - NH				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Updated Pipeline Costs				\$ 11,474,093	\$ 7,280,330	\$ 3,338,452	\$ 2,395,366	\$ 1,273,432	\$ 862,289	\$ 761,921	\$ 763,018	\$ 800,369	\$ 1,648,370
New Hampshire Allocated Percentage				40.28%	39.88%	39.23%	36.46%	34.56%	34.92%	34.54%	34.57%	33.68%	35.26%
NH Updated Pipeline Costs				\$ 4,621,623	\$ 2,903,260	\$ 1,309,682	\$ 873,435	\$ 440,118	\$ 301,101	\$ 263,150	\$ 263,809	\$ 269,572	\$ 581,265
Hedging (Gain)/Loss Estimate													
NYMEX Options Contracts													
Hedging Expenses				\$ 71,775	\$ 74,100	\$ 60,000							
NYMEX Option Strike Price				\$ 6.00	\$ 6.25	\$ 6.30							
NYMEX Price Used for Forecast				\$ 2.74	\$ 3.20	\$ 2.99							
Strike Price Hit				No	No	No							
Option Hedging Gain (Credit)													
Tota Northern Hedging Net Cost				\$ 71,775	\$ 74,100	\$ 60,000							
New Hampshire Allocated Percentage				40.28%	39.88%	39.23%							
NH Futures Hedging Net Cost				\$ 28,910	\$ 29,550	\$ 23,538		\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
NH Commodity Costs													
Pipeline Excl Hedging				\$ 4,621,623	\$ 2,903,260	\$ 1,309,682	\$ 873,435	\$ 440,118	\$ 301,101	\$ 263,150	\$ 263,809	\$ 269,572	\$ 581,265
Hedging (Gain)/Loss Estimate				\$ 28,910	\$ 29,550	\$ 23,538	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Storage				\$ 889,823	\$ 871,342	\$ 492,354	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Peaking				\$ 679,714	\$ 638,648	\$ 231,645	\$ 5,018	\$ 5,039	\$ 4,917	\$ 5,026	\$ 5,031	\$ 4,719	\$ 5,105
Total Commodity Costs		\$ 1,131,186	\$ 3,765,770	\$ 6,220,071	\$ 4,442,800	\$ 2,057,219	\$ 878,453	\$ 445,157	\$ 306,019	\$ 268,176	\$ 268,840	\$ 274,292	\$ 586,370
Inventory Finance Charge				\$ 829	\$ 725	\$ 596	\$ 267	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total Anticipated Direct Cost of Gas		\$ 1,944,126	\$ 4,620,637	\$ 7,432,126	\$ 5,654,751	\$ 3,184,272	\$ 1,266,904	\$ 1,033,696	\$ 861,662	\$ 823,819	\$ 824,484	\$ 828,990	\$ 1,141,068

Northern Utilities

NEW HAMPSHIRE (Over) / Undercollection Analysis, Balances & Interest Calculation

Sales Revenues				
Volumes	Winter	Summer	Prior Period	Total
Residential Heat & Non Heat	11,259,737	3,398,435		14,658,172
Sales HLF Classes	1,698,279	1,757,926		3,456,204
Sales LLF Classes	11,223,794	2,713,210		13,937,004
Total	24,181,810	7,869,571		32,051,380
Rates				
Residential Heat & Non Heat CGA				
Sales HLF Classes CGA				
Sales LLF Classes CGA				
Revenues				
Residential Heat & Non Heat	(7,997,791)	(1,350,878)		(9,348,669)
Sales HLF Classes	(1,057,009)	(622,833)		(1,679,842)
Sales LLF Classes	(8,121,538)	(1,154,199)		(9,275,737)
Total Sales	(24,250,786)	(3,127,910)		(27,378,696)
Gas Costs and Credits				
	Winter	Summer		Total
Net Demand Costs (Net of Injection Fees & Cap. As				
Pipeline	1,673,790	1,671,899		3,345,689
Storage	6,034,946	2,495,109		8,530,055
Peaking	1,559,066	252,650		1,811,716
Total Demand Costs	9,267,802	4,419,659		13,687,460
Asset Management and Capacity Release				
NUI AMA Revenue	(1,775,916)	(2,364,475)		\$ (4,140,391)
NUI Capacity Release	-	-		\$ -
NUI AMA Rev & Cap. Release Subtotal	(1,775,916)	(2,364,475)		\$ (4,140,391)
NH AMA Revenue	(792,236)	(1,054,792)		\$ (1,847,028)
NH Capacity Release	-	-		\$ -
NH Total Asset Management and Capacity Release	\$ (792,236)	\$ (1,054,792)		\$ (1,847,028)
PNGTS Refund	\$ (1,387,970)	\$ -		\$ (1,173,314)
Net Demand Costs	\$ 7,087,595	\$ 3,364,866		\$ 10,667,118
NUI Commodity Costs				
NUI Total Pipeline Volumes				6,080,165
Pipeline Costs Modeled in Sendout™				\$ 30,597,640
NYMEX Price Used for Forecast				
NYMEX Price Used for Update				
Increase/(Decrease) NYMEX Price				
Increase/(Decrease) in Pipeline Costs				
Updated Pipeline Costs				
Interruptible Volumes - NH				
Average Supply Cost (\$/MMBtu)				
Interruptible Cost - NH				
Total Updated Pipeline Costs				
New Hampshire Allocated Percentage				
NH Updated Pipeline Costs				\$ 11,827,016
Hedging (Gain)/Loss Estimate				
NYMEX Options Contracts				
Hedging Expenses				
NYMEX Option Strike Price				
NYMEX Price Used for Forecast				
Strike Price Hit				
Option Hedging Gain (Credit)				
Total Northern Hedging Net Cost				\$ 205,875
<u>New Hampshire Allocated Percentage</u>				
NH Futures Hedging Net Cost	\$ 81,998	\$ -		\$ 81,998
NH Commodity Costs				
Pipeline Excl Hedging	\$ 9,708,000	\$ 2,119,016		\$ 11,827,016
Hedging (Gain)/Loss Estimate	\$ 81,998	\$ -		\$ 81,998
Storage	\$ 2,253,519	\$ -		\$ 2,253,519
Peaking	\$ 1,555,025	\$ 29,837		\$ 1,584,863
Total Commodity Costs	\$ 18,498,498	\$ 2,148,854		\$ 20,644,351
Inventory Finance Charge	\$ 2,416	\$ 2,416		\$ 2,416
Total Anticipated Direct Cost of Gas	\$ 24,102,816	\$ 5,513,720		\$ 29,616,536

Northern Utilities

NEW HAMPSHIRE (Over) / Undercollection Analysis, Balances & Interest Calculation

	Winter	Summer	Prior Period	Total
Working Capital				
Total Anticipated Direct Cost of Gas				\$ 29,896,176
Working Capital Percentage				
Working Capital Allowance	\$ 26,261	\$ 5,939	\$ 3,411	\$ 35,611
Beginning Period Working Capital Balance				
End of Period Working Capital Allowance				
Interest				\$ 1,081
End of period with Interest				
Bad Debt				
Projected Bad Debt	\$ 184,403	\$ 11,146	\$ 13,172	\$ 208,721
Beginning Period Bad Debt Balance				
End of Period Bad Debt Balance				
Interest				\$ 2,095
End of Period Bad Debt Balance with Interest				
Local Production and Storage Capacity	\$ 420,658	\$ -		\$ 420,658
Miscellaneous Overhead	\$ 418,262	\$ 94,406	\$ -	\$ 512,668
Gas Cost Other than Bad Debt and Working Capital				
Beginning Balance Over/Under Collection				\$ 20,545,474
Net Costs - Revenues				\$ 3,171,166
Ending Balance before Interest				\$ 23,716,640
Average Balance				\$ 22,131,057
Interest Rate				
Interest Expense				\$ 78,381
Ending Balance Incl Interest Expense				
Total Over/Under Collection Ending Balance				
Total Indirect Cost of Gas	\$ 885,225	\$ 337,509	\$ 352,624	\$ 1,575,359
Total Cost of Gas	\$ 24,988,041	\$ 5,851,229	\$ 352,624	\$ 31,191,895
Total Interest	\$ 28,794	\$ 52,762		\$ 81,556

Northern Utilities, Inc.
Price Risk Management
Profit and Loss Statement
December 2017

Account # 53325

Current

ACB	\$0.00
TE	\$8,445.00
LV	\$8,445.00

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

TRANSACTION COSTS	Subtotal	Total
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Transaction Cost-Enter Options	Both	0	\$7.36	\$0.00
Transaction Cost-Exit Options		0		\$0.00

Total New Transaction Costs \$0.00

OPEN CALL OPTION POSITIONS-Expense and Open Trade Equity	Total	Total
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		State	QTY	Actual Option Premium	Option Purchase Cost	Strike Price	12/29/17 Futures Price	Current Open Trade Equity
07/27/16	Feb18 Options	Both	30	0.2470	\$74,100.00	\$4.500	\$2.953	\$0.00
08/29/16	Mar18 Options	Both	25	0.2400	\$60,000.00	\$4.650	\$2.906	\$0.00
<i>Total Expense, Open Trade Equity</i>					\$134,100.00			\$0.00

OPEN CALL OPTION POSITIONS- Long Option Value	Total
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		State	QTY	Current Option Premium	Current Option Value	Strike Price
07/27/16	Feb18 Options	Both	30	0.0094	\$2,820.00	\$4.500
08/29/16	Mar18 Options	Both	25	0.0225	\$5,625.00	\$4.650
12/29/17	<i>Total Long Option Value</i>				\$8,445.00	

MARGIN CASH BALANCE	Subtotal	Total
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12/01/17	Beginning Balance-carried forward from last month		\$0.00
	Interest Credit		\$0.00
	Net Deposit to Margin Account		\$0.00
	Option Premiums of new activity		\$0.00
	Monthly Transaction Costs		\$0.00
	<i>Total Monthly Cash Adjustment</i>		\$0.00
12/29/17	Ending Balance (ACB)		\$0.00

NORTHERN UTILITIES, INC.
DETERMINATION OF INVENTORY FINANCING FROM MONEY POOL
December 2017

	Total Inventory	Average bal beg + end / 2	Internally Financed	Money Pool Interest Rate	Interest to Defer	NH	ME
January 2016	\$8,349,188.69	\$9,797,354.69	\$9,797,354.69	1.70%	\$13,879.59	\$5,887.72	\$7,991.87
February	\$6,881,382.39	\$7,615,285.54	\$7,615,285.54	1.71%	\$10,851.78	\$4,603.33	\$6,248.46
March	\$6,466,038.05	\$6,673,710.22	\$6,673,710.22	1.71%	\$9,510.04	\$4,034.16	\$5,475.88
April	\$6,932,113.54	\$6,699,075.80	\$6,699,075.80	1.71%	\$9,546.18	\$4,049.49	\$5,496.69
May	\$7,347,477.88	\$7,139,795.71	\$7,139,795.71	1.72%	\$10,233.71	\$4,341.14	\$5,892.57
June	\$7,775,720.99	\$7,561,599.44	\$7,561,599.44	1.73%	\$10,901.31	\$4,624.33	\$6,276.97
July	\$8,390,100.35	\$8,082,910.67	\$8,082,910.67	1.76%	\$11,852.12	\$5,027.67	\$6,824.45
August	\$9,003,112.57	\$8,696,606.46	\$8,696,606.46	1.79%	\$12,953.71	\$5,494.96	\$7,458.74
September	\$9,643,843.60	\$9,323,478.09	\$9,323,478.09	1.81%	\$14,040.27	\$5,955.88	\$8,084.39
October	\$10,336,838.18	\$9,990,340.89	\$9,990,340.89	1.81%	\$15,044.50	\$6,381.88	\$8,662.62
November	\$10,177,266.05	\$10,257,052.11	\$10,257,052.11	1.84%	\$15,692.96	\$6,656.95	\$9,036.01
December	\$8,176,192.96	\$9,176,729.50	\$9,176,729.50	1.98%	\$15,151.98	\$6,427.47	\$8,724.51
January 2017	\$5,829,428.98	\$7,002,810.97	\$7,002,810.97	2.05%	\$11,957.06	\$5,072.18	\$6,884.87
February	\$3,991,804.55	\$4,910,616.77	\$4,910,616.77	2.05%	\$8,384.71	\$3,556.79	\$4,827.92
March	\$1,988,672.70	\$2,990,238.62	\$2,990,238.62	2.19%	\$5,445.13	\$2,309.82	\$3,135.31
April	\$3,252,033.76	\$2,620,353.23	\$2,620,353.23	2.27%	\$4,956.51	\$2,102.55	\$2,853.96
May	\$4,492,308.93	\$3,872,171.35	\$3,872,171.35	2.29%	\$7,389.39	\$3,134.58	\$4,254.81
June	\$5,803,856.23	\$5,148,082.58	\$5,148,082.58	2.44%	\$10,467.77	\$4,440.43	\$6,027.34
July	\$7,018,391.76	\$6,411,123.99	\$6,411,123.99	2.51%	\$13,409.93	\$5,688.49	\$7,721.44
August	\$8,211,399.49	\$7,614,895.62	\$7,614,895.62	2.52%	\$15,991.28	\$6,783.50	\$9,207.78
September	\$9,381,190.83	\$8,796,295.16	\$8,796,295.16	2.52%	\$18,472.22	\$7,835.92	\$10,636.30
October	\$10,586,052.58	\$9,983,621.71	\$9,983,621.71	2.52%	\$20,965.61	\$8,893.61	\$12,072.00
November	\$8,906,849.26	\$9,746,450.92	\$9,746,450.92	2.56%	\$20,805.30	\$9,281.24	\$11,524.05
December	\$5,829,428.98	\$7,368,139.12	\$7,368,139.12	2.69%	\$16,516.91	\$7,368.19	\$9,148.72

Inventory			
ACCT #		MMBTU	AMOUNT
	LNG		
515152	Inventory - Liquefied Natural Gas		
	NATURAL GAS	7,514	\$44,251.50
515114&115	Natural Gas Underground - SS-1 and FSS-1		
515116	Natural Gas Underground - SSNE	174,845	\$387,803.62
515113	Natural Gas Underground - MCN	1,824,670	\$5,397,373.86
516525	Washington 10 prepaid	-	
Total Inventory			\$5,829,428.98