

New England Gas Company

January 20, 2006

Ms. Luly Massaro
Commission Clerk
Public Utility Commission
89 Jefferson Boulevard
Warwick, RI 02888

Re: Monthly Filing of Gas Cost Recovery (GCR) Deferred Balances

Dear Ms. Massaro:

Enclosed please find an original and nine copies of New England Gas Company's ("Company") monthly filing of gas costs and gas cost collections data. Based on two months of actual data and ten months of projected data, the October 31, 2006 deferred gas cost balance is an over-collection of \$5.7 million (see Schedule 1, page 2).

The \$5.7 million over-collection is based on a November 1, 2005 starting balance of \$13.1 million plus actual gas costs and gas cost collections for November and December 2005. These projected gas costs are based on the January 17, 2006 NYMEX strip.

Details by month are provided on the attached schedules. Schedule 1, pages 1 and 2 summarizes the deferred gas cost activity by GCR category and by month. This schedule shows that for the month of December 2005, actual gas costs were \$49.6 million, working capital was \$210 thousand and collections were \$40.7 million for a net under-collection of \$ 9.1 million. Schedule 2 presents actual gas costs for November and December 2005 and forecasted gas costs for January through October 2006. Schedule 3 summarizes gas cost collections. Schedule 4 presents the calculation of inventory finance charges. The calculation of working capital is presented on pages 1 and 2 of Schedule 5. Schedule 6 presents customer class specific throughput.

If you have any questions, please feel free to contact me. I can be reached at (401) 574-2309.

Yours truly,



Peter Czekanski
Director - Pricing

cc: Stephen Scialabba
Bruce Oliver

11-17-06 NYMEX

	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov - Oct
	30	31	31	28	31	30	31	30	31	31	30	31	31
	actual	actual	fcst	fcst	fcst	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast

I. Supply Fixed Cost/Deferred

Beginning Balance	(\$1,748,842)	(\$1,015,334)	(\$2,147,370)	(\$4,079,701)	(\$6,429,992)	(\$7,676,568)	(\$8,137,391)	(\$7,207,357)	(\$5,442,840)	(\$3,395,620)	(\$1,338,979)	\$746,571	(\$198,637)
Supply Fixed Costs (net of cap rel)	\$2,196,146	\$2,173,666	\$2,231,760	\$2,228,985	\$2,231,760	\$2,230,635	\$2,231,760	\$2,230,635	\$2,231,760	\$2,231,760	\$2,230,635	\$2,231,760	\$26,681,260
Capacity Release	\$0	\$0	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$4,903,450
Working Capital	\$9,600	\$9,507	\$9,488	\$9,476	\$9,488	\$9,483	\$9,488	\$9,483	\$9,488	\$9,488	\$9,483	\$9,488	\$113,856
Total Supply Fixed Costs	\$2,206,646	\$2,183,173	\$2,731,592	\$2,728,806	\$2,731,592	\$2,730,463	\$2,731,592	\$2,730,463	\$2,731,592	\$2,731,592	\$2,730,463	\$2,731,592	\$31,698,566
Supply Fixed - Collections	\$1,487,711	\$3,308,294	\$4,650,071	\$5,057,676	\$3,947,089	\$3,157,240	\$1,767,424	\$938,711	\$664,419	\$664,419	\$643,637	\$747,846	\$984,469
Prelim. Ending Balance	(\$1,030,907)	(\$2,140,455)	(\$4,065,849)	(\$6,408,571)	(\$7,645,186)	(\$8,103,345)	(\$7,173,222)	(\$5,415,605)	(\$3,375,959)	(\$1,328,447)	(\$295,566)	\$1,620,133	\$27,271,453
Month's Average Balance	(\$1,389,875)	(\$1,577,895)	(\$3,106,609)	(\$5,244,136)	(\$7,037,440)	(\$7,989,956)	(\$7,655,307)	(\$6,311,481)	(\$4,409,400)	(\$2,362,034)	(\$295,566)	\$1,620,133	\$27,271,453
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	\$1,620,133
Interest Applied	(\$5,712)	(\$6,915)	(\$13,852)	(\$21,120)	(\$31,379)	(\$34,046)	(\$34,134)	(\$27,234)	(\$19,661)	(\$10,532)	(\$1,275)	\$7,224	(\$198,637)
Asset Management Incentive	\$21,285												
Supply Fixed Ending Balance	(\$1,015,334)	(\$2,147,370)	(\$4,079,701)	(\$6,429,992)	(\$7,676,568)	(\$8,137,391)	(\$7,207,357)	(\$5,442,840)	(\$3,395,620)	(\$1,338,979)	\$746,571	\$2,500,918	\$10,104,826

II. Storage Fixed Cost/Deferred

Beginning Balance	(\$602,184)	(\$375,590)	(\$759,027)	(\$1,604,664)	(\$2,602,887)	(\$3,200,144)	(\$3,556,687)	(\$3,410,181)	(\$2,916,617)	(\$2,319,895)	(\$1,749,832)	(\$1,176,841)	
Storage Fixed Costs	\$818,500	\$847,401	\$882,619	\$890,330	\$877,352	\$826,607	\$820,458	\$866,458	\$866,458	\$829,658	\$820,458	\$820,458	\$10,156,759
LNG Demand to DAC	(\$50,764)	(\$56,454)	(\$54,761)	(\$54,294)	(\$63,687)	(\$48,158)	(\$48,411)	(\$57,790)	(\$57,790)	(\$50,287)	(\$48,411)	(\$48,411)	(\$629,218)
Supply Related LNG O & M	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$518,894
Working Capital	\$9,448	\$3,549	\$3,703	\$3,695	\$3,685	\$3,493	\$3,466	\$3,622	\$3,622	\$3,497	\$3,466	\$3,466	\$42,709
Total Storage Fixed Costs	\$814,425	\$837,734	\$874,802	\$872,973	\$870,592	\$825,184	\$818,754	\$855,531	\$855,531	\$826,110	\$818,754	\$818,754	\$10,089,144
TSS Peaking Collections	\$2,734	\$1,845											
Storage Fixed - Collections	\$583,091	\$1,216,846	\$1,175,201	\$1,862,720	\$1,454,940	\$1,167,180	\$656,751	\$348,346	\$247,160	\$246,993	\$239,463	\$366,135	
Prelim. Ending Balance	(\$373,585)	(\$756,546)	(\$1,599,426)	(\$2,594,431)	(\$3,187,235)	(\$3,542,140)	(\$3,394,683)	(\$2,902,986)	(\$2,308,247)	(\$1,740,779)	(\$1,170,540)	(\$724,222)	
Month's Average Balance	(\$487,885)	(\$566,068)	(\$1,179,226)	(\$2,099,557)	(\$2,895,061)	(\$3,371,142)	(\$3,475,685)	(\$3,156,589)	(\$2,612,432)	(\$2,030,337)	(\$1,460,186)	(\$950,532)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	
Interest Applied	(\$2,005)	(\$2,481)	(\$5,258)	(\$8,456)	(\$12,909)	(\$14,547)	(\$15,498)	(\$13,621)	(\$11,649)	(\$9,053)	(\$6,301)	(\$4,238)	
Storage Fixed Ending Balance	(\$375,590)	(\$759,027)	(\$1,604,684)	(\$2,602,887)	(\$3,200,144)	(\$3,556,687)	(\$3,410,181)	(\$2,916,617)	(\$2,319,895)	(\$1,749,832)	(\$1,176,841)	(\$725,460)	

III. Variable Supply Cost/Deferred

Beginning Balance	\$16,218,264	\$20,538,572	\$30,305,194	\$23,067,273	\$5,990,663	\$2,156,635	(\$11,306,046)	(\$15,895,760)	(\$17,685,866)	(\$17,437,350)	(\$17,027,985)	(\$15,581,249)	
Variable Supply Costs	\$18,411,770	\$41,490,502	\$37,556,893	\$31,620,543	\$33,940,566	\$16,914,950	\$12,582,643	\$7,519,037	\$6,934,232	\$7,099,604	\$7,942,872	\$15,712,935	\$237,719,547
Variable Delivery Storage	(\$2,662)	(\$21,445)	(\$1,285)	(\$46,756)	(\$14,749)	(\$4,551)	\$0	\$0	\$0	\$0	\$0	\$0	(\$141,467)
Variable Injections Storage	(\$2,804)	(\$628)	\$0	\$0	\$0	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$87,247)
Fuel Cost Allocated to Storage	(\$54,924)	(\$234,737)	(\$549,429)	(\$497,152)	(\$148,792)	(\$174,896)	(\$142,287)	(\$145,363)	(\$147,531)	(\$151,449)	(\$152,847)	(\$153,508)	(\$2,552,915)
Working Capital	\$78,014	\$175,290	\$157,106	\$132,111	\$143,591	\$71,094	\$52,695	\$31,270	\$28,800	\$29,482	\$33,056	\$66,094	\$998,753
Total Supply Variable Costs	\$18,429,374	\$41,408,982	\$37,113,285	\$31,208,747	\$33,920,614	\$16,794,624	\$12,481,217	\$7,386,970	\$6,803,528	\$6,964,664	\$7,811,116	\$15,613,547	\$235,936,670
Supply Variable - Collections	\$14,017,516	\$31,753,454	\$44,469,933	\$48,343,754	\$37,772,765	\$30,237,607	\$17,010,421	\$9,104,779	\$6,476,881	\$6,478,631	\$6,294,177	\$9,552,577	\$261,512,495
Deferred Responsibility	\$18,741	\$73	\$73										
Prelim. Ending Balance	\$20,611,381	\$30,194,028	\$22,948,547	\$5,932,266	\$2,138,511	(\$11,286,348)	(\$15,835,250)	(\$17,613,568)	(\$17,359,218)	(\$16,951,317)	(\$15,511,045)	(\$9,520,279)	
Month's Average Balance	\$18,414,822	\$25,366,300	\$26,626,871	\$14,499,770	\$4,064,587	(\$4,564,857)	(\$13,570,648)	(\$16,764,664)	(\$17,522,542)	(\$17,194,333)	(\$16,269,515)	(\$12,550,764)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	5.25%	
Interest Applied	\$75,677	\$111,167	\$118,727	\$66,396	\$18,124	(\$19,698)	(\$60,510)	(\$72,298)	(\$78,131)	(\$76,668)	(\$70,204)	(\$55,963)	(\$51,380)
Gas Procurement Incentive/penalty													
Supply Variable Ending Balance	\$20,538,572	\$30,305,194	\$23,067,273	\$5,990,663	\$2,156,635	(\$11,306,046)	(\$15,895,760)	(\$17,685,866)	(\$17,437,350)	(\$17,027,985)	(\$15,581,249)	(\$9,576,241)	

11-17-06 NYMEX

Nov-05 30 actual Dec-05 31 actual Jan-06 31 fcst Feb-06 28 fcst Mar-06 31 fcst Apr-06 30 forecast May-06 31 forecast Jun-06 30 forecast Jul-06 31 forecast Aug-06 31 forecast Sep-06 30 forecast Oct-06 31 forecast Nov - Oct

I/va. Storage Variable Product Cost Deferred

Beginning Balance	(\$716,944)	\$9,712,923	\$8,102,843	\$5,527,557	\$3,819,498	\$3,120,930	\$2,794,630	\$2,516,078	\$2,306,373	\$6,389,374
Storage Variable Prod. Costs - LNG	\$191,786	\$402,271	\$199,756	\$207,421	\$0	\$0	\$0	\$205,813	\$213,506	\$3,916
Storage Variable Prod. Costs - LP	\$3,916	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$25,552,664
Storage Variable Prod. Costs - UG	\$416,975	\$2,472,232	\$784,968	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,302,793)
Supply Related LNG to DAC	(\$39,105)	(\$198,991)	(\$40,730)	(\$42,293)	(\$41,331)	(\$42,864)	(\$43,063)	(\$41,965)	(\$43,534)	\$365,465
Inventory Related LNG O & M	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$63,898
Inventory Financing - LNG	\$68,642	\$42,283	\$43,933	\$46,001	\$54,112	\$52,486	\$54,112	\$56,585	\$61,443	\$2,455,010
Inventory Financing - UG	\$289,793	\$255,209	\$164,749	\$107,340	\$152,212	\$196,937	\$242,990	\$290,135	\$337,756	\$44,401
Working Capital	\$3,729	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$131,822
Total Storage Variable Product Costs	\$2,568	\$12,001	\$4,143	\$931	\$815	\$841	\$844	\$928	\$952	\$34,285,057
Storage Variable Product Collections	\$958,758	\$2,974,184	\$1,096,859	\$353,454	\$401,038	\$453,398	\$502,707	\$550,404	\$608,632	\$32,001,644
Prelim. Ending Balance	\$1,706,266	\$5,917,927	\$3,701,490	\$2,082,305	\$1,114,548	\$792,857	\$793,072	\$770,492	\$1,169,364	\$32,001,644
Month's Average Balance	(\$1,464,452)	\$8,063,212	\$5,498,212	\$3,798,705	\$3,105,988	\$2,791,470	\$2,504,265	\$2,295,991	\$1,743,641	\$2,406,035
Interest Rate (Bank of America Prime)	5.00%	\$8,888,067	\$6,800,527	\$4,663,131	\$3,462,743	\$2,951,200	\$2,649,447	\$2,406,035	\$2,025,007	\$186,201
Interest Applied	(\$4,482)	\$38,631	\$23,345	\$20,792	\$14,942	\$13,159	\$11,814	\$10,362	\$9,029	\$1,752,670
Storage Variable Product Ending Bal.	(\$1,468,934)	\$9,712,923	\$8,102,843	\$5,527,557	\$3,819,498	\$3,120,930	\$2,794,630	\$2,516,078	\$2,306,373	\$1,743,488

I/vb. Stor.Var.Non-Prod Cost Deferred

Beginning Balance	(\$93,281)	\$675,593	\$386,597	\$216,662	\$96,966	\$108,263	\$164,166	\$224,258	\$288,908	\$1,743,488
Storage Variable Non-Prod. Costs	\$31,724	\$150,117	\$122,832	\$0	\$0	\$0	\$0	\$0	\$0	\$141,467
Variable Delivery Storage Costs	\$2,682	\$14,749	\$4,551	\$0	\$0	\$0	\$0	\$0	\$0	\$87,247
Variable Injection Storage Costs	\$2,804	\$0	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$2,552,915
Fuel Costs Allocated to Storage	\$54,924	\$234,737	\$174,896	\$142,287	\$145,363	\$147,531	\$151,449	\$152,847	\$153,508	\$19,237
Working Capital	\$392	\$43,354	\$43,354	\$656	\$656	\$678	\$695	\$701	\$703	\$4,544,355
Total Storage Var Non-Product Costs	\$92,526	\$2,590	\$1,336	\$1,336	\$1,336	\$1,336	\$1,336	\$1,336	\$1,336	\$154,720
Storage Var Non-Product Collections	\$198,807	\$1,211,868	\$314,993	\$486,822	\$417,151	\$404,885	\$417,151	\$404,885	\$404,885	\$300,374
Prelim. Ending Balance	(\$199,563)	\$694,889	\$419,363	\$275,310	\$275,310	\$275,310	\$275,310	\$275,310	\$275,310	\$284,641
Month's Average Balance	(\$146,422)	\$86,985	\$673,391	\$486,822	\$417,151	\$404,885	\$417,151	\$404,885	\$404,885	\$256,031
Interest Rate (Bank of America Prime)	5.00%	(\$146,422)	\$673,391	\$486,822	\$417,151	\$404,885	\$417,151	\$404,885	\$404,885	\$10,356
Interest Applied	(\$602)	\$717	\$1,299	\$698	\$442	\$606	\$884	\$1,105	\$1,314	\$301,688
Storage Var Non-Product Ending Bal.	(\$200,164)	\$97,636	\$386,597	\$216,662	\$96,966	\$108,263	\$164,166	\$224,258	\$288,908	\$1,743,488

GCR Deferred Summary

Beginning Balance	\$13,057,012	\$17,478,550	\$26,666,839	\$24,434,507	\$44,618,934	\$40,841,877	\$21,673,169	\$16,472,658	\$11,145,184	\$13,416,238
Gas Costs	\$22,388,066	\$49,556,964	\$54,389,970	\$44,618,934	\$40,841,877	\$21,673,169	\$16,472,658	\$11,145,184	\$12,028,718	\$19,856,108
Working Capital	\$93,921	\$209,580	\$227,817	\$186,701	\$170,098	\$99,548	\$67,275	\$65,859	\$44,006	\$80,603
Total Costs	\$22,481,987	\$49,766,544	\$54,627,767	\$44,805,635	\$40,811,974	\$21,762,717	\$16,539,934	\$11,532,008	\$11,189,190	\$19,936,711
Collections	\$17,996,125	\$40,674,776	\$56,973,793	\$61,957,411	\$48,405,040	\$38,750,339	\$21,792,211	\$11,653,535	\$8,288,495	\$12,227,265
Prelim. Ending Balance	\$17,542,875	\$26,570,318	\$24,320,833	\$7,282,731	(\$246,466)	(\$17,218,258)	(\$22,508,182)	(\$20,098,994)	(\$13,349,945)	(\$5,706,792)
Month's Average Balance	\$15,299,943	\$22,024,434	\$25,493,836	\$15,858,619	\$3,550,067	(\$8,724,447)	(\$19,882,043)	(\$22,657,587)	(\$21,457,262)	(\$9,561,515)
Interest Rate (Bank of America Prime)	5.00%	(\$146,422)	\$673,391	\$486,822	\$417,151	\$404,885	\$417,151	\$404,885	\$404,885	\$15,151
Interest Applied	\$62,876	\$96,521	\$113,675	\$63,699	\$15,829	(\$57,647)	(\$88,652)	(\$97,769)	(\$62,293)	(\$42,634)
Gas Purchase Plan Incentives/Penalties)	(\$127,201)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Ending Bal. W/ Interest	\$17,478,550	\$24,434,507	\$24,434,507	\$24,434,507	\$24,434,507	\$24,434,507	\$24,434,507	\$24,434,507	\$24,434,507	\$15,151

Under/(Over)-collection

\$4,485,862	\$9,091,768	(\$2,348,006)	(\$17,151,776)	(\$7,593,066)	(\$16,987,622)	(\$5,252,277)	(\$121,527)	\$2,901,186	\$4,026,514	\$7,709,446
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NEW ENGLAND GAS COMPANY
GCR Gas Costs Actual/Estimate

SUPPLY FIXED COSTS - Pipeline Delivery

	Nov-05 Actual	Dec-05 Actual	Jan-06 Forecast	Feb-06 Forecast	Mar-06 Forecast	Apr-06 Forecast	May-06 Forecast	Jun-06 Forecast	Jul-06 Forecast	Aug-06 Forecast	Sep-06 Forecast	Oct-06 Forecast	Nov-Oct
Conoco	\$2,068,532	\$2,145,522	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$4,214,054
Algonquin	(\$37,252)	(\$99,311)	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$5,162,913
Texas Eastern	\$0	\$0	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$69,826
			\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$942,084
			\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$444,134
			\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$564,253
			\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$175,011
TETCO	\$0	\$0	\$497,879	\$497,879	\$497,879	\$497,879	\$497,879	\$497,879	\$497,879	\$497,879	\$497,879	\$497,879	\$4,978,786
			\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$76,773
			\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$15,543
			\$732	\$732	\$732	\$732	\$732	\$732	\$732	\$732	\$732	\$732	\$7,322
			\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$11,239
			\$288	\$288	\$288	\$288	\$288	\$288	\$288	\$288	\$288	\$288	\$2,882
			\$9,095	\$9,095	\$9,095	\$9,095	\$9,095	\$9,095	\$9,095	\$9,095	\$9,095	\$9,095	\$90,950
			\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$10,915
			\$939	\$939	\$939	\$939	\$939	\$939	\$939	\$939	\$939	\$939	\$9,390
			\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$4,323
			\$202	\$202	\$202	\$202	\$202	\$202	\$202	\$202	\$202	\$202	\$2,024
Tennessee	\$0	\$0	\$4,869	\$4,869	\$4,869	\$4,869	\$4,869	\$4,869	\$4,869	\$4,869	\$4,869	\$4,869	\$48,686
			\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$1,564,769
			\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$3,015,305
			\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$474,000
			\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$52,603
NETNE	\$0	\$0	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$106,100
IRQUOIOS	\$0	\$0	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$70,421
Dominion	\$0	\$0	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$23,752
Tranco	\$0	\$0	\$1,655	\$1,655	\$1,655	\$1,655	\$1,655	\$1,655	\$1,655	\$1,655	\$1,655	\$1,655	\$16,546
			\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$336
National Fuel	\$0	\$0	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$3,605	\$36,046
Columbia	\$0	\$0	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$41,866
Texas Gas	\$0	\$0	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$2,835,911
			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HUBLINE	\$0	\$0	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$462,320
WESTERLY LATERAL	\$59,862	\$59,862	\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$279,832
			\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$598,662
Less Credits from Mktgr Releases	\$271,655	\$283,817	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$555,472
TOTAL SUPPLY FIXED COSTS - Pipeline	\$1,819,487	\$1,822,256	\$2,354,190	\$2,354,190	\$2,354,190	\$2,354,190	\$2,354,190	\$2,354,190	\$2,354,190	\$2,354,190	\$2,354,190	\$2,354,190	\$27,183,648
Supply Fixed - Supplier													
ANE	\$31,375	\$31,410	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$312,785
ANE OPS Demand	\$0	\$0	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$393
BP	\$43,284	\$18,000	\$34,875	\$32,100	\$34,875	\$33,750	\$34,875	\$33,750	\$34,875	\$34,875	\$33,750	\$34,875	\$403,884
Distrigas FCS	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$3,624,000
Total	\$376,659	\$351,410	\$367,914	\$365,139	\$367,914	\$366,789	\$367,914	\$366,789	\$367,914	\$367,914	\$366,789	\$367,914	\$4,401,062
Total Supply Fixed (Pipeline & Supplier)	\$2,196,146	\$2,173,666	\$2,722,105	\$2,719,330	\$2,722,105	\$2,720,980	\$2,722,105	\$2,720,980	\$2,722,105	\$2,722,105	\$2,720,980	\$2,722,105	\$31,584,710

**NEW ENGLAND GAS COMPANY
GCR Gas Costs Actual/Estimate**

	Nov-05 Actual	Dec-05 Actual	Jan-06 Forecast	Feb-06 Forecast	Mar-06 Forecast	Apr-06 Forecast	May-06 Forecast	Jun-06 Forecast	Jul-06 Forecast	Aug-06 Forecast	Sep-06 Forecast	Oct-06 Forecast	Nov-Oct
STORAGE FIXED COSTS - Facilities													
CONOCO	\$220,877	\$228,301	\$81,204	\$81,204	\$81,204	\$81,204	\$81,204	\$81,204	\$81,204	\$81,204	\$81,204	\$81,204	\$812,038
TEXAS EASTERN SS-1 DEMAND			\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$133,613
TEXAS EASTERN SS-1 CAPACITY			\$845	\$845	\$845	\$845	\$845	\$845	\$845	\$845	\$845	\$845	\$8,449
TEXAS EASTERN FSS-1 DEMAND			\$610	\$610	\$610	\$610	\$610	\$610	\$610	\$610	\$610	\$610	\$6,103
TEXAS EASTERN FSS-1 CAPACITY			\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$214,661
DOMINION GSS DEMAND			\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$150,699
DOMINION GSS CAPACITY			\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$268,693
DOMINION GSS-TE DEMAND			\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$199,567
DOMINION GSS-TE CAPACITY			\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$243,444
TENNESSEE FSMA DEMAND			\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$150,838
TENNESSEE FSMA CAPACITY			\$3,820	\$3,820	\$3,820	\$3,820	\$3,820	\$3,820	\$3,820	\$3,820	\$3,820	\$3,820	\$38,200
COLUMBIA FSS DEMAND			\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$58,740
COLUMBIA FSS CAPACITY			\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$1,890,000
ALGONQUIN TANK LEASE PAYMENTS			\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$4,174,985
TOTAL FIXED STORAGE COSTS	\$378,377	\$385,801	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$728,747
STORAGE FIXED COSTS - Delivery													
CONOCO	\$364,568	\$364,179	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$55,766
ALGONQUIN FOR TETCO SS-1	(\$14,822)	(\$21,797)	\$4,938	\$4,938	\$4,938	\$4,938	\$4,938	\$4,938	\$4,938	\$4,938	\$4,938	\$4,938	\$49,381
ALGONQUIN DELIVERY FOR FSS-1	\$0	\$0	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$15,708
TETCO DELIVERY FOR FSS-1	\$0	\$0	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$652,400
ALGONQUIN DELIVERY FOR GSS, GSS-TE, ALGONQUIN DELIVERY FOR GSS-TE	\$0	\$0	\$447	\$447	\$447	\$447	\$447	\$447	\$447	\$447	\$447	\$447	\$4,471
ALGONQUIN DELIVERY FOR GSS CONV			\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$199,426
TENNESSEE DELIVERY FOR GSS	(\$1,089)	(\$159)	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$386,379
TENNESSEE DELIVERY FOR FSMA			\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$250,620
TETCO DELIVERY FOR GSS			\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$293,127
TETCO DELIVERY FOR GSS-TE			\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$35,379
TETCO DELIVERY FOR GSS-TE			\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$343,955
TETCO DELIVERY FOR GSS CONV			\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$106,739
DOMINION DELIVERY FOR GSS			\$23,628	\$23,628	\$23,628	\$23,628	\$23,628	\$23,628	\$23,628	\$23,628	\$23,628	\$23,628	\$236,280
DOMINION DELIVERY FOR GSS CONV			\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$91,158
ALGONQUIN DELIVERY FOR FSS			\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$150,384
COLUMBIA DELIVERY FOR FSS			\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$147,763
DISTRIGAS FLS CALL PAYMENT	\$91,466	\$119,371	\$111,067	\$108,779	\$105,800	\$78,683	\$79,925	\$125,925	\$125,925	\$89,125	\$89,125	\$79,925	\$1,195,916
STORAGE DELIVERY FIXED COST \$	\$440,123	\$461,600	\$496,620	\$494,332	\$491,353	\$440,609	\$434,460	\$480,460	\$480,460	\$443,660	\$434,460	\$434,460	\$5,532,595
TOTAL STORAGE FIXED	\$818,500	\$847,401	\$862,619	\$860,330	\$877,352	\$826,607	\$820,458	\$866,458	\$866,458	\$829,658	\$820,458	\$820,458	\$9,707,581
TOTAL FIXED COSTS	\$3,014,646	\$3,021,067	\$3,604,724	\$3,599,660	\$3,599,457	\$3,547,587	\$3,542,563	\$3,587,438	\$3,588,563	\$3,551,763	\$3,541,438	\$3,542,563	\$41,292,290

**NEW ENGLAND GAS COMPANY
GCR Gas Costs Actual/Estimate**

	Nov-05 Actual	Dec-05 Actual	Jan-06 Forecast	Feb-06 Forecast	Mar-06 Forecast	Apr-06 Forecast	May-06 Forecast	Jun-06 Forecast	Jul-06 Forecast	Aug-06 Forecast	Sep-06 Forecast	Oct-06 Forecast	Nov-Oct
VARIABLE SUPPLY COSTS													
Tennessee Zone 0			\$2,508,840	\$2,407,948	\$2,762,376	\$2,230,319	\$2,528,781	\$2,586,045	\$2,764,122	\$2,716,844	\$2,554,440	\$2,599,891	\$25,659,607
Tennessee Zone 1			\$5,275,436	\$4,913,101	\$5,537,396	\$1,116,224	\$1,265,602	\$1,233,286	\$1,294,093	\$1,340,937	\$1,320,269	\$1,301,190	\$24,897,534
Tennessee Dracut			\$2,660,479	\$1,651,510	\$1,105,254	\$715,187	\$859,509	\$580,070	\$163,509	\$337,535	\$1,184,492	\$0	\$9,247,545
TETCO STX			\$2,500,371	\$2,324,094	\$2,807,170	\$388,233	\$1,077,512	\$625,189	\$309,613	\$25,294	\$49,995	\$2,893,425	\$13,000,895
TETCO ELA			\$2,520,973	\$1,988,471	\$2,783,213	\$1,773,473	\$2,010,800	\$645,495	\$1,030,925	\$620,724	\$1,150,304	\$1,194,596	\$15,718,972
TETCO WLA			\$3,505,960	\$2,567,015	\$3,052,090	\$950,471	\$391,479	\$0	\$0	\$0	\$0	\$0	\$10,467,016
TETCO ETX			\$2,754,474	\$2,681,033	\$2,868,611	\$1,262,491	\$1,824,585	\$834,476	\$429,189	\$580,141	\$0	\$1,783,735	\$15,018,736
TETCO NF			\$11,467	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$11,467
M3 Delivered		\$610,497	\$249,471	\$1,676,322	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maumee Supplemental			\$7,215,507	\$7,752,409	\$8,755,371	\$5,662,328	\$754,320	\$210,694	\$211,599	\$134,009	\$128,540	\$3,131,679	\$21,104,801
Broadrun Col			\$1,534,673	\$245,494	\$778,792	\$0	\$0	\$0	\$0	\$122,102	\$85,672	\$2,206,895	\$4,973,629
Columbia AGT			\$64,390	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$64,390
Trans Wharton			\$125,071	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$125,071
Transco to Dominion			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Texas Gas to Dominion			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANE to Tennessee			\$336,891	\$238,904	\$269,587	\$266,116	\$276,901	\$270,439	\$281,688	\$283,826	\$275,535	\$286,794	\$3,416,071
Niagara to Tennessee	\$295,131	\$334,258	\$286,311	\$274,798	\$310,820	\$236,591	\$267,963	\$256,104	\$309,686	\$311,798	\$302,594	\$314,730	\$2,871,396
TETCO to B & W	\$0		\$39,821	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$39,821
Tenn Zone 0 VG			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenn Zone 1 VG			\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DistriGas FCS			\$2,983,123	\$1,952,241	\$2,201,692	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hubline			\$2,983,635	\$947,202	\$708,191	\$2,313,517	\$1,325,192	\$271,239	\$149,807	\$625,393	\$891,031	\$0	\$7,137,056
Suppliers	\$19,637,351	\$41,274,216	\$37,556,893	\$31,620,543	\$33,940,565	\$16,914,950	\$12,582,643	\$7,513,037	\$6,934,232	\$7,098,604	\$7,942,872	\$15,712,935	\$178,625,672
Total Pipeline Commodity Charges	\$19,500,993	\$42,218,971	\$37,556,893	\$31,620,543	\$33,940,565	\$16,914,950	\$12,582,643	\$7,513,037	\$6,934,232	\$7,098,604	\$7,942,872	\$15,712,935	\$178,625,672

**NEW ENGLAND GAS COMPANY
GCR Gas Costs Actual/Estimate**

	Nov-05 Actual	Dec-05 Actual	Jan-06 Forecast	Feb-06 Forecast	Mar-06 Forecast	Apr-06 Forecast	May-06 Forecast	Jun-06 Forecast	Jul-06 Forecast	Aug-06 Forecast	Sep-06 Forecast	Oct-06 Forecast	Nov-Oct
VARIABLE STORAGE COSTS													
Underground Storage	\$416,975	\$3,986,792	\$9,980,405	\$7,911,281	\$2,472,232	\$784,968	\$0	\$0	\$0	\$0	\$0	\$213,506	\$25,552,854
LNG Withdrawals/Westerly Trucking LP	\$191,786	\$641,431	\$2,905,318	\$975,924	\$402,271	\$199,756	\$207,421	\$202,703	\$210,218	\$211,198	\$205,813	\$213,506	\$6,567,345
	\$3,916	\$3,237	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$7,153
TOTAL VARIABLE STORAGE COSTS	\$612,677	\$4,631,460	\$12,885,723	\$8,887,205	\$2,874,503	\$984,725	\$207,421	\$202,703	\$210,218	\$211,198	\$205,813	\$213,506	\$32,127,152
TOTAL VARIABLE COSTS	\$20,113,670	\$46,850,431	\$50,442,616	\$40,507,749	\$36,815,068	\$17,899,675	\$12,790,064	\$7,715,741	\$7,144,450	\$7,309,802	\$8,148,685	\$15,926,441	\$271,664,391
TOTAL SUPPLY COSTS	\$23,128,316	\$49,871,498	\$54,047,340	\$44,107,409	\$40,414,524	\$21,447,262	\$16,332,627	\$11,303,179	\$10,733,013	\$10,861,565	\$11,690,123	\$19,469,004	\$312,956,681
TOTAL CAPACITY RELEASE CREDITS	\$0	\$0	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$4,903,450
TOTAL SUPPLY COSTS AFTER CREDITS	\$23,128,316	\$49,871,498	\$53,556,995	\$43,617,064	\$39,924,179	\$20,956,917	\$15,842,282	\$10,812,834	\$10,242,668	\$10,371,220	\$11,199,778	\$18,978,659	\$308,053,231
Storage Costs for FT-2 Calculation													
Storage Fixed Costs - Facilities	\$378,377	\$385,801	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$385,999	\$4,624,163
Storage Fixed Costs - Deliveries	\$440,123	\$481,600	\$496,620	\$494,332	\$491,353	\$440,609	\$434,460	\$480,460	\$480,460	\$443,660	\$434,460	\$434,460	\$5,532,595
Variable Delivery Costs	\$2,682	\$21,445	\$51,285	\$46,756	\$14,749	\$4,551	\$0	\$0	\$0	\$0	\$0	\$0	\$141,467
Variable Injection Costs	\$2,804	\$628	\$0	\$0	\$0	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$87,247
Fuel Costs Allocated to Storage	\$54,924	\$234,737	\$549,429	\$497,152	\$148,792	\$174,896	\$142,287	\$145,363	\$147,531	\$151,449	\$152,847	\$153,508	\$2,552,915
Total Storage Costs	\$878,910	\$1,104,211	\$1,483,333	\$1,424,238	\$1,040,894	\$1,018,028	\$974,719	\$1,023,795	\$1,025,962	\$993,081	\$985,279	\$985,940	\$12,938,389
Pipeline Variable	\$19,500,893	\$42,218,971	\$37,556,893	\$31,620,543	\$33,940,565	\$16,914,950	\$12,582,643	\$7,513,037	\$6,934,232	\$7,098,604	\$7,942,872	\$15,712,935	\$178,625,672
Less Non-firm Gas Costs	\$1,041,874	\$888,586											
Less Company Use	\$19,890	\$26,860											
Less Manchester-St Balancing	\$9,126	\$2,826											
Plus Cashout													
Less Mktgr Over-takes	\$165,019	\$38,001											
Less Mktgr W/drawals	\$12,289	\$56,153											
Plus Mktgr Undertakes	\$23,060	\$10,536											
Plus Mktgr Injections	\$974	\$0											
Storage Service Charge													
Plus Pipeline Strchg/Credit	\$134,751	\$273,421											
TOTAL FIRM COMMODITY COSTS	\$18,411,770	\$41,490,502	\$37,556,893	\$31,620,543	\$33,940,565	\$16,914,950	\$12,582,643	\$7,513,037	\$6,934,232	\$7,098,604	\$7,942,872	\$15,712,935	\$178,625,672

I. Supply Fixed Cost Collections

	Nov-05 actual	Dec-05 actual	Jan-06 fcst	Feb-06 fcst	Mar-06 fcst	Apr-06 fcst	May-06 fcst	Jun-06 fcst	Jul-06 fcst	Aug-06 fcst	Sep-06 fcst	Oct-06 fcst	Total Nov-Oct
(a) Resid. & Small C & I dth Supply Fixed Cost Factor Res & Small C & I collections	1,284,429 \$0,8678 \$1,114,678	2,844,081 \$0,9673 \$2,557,840	3,771,044 \$0,9676 \$3,648,862	4,135,435 \$0,9676 \$4,001,447	3,184,741 \$0,9676 \$3,081,566	2,551,059 \$0,9676 \$2,468,405	1,404,579 \$0,9676 \$1,359,871	724,001 \$0,9676 \$700,544	509,028 \$0,9676 \$492,535	506,409 \$0,9676 \$490,001	487,537 \$0,9676 \$471,741	743,578 \$0,9676 \$719,486	21,945,921 \$21,105,966
(b) C & I Medium dth Supply Fixed Cost Factor C & I Medium collections	284,163 \$0,8345 \$220,443	504,773 \$0,9343 \$471,607	702,737 \$0,9232 \$648,767	754,719 \$0,9232 \$696,757	609,764 \$0,9232 \$562,934	474,008 \$0,9232 \$437,604	284,639 \$0,9232 \$262,778	168,493 \$0,9232 \$155,552	126,309 \$0,9232 \$116,608	126,309 \$0,9232 \$116,608	120,195 \$0,9232 \$110,964	164,159 \$0,9232 \$151,551	4,299,165 \$3,951,157
(c) C & I Large LLF dth Supply Fixed Cost Factor C & I Large LLF collections	98,871 \$0,9297 \$91,923	180,342 \$1,0157 \$183,177	252,445 \$0,9807 \$247,573	257,350 \$0,9807 \$252,383	213,422 \$0,9807 \$209,303	177,820 \$0,9807 \$174,388	92,517 \$0,9807 \$90,731	42,246 \$0,9807 \$41,431	23,257 \$0,9807 \$22,808	23,568 \$0,9807 \$23,114	22,757 \$0,9807 \$22,318	64,428 \$0,9807 \$63,185	1,449,024 \$1,422,334
(d) C & I Large HLF dth Supply Fixed Cost Factor C & I Large HLF collections	38,648 \$0,7011 \$27,095	55,552 \$0,7073 \$39,293	63,025 \$0,7056 \$44,471	67,750 \$0,7056 \$47,804	58,672 \$0,7056 \$41,399	55,090 \$0,7056 \$38,872	46,027 \$0,7056 \$32,477	36,304 \$0,7056 \$25,616	27,216 \$0,7056 \$19,203	28,649 \$0,7056 \$20,215	30,769 \$0,7056 \$21,711	37,253 \$0,7056 \$26,286	544,956 \$384,442
(e) C & I Extra Large LLF dth Supply Fixed Cost Factor C & I XL LLF collections	13,712 \$0,9862 \$13,523	31,134 \$0,9598 \$29,844	41,220 \$0,9598 \$39,563	41,543 \$0,9598 \$39,873	34,431 \$0,9598 \$33,047	22,104 \$0,9598 \$21,215	7,262 \$0,9598 \$6,970	2,159 \$0,9598 \$2,072	1,412 \$0,9598 \$1,355	1,219 \$0,9598 \$1,170	2,230 \$0,9598 \$2,141	7,973 \$0,9598 \$7,952	206,389 \$198,425
(f) C & I Extra Large HLF dth Supply Fixed Cost Factor C & I XL HLF collections	35,348 \$0,5672 \$20,049	46,029 \$0,5808 \$26,733	35,640 \$0,5846 \$20,835	33,206 \$0,5846 \$19,412	32,244 \$0,5846 \$18,850	28,662 \$0,5846 \$16,756	26,338 \$0,5846 \$15,397	23,085 \$0,5846 \$13,496	22,611 \$0,5846 \$13,219	22,769 \$0,5846 \$13,311	25,251 \$0,5846 \$14,762	27,897 \$0,5846 \$16,309	359,081 \$209,129
sub-total Dth sub-total Supply Fixed Collections	1,735,171 \$1,487,711	3,461,911 \$3,308,294	4,866,111 \$4,650,071	5,290,003 \$5,057,676	4,133,276 \$3,947,089	3,308,743 \$3,157,240	1,861,361 \$1,767,424	996,288 \$938,711	708,731 \$664,712	708,923 \$664,419	688,739 \$643,637	1,045,288 \$984,469	28,804,545 \$27,271,453

II. Storage Fixed Cost Collections

(a) Resid. & Small C & I dth Storage Fixed Cost Factor Res & Small C & I collections	1,284,429 \$0,3337 \$428,636	2,644,081 \$0,3507 \$927,263	3,771,044 \$0,3508 \$1,322,862	4,135,435 \$0,3508 \$1,450,711	3,184,741 \$0,3508 \$1,117,207	2,551,059 \$0,3508 \$894,912	1,404,579 \$0,3508 \$492,726	724,001 \$0,3508 \$253,980	509,028 \$0,3508 \$178,567	506,409 \$0,3508 \$177,648	487,537 \$0,3508 \$171,028	743,578 \$0,3508 \$260,847	21,945,921 \$7,676,407
(b) C & I Medium dth Storage Fixed Cost Factor C & I Medium collections	264,163 \$0,3188 \$84,213	504,773 \$0,3355 \$169,343	702,737 \$0,3315 \$232,957	754,719 \$0,3315 \$250,189	609,764 \$0,3315 \$202,137	474,008 \$0,3315 \$157,134	284,639 \$0,3315 \$94,358	168,493 \$0,3315 \$55,855	126,309 \$0,3315 \$41,506	126,309 \$0,3315 \$41,871	120,195 \$0,3315 \$39,845	164,159 \$0,3315 \$54,419	4,299,165 \$1,423,827
(c) C & I Large LLF dth Storage Fixed Cost Factor C & I Large LLF collections	98,871 \$0,3541 \$35,013	180,342 \$0,3681 \$66,383	252,445 \$0,3554 \$89,719	257,350 \$0,3554 \$91,462	213,422 \$0,3554 \$75,850	177,820 \$0,3554 \$63,197	92,517 \$0,3554 \$32,880	42,246 \$0,3554 \$15,014	23,257 \$0,3554 \$8,285	23,568 \$0,3554 \$8,376	22,757 \$0,3554 \$8,088	64,428 \$0,3554 \$22,898	1,449,024 \$517,145
(d) C & I Extra Large LLF dth Storage Fixed Cost Factor C & I Extra Large LLF collections	38,648 \$0,2710 \$10,474	55,552 \$0,2585 \$14,250	63,025 \$0,2559 \$16,128	67,750 \$0,2559 \$17,337	58,672 \$0,2559 \$15,014	55,090 \$0,2559 \$14,098	46,027 \$0,2559 \$11,778	36,304 \$0,2559 \$9,290	27,216 \$0,2559 \$6,965	28,649 \$0,2559 \$7,331	30,769 \$0,2559 \$7,874	37,253 \$0,2559 \$9,533	544,956 \$140,072
(e) C & I XL LLF dth Storage Fixed Cost Factor C & I XL LLF collections	13,712 \$0,3813 \$5,229	31,134 \$0,3471 \$10,808	41,220 \$0,3476 \$14,328	41,543 \$0,3476 \$14,440	34,431 \$0,3476 \$11,968	22,104 \$0,3476 \$7,683	7,262 \$0,3476 \$2,524	2,159 \$0,3476 \$751	1,412 \$0,3476 \$491	1,219 \$0,3476 \$424	2,230 \$0,3476 \$491	7,973 \$0,3476 \$2,771	206,389 \$72,192
(f) C & I XL HLF dth Storage Fixed Cost Factor C & I XL HLF collections	35,348 \$0,2187 \$7,729	46,029 \$0,2106 \$9,695	35,640 \$0,2120 \$7,556	33,206 \$0,2120 \$7,040	32,244 \$0,2120 \$6,836	28,662 \$0,2120 \$6,076	26,338 \$0,2120 \$5,584	23,085 \$0,2120 \$4,894	22,611 \$0,2120 \$4,794	22,769 \$0,2120 \$4,827	25,251 \$0,2120 \$5,353	27,897 \$0,2120 \$5,914	359,081 \$76,298
(g) Ft-2 dth Storage Fixed Cost Factor	41,049 \$0,2874	70,543 \$0,2708	97,236 \$0,3253	96,959 \$0,3253	79,705 \$0,3253	74,023 \$0,3253	51,956 \$0,3253	26,321 \$0,3253	20,203 \$0,3253	20,032 \$0,3253	19,983 \$0,3253	29,983 \$0,3253	627,992 \$0,3253

	Nov-05 actual	Dec-05 actual	Jan-06 fcst	Feb-06 fcst	Mar-06 fcst	Apr-06 fcst	May-06 fcst	Jun-06 fcst	Jul-06 fcst	Aug-06 fcst	Sep-06 fcst	Oct-06 fcst	Total Nov-Oct
FT-2 collection	\$11,797	\$19,104	\$31,631	\$31,541	\$25,928	\$24,080	\$16,901	\$8,562	\$6,572	\$6,516	\$6,500	\$9,753	\$198,885
sub-total Dth	1,776,220	3,532,454	4,963,347	5,386,962	4,212,980	3,382,766	1,913,317	1,022,609	728,934	728,955	708,721	1,075,271	29,432,538
sub-total Storage Fixed Collections	\$583,091	\$1,216,846	\$1,715,201	\$1,862,720	\$1,454,940	\$1,187,180	\$656,751	\$348,346	\$247,160	\$246,993	\$239,463	\$366,135	\$10,104,826
III. Variable Supply Cost Collections --													
(a) Firm Sales dth	1,729,275	3,450,106	4,866,111	5,290,003	4,133,276	3,308,743	1,861,361	996,288	708,731	708,923	688,739	1,045,288	28,786,844
Variable Supply Cost Factor	\$8,0879	\$9,1892	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387
Variable Supply collections	\$13,986,278	\$31,703,829	\$44,469,933	\$48,343,754	\$37,772,765	\$30,237,607	\$17,010,421	\$9,104,779	\$6,476,881	\$6,478,631	\$6,294,177	\$9,552,577	\$261,431,632
(b) TSS Sales dth	4,499	10,318											
TSS Variable Supply Cost F.	\$4,6548	\$3,7474											
TSS Surcharge collections	\$20,942	\$38,666											
(c) NGV Sales dth	1,397	1,487											
Variable Supply Cost Factor	\$7,3701	\$7,3699											
Variable Supply collections	\$10,286	\$10,959											
TOTAL Variable Supply Collections	\$14,017,516	\$31,753,454	\$44,469,933	\$48,343,754	\$37,772,765	\$30,237,607	\$17,010,421	\$9,104,779	\$6,476,881	\$6,478,631	\$6,294,177	\$9,552,577	\$261,431,632
IVa. Storage Variable Product Cost Collections --													
(a) Firm Sales dth	1,729,275	3,450,106	4,866,111	5,290,003	4,133,276	3,308,743	1,861,361	996,288	708,731	708,923	688,739	1,045,288	28,786,844
Variable Supply Cost Factor	\$0,9867	\$1,1263	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187
stor Var Product collections	\$1,706,266	\$3,885,709	\$5,443,719	\$5,917,927	\$4,623,895	\$3,701,490	\$2,082,305	\$1,114,548	\$782,857	\$793,072	\$770,492	\$1,169,364	\$32,001,644
IVb. Storage Variable Non-product Cost Collections --													
(a) Firm Sales dth	1,735,171	3,461,911	4,866,111	5,290,003	4,133,276	3,308,743	1,861,361	996,288	708,731	708,923	688,739	1,045,288	28,804,545
Variable Supply Cost Factor	\$0,1121	\$0,1445	\$0,1400	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440
stor Var Non-Product collec	\$194,566	\$500,171	\$681,256	\$761,760	\$595,192	\$476,459	\$288,036	\$143,466	\$102,057	\$102,085	\$99,178	\$150,522	\$4,074,748
(b) FT-2 dth	41,049	70,543	97,236	96,959	79,705	74,023	51,956	26,321	20,203	20,032	19,983	29,983	
Variable Supply Cost Factor	\$0,1033	\$0,1199	\$0,1400	\$0,1400	\$0,1400	\$0,1400	\$0,1400	\$0,1400	\$0,1400	\$0,1400	\$0,1400	\$0,1400	
stor Var Non-Product collec	\$4,241	\$8,457	\$13,613	\$13,574	\$11,159	\$10,363	\$7,274	\$3,685	\$2,828	\$2,804	\$2,798	\$4,198	\$84,994
(c) Total Firm Sales/FT-2 dth	1,776,220	3,532,454	4,963,347	5,386,962	4,212,980	3,382,766	1,913,317	1,022,609	728,934	728,955	708,721	1,075,271	
stor Var Non-Product collec	\$198,807	\$508,628	\$694,869	\$775,334	\$606,351	\$486,822	\$275,310	\$147,151	\$104,885	\$104,889	\$101,976	\$154,720	\$4,159,742
Total Gas Cost Collections	\$17,993,391	\$40,672,931	\$56,973,793	\$61,957,411	\$48,405,040	\$36,750,339	\$21,782,211	\$11,853,535	\$8,286,495	\$8,288,004	\$8,049,745	\$12,227,265	\$334,969,297
Firm Sales	43,328	42,540	40,185	46,682	64,841	74,327	75,829	76,909	74,011	63,097	61,006	50,577	
Residential Non-Heating	436,218	400,991	389,671	574,004	1,556,930	2,540,722	3,200,991	3,726,279	3,256,633	2,129,678	1,393,649	782,806	
Residential Heating	41,152	54,123	51,543	69,531	195,284	392,352	507,803	619,212	541,707	318,694	184,190	87,166	
Small C&I	113,035	119,828	160,809	95,109	322,973	483,488	630,421	680,211	632,988	418,686	321,846	173,245	
Medium C&I	16,748	23,648	12,157	33,648	82,835	128,984	182,758	178,997	173,430	113,947	80,461	34,477	
Large HLF	23,620	30,722	25,865	26,984	37,933	49,199	61,718	60,598	60,598	60,645	52,837	34,795	
Extra Large HLF	5,033	3,225	2,490	5,378	16,315	23,180	30,391	23,094	32,557	21,045	5,383	5,071	
Extra Large HLF	14,004	15,493	18,425	21,267	24,135	27,270	31,579	25,459	36,115	19,165	31,742	20,744	
Total Sales	683,139	690,571	700,945	872,601	2,301,245	3,719,521	4,716,509	5,391,878	4,808,039	3,144,957	2,131,113	1,186,880	

New England Gas Company
Rhode Island Service Area
Gas Cost Inventory Financing Calculation

Line No.	Description (a)	Reference (b)	Nov-05 (c)	Dec-05 (d)	Jan-06 (e)	Feb-06 (f)	Mar-06 (g)	Apr-06 (h)	May-06 (i)	Jun-06 (j)	Jul-06 (k)	Aug-06 (l)	Sep-06 (m)	Oct-06 (n)
1	Storage Inventory Balance		\$30,031,411	\$26,447,451	\$26,447,451	\$17,073,070	\$9,642,172	\$7,320,057	\$11,123,738	\$15,773,789	\$20,408,686	\$25,181,195	\$30,066,825	\$35,001,897
2	Cost of Capital	Rate Case (1) * (2)	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%
3	Return on Working Capital Requirement		\$2,684,339	\$2,363,989	\$2,363,989	\$1,525,066	\$861,860	\$654,299	\$994,289	\$1,409,930	\$1,824,219	\$2,250,806	\$2,687,505	\$3,128,623
4	Weighted Cost of Debt	Rate Case (1) * (4)	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
5	Interest Charges Financed		\$1,211,298	\$1,066,742	\$1,066,742	\$688,632	\$388,911	\$295,250	\$448,669	\$636,226	\$823,172	\$1,015,668	\$1,212,727	\$1,411,780
6	Taxable Income	(3) - (5)	\$1,473,041	\$1,297,247	\$1,297,247	\$837,434	\$472,949	\$359,049	\$545,619	\$773,704	\$1,001,047	\$1,235,138	\$1,474,778	\$1,716,843
7	1 - Combined Tax Rate	Rate Case (6) / (7)	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
8	Return and Tax Requirement		\$2,266,216	\$1,995,765	\$1,995,765	\$1,288,360	\$727,613	\$552,383	\$839,414	\$1,190,314	\$1,540,072	\$1,900,212	\$2,266,889	\$2,641,297
9	Working Capital Requirement	(5) + (8)	\$3,477,515	\$3,062,507	\$3,062,507	\$1,976,992	\$1,116,524	\$847,633	\$1,288,084	\$1,826,540	\$2,363,244	\$2,915,880	\$3,481,616	\$4,053,077
10	Monthly Average	(9) / 12	\$289,793	\$255,209	\$255,209	\$164,749	\$93,044	\$70,636	\$107,340	\$152,212	\$196,937	\$242,990	\$290,135	\$337,756
11	LNG Inventory Balance		\$7,633,531	\$7,961,207	\$7,961,207	\$5,504,125	\$5,533,257	\$5,718,916	\$5,988,124	\$6,832,249	\$7,043,904	\$7,365,866	\$7,998,231	\$8,317,786
12	Cost of Capital	Rate Case (11) * (12)	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%
13	Return on Working Capital Requirement		\$682,318	\$711,608	\$711,608	\$491,983	\$494,587	\$511,182	\$535,245	\$610,696	\$629,615	\$658,395	\$714,917	\$743,480
14	Weighted Cost of Debt	Rate Case (11) * (14)	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
15	Interest Charges Financed		\$307,894	\$321,110	\$321,110	\$222,005	\$223,181	\$230,869	\$241,527	\$275,575	\$284,112	\$297,098	\$322,604	\$335,493
16	Taxable Income	(13) - (15)	\$374,425	\$390,497	\$390,497	\$269,977	\$271,406	\$280,513	\$293,717	\$335,122	\$345,504	\$361,297	\$392,313	\$407,987
17	1 - Combined Tax Rate	Rate Case (16) / (17)	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
18	Return and Tax Requirement		\$576,038	\$600,765	\$600,765	\$415,350	\$417,548	\$431,558	\$451,873	\$515,572	\$531,544	\$555,841	\$603,559	\$627,673
19	Working Capital Requirement	(15) + (18)	\$883,932	\$921,875	\$921,875	\$637,355	\$640,729	\$662,227	\$693,400	\$791,147	\$815,655	\$852,940	\$926,163	\$963,166
20	Monthly Average	(19) / 12	\$73,661	\$76,823	\$76,823	\$53,113	\$53,394	\$55,186	\$57,783	\$65,929	\$67,971	\$71,078	\$77,180	\$80,264
21	System Balancing Factor	Rate Case (20) * (21)	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%
22	Balancing Related Inventory Costs		\$15,019	\$15,664	\$15,664	\$10,830	\$10,887	\$11,252	\$11,782	\$13,443	\$13,859	\$14,493	\$15,737	\$16,366
23	Supply Related Inventory Costs	(21) - (22)	\$58,642	\$61,159	\$61,159	\$42,283	\$42,507	\$43,933	\$46,001	\$52,486	\$54,112	\$56,585	\$61,443	\$63,898
24	Propane Inventory Balance		\$386,409	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172
25	Cost of Capital	Rate Case (24) * (25)	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%
26	Return on Working Capital Requirement		\$34,539	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250
27	Weighted Cost of Debt	Rate Case (24) * (27)	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
28	Interest Charges Financed		\$15,586	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455
29	Taxable Income	(26) - (28)	\$18,953	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795
30	1 - Combined Tax Rate	Rate Case (29) / (30)	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
31	Return and Tax Requirement		\$29,159	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915
32	Working Capital Requirement	(28) + (31)	\$44,745	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370
33	Monthly Average	(32) / 12	\$3,729	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697

NEW ENGLAND GAS COMPANY
Gas Cost Recovery Filing
Costs Working Capital Calculation

Line No.	Description (a)	Reference (b)	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Total
1	Supply Fixed Costs		\$2,721,944	\$2,722,105	\$2,722,105	\$2,719,330	\$2,722,105	\$2,720,980	\$2,722,105	\$2,720,980	\$2,722,105	\$2,722,105	\$2,720,980	\$2,722,105	\$32,668,947
2	Capacity Release Revenue		\$487,328	\$485,747	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$5,876,525
3	Allowable Working Capital Costs	(1) - (2)	\$2,234,616	\$2,236,358	\$2,231,760	\$2,228,985	\$2,231,760	\$2,230,635	\$2,231,760	\$2,230,635	\$2,231,760	\$2,231,760	\$2,230,635	\$2,231,760	\$26,782,422
4	Number of Days Lag	Rate Case	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	
5	Working Capital Requirement	{(3) * (4)} / 365	\$62,038	\$62,102	\$61,933	\$61,831	\$61,933	\$61,892	\$61,933	\$61,892	\$61,933	\$61,933	\$61,892	\$61,933	\$752,622
6	Cost of Capital	Rate Case	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	
7	Return on Working Capital Requirement	(5) * (6)	\$7,335	\$7,359	\$7,324	\$7,314	\$7,324	\$7,320	\$7,324	\$7,320	\$7,324	\$7,324	\$7,320	\$7,324	\$65,800
8	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	
9	Interest Expense	(5) * (8)	\$3,309	\$3,312	\$3,305	\$3,301	\$3,305	\$3,303	\$3,305	\$3,303	\$3,305	\$3,305	\$3,303	\$3,305	\$33,305
10	Taxable Income	(7) - (9)	\$4,024	\$4,027	\$4,019	\$4,014	\$4,019	\$4,017	\$4,019	\$4,017	\$4,019	\$4,019	\$4,017	\$4,019	\$48,019
11	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	
12	Return and Tax Requirement	(10) / (11)	\$6,191	\$6,186	\$6,183	\$6,175	\$6,183	\$6,180	\$6,183	\$6,180	\$6,183	\$6,183	\$6,180	\$6,183	\$73,683
13	Supply Fixed Working Capital Requirement	(9) + (12)	\$9,500	\$9,507	\$9,488	\$9,476	\$9,488	\$9,483	\$9,488	\$9,483	\$9,488	\$9,488	\$9,483	\$9,488	\$113,856
14	Storage Fixed Costs		\$819,500	\$847,401	\$882,619	\$880,330	\$826,607	\$820,458	\$820,458	\$866,458	\$866,458	\$829,658	\$820,458	\$820,458	\$10,156,759
15	Less: LNG Demand to DAC		\$50,764	\$56,454	\$54,761	\$54,294	\$48,168	\$48,411	\$48,411	\$57,780	\$57,780	\$50,287	\$48,411	\$48,411	\$629,218
16	Less: Credits		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Plus: Supply Related LNG O&M Costs		\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$518,894
18	Allowable Working Capital Costs	(14) - (15) + (16)	\$810,977	\$834,188	\$871,099	\$869,277	\$821,691	\$815,288	\$815,288	\$851,909	\$851,909	\$822,613	\$815,288	\$815,288	\$10,046,435
19	Number of Days Lag	Rate Case	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	
20	Working Capital Requirement	{(17) * (19)} / 365	\$29,773	\$30,625	\$31,890	\$31,913	\$30,166	\$29,931	\$29,931	\$31,276	\$31,276	\$30,200	\$29,931	\$29,931	\$362,622
21	Cost of Capital	Rate Case	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	
22	Return on Working Capital Requirement	(19) * (20)	\$2,661	\$2,737	\$2,859	\$2,853	\$2,698	\$2,675	\$2,675	\$2,796	\$2,796	\$2,699	\$2,675	\$2,675	\$33,333
23	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	
24	Interest Expense	(19) * (22)	\$1,201	\$1,235	\$1,290	\$1,287	\$1,217	\$1,207	\$1,207	\$1,261	\$1,261	\$1,216	\$1,207	\$1,207	\$15,261
25	Taxable Income	(19) - (23)	\$1,460	\$1,502	\$1,569	\$1,565	\$1,480	\$1,468	\$1,468	\$1,534	\$1,534	\$1,481	\$1,468	\$1,468	\$17,800
26	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	
27	Return and Tax Requirement	(24) / (25)	\$2,247	\$2,311	\$2,413	\$2,408	\$2,276	\$2,259	\$2,259	\$2,360	\$2,360	\$2,279	\$2,259	\$2,259	\$28,259
28	Storage Fixed Working Capital Requirement	(23) + (26)	\$3,448	\$3,546	\$3,703	\$3,695	\$3,493	\$3,466	\$3,466	\$3,622	\$3,622	\$3,497	\$3,466	\$3,466	\$42,769

NEW ENGLAND GAS COMPANY
Gas Cost Recovery Filing
Costs Working Capital Calculation

Line No.	Description (a)	Reference (b)	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Total
1	Supply Variable Costs		\$18,411,770	\$41,490,502	\$37,566,893	\$31,620,543	\$33,940,565	\$16,914,850	\$12,582,643	\$7,513,037	\$6,934,232	\$7,088,604	\$7,942,872	\$15,712,935	\$237,719,547
2a	Less: Non-firm Sales		\$2,682	\$21,445	\$51,285	\$46,756	\$14,749	\$4,551	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2b	Less: Variable Delivery Storage Costs		\$2,804	\$628	\$0	\$0	\$0	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$141,467
2c	Less: Variable Injection Storage Costs		\$54,824	\$234,737	\$548,429	\$487,152	\$148,792	\$174,886	\$142,287	\$145,363	\$147,531	\$151,449	\$152,647	\$153,508	\$87,247
2d	Less: Fuel Costs Allocated to Storage		\$60,410	\$256,810	\$600,714	\$543,907	\$163,542	\$191,421	\$154,260	\$157,337	\$159,504	\$163,422	\$164,821	\$166,482	\$2,552,915
2e	Less: Supply Refunds		\$18,351,360	\$41,233,692	\$36,956,179	\$31,076,636	\$33,777,023	\$16,723,529	\$12,428,383	\$7,355,700	\$6,774,728	\$6,935,182	\$7,778,051	\$15,547,453	\$2,781,630
2	Total Credits	(1) - (2)													\$0
3	Allowable Working Capital Costs		\$18,351,360	\$41,233,692	\$36,956,179	\$31,076,636	\$33,777,023	\$16,723,529	\$12,428,383	\$7,355,700	\$6,774,728	\$6,935,182	\$7,778,051	\$15,547,453	\$2,781,630
4	Number of Days Lag	Rate Case	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	\$234,937,917
5	Working Capital Requirement	(3) * (4) / 365	\$673,721	\$1,513,785	\$1,396,747	\$1,140,886	\$1,240,033	\$613,960	\$456,275	\$270,045	\$248,716	\$254,607	\$285,550	\$570,783	\$1,945,944
6	Cost of Capital	Rate Case	\$0	\$94%	\$94%	\$94%	\$94%	\$94%	\$94%	\$94%	\$94%	\$94%	\$94%	\$94%	\$0
7	Return on Working Capital Requirement	(5) * (6)	\$60,220	\$135,309	\$121,272	\$101,978	\$110,840	\$54,878	\$40,784	\$24,138	\$22,231	\$22,758	\$25,524	\$51,019	\$82,247
8	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	\$2,552,915
9	Interest Expense	(5) * (8)	\$27,174	\$61,058	\$54,724	\$46,017	\$50,016	\$24,764	\$18,404	\$10,892	\$10,032	\$10,269	\$11,517	\$23,022	\$298,753
10	Taxable Income	(7) - (9)	\$33,046	\$74,251	\$66,548	\$55,961	\$60,824	\$30,115	\$22,380	\$13,246	\$12,200	\$12,488	\$14,006	\$27,997	\$43,022
11	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	\$30,455
12	Return and Tax Requirement	(10) * (11)	\$50,940	\$114,233	\$102,382	\$86,094	\$93,575	\$46,330	\$34,431	\$20,378	\$18,768	\$19,213	\$21,548	\$43,072	\$28,247
13	Supply Variable Working Capital Requirement	(9) + (12)	\$78,014	\$175,290	\$157,106	\$132,111	\$143,591	\$71,094	\$52,835	\$31,270	\$28,800	\$29,482	\$33,066	\$66,094	\$98,753
14	Storage Variable Product Costs		\$12,677	\$4,450,252	\$12,885,723	\$8,887,206	\$2,874,503	\$864,725	\$207,421	\$202,703	\$210,218	\$211,198	\$205,813	\$213,506	\$3,194,544
15	Less: Balancing Related LNG Commodity (to DAC)	(13) * (14) / 365	(\$39,105)	(\$94,499)	(\$592,394)	(\$198,891)	(\$62,023)	(\$40,730)	(\$42,893)	(\$41,331)	(\$42,864)	(\$43,063)	(\$41,965)	(\$43,534)	(\$1,392,793)
16	Plus: Supply Related LNG O&M Costs	(14) + (15) + (16)	\$30,455	\$3,355,753	\$12,293,329	\$8,688,315	\$2,812,480	\$824,000	\$264,528	\$261,372	\$267,354	\$268,135	\$263,848	\$270,000	\$2,801,751
17	Allowable Working Capital Costs		\$604,027	\$4,386,208	\$12,323,784	\$8,718,970	\$2,822,935	\$874,450	\$195,583	\$191,828	\$197,810	\$198,590	\$194,303	\$200,428	\$3,100,816
18	Number of Days Lag	Rate Case	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	\$3,100,816
19	Working Capital Requirement	(17) * (18) / 365	\$22,175	\$161,028	\$452,435	\$320,093	\$103,637	\$35,774	\$7,180	\$7,042	\$7,262	\$7,291	\$7,133	\$7,358	\$11,237
20	Cost of Capital	Rate Case	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	\$101,118
21	Return on Working Capital Requirement	(19) * (20)	\$1,982	\$14,393	\$40,441	\$28,610	\$9,263	\$3,189	\$642	\$629	\$649	\$652	\$638	\$658	\$101,118
22	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	\$101,118
23	Interest Expense	(19) * (22)	\$894	\$6,495	\$18,249	\$12,910	\$4,180	\$1,443	\$290	\$284	\$293	\$294	\$288	\$297	\$36,363
24	Taxable Income	(19) - (23)	\$1,088	\$7,898	\$22,192	\$15,700	\$5,083	\$1,765	\$352	\$345	\$356	\$358	\$350	\$361	\$45,755
25	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	\$30,455
26	Return and Tax Requirement	(24) * (25)	\$1,673	\$12,151	\$34,141	\$24,154	\$7,821	\$2,700	\$642	\$631	\$648	\$650	\$638	\$655	\$76,210
27	Storage Var. Product Working Capital Requirement	(23) + (26)	\$2,568	\$18,646	\$52,390	\$37,064	\$12,001	\$4,143	\$931	\$815	\$841	\$844	\$826	\$852	\$112,963
1	Storage Variable Non-Product Costs		\$82,134	\$609,218	\$1,206,737	\$1,024,291	\$313,659	\$314,252	\$154,260	\$157,337	\$159,504	\$163,422	\$164,821	\$165,482	\$4,525,118
2	Credits	(1) - (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Allowable Working Capital Costs		\$82,134	\$609,218	\$1,206,737	\$1,024,291	\$313,659	\$314,252	\$154,260	\$157,337	\$159,504	\$163,422	\$164,821	\$165,482	\$4,525,118
4	Number of Days Lag	Rate Case	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	\$4,525,118
5	Working Capital Requirement	(3) * (4) / 365	\$3,382	\$22,366	\$44,302	\$37,604	\$11,515	\$11,537	\$5,663	\$5,776	\$5,856	\$6,000	\$6,051	\$6,075	\$82,247
6	Cost of Capital	Rate Case	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	\$74,172
7	Return on Working Capital Requirement	(5) * (6)	\$302	\$1,999	\$3,960	\$3,361	\$1,029	\$1,031	\$506	\$516	\$523	\$536	\$541	\$543	\$74,172
8	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	\$74,172
9	Interest Expense	(5) * (8)	\$136	\$902	\$1,787	\$1,517	\$465	\$465	\$228	\$233	\$236	\$242	\$244	\$245	\$32,247
10	Taxable Income	(7) - (9)	\$166	\$1,087	\$2,173	\$1,844	\$565	\$566	\$278	\$283	\$287	\$294	\$297	\$298	\$32,247
11	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	\$16,650
12	Return and Tax Requirement	(10) * (11)	\$256	\$1,698	\$3,343	\$2,838	\$869	\$871	\$427	\$436	\$442	\$453	\$457	\$458	\$42,597
13	Storage Variable Non-product WC Requirement	(9) + (12)	\$392	\$2,590	\$5,130	\$4,354	\$1,333	\$1,336	\$656	\$669	\$678	\$695	\$701	\$703	\$94,844

Line No.	Rate Class (a)	Nov-05 (b) Actual	Dec-05 (c) Actual	Jan-06 (d) Forecast	Feb-06 (e) Forecast	Mar-06 (f) Forecast	Apr-06 (g) Forecast	May-06 (h) Forecast	Jun-06 (i) Forecast	Jul-06 (j) Forecast	Aug-06 (k) Forecast	Sep-06 (l) Forecast	Oct-06 (m) Forecast	Nov-06 (n) Forecast	Dec-06 (o) Forecast	Nov-06 (p) Forecast	Jan-Dec
1 SALES (dth)																	
1	Residential Non-Heating	48,719	63,222	72,212	72,308	61,152	62,309	56,567	45,471	36,960	37,027	34,366	42,331	53,612	68,877	632,642	633,190
2	Residential Heating	1,110,436	2,283,820	3,247,796	3,549,501	2,746,026	2,212,310	1,209,381	617,205	424,029	423,990	411,545	638,913	1,347,512	2,231,812	18,874,952	19,060,020
3	Small C&I	125,274	297,039	451,036	513,627	377,563	276,441	138,631	61,325	48,038	45,382	41,826	62,334	141,631	270,333	2,438,326	2,427,977
4	Medium C&I	504,773	1,803,342	2,524,445	2,573,560	609,764	474,008	284,639	168,463	125,207	128,309	120,185	164,159	311,284	475,734	4,299,165	4,317,247
5	Large LLF	98,871	180,342	252,445	257,350	213,422	177,820	92,517	42,246	23,257	23,568	22,757	34,428	63,089	122,363	1,449,024	1,435,263
6	Large HLF	38,648	65,562	63,025	67,750	58,672	55,090	46,027	36,304	27,216	28,649	30,769	37,253	53,584	67,139	544,956	561,479
7	Extra Large LLF	13,712	31,134	41,220	41,543	34,431	22,104	12,262	2,159	1,412	1,219	2,230	7,973	21,779	35,676	219,008	219,008
8	Extra Large HLF	35,348	46,029	35,640	33,206	32,244	28,662	26,338	23,085	22,611	22,769	23,651	27,897	30,288	35,676	359,081	359,081
9	Extra Large HLF	1,735,171	3,481,911	4,866,111	5,290,003	4,133,276	3,308,743	1,861,361	996,288	708,731	706,923	668,739	1,045,288	2,052,780	3,333,876	28,804,545	28,994,119
10	Total Sales																
11 TSS																	
11	Medium	1,778	5,149														
12	Large LLF	2,043	5,028														
13	Large HLF	678	141														
14	Extra Large LLF	0	0														
15	Extra Large HLF	0	0														
16	Extra Large HLF	0	0														
17	Total TSS	4,499	10,318														
18 FT-2 TRANSPORTATION																	
18	FT-2 Medium	24,800	40,403	57,487	57,281	48,954	45,485	35,504	17,182	14,327	14,509	11,803	19,878	27,394	39,052	398,714	389,857
19	FT-2 Large LLF	1,110,436	2,283,820	3,247,796	3,549,501	2,746,026	2,212,310	1,209,381	617,205	424,029	423,990	411,545	638,913	1,347,512	2,231,812	18,874,952	19,060,020
20	Small C&I	125,274	297,039	451,036	513,627	377,563	276,441	138,631	61,325	48,038	45,382	41,826	62,334	141,631	270,333	2,438,326	2,427,977
21	Medium C&I	504,773	1,803,342	2,524,445	2,573,560	609,764	474,008	284,639	168,463	125,207	128,309	120,185	164,159	311,284	475,734	4,299,165	4,317,247
22	Large LLF	98,871	180,342	252,445	257,350	213,422	177,820	92,517	42,246	23,257	23,568	22,757	34,428	63,089	122,363	1,449,024	1,435,263
23	Large HLF	38,648	65,562	63,025	67,750	58,672	55,090	46,027	36,304	27,216	28,649	30,769	37,253	53,584	67,139	544,956	561,479
24	Extra Large LLF	13,712	31,134	41,220	41,543	34,431	22,104	12,262	2,159	1,412	1,219	2,230	7,973	21,779	35,676	219,008	219,008
24	Extra Large HLF	35,348	46,029	35,640	33,206	32,244	28,662	26,338	23,085	22,611	22,769	23,651	27,897	30,288	35,676	359,081	359,081
24	Total Transportation	41,049	70,543	97,236	96,959	79,705	74,023	51,956	26,321	20,203	20,032	19,983	29,983	45,140	68,983	627,982	629,823
25 Sales & FT-2 THROUGHPUT																	
25	Residential Non-Heating	48,719	63,222	72,212	72,308	61,152	62,309	56,567	45,471	36,960	37,027	34,366	42,331	53,612	68,877	632,642	633,190
26	Residential Heating	1,110,436	2,283,820	3,247,796	3,549,501	2,746,026	2,212,310	1,209,381	617,205	424,029	423,990	411,545	638,913	1,347,512	2,231,812	18,874,952	19,060,020
27	Small C&I	125,274	297,039	451,036	513,627	377,563	276,441	138,631	61,325	48,038	45,382	41,826	62,334	141,631	270,333	2,438,326	2,427,977
28	Medium C&I	504,773	1,803,342	2,524,445	2,573,560	609,764	474,008	284,639	168,463	125,207	128,309	120,185	164,159	311,284	475,734	4,299,165	4,317,247
29	Large LLF	98,871	180,342	252,445	257,350	213,422	177,820	92,517	42,246	23,257	23,568	22,757	34,428	63,089	122,363	1,449,024	1,435,263
30	Large HLF	38,648	65,562	63,025	67,750	58,672	55,090	46,027	36,304	27,216	28,649	30,769	37,253	53,584	67,139	544,956	561,479
31	Extra Large LLF	13,712	31,134	41,220	41,543	34,431	22,104	12,262	2,159	1,412	1,219	2,230	7,973	21,779	35,676	219,008	219,008
32	Extra Large HLF	35,348	46,029	35,640	33,206	32,244	28,662	26,338	23,085	22,611	22,769	23,651	27,897	30,288	35,676	359,081	359,081
33	Extra Large HLF	1,780,719	3,542,772	4,963,347	5,386,962	4,212,980	3,382,766	1,913,317	1,022,609	728,934	728,955	708,721	1,075,271	2,097,920	3,401,959	29,447,355	29,623,742
34	Total Throughput																
35 FT-1 TRANSPORTATION																	
35	FT-1 Medium	57,290	102,867	112,336	103,455	90,392	61,321	37,983	28,680	27,512	27,642	49,109	43,229	73,389	104,508	741,917	759,657
36	FT-1 Large LLF	(64,540)	163,661	183,758	161,987	144,667	90,843	39,548	21,407	16,343	16,966	26,438	57,160	113,114	166,206	1,028,438	1,028,438
37	FT-1 Large HLF	43,263	38,052	57,255	50,910	45,410	34,221	29,876	28,851	27,334	27,926	36,865	32,852	41,215	47,199	452,816	459,915
38	FT-1 Extra Large LLF	58,653	95,281	123,486	107,807	93,870	62,916	33,076	18,283	15,164	15,678	20,672	44,820	72,324	101,076	689,803	709,269
39	FT-1 Extra Large HLF	244,448	285,153	348,375	319,106	314,954	271,698	258,668	228,917	215,754	227,915	233,269	252,042	289,237	325,415	3,200,296	3,285,346
40	FT-1 Extra Large HLF	339,114	685,114	825,210	743,265	689,293	520,600	399,747	326,139	302,107	316,027	366,352	430,104	588,278	734,403	5,943,071	6,242,525
41	Total Transportation																
42 Total THROUGHPUT																	
42	Residential Non-Heating	48,719	63,222	72,212	72,308	61,152	62,309	56,567	45,471	36,960	37,027	34,366	42,331	53,612	68,877	632,642	633,190
43	Residential Heating	1,110,436	2,283,820	3,247,796	3,549,501	2,746,026	2,212,310	1,209,381	617,205	424,029	423,990	411,545	638,913	1,347,512	2,231,812	18,874,952	19,060,020
44	Small C&I	125,274	297,039	451,036	513,627	377,563	276,441	138,631	61,325	48,038	45,382	41,826	62,334	141,631	270,333	2,438,326	2,427,977
45	Medium C&I	504,773	1,803,342	2,524,445	2,573,560	609,764	474,008	284,639	168,463	125,207	128,309	120,185	164,159	311,284	475,734	4,299,165	4,317,247
46	Large LLF	98,871	180,342	252,445	257,350	213,422	177,820	92,517	42,246	23,257	23,568	22,757	34,428	63,089	122,363	1,449,024	1,435,263
47	Large HLF	38,648	65,562	63,025	67,750	58,672	55,090	46,027	36,304	27,216	28,649	30,769	37,253	53,584	67,139	544,956	561,479
48	Extra Large LLF	13,712	31,134	41,220	41,543	34,431	22,104	12,262	2,159	1,412	1,219	2,230	7,973	21,779	35,676	219,008	219,008
49	Extra Large HLF	35,348	46,029	35,640	33,206	32,244	28,662	26,338	23,085	22,611	22,769	23,651	27,897	30,288	35,676	359,081	359,081
50	Extra Large HLF	219,296	384,014	486,644	520,600	417,000	300,361	166,366	80,111	69,392	71,827	86,397	104,508	140,206	186,397	1,059,488	1,079,339
51	Total Throughput	2,119,833	4,227,886	5,788,557	6,130,227	4,902,274	3,903,366	2,313,064	1,348,748	1,031,042	1,044,981	1,075,073	1,505,375	2,687,188	4,136,362	35,360,426	35,866,267