

October 6, 2008

**VIA HAND DELIVERY & ELECTRONIC MAIL**

Luly E. Massaro, Commission Clerk  
Rhode Island Public Utilities Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

**RE: Docket 3982 – National Grid Gas Cost Recovery 2008  
Responses to Division Data Requests – Set 1**

Dear Ms. Massaro:

Enclosed please find ten (10) copies of National Grid's<sup>1</sup> outstanding responses to the first set of data requests issued by the Rhode Island Division of Public Utilities and Carrier's ("Division") on September 10, 2008 in the above-captioned proceeding. These include DIV 1-7, DIV 1-8, DIV 1-9, DIV 11-d, DIV 1-14, and DIV 1-15.

Please be advised that the Company is seeking protective treatment of the confidential responses to Data Request DIV-1-14, and DIV 1-15 in their entirety, as permitted by Commission Rule 1.2(g) and by R.I.G.L. § 38-2-2(4)(i)(B). Consequently, in compliance with Commission Rule 1.2(g). The Company is filing one complete unredacted version of those responses in a separate envelope marked "Contains Privileged and Confidential Material Do Not Release." The Company is also enclosing a Motion for Protective Treatment to the Commission pending a determination on the Company's Motion.

The Company plans to provide a copy of the confidential attachments to the Division upon the execution of a nondisclosure agreement.

Thank you for your attention to this transmittal. If you have any questions, please feel free to contact me at (401) 784-7667.

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Docket 3982 Service List  
Paul Roberti, Esq.  
Steve Scialabba, Division

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<sup>1</sup> Submitted on behalf of The Narragansett Electric Company d/b/a National Grid ("the Company").

**STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS**  
**RHODE ISLAND PUBLIC UTILITIES COMMISSION**

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**NATIONAL GRID**  
**ANNUAL GAS COST RECOVERY**

Docket No. 3982

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**NATIONAL GRID’S REQUEST**  
**FOR PROTECTIVE TREATMENT OF CONFIDENTIAL INFORMATION**

National Grid <sup>1</sup> hereby requests that the Rhode Island Public Utilities Commission (“Commission”) provide confidential treatment and grant protection from public disclosure of certain confidential, competitively sensitive, and proprietary information submitted in this proceeding, as permitted by Commission Rule 1.2(g) and R.I.G.L. § 38-2-2(4)(i)(B). National Grid also hereby requests that, pending entry of that finding, the Commission preliminarily grant National Grid’s request for confidential treatment pursuant to Rule 1.2 (g)(2).

**I. BACKGROUND**

On October 3, 2008, National Grid filed with the Commission its responses to Division Data Request No. 1-14 and 1-15. These responses contain the Company’s going forward contract strategy relative to Distrigas.

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<sup>1</sup> The Narragansett Electric Company d/b/a National Grid (“National Grid or “the Company”).

The Company is thus requesting confidential treatment with respect to those data responses and is requesting that these confidential and proprietary terms be protected from public disclosure.

## **II. LEGAL STANDARD**

The Commission's Rule 1.2(g) provides that access to public records shall be granted in accordance with the Access to Public Records Act ("APRA"), R.I.G.L. §38-2-1, *et seq.* Under APRA, all documents and materials submitted in connection with the transaction of official business by an agency is deemed to be a "public record," unless the information contained in such documents and materials falls within one of the exceptions specifically identified in R.I.G.L. §38-2-2(4). Therefore, to the extent that information provided to the Commission falls within one of the designated exceptions to the public records law, the Commission has the authority under the terms of APRA to deem such information to be confidential and to protect that information from public disclosure.

In that regard, R.I.G.L. §38-2-2(4)(i)(B) provides that the following types of records shall not be deemed public:

Trade secrets and commercial or financial information obtained from a person, firm, or corporation which is of a privileged or confidential nature.

The Rhode Island Supreme Court has held that this confidential information exemption applies where disclosure of information would be likely either (1) to impair the Government's ability to obtain necessary information in the future; or (2) to cause substantial harm to the competitive position of the person from whom the information

was obtained. Providence Journal Company v. Convention Center Authority, 774 A.2d 40 (R.I.2001).

The first prong of the test is satisfied when information is voluntarily provided to the governmental agency and that information is of a kind that would customarily not be released to the public by the person from whom it was obtained. Providence Journal, 774 A.2d at 47.

In addition, the Court has held that the agencies making determinations as to the disclosure of information under APRA may apply the balancing test established in Providence Journal v. Kane, 577 A.2d 661 (R.I.1990). Under that balancing test, the Commission may protect information from public disclosure if the benefit of such protection outweighs the public interest inherent in disclosure of information pending before regulatory agencies.

### **III. BASIS FOR CONFIDENTIALITY**

With respect to the data responses in question the Company seeks protection from public disclosure since the Company's strategy for contract negotiation with Distrigas is commercially sensitive and proprietary. Disclosure of this information would adversely prejudice both the Company in its bargaining position and ability to negotiate acceptable contract terms. In short, contracting strategy must remain confidential to preserve the Company's future negotiating leverage and its ability to function effectively in a competitive gas-supply marketplace.

**V. CONCLUSION**

Accordingly, the Company requests that the Commission protect the contract negotiation strategy and grant protective treatment to its responses to Division Data Requests 1-14 and 1-15.

**WHEREFORE**, the Company respectfully requests that the Commission grant its Motion for Protective Treatment as stated herein.

Respectfully submitted,

**NATIONAL GRID**

By its attorney,



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Thomas R. Teehan, Esq. (RI Bar #4698)  
National Grid  
280 Melrose Street  
Providence, RI 02907  
(401) 784-7667

Dated: October 3, 2008

DIV 1-7

Request:

Re: Attachment PCC-2, Schedule 1, III. Variable Supply Cost Deferred, please provide:

- a. The computations relied upon to determine actual Supply Variable Costs by month for each supplier, service, and contract, as well as the volumes and average costs for daily spot purchases made in each month;
- b. Supporting detail for the determination of the reported actual costs by month for:
  - a. Delivery Storage
  - b. Variable Injections Storage
  - c. Fuel Cost Allocated to Storage

Response:

- a. Variable Supply Costs are calculated each month based on an estimate for the current month's costs, as well as a variance between the prior month's estimate and the prior month's actual cost. Attached as DIV 1-7(a) Schedule 1 are the monthly summary sheets of estimate costs, variance costs, as well as total costs by supplier. Attached as DIV 1-7(a) Schedule 2 are the underlying inputs provided by Accounting Services listing individual contracts and volume details for the month of July 2007. These costs are then adjusted for revenues collected from or credited to other than firm sales service customers. These adjustments are shown at the bottom of Schedule 2, page 2 in Attachment PCC-2 and include non-firm sales service, Company use, Manchester Street balancing, etc.

The non firm gas costs are provided by Gas Cost Accounting which gets the volumes from Gas Supply and adjusts the gas costs for line loss (see the Company's response to data request DIV 1-11). Company use and Manchester Street Balancing numbers are provided by Accounting Services. Marketer Overtakes, Marketer Undertakes, and Pipeline Surcharge/Credits are provided by Accounting Services with adjustments provided from Transportation Billing. Marketer Withdrawals as well as Marketer Injections are provided by Accounting Services.

Response DIV 1-7 (continued):

- b. The Delivery Storage, Variable Injections Storage and Fuel Cost Allocated to Storage are commodity related variable costs associated with the operations, maintenance and delivery of storage. These commodity costs are subtracted from the Supply Variable Cost component of the GCR and added to the Storage Variable Non-Product Cost which is then recovered from firm sales service customers and FT-2 transportation customers. Details for the determination of these costs are provided in response to data request DIV 1-9.

		Current Mo Estimate - Jul 07			Prior Mo Variance - Jun 07			Total - Jul 07 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C			\$294,500			\$0	\$0	\$0	\$294,500
Algonquin	C			(\$263)			\$2,704	\$0	\$0	\$2,441
Anadarko	C			\$0				\$0	\$0	\$0
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C			\$3,962,405			\$7	\$0	\$0	\$3,962,412
Boundary	C							\$0	\$0	\$0
Cargill	C			\$0				\$0	\$0	\$0
Coral	C							\$0	\$0	\$0
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco	C			\$2,203,126			(\$29,292)	\$0	\$0	\$2,173,834
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$0				\$0	\$0	\$0
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C			\$0				\$0	\$0	\$0
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C			\$625,282			\$6	\$0	\$0	\$625,288
Oneok	C			\$0				\$0	\$0	\$0
Oxy	C			\$0				\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C			\$0				\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C			\$0				\$0	\$0	\$0
Tenaska	C			\$0				\$0	\$0	\$0
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C			\$0				\$0	\$0	\$0
Various	C							\$0	\$0	\$0
sub-total	C	\$0	\$0	\$7,085,050	\$0	\$0	(\$26,575)	\$0	\$0	\$7,061,396



		Current Mo Estimate - Aug 07			Prior Mo Variance - Jul 07			Total - Aug 07 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C			\$294,500			\$0	\$0	\$0	\$294,500
Algonquin	C			(\$263)			(\$2,324)	\$0	\$0	(\$2,587)
Anadarko	C			\$0				\$0	\$0	\$0
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C			\$4,052,196			\$3	\$0	\$0	\$4,052,199
Boundary	C							\$0	\$0	\$0
Cargill	C			\$0				\$0	\$0	\$0
Coral	C							\$0	\$0	\$0
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco	C			\$2,191,830			(\$130,366)	\$0	\$0	\$2,061,464
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$271,895				\$0	\$0	\$271,895
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C			\$0				\$0	\$0	\$0
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C			\$398,288			(\$25)	\$0	\$0	\$398,263
Oneok	C			\$0				\$0	\$0	\$0
Oxy	C			\$0				\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C			\$0				\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C			\$0				\$0	\$0	\$0
Tenaska	C			\$0				\$0	\$0	\$0
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C			\$0				\$0	\$0	\$0
Various	C							\$0	\$0	\$0
sub-total	C	\$0	\$0	\$7,208,446	\$0	\$0	(\$132,712)	\$0	\$0	\$7,075,734
									Hedging	\$29,604
										\$7,105,338

		Current Mo Estimate - Sep 07			Prior Mo Variance - Aug 07			Total - Sep 07 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C			\$285,000			\$0	\$0	\$0	\$285,000
Algonquin	C			\$7,572			\$2,733	\$0	\$0	\$10,305
Anadarko	C			\$0				\$0	\$0	\$0
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C			\$4,002,405			(\$8)	\$0	\$0	\$4,002,397
Boundary	C							\$0	\$0	\$0
Cargill	C			\$0				\$0	\$0	\$0
Coral	C							\$0	\$0	\$0
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco	C			\$2,231,124			\$21,303	\$0	\$0	\$2,252,427
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$293,220				\$0	\$0	\$293,220
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C			\$0				\$0	\$0	\$0
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C			\$431,970			(\$9,200)	\$0	\$0	\$422,770
Oneok	C			\$0				\$0	\$0	\$0
Oxy	C			\$0				\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C			\$0				\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C			\$0				\$0	\$0	\$0
Tenaska	C			\$0				\$0	\$0	\$0
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C			\$0				\$0	\$0	\$0
Various	C							\$0	\$0	\$0
sub-total	C	\$0	\$0	\$7,251,291	\$0	\$0	\$14,828	\$0	\$0	\$7,266,119
									Hedging	\$121,287
										\$7,387,406

		Current Mo Estimate - Oct 07			Prior Mo Variance - Sep 07			Total - Oct 07 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C			\$294,500			\$0	\$0	\$0	\$294,500
Algonquin	C			\$67,197			(\$28,235)	\$0	\$0	\$38,962
Anadarko	C			\$611,540				\$0	\$0	\$611,540
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C			\$0			(\$562,214)	\$0	\$0	(\$562,214)
Boundary	C							\$0	\$0	\$0
Cargill	C			\$0				\$0	\$0	\$0
Coral	C							\$0	\$0	\$0
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco	C			\$6,726,759			\$414,735	\$0	\$0	\$7,141,494
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$393,589				\$0	\$0	\$393,589
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C			\$643,625				\$0	\$0	\$643,625
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C			\$615,105			\$0	\$0	\$0	\$615,105
Oneok	C			\$0				\$0	\$0	\$0
Oxy	C			\$0				\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C							\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C			\$0				\$0	\$0	\$0
Tenaska	C			\$342,429				\$0	\$0	\$342,429
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C			\$622,948				\$0	\$0	\$622,948
Various	C							\$0	\$0	\$0
Hedging										(\$107,562)
sub-total	C	\$0	\$0	\$10,317,692	\$0	\$0	(\$175,714)	\$0	\$0	\$10,041,069

		Current Mo Estimate - Nov 07			Prior Mo Variance - Oct 07			Total - Nov 07 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C			\$225,600			\$0	\$0	\$0	\$225,600
Algonquin	C			\$49,959			(\$60,645)	\$0	\$0	(\$10,686)
Anadarko	C			\$1,996,410			\$19,589	\$0	\$0	\$2,015,999
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C			\$0			\$0	\$0	\$0	\$0
Boundary	C							\$0	\$0	\$0
Cargill	C			\$1,207,125				\$0	\$0	\$1,207,125
Coral	C			\$779,379				\$0	\$0	\$779,379
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco	C			\$13,208,795			(\$30,767)	\$0	\$0	\$13,178,028
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$1,708,215			\$0	\$0	\$0	\$1,708,215
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C			\$1,124,541			(\$9)	\$0	\$0	\$1,124,532
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C			\$1,624,731			\$713	\$0	\$0	\$1,625,444
Oneok	C			\$946,620				\$0	\$0	\$946,620
Oxy	C			\$1,086,114				\$0	\$0	\$1,086,114
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C							\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C			\$0				\$0	\$0	\$0
Tenaska	C			\$1,543,071			\$0	\$0	\$0	\$1,543,071
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C			\$1,063,491			\$0	\$0	\$0	\$1,063,491
Various	C							\$0	\$0	\$0
Hedging										(\$27,025)
sub-total	C	\$0	\$0	\$26,564,051	\$0	\$0	(\$71,119)	\$0	\$0	\$26,465,907

		Current Mo Estimate - Dec 07			Prior Mo Variance - Nov 07			Total - Dec 07 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C			\$0			(\$225,600)	\$0	\$0	(\$225,600)
Algonquin	C			\$62,238			\$132,130	\$0	\$0	\$194,368
Anadarko	C						(\$1,996,410)	\$0	\$0	(\$1,996,410)
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C						\$0	\$0	\$0	\$0
Boundary	C							\$0	\$0	\$0
Cargill	C						(\$1,207,125)	\$0	\$0	(\$1,207,125)
Coral	C						(\$779,379)	\$0	\$0	(\$779,379)
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco	C			\$39,524,174			\$11,588,416	\$0	\$0	\$51,112,590
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$1,750,329			\$0	\$0	\$0	\$1,750,329
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C						(\$1,124,541)	\$0	\$0	(\$1,124,541)
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C						(\$1,624,731)	\$0	\$0	(\$1,624,731)
Oneok	C						(\$946,620)	\$0	\$0	(\$946,620)
Oxy	C						(\$1,086,114)	\$0	\$0	(\$1,086,114)
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C							\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C						\$0	\$0	\$0	\$0
Tenaska	C						(\$1,543,071)	\$0	\$0	(\$1,543,071)
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C						(\$1,063,491)	\$0	\$0	(\$1,063,491)
Various	C							\$0	\$0	\$0
Hedging										\$285,078
sub-total	C	\$0	\$0	\$41,336,741	\$0	\$0	\$123,464	\$0	\$0	\$41,746,965

		Current Mo Estimate - Jan 08			Prior Mo Variance - Dec 07			Total - Jan 08 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C			\$0				\$0	\$0	\$0
Algonquin	C			\$79,339			(\$30,770)	\$0	\$0	\$48,569
Anadarko	C							\$0	\$0	\$0
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C							\$0	\$0	\$0
Boundary	C							\$0	\$0	\$0
Cargill	C							\$0	\$0	\$0
Coral	C							\$0	\$0	\$0
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco	C			\$38,965,032			\$258,039	\$0	\$0	\$39,223,071
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$1,570,668			\$0	\$0	\$0	\$1,570,668
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C							\$0	\$0	\$0
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C							\$0	\$0	\$0
Oneok	C							\$0	\$0	\$0
Oxy	C							\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C							\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C							\$0	\$0	\$0
Tenaska	C							\$0	\$0	\$0
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C							\$0	\$0	\$0
Various	C							\$0	\$0	\$0
Hedging										\$375,465
sub-total	C	\$0	\$0	\$40,615,039	\$0	\$0	\$227,269	\$0	\$0	\$41,217,773

		Current Mo Estimate - Feb 08			Prior Mo Variance - Jan 08			Total - Feb 08 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C			\$0				\$0	\$0	\$0
Algonquin	C			(\$531,926)			(\$552,961)	\$0	\$0	(\$1,084,887)
Anadarko	C							\$0	\$0	\$0
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C							\$0	\$0	\$0
Boundary	C							\$0	\$0	\$0
Cargill	C							\$0	\$0	\$0
Coral	C							\$0	\$0	\$0
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco	C			\$33,936,389			\$309,982	\$0	\$0	\$34,246,371
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$2,158,920			\$0	\$0	\$0	\$2,158,920
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C							\$0	\$0	\$0
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C							\$0	\$0	\$0
Oneok	C							\$0	\$0	\$0
Oxy	C							\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C							\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C							\$0	\$0	\$0
Tenaska	C							\$0	\$0	\$0
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C							\$0	\$0	\$0
Various	C							\$0	\$0	\$0
Hedging										\$112,235
sub-total	C	\$0	\$0	\$35,563,383	\$0	\$0	(\$242,979)	\$0	\$0	\$35,435,888

		Current Mo Estimate - Mar 08			Prior Mo Variance - Feb 08			Total - Mar 08 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C			\$0			(\$395)	\$0	\$0	(\$395)
Algonquin	C			\$39,834			\$700,361	\$0	\$0	\$740,195
Anadarko	C							\$0	\$0	\$0
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C							\$0	\$0	\$0
Boundary	C							\$0	\$0	\$0
Cargill	C							\$0	\$0	\$0
Coral	C							\$0	\$0	\$0
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco	C			\$27,470,556			\$4,077	\$0	\$0	\$27,474,633
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$1,786,000			\$0	\$0	\$0	\$1,786,000
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C							\$0	\$0	\$0
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C							\$0	\$0	\$0
Oneok	C							\$0	\$0	\$0
Oxy	C							\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C							\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C							\$0	\$0	\$0
Tenaska	C							\$0	\$0	\$0
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C							\$0	\$0	\$0
Various	C							\$0	\$0	\$0
Hedging										(\$429,422)
sub-total	C	\$0	\$0	\$29,296,390	\$0	\$0	\$704,043	\$0	\$0	\$29,573,841
							Closed Conservation fund and credited balance			(\$646,193)
										\$28,927,648



		Current Mo Estimate - Apr 08			Prior Mo Variance - Mar 08			Total - Apr 08 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C						\$0	\$0	\$0	\$0
Algonquin	C			\$0						(\$519,766)
Anadarko	C									\$0
Armeda Hess	C									\$0
Aquila	C									\$0
BP Amoco	C									\$0
Boundary	C									\$0
Cargill	C									\$0
Coral	C									\$0
Chevron	C									\$0
Cinergy	C									\$0
Columbia	C									\$0
Conoco/Merrill Lynch	C			\$16,353,382			\$47,990	\$0	\$0	\$16,401,372
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$1,436,700			\$357,200	\$0	\$0	\$1,793,900
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynegy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C							\$0	\$0	\$0
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C							\$0	\$0	\$0
Oneok	C							\$0	\$0	\$0
Oxy	C							\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C							\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C							\$0	\$0	\$0
Tenaska	C							\$0	\$0	\$0
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C							\$0	\$0	\$0
Various	C							\$0	\$0	\$0
Hedging										(\$1,183,818)
sub-total	C	\$0	\$0	\$17,790,082	\$0	\$0	(\$114,576)	\$0	\$0	\$16,491,688

		Current Mo Estimate - May 08			Prior Mo Variance - Apr 08			Total - May 08 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C							\$0	\$0	\$0
Algonquin	C			\$0			\$91,785	\$0	\$0	\$91,785
Anadarko	C							\$0	\$0	\$0
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C							\$0	\$0	\$0
Boundary	C							\$0	\$0	\$0
Cargill	C							\$0	\$0	\$0
Coral	C							\$0	\$0	\$0
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco/Merrill Lynch	C			\$11,357,593			(\$418,603)	\$0	\$0	\$10,938,990
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$0			\$0	\$0	\$0	\$0
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynegy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C			\$493,458			\$577,530	\$0	\$0	\$1,070,988
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C							\$0	\$0	\$0
Oneok	C							\$0	\$0	\$0
Oxy	C							\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C							\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C							\$0	\$0	\$0
Tenaska	C							\$0	\$0	\$0
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C							\$0	\$0	\$0
Various	C							\$0	\$0	\$0
Hedging										(\$1,759,798)
sub-total	C	\$0	\$0	\$11,851,051	\$0	\$0	\$250,712	\$0	\$0	\$10,341,965

		Current Mo Estimate - Jun 08			Prior Mo Variance - May 08			Total - Jun 08 Gas Cost		
		Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total	Cap Release	Mkter Release	Total
Alberta Northeast	C							\$0	\$0	\$0
Algonquin	C			\$0			\$280,571	\$0	\$0	\$280,571
Anadarko	C							\$0	\$0	\$0
Armeda Hess	C							\$0	\$0	\$0
Aquila	C							\$0	\$0	\$0
BP Amoco	C							\$0	\$0	\$0
Boundary	C							\$0	\$0	\$0
Cargill	C							\$0	\$0	\$0
Coral	C							\$0	\$0	\$0
Chevron	C							\$0	\$0	\$0
Cinergy	C							\$0	\$0	\$0
Columbia	C							\$0	\$0	\$0
Conoco/Merrill Lynch	C			\$8,884,903			(\$1,935,326)	\$0	\$0	\$6,949,577
Constellation Power	C							\$0	\$0	\$0
DistriGas	C			\$0			\$0	\$0	\$0	\$0
Dominion	C							\$0	\$0	\$0
Duke	C							\$0	\$0	\$0
Dynergy	C							\$0	\$0	\$0
Eastern Energy	C							\$0	\$0	\$0
El Paso	C							\$0	\$0	\$0
Hess	C			\$389,640			\$0	\$0	\$0	\$389,640
Iroquois	C							\$0	\$0	\$0
Keyspan	C							\$0	\$0	\$0
National Fuel	C							\$0	\$0	\$0
Noble	C							\$0	\$0	\$0
Oneok	C							\$0	\$0	\$0
Oxy	C							\$0	\$0	\$0
Proliance	C							\$0	\$0	\$0
ProvGas/CMB	C							\$0	\$0	\$0
Select	C							\$0	\$0	\$0
Sprague	C							\$0	\$0	\$0
Sequent	C							\$0	\$0	\$0
Tenaska	C							\$0	\$0	\$0
Tennessee	C							\$0	\$0	\$0
TETCO	C							\$0	\$0	\$0
TXU	C							\$0	\$0	\$0
VPEM	C							\$0	\$0	\$0
Various	C							\$0	\$0	\$0
Hedging										(\$1,441,716)
sub-total	C	\$0	\$0	\$9,274,543	\$0	\$0	(\$1,654,755)	\$0	\$0	\$6,178,072

ESTIMATE				DEBIT	CREDIT	DAYS	0.0786	TOTAL		
Jul-07	CHARGE	NEG-ORACLE	ORACLE	ORACLE	ORACLE	31	EST	CURRENT		
						EST	MONTH			
VENDOR	CONTRACT	GCR	DESCRIPTION	G/L DESCRIPTION	ACCT	ACCT	VOL	RATE	ESTIMATE	
ALBERTA NORTH EAST	CARGLL #1	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	31,000	0.0000	294,500	COMM
									294,500	
ALGONQUIN	93OBA09	C		IMBALANCE-ALGONQUIN	804002	232118	-35	7.5000	(263)	EST OBA
									(263)	
ANADARKO Energy Services	SLS02118	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0	
									0	
B. P. AMOCO	142951	C		PURCHASES-SPOT-CITY GATE	804000	232118	465,000	0.0000	3,962,405	
									3,962,405	
CARGILL	CARGILL	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0	
									0	
CONOCO (LOCKS)	VARIOUS	C	COMMODITY	PURCHASES-SPOT-CITY GATE	804000	232118	508,400	0.0000	3,860,349	
CONOCO (spot)	VARIOUS	C	COMMODITY	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0	
CONOCO PHILLIPS	AGT GATE	C	COMMODITY	PURCHASES-SPOT-CITY GATE	804000	232118	201,741	0.0000	1,461,487	COMMODITY
CONOCO PHILLIPS	AGT/TGP	C	COMMODITY	PURCHASES-SPOT-CITY GATE	804000	232118	-405,108	0.0000	(3,228,103)	COMMODITY
CONOCO PHILLIPS - AGT-TGP	AGT GATE	C	BILLABLE TRANSPC	COMMODITY USAGE	804002	232118	N/A	N/A	109,393	COMMODITY TRANSPORT
									2,203,126	
DISTRIGAS -VAPOR	FCS025	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	0	7.5580	0	
									0	
HESS	HESS	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0	
									0	
NOBLE	03761	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	74,400	0.0000	625,282	
									625,282	
ONEOK	ONEOK	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0	
									0	
OXY	OXY	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0	
									0	
PROV - CUMBERLAND	FERRELL/STAR GAS	C	DEMAND SUPPLY (B	BOTTLED PROPANE	GO2035	232118	0	0.0000	0	
									0	
SEQUENT	SEQUENT	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0	
									0	
TENASKA	TENASKA	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0	

ESTIMATE			CHARGE	NEG-ORACLE	DEBIT ORACLE	CREDIT ORACLE	DAYS	0.0786	TOTAL
Jul-07							31	EST	CURRENT
							EST		MONTH
VENDOR	CONTRACT	GCR	DESCRIPTION	G/L DESCRIPTION	ACCT	ACCT	VOL	RATE	ESTIMATE
									0
VPEM	VPEM	C	COMMODITY CHARC	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0
									0
<b>Subtotal C</b>									<b>7,085,050</b>

VARIANCE/TRUE-UP

Jun-07

VARIANCE/TRUE-UP		CHARGE		NEG-ORACLE	DEBIT ORACLE	CREDIT ORACLE	DAYS	0.0786	TOTAL	Previous	
Jun-07							30	EST	Previous	MONTH	
							EST		MONTH	ACTUAL	
VENDOR	CONTRACT	GCR	DESCRIPTION	G/L DESCRIPTION	ACCT	ACCT	VOL	RATE	ESTIMATE	INVOICE	VARIANCE
ALBERTA NORTH EAST	CARGLL #1	C	COMMODITY CHARGE	PURCHASES-SPOT-CITY GATE	804000	232118	30,000	0.0000	285,000	285,000	0
									<b>285,000</b>	<b>285,000</b>	<b>0</b>
ALGONQUIN	930BA09	C		IMBALANCE-ALGONQUIN	804002	232118	-35	7.5000	-263	2,441	2,704
									<b>(263)</b>	<b>2,441</b>	<b>2,704</b>
B. P. AMOCO	142951	C		PURCHASES-SPOT-CITY GATE	804000	232118	450,000	0.0000	3,800,535	3,800,542	7
									<b>3,800,535</b>	<b>3,800,542</b>	<b>7</b>
CONOCO (LOCKS)	VARIOUS	C	COMMODITY	PURCHASES-SPOT-CITY GATE	804000	232118	594,000	0.0000	4,707,696	4,707,691	-5
CONOCO PHILLIPS	AGT GATE	C	COMMODITY	PURCHASES-SPOT-CITY GATE	804000	232118	211,290	0.0000	1,609,206	1,678,230	69,024
CONOCO PHILLIPS	AGT/TGP	C	COMMODITY	PURCHASES-SPOT-CITY GATE	804000	232118	-419,860	0.0000	-3,423,245	-3,428,251	-5,006
CONOCO PHILLIPS	AGT/TGP	C	COMMODITY	PURCHASES-SPOT-CITY GATE	804000	232118	0	0.0000	0	-73,730	-73,730
CONOCO PHILLIPS - AGT-TGP	AGT GATE	C	BILLABLE TRANSPORT	COMMODITY USAGE	804002	232118	N/A	N/A	110,354	90,778	-19,575
									<b>3,004,011</b>	<b>2,974,718</b>	<b>(29,292)</b>
NOBLE	03761	C	COMMODITY CHARGE	PURCHASES-SPOT-CITY GATE	804000	232118	72,000	0.0000	663,978	663,984	6
									<b>663,978</b>	<b>663,984</b>	<b>6</b>
<b>Subtotal C</b>									<b>7,753,261</b>	<b>7,726,685</b>	<b>(26,575)</b>

DIV 1-8

Request:

Re: Attachment PCC-2, Schedule 1, IV. Storage Variable Product Cost Deferred, please provide supporting detail for the determination of the reported actual costs by month for:

- a. Storage Variable Product Costs - LNG,
- b. Storage Variable Product Costs - LP,
- c. Storage Variable Product Costs – UG,
- d. Supply Related LNG to DAC,
- e. Supply Related LNG O&M,
- f. Inventory Financing LNG,
- g. Inventory Financing UG,
- h. Inventory Financing LP

Response:

- a. Storage Variable Product Costs- LNG shown on Attachment PCC-2, Schedule 1, IVa are calculated each month based on an estimate for the current month's boil-off and vaporized LNG costs, as well as a variance between the prior month's estimate and the prior month's actual cost. Attached as DIV 1-8(a) are the monthly account details supporting the reported actual costs.
- b. The Company no longer uses propane and hence, the Storage Variable Product Costs – LP are zero.
- c. Similar to the response to (a) above, Storage Variable Products Costs – UG are calculated each month based on an estimate for the current month's underground storage withdrawals, as well as a variance between the prior month's estimate and the prior month's actual cost. Attached as DIV 1-8(c) Schedule 1 is a summary of estimates and variances by month by source. These total costs are reflected on page 2 of Attachment PCC-2 Schedule 2. A portion of those costs are assigned to the Storage Variable Non-Product Cost category as described in the response to DIV 1-9. Underlying detailed monthly underground storage costs data is shown on DIV 1-8(c) Schedule 2.
- d. Supply Related LNG to DAC represents the portion of LNG supply costs that are associated with maintaining system pressures. At the time of the last rate case, this was identified as 20.39% of the non-economic dispatched LNG. The costs shown on Attachment PCC-2 Schedule 1, IV are 20.39% of the non-economic LNG costs. The cost shown for July 2007 includes an adjustment for February where the Company had inadvertently included LNG used on the basis of economic dispatch when calculating the 20.39% to be recovered in the DAC.

Response: DIV 1-8 (continued)

- e. During the Company's last rate case, Docket No. 3401, total LNG O&M costs were identified and the non-system pressure portion (79.61%) were removed from the revenue requirement and designated for recovery in the GCR. The Supply Related LNG O&M costs shown on Attachment PCC-2 Schedule 1 in the Storage Variable Product Cost IV are the variable component of those costs.
- f. Supporting details for determination of the reported Inventory Financing LNG costs are provided on Attachment PCC-2 Schedule 4. The inventory balances reflected on that schedule are those shown on the attachment to this data request response DIV 1-8(a).
- g. Supporting details for determination of the reported Inventory Financing UG costs are provided on Attachment PCC-2 Schedule 4. The inventory balances reflected on that schedule are those shown on the attachment to this data request response DIV 1-8(c).
- h. As described in response to DIV 1-8 (b) above, the Company does not have any propane and hence there is no LP inventory financing.



		mmbtu	\$	\$/mmbtu
<b>7/1/07</b>	<b>Starting bal</b>	<b>655,760</b>	<b>5,516,889.05</b>	<b>\$8.4130</b>
	Injection -Distrigas	103,000	713,687.01	
	L.P. Transp	0	0.00	
	Transgas Transp.	0	108,150.00	
	Injection -Distrigas Variance	0	-6,239.82	
	Variance - L.P. Transp	0	-115.66	
	Variance - Transgas	0	4,960.53	
	<b>Subtotal</b>	<b>758,760</b>	<b>6,337,331.11</b>	<b>\$8.3522</b>
	Boil off	-23,027	-192,326.60	
	Physical Adj-JULY-07	3,605	30,109.76	
<b>7/31/07</b>	<b>Ending bal</b>	<b>739,338</b>	<b>6,175,114.26</b>	<b>\$8.3522</b>
<b>8/1/07</b>	<b>Starting bal</b>	<b>739,338</b>	<b>6,175,114.26</b>	<b>\$8.3522</b>
	Injection -Distrigas	119,828	754,395.59	
	L.P. Transp	0	11,400.00	
	Transgas Transp.	0	119,700.00	
	Injection -Distrigas Variance	0	-11,543.72	
	Variance - L.P. Transp	0	0.00	
	Variance - Transgas	0	-1,191.35	
	<b>Subtotal</b>	<b>859,166</b>	<b>7,047,874.78</b>	<b>\$8.2032</b>
	Boil off	-23,022	-188,853.13	
	Physical Adj-AUGUST-07	979	8,030.89	
<b>8/31/07</b>	<b>Ending bal</b>	<b>837,123</b>	<b>6,867,052.55</b>	<b>\$8.2032</b>
<b>9/1/07</b>	<b>Starting bal</b>	<b>837,123</b>	<b>6,867,052.55</b>	<b>\$8.2032</b>
	Injection -Distrigas	20,929	125,322.51	
	L.P. Transp	0	2,850.00	
	Transgas Transp.	0	18,900.00	
	Injection -Distrigas Variance	0	17,462.38	
	Variance - L.P. Transp	0	43,170.76	
	Variance - Transgas	0	43,692.68	
	Physical Adj-SEPTEMBER-07	5,099	37,709.65	
	<b>Subtotal</b>	<b>863,151</b>	<b>7,156,160.54</b>	<b>\$8.2907</b>
	Boil off - TOTAL PRODUCED	-18,438	-152,864.67	
	Physical Adj-	0	0.00	
<b>9/30/07</b>	<b>Ending bal</b>	<b>844,713</b>	<b>7,003,295.86</b>	<b>\$8.2907</b>

		mmbtu	\$	\$/mmbtu
<b>10/1/07</b>	<b>Starting bal</b>	<b>844,713</b>	<b>7,003,295.86</b>	<b>\$8.2907</b>
	Injection -Distrigas	33,774	237,098.61	B
	L.P. Transp	0	17,100.00	B
	Transgas Transp.	0	16,800.00	B
	Injection -Distrigas Variance	0	-11,526.00	C
	Variance - L.P. Transp	0	0.00	
	Variance - Transgas	0	0.00	
	Physical Adj	0	0.00	
	<b>Subtotal</b>	<b>878,487</b>	<b>7,262,768.47</b>	<b>\$8.2674</b>
	Boil off - Variance	-570	-4,725.72	D
	Boil off - TOTAL PRODUCED	-21,179	-175,094.43	A
	Physical Adjustment - Variance	282	2,337.99	D
	Physical Adj-	-4	-33.07	A
<b>10/31/07</b>	<b>Ending bal</b>	<b>857,016</b>	<b>7,085,253.24</b>	<b>\$8.2674</b>
<b>11/1/07</b>	<b>Starting bal</b>	<b>857,016</b>	<b>7,085,253.24</b>	<b>\$8.2674</b>
	Injection -Distrigas	14,128	103,205.27	
	L.P. Transp	0	13,300.00	
	Transgas Transp.	0	1,050.00	
	Injection -Distrigas Variance	0	-15,845.45	
	Variance - L.P. Transp	0	-755.69	
	Variance - Transgas	0	146.88	
	Physical Adj	0	0.00	
	<b>Subtotal</b>	<b>871,144</b>	<b>7,186,354.25</b>	<b>\$8.2493</b>
	Boil off - Variance	0	0.00	
	Boil off - TOTAL PRODUCED	-18,342	-151,309.22	
	Physical Adj-	3319	27,379.53	
<b>11/30/07</b>	<b>Ending bal</b>	<b>856,121</b>	<b>7,062,424.56</b>	<b>\$8.2493</b>
<b>12/1/07</b>	<b>Starting bal</b>	<b>856,121</b>	<b>7,062,424.56</b>	<b>\$8.2493</b>
	Injection -Distrigas	126,831	917,554.18	
	L.P. Transp	0	7,600.00	
	Transgas Transp.	0	123,900.00	
	Injection -Distrigas Variance	0	-0.01	
	Variance - L.P. Transp	0	-5,167.14	
	Variance - Transgas	0	6,403.88	
	Physical Adj	0	0.00	
	<b>Subtotal</b>	<b>982,952</b>	<b>8,112,715.47</b>	<b>\$8.2534</b>
	Boil off - Variance	0	0.00	
	Boil off - TOTAL PRODUCED	-153,464	-1,266,602.88	
	Physical Adj-	-1801	-14,864.41	
<b>12/31/07</b>	<b>Ending bal</b>	<b>827,687</b>	<b>6,831,248.17</b>	<b>\$8.2534</b>

		mmbtu	\$	\$/mmbtu
<b>1/1/08</b>	<b>Starting bal</b>	<b>827,687</b>	<b>6,831,248.17</b>	<b>\$8.2534</b>
	Injection -Distrigas	145,309	1,067,889.29	
	L.P. Transp	0	56,050.00	
	Transgas Transp.	0	92,400.00	
	Injection -Distrigas Variance	0	15,611.05	
	Variance - L.P. Transp	0	870.67	
	Variance - Transgas	0	41,287.03	
	Physical Adj	0	0.00	
	<b>Subtotal</b>	<b>972,996</b>	<b>8,105,356.21</b>	<b>\$8.3303</b>
	Boil off - Variance	0	0.00	
	Boil off	-27,413	-228,358.74	
	Vapor	-148,912	-1,240,482.88	
	Physical Adj-	5033	41,926.44	
<b>1/31/08</b>	<b>Ending bal</b>	<b>801,704</b>	<b>6,678,441.04</b>	<b>\$8.3303</b>
<b>2/1/08</b>	<b>Starting bal</b>	<b>801,704</b>	<b>6,678,441.04</b>	<b>\$8.3303</b>
	Injection -Distrigas	0	0.00	
	L.P. Transp	0	0.00	
	Transgas Transp.	0	1,050.00	
	Injection -Distrigas Variance	0	0.00	
	Variance - L.P. Transp	0	-4,974.94	
	Variance - Transgas	0	0.00	
	Physical Adj	0	0.00	
	<b>Subtotal</b>	<b>801,704</b>	<b>6,674,516.10</b>	<b>\$8.3254</b>
	Boil off - Variance	0	0.00	
	Boil off	-19,698	-163,993.98	
	Vapor	-174,114	-1,449,570.89	
	Physical Adj-	-1397	-11,630.60	
<b>2/29/08</b>	<b>Ending bal</b>	<b>606,495</b>	<b>5,049,320.63</b>	<b>\$8.3254</b>
<b>3/1/08</b>	<b>Starting bal</b>	<b>606,495</b>	<b>5,049,320.63</b>	<b>\$8.3254</b>
	Injection -Distrigas	0	0.00	
	L.P. Transp	0	0.00	
	Transgas Transp.	0	0.00	
	Injection -Distrigas Variance	0	22,462.70	Jan-08 var
	Injection -Distrigas Variance	785	28,739.56	Feb-08 var
	Variance - L.P. Transp	0	3,391.36	Feb-08 var
	Variance - Transgas	0	32,573.82	Jan-08 var
	Variance - Transgas	0	31,523.82	Feb-08 var
	<b>Subtotal</b>	<b>607,280</b>	<b>5,168,011.89</b>	<b>\$8.5101</b>
	Boil off - Variance	0	0.00	
	Boil off	-16,024	-136,365.81	
	Vapor	0	0.00	
	Physical Adj-	5955	50,677.63	
<b>3/31/08</b>	<b>Ending bal</b>	<b>597,211</b>	<b>5,082,323.71</b>	<b>\$8.5101</b>

		mmbtu	\$	\$/mmbtu
<b>4/1/08</b>	<b>Starting bal</b>	<b>597,211</b>	<b>5,082,323.71</b>	<b>\$8.5101</b>
	Injection -Distrigas	21096	202,057.49	
	L.P. Transp	0	0.00	
	Transgas Transp.	0	22,050.00	
	Injection -Distrigas Var for 12/07	0	-12,397.19	
	Variance - L.P. Transp	0	0.00	
	Variance - Transgas	0	5,056.68	
	<b>Subtotal</b>	<b>618,307</b>	<b>5,299,090.69</b>	<b>\$8.5703</b>
	Boil off - Variance	0	0.00	
	Boil off	-14,251	-122,135.68	
	Vapor	-183	-1,568.37	
	Physical Adj-	31	265.68	
<b>4/30/08</b>	<b>Ending bal</b>	<b>603,904</b>	<b>5,175,652.32</b>	<b>\$8.5703</b>
<b>5/1/08</b>	<b>Starting bal</b>	<b>603,904</b>	<b>5,175,652.32</b>	<b>\$8.5703</b>
	Injection -Distrigas	26,394	298,795.92	
	L.P. Transp	0	0.00	
	Transgas Transp.	0	28,350.00	
	Injection -Distrigas Variance	0	19,167.87	
	Variance - L.P. Transp	0	7,730.22	
	Variance - Transgas	0	46,246.69	
	<b>Subtotal</b>	<b>630,298</b>	<b>5,575,943.02</b>	<b>\$8.8465</b>
	Boil off - Variance	0	0.00	
	Boil off	-14,382	-127,230.64	
	Vapor	0	0.00	
	Physical Adj-	-483	-4,272.87	
<b>5/31/08</b>	<b>Ending bal</b>	<b>615,433</b>	<b>5,444,439.51</b>	<b>\$8.8465</b>
<b>6/1/08</b>	<b>Starting bal</b>	<b>615,433</b>	<b>5,444,439.51</b>	<b>\$8.8465</b>
	Injection -Distrigas	61,079	728,973.20	
	L.P. Transp	0	0.00	
	Transgas Transp.	0	64,050.00	
	Injection -Distrigas Variance	0	44,925.40	
	Variance - L.P. Transp	0	15,460.44	
	Variance - Transgas	0	83,629.34	
	<b>Subtotal</b>	<b>676,512</b>	<b>6,381,477.89</b>	<b>\$9.4329</b>
	Boil off - Variance	0	0.00	
	Boil off	-15,395	-145,219.69	
	Vapor	0	0.00	
	Physical Adj-	-284	-2,678.95	
<b>6/30/08</b>	<b>Ending bal</b>	<b>660,833</b>	<b>6,233,579.25</b>	<b>\$9.4329</b>

Monthly Gas Cost Summary  
Variable Storage

	Current Mo Estimate - Jul 07		Prior Mo Variance - Jun 07		Total - Jul 07 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG						
LP						
Underground Storage		\$192,327			\$0	\$0
Columbia		\$0			\$0	\$0
Conoco		\$119,314			\$0	\$119,314
Dominion		\$0		\$0	\$0	\$0
National Fuel					\$0	\$0
Tennessee					\$0	\$0
Texas Eastern					\$0	\$0
sub-total	\$0	\$311,641	\$0	\$0	\$0	\$311,641

	Current Mo Estimate - Aug 07		Prior Mo Variance - Jul 07		Total - Aug 07 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG						
LP						
Underground Storage		\$188,853			\$0	\$0
Columbia		\$0			\$0	\$0
Conoco		\$0			\$0	\$0
Dominion					\$0	\$0
National Fuel					\$0	\$0
Tennessee					\$0	\$0
Texas Eastern					\$0	\$0
sub-total	\$0	\$188,853	\$0	\$0	\$0	\$188,853

	Current Mo Estimate - Sep 07		Prior Mo Variance - Aug 07		Total - Sep 07 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG						
LP						
Underground Storage		\$152,865			\$0	\$0
Columbia		\$0			\$0	\$0
Conoco		\$14,144			\$0	\$14,144
Dominion		\$0		\$0	\$0	\$0
National Fuel					\$0	\$0
Tennessee					\$0	\$0
Texas Eastern					\$0	\$0
sub-total	\$0	\$167,009	\$0	\$0	\$0	\$167,009

Monthly Gas Cost Summary  
Variable Storage

	Current Mo Estimate - Oct 07		Prior Mo Variance - Sep 07		Total - Oct 07 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG						
LP		\$175,094			\$0	\$0
Underground Storage		\$0			\$0	\$0
Columbia		\$71,287			\$0	\$71,287
Conoco		\$0			\$0	\$0
Dominion					\$0	\$0
National Fuel					\$0	\$0
Tennessee					\$0	\$0
Texas Eastern					\$0	\$0
sub-total	\$0	\$246,381	\$0	\$0	\$0	\$251,107

	Current Mo Estimate - Nov 07		Prior Mo Variance - Oct 07		Total - Nov 07 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG						
LP		\$151,309			\$0	\$0
Underground Storage		\$0			\$0	\$0
Columbia		\$0			\$0	\$0
Conoco		\$0			\$0	\$0
Dominion					\$0	\$0
National Fuel					\$0	\$0
Tennessee					\$0	\$0
Texas Eastern					\$0	\$0
sub-total	\$0	\$151,309	\$0	\$0	\$0	\$151,309

	Current Mo Estimate - Dec 07		Prior Mo Variance - Nov 07		Total - Dec 07 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG						
LP		\$1,266,603			\$0	\$0
Underground Storage					\$0	\$0
Columbia					\$0	\$0
Conoco		\$27,971			\$0	\$0
Dominion					\$0	\$0
National Fuel					\$0	\$27,971
NG					\$0	\$0
Tennessee		\$3,773,393			\$0	\$0
Texas Eastern					\$0	\$0
sub-total	\$0	\$5,067,967	\$0	\$0	\$0	\$5,067,967

Monthly Gas Cost Summary  
Variable Storage

	Current Mo Estimate - Jan 08		Prior Mo Variance - Dec 07		Total - Jan 08 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG						
LP		\$1,468,842		\$0	\$0	\$1,468,842
Underground Storage						
Columbia						
Conoco		\$35,232		\$0	\$0	\$35,232
Dominion						
National Fuel						
NG		\$5,683,342		\$0	\$0	\$5,683,342
Tennessee						
Texas Eastern						
sub-total	\$0	\$7,187,416	\$0	\$0	\$0	\$7,187,416

	Current Mo Estimate - Feb 08		Prior Mo Variance - Jan 08		Total - Feb 08 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG						
LP		\$1,613,565		\$0	\$0	\$1,613,565
Underground Storage						
Columbia						
Conoco		\$53,593		\$0	\$0	\$53,593
Dominion						
National Fuel						
NG		\$6,975,570		\$0	\$0	\$6,975,570
Tennessee						
Texas Eastern						
sub-total	\$0	\$8,642,728	\$0	\$0	\$0	\$8,642,728

	Current Mo Estimate - Mar 08		Prior Mo Variance - Feb 08		Total - Mar 08 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG						
LP		\$136,366		\$0	\$0	\$136,366
Underground Storage						
Columbia						
Conoco		\$82,770		\$0	\$0	\$82,770
Dominion						
National Fuel						
NG		\$5,795,869		\$0	\$0	\$5,795,869
Tennessee						
Texas Eastern						
sub-total	\$0	\$6,015,005	\$0	\$0	\$0	\$6,015,005

Monthly Gas Cost Summary  
Variable Storage

	Current Mo Estimate - Apr 08		Prior Mo Variance - Mar 08		Total - Apr 08 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG		\$123,704			\$0	\$123,704
LP						
Underground Storage						
Columbia						
Conoco/Merrill Lynch		\$957				\$957
Dominion						
National Fuel						
NG						
Tennessee						
Texas Eastern						
sub-total	\$0	\$124,661	\$0	\$0	\$0	\$124,661

	Current Mo Estimate - May 08		Prior Mo Variance - Apr 08		Total - May 08 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG		\$127,231			\$0	\$127,231
LP						
Underground Storage						
Columbia						
Conoco/Merrill Lynch		\$0				(\$957)
Dominion						
National Fuel						
NG						
Tennessee						
Texas Eastern						
sub-total	\$0	\$127,231	\$0	\$0	\$0	\$126,274

	Current Mo Estimate - Jun 08		Prior Mo Variance - May 08		Total - Jun 08 Gas Cost	
	Cap Release	Mkter Release	Cap Release	Mkter Release	Cap Release	Mkter Release
LNG		\$140,942			\$0	\$140,942
LP						
Underground Storage						
Columbia						
Conoco/Merrill Lynch		\$0				
Dominion						
National Fuel						
NG						
Tennessee						
Texas Eastern						
sub-total	\$0	\$140,942	\$0	\$0	\$0	\$140,942



Add injections to beginning of month inventory and develop average				
price that gets applied to all withdrawals				
oracle 16410001				
peoplesoft 164100 as of 8-24-06				
		Mmbtu	Inventory Cost	rate
1/1/04	Starting bal	4,135,304	\$20,548,336.17	\$4.9690
	Injection	0	\$0.00	\$0.0000
7/1/07	Starting bal	2,865,796	\$22,159,758.24	\$ 7.7325
	Injection COMMODITY	405,108	\$3,228,103.10	\$ 7.9685
	INJECTION VARIABLE (TRANSP)	-	\$36,211.10	
	JULY-07 SWING STOR	-	\$0.00	\$ -
	June-07 Injection COMM VARIANCE	614	\$5,006.13	
	subtotal	3,271,518	\$25,429,078.56	\$ 7.7729
	FUEL/SHRINKAGE/OBA	-561	-\$4,337.93	
	SWING STOR WD	-15,350	-\$119,313.53	
7/31/07	Ending bal	3,255,607	\$25,305,427.11	\$ 7.7729
8/1/07	Starting bal	3,255,607	\$25,305,427.11	\$ 7.7729
	Injection COMMODITY	405,108	\$3,155,831.83	\$ 7.7901
	INJECTION VARIABLE (TRANSP)	-	\$35,804.07	
	AUGUST-07 SWING STOR	-	\$0.00	\$ -
	July-07 Injection COMM VARIANCE	1,398	\$10,866.47	
	subtotal	3,662,113	\$28,507,929.48	\$ 7.7846
	FUEL/SHRINKAGE/OBA	-619	-\$4,818.64	
	SWING STOR WD (listed as inj on Est Sheet)	-4,623	-\$35,988.01	
8/31/07	Ending bal	3,656,871	\$28,467,122.82	\$ 7.7846
9/1/07	Starting bal	3,656,871	\$28,467,122.82	\$ 7.7846
	Injection COMMODITY	405,090	\$3,145,888.43	\$ 7.7659
	INJECTION VARIABLE (TRANSP)	-	\$76,842.90	
	AUGUST-07 SWING STOR	1,112	\$8,635.68	\$ -
	Aug-07 Injection COMM VARIANCE	-	\$0.00	
	subtotal	4,063,073	\$31,698,489.84	\$ 7.8016
	FUEL/SHRINKAGE/OBA	-677	-\$5,281.69	
	SWING STOR WD	-1,813	-\$14,144.31	
9/30/07	Ending bal	4,060,583	\$31,679,063.84	\$ 7.8016
10/1/07	Starting bal	4,060,583	\$31,679,063.84	\$ 7.8016
	Injection COMMODITY	421,507	\$3,443,374.98	\$ 8.1692
	INJECTION VARIABLE (TRANSP)	-	\$0.00	
	AUGUST-07 SWING STOR	-	\$0.00	\$ -
	INJECTION -SEP-07 RATE VARIANCE	-	-\$49,312.92	
	subtotal	4,482,090	\$35,073,125.90	\$ 7.8252
	FUEL/SHRINKAGE/OBA	-741	-\$5,798.45	
	SWING STOR WD	-9,110	-\$71,287.32	
10/31/07	Ending bal	4,472,239	\$34,996,040.13	\$ 7.8252
10/31/07	Starting bal			
	Oct-07Injection transp		\$37,372.36	oct-07 transp bo
10/31/07	Ending bal	4,472,239	\$35,033,412.49	\$ 7.8335
11/1/07	Starting bal	4,472,239	\$35,033,412.49	\$ 7.8335
	Injection COMMODITY	-	\$0.00	
	INJECTION VARIABLE (TRANSP)	-	\$0.00	
	SWING STOR	5,585	\$46,355.50	\$ 8.3000
	INJECTION -SEP-07 RATE VARIANCE	-	\$0.00	
	subtotal	4,477,824	\$35,079,767.99	\$ 7.8341
	FUEL/SHRINKAGE/OBA	-741	-\$5,805.08	
	SWING STOR WD	0	\$0.00	
11/30/07	Ending bal	4,477,083	\$35,073,962.91	\$ 7.8341

Add injections to beginning of month inventory and develop average price that gets applied to all withdrawals			
oracle 16410001			
peoplesoft 164100 as of 8-24-06			
	Mmbtu	Inventory Cost	rate
<b>12/1/07</b>	<b>Starting bal</b>	<b>4,477,083</b>	<b>\$ 7.8341</b>
	Injection COMMODITY	-	\$0.00
	INJECTION VARIABLE (TRANSP)	-	\$0.00
	SWING STOR	-	\$0.00
	INJECTION -SEP-07 RATE VARIANCE	-	\$0.00
	subtotal	4,477,083	\$35,073,962.91
	Withdrawals	(480,584)	-\$3,764,948.16
	FUEL/SHRINKAGE/OBA	-686	-\$5,374.20
	SWING STOR	-814	-\$6,376.97
	SWING STOR-pr mo adj	-264	-\$2,068.21
<b>12/31/07</b>	<b>Ending bal</b>	<b>3,994,735</b>	<b>\$ 7.8341</b>
<b>1/1/08</b>	<b>Starting bal</b>	<b>3,994,735</b>	<b>\$ 7.8341</b>
	Injection COMMODITY	-	\$0.00
	INJECTION VARIABLE (TRANSP)	-	\$0.00
	SWING STOR	4,220	\$41,203.24
	INJECTION -VARIANCE-Dec-07 bal adj	20,875	\$189,375.91
	subtotal	4,019,830	\$31,525,774.53
	Withdrawals	(724,679)	-\$5,683,341.52
	FUEL/SHRINKAGE/OBA	-593	-\$4,650.64
	SWING STOR	0	\$0.00
	SWING STOR-pr mo adj	0	\$0.00
<b>1/31/08</b>	<b>Ending bal</b>	<b>3,294,558</b>	<b>\$ 7.8426</b>
<b>2/1/08</b>	<b>Starting bal</b>	<b>3,294,558</b>	<b>\$ 7.8426</b>
	Injection COMMODITY	-	\$0.00
	INJECTION VARIABLE (TRANSP)	-	\$0.00
	SWING STOR	4,101	\$39,093.19
	SWING STOR - to correct Jan-08 ending bal	68	\$648.22
	subtotal	3,298,727	\$25,877,523.78
	Withdrawals	(889,208)	-\$6,975,570.02
	FUEL/SHRINKAGE/OBA	-443	-\$3,475.20
	SWING STOR	0	\$0.00
	SWING STOR-pr mo adj	0	\$0.00
<b>2/29/08</b>	<b>Ending bal</b>	<b>2,409,076</b>	<b>\$ 7.8447</b>
<b>3/1/08</b>	<b>Starting bal</b>	<b>2,409,076</b>	<b>\$ 7.8447</b>
	Injection COMMODITY	-	\$0.00
	INJECTION VARIABLE (TRANSP)	-	\$0.00
	SWING STOR	20,629	\$192,441.75
	SWING STOR-to correc Feb-08 ending bal - VA	2,878	\$22,577.05
	subtotal	2,432,583	\$19,113,497.35
	Withdrawals	(742,613)	-\$5,834,921.81
	FUEL/SHRINKAGE/OBA	-325	-\$2,553.62
	SWING STOR	0	\$0.00
	SWING STOR-pr mo adj	0	\$0.00
	Conoco Adj Balance as of 3/31/08	4,380	\$34,414.91
<b>3/31/08</b>	<b>Balance sold to ML</b>	<b>1,694,025</b>	<b>\$ 7.8573</b>

DIV 1-9

Request:

Re: Attachment PCC-2, Schedule 1, V. Storage Variable Non-Product Cost Deferred, please provide supporting detail for the determination of the reported actual costs by month for:

- a. Storage Variable Non-Product Costs
- b. Variable Delivery Storage Costs
- c. Variable Injections Storage Costs
- d. Fuel Cost Allocated to Storage

Response:

- a. The calculations for Storage Variable non-Product cost Deferred, Attachment PCC-2, Schedule 1, IV. b., for July through October 2007 are 6% of Storage Variable Product Cost for Underground, based on historic average. Supporting details for Storage Variable Product Cost for Underground are provided in DIV 1-8. For the remainder of the period, Accounting Services provided the numbers in the gas cost estimate and variance files. An example of the Accounting Services reports are attached as DIV 1-9(a) Schedules 1 and 2.
- b. Variable delivery Storage Costs were provided by Gas Control. DIV 1-9(b-d) Schedule 1 shows a summary for November 2006 through October 2007. Details are provided in DIV 1-9(b-d) Schedule 2.
- c. Variable Injections Storage costs were provided by Gas Control. Details for November 2006 through October 2007 are provided in Schedule 3.
- d. Fuel Costs Allocated to Storage were provided by Gas Control. Details for November 2006 through October 2007 are provided in Schedules 4 and 5.

ESTIMATE

Dec-07

			CHARGE	NEG-ORACLE	TOTAL
					CURRENT
					MONTH
VENDOR	CONTRACT	GCR	DESCRIPTION	G/L DESCRIPTION	ESTIMATE
CONOCO PHILLIPS - AG	AGT /TGP GA'	C	BILLABLE TRANSPORTATION	COMMODITY USAGE	261,502.87 COMMODITY TRANSPORT
CONOCO PHILLIPS - AG	AGT /TGP GA'	INJ	BILLABLE TRANSPORTATION	COMMODITY USAGE	0.00 INJECTION CHARGE
CONOCO PHILLIPS- AG	AGT /TGP GA'	WD	BILLABLE TRANSPORTATION	COMMODITY USAGE	27,971.44 WITHDRAWAL TRANP CHR

VARIANCE/TRUE UP

Nov-07

VARIANCE/TRUE UP		CHARGE	NEG-ORACLE	TOTAL PREVIOUS MONTH ESTIMATE	TOTAL PREVIOUS MONTH ACTUAL	VARIANCE/TRUE UP
VENDOR	GCR	DESCRIPTION	TL DESCRIPTIC	ESTIMATE	ACTUAL	
CONOCO PHILLIPS - AGT	C	BILLABLE TRANSPORTATION	COMMODITY I	190,189.06	189,274.48	-914.58 COMMODITY TRANSPORT
CONOCO PHILLIPS - AGT	INJ	BILLABLE TRANSPORTATION	COMMODITY I	0.00	0.00	0.00 INJECTION CHARGE
CONOCO PHILLIPS- AGT	WD	BILLABLE TRANSPORTATION	COMMODITY I	0.00	0.00	0.00 WITHDRAWAL TRANP CHRGR

**2007 GCR Storage surcharge estimate**  
**November actual**

**Storage Costs for calculation F-2 Gas Charge Cos**

**GAS YEAR 2006 - 2007**

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total
Storage fixed costs-facilities	\$385,189	\$385,189	\$385,189	\$385,189	\$385,189	\$385,189	\$385,189	\$385,189	\$385,189	\$385,189	\$385,189	\$385,189	\$4,622,267
Storage fixed costs-delivery	\$503,534	\$503,534	\$503,534	\$503,534	\$503,534	\$480,194	\$472,848	\$472,848	\$472,848	\$472,848	\$472,848	\$472,848	\$5,834,950
Variable delivery costs	\$8,786	\$21,008	\$54,918	\$69,421	\$28,038	\$0	\$3,721	\$0	\$1,461	\$440	\$173	\$867	\$188,834
Variable injection costs	\$2,367	\$611	\$721	\$0	\$0	\$9,116	\$9,655	\$9,301	\$9,157	\$9,165	\$9,161	\$9,619	\$68,873
Fuel costs allocated to storage	\$46,256	\$154,586	\$332,752	\$378,680	\$155,722	\$61,271	\$89,219	\$63,839	\$70,185	\$62,305	\$60,352	\$69,175	\$1,544,342
<b>Total Storage costs</b>	<b>\$946,131</b>	<b>\$1,064,927</b>	<b>\$1,277,114</b>	<b>\$1,336,824</b>	<b>\$1,072,483</b>	<b>\$935,771</b>	<b>\$960,631</b>	<b>\$931,176</b>	<b>\$938,840</b>	<b>\$929,947</b>	<b>\$927,722</b>	<b>\$937,699</b>	<b>\$12,259,266</b>

Add

LNG facility O&M/plant costs  
Property taxes - storage  
Income taxes - storage

<b>Total Storage Costs</b>	<b>946,131</b>	<b>1,064,927</b>	<b>1,277,114</b>	<b>1,336,824</b>	<b>1,072,483</b>	<b>935,771</b>	<b>960,631</b>	<b>931,176</b>	<b>938,840</b>	<b>929,947</b>	<b>927,722</b>	<b>937,699</b>	<b>12,259,266</b>
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**Storage Withdrawal variable costs**  
**2007 GCR Storage surcharge estimate**  
**November actual**  
**Storage Withdrawals Dth**

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
TENN_8995	0	15,740	35,982	69,876	28,305	0	0	0	0	0	0	0
TENN_501	45,793	2,304	86,251	167,097	42,938	0	39,083	0	15,350	4,623	1,813	9,110
GSS 600045	28,608	192,581	276,580	296,684	104,429	0	0	0	0	0	0	0
GSS 300171	0	25,781	54,712	47,524	15,046	0	0	0	0	0	0	0
GSS 300169	0	26,563	44,585	50,065	15,807	0	0	0	0	0	0	0
GSS 300168	3,066	15,536	31,340	33,624	23,817	0	0	0	0	0	0	0
GSS 300170	6,851	76,021	115,708	102,238	39,012	0	0	0	0	0	0	0
TETCO_400221	35,498	13,034	204,082	285,103	145,941	0	0	0	0	0	0	0
TETCO_400515	527	2,242	15,476	13,540	6,610	0	0	0	0	0	0	0
TETCO 400185	522	1,794	11,600	12,385	4,355	0	0	0	0	0	0	0
COL FS 38010	0	25,891	56,340	42,792	26,252	0	0	0	0	0	0	0
<b>TOTAL</b>	<b>120,865</b>	<b>397,487</b>	<b>932,656</b>	<b>1,120,928</b>	<b>452,512</b>	<b>0</b>	<b>39,083</b>	<b>0</b>	<b>15,350</b>	<b>4,623</b>	<b>1,813</b>	<b>9,110</b>

	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>STORAGE WITHDRAWAL PRICES</b>												
Tennessee Withdrawal	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102
Dominion Withdrawal	\$0.0172	\$0.0172	\$0.0172	\$0.0172	\$0.0172	\$0.0172	\$0.0172	\$0.0172	\$0.0172	\$0.0172	\$0.0172	\$0.0172
Tetco SS-1 Withdrawal	\$0.0558	\$0.0468	\$0.0468	\$0.0468	\$0.0468	\$0.0468	\$0.0468	\$0.0468	\$0.0468	\$0.0468	\$0.0468	\$0.0468
Tetco FSS-1 Withdrawal	\$0.0354	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340
Columbia Withdrawal	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153

**GAS YEAR 2006 - 2007**

<b>Withdrawal Costs</b>	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total
Tennessee Withdrawal	\$467	\$184	\$1,247	\$2,417	\$727	\$0	\$399	\$0	\$157	\$47	\$18	\$93	\$5,756
Dominion Withdrawal	\$663	\$5,787	\$8,994	\$9,118	\$3,408	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$27,970
Tetco SS-1 Withdrawal	\$2,010	\$694	\$10,094	\$13,922	\$7,034	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$33,754
Tetco FSS-1 Withdrawal	\$19	\$76	\$526	\$460	\$225	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,306
Columbia Withdrawal	\$0	\$396	\$862	\$655	\$402	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,315
<b>Totals</b>	<b>\$3,158</b>	<b>\$7,138</b>	<b>\$21,723</b>	<b>\$26,573</b>	<b>\$11,794</b>	<b>\$0</b>	<b>\$399</b>	<b>\$0</b>	<b>\$157</b>	<b>\$47</b>	<b>\$18</b>	<b>\$93</b>	<b>\$71,101</b>

**Storage Transportation Prices**

Tennessee Transportation	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850
Dominion Trans on Tetco/AGT	\$0.0144	\$0.0144	\$0.0144	\$0.0144	\$0.0144	\$0.0144	\$0.0144	\$0.0144	\$0.0144	\$0.0144	\$0.0144	\$0.0144
Dominion Trans on Tennessee	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850	\$0.0850
Tetco SS-1 Trans	\$0.0128	\$0.0128	\$0.0128	\$0.0128	\$0.0128	\$0.0128	\$0.0128	\$0.0128	\$0.0128	\$0.0128	\$0.0128	\$0.0128
Tetco FSS-1 Trans	\$0.0371	\$0.0293	\$0.0293	\$0.0293	\$0.0293	\$0.0293	\$0.0293	\$0.0293	\$0.0293	\$0.0293	\$0.0293	\$0.0293
Columbia Trans	\$0.0298	\$0.0298	\$0.0298	\$0.0298	\$0.0298	\$0.0298	\$0.0298	\$0.0298	\$0.0298	\$0.0298	\$0.0298	\$0.0298

**Storage Transportation Costs**

Tennessee Transportation	\$3,892	\$1,534	\$10,390	\$20,143	\$6,056	\$0	\$3,322	\$0	\$1,305	\$393	\$154	\$774	\$47,963
Dominion Trans on Tetco/AGT	\$412	\$3,527	\$5,413	\$5,678	\$1,948	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$16,977
Dominion Trans on Tennessee	\$843	\$7,782	\$12,499	\$11,548	\$5,340	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$38,013
Tetco SS-1 Trans	\$461	\$190	\$2,761	\$3,808	\$1,924	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,143
Tetco FSS-1 Trans	\$20	\$66	\$453	\$397	\$194	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,129
Columbia Trans	\$0	\$772	\$1,679	\$1,275	\$782	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,508
<b>Total</b>	<b>\$5,628</b>	<b>\$13,870</b>	<b>\$33,195</b>	<b>\$42,848</b>	<b>\$16,244</b>	<b>\$0</b>	<b>\$3,322</b>	<b>\$0</b>	<b>\$1,305</b>	<b>\$393</b>	<b>\$154</b>	<b>\$774</b>	<b>\$117,733</b>

<b>Total Variable</b>	<b>\$8,786</b>	<b>\$21,008</b>	<b>\$54,918</b>	<b>\$69,421</b>	<b>\$28,038</b>	<b>\$0</b>	<b>\$3,721</b>	<b>\$0</b>	<b>\$1,461</b>	<b>\$440</b>	<b>\$173</b>	<b>\$867</b>	<b>\$188,834</b>
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2007 GCR  
November actual

STORAGE INJECTION COST ESTIMATES

Storage Injections Dth	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
TENN_8995	0	4,300	3,961	0	0	16,740	16,740	16,740	16,740	16,740	16,740	16,740
TENN_501	4,023	16,104	7,200	0	0	43,980	93,454	58,750	44,603	45,387	45,092	43,989
GSS 600045	21,000	0	0	0	0	125,400	125,395	125,400	125,395	125,395	125,400	125,395
GSS 300171	6,000	0	0	0	0	19,590	19,592	19,620	19,592	19,592	19,620	19,592
GSS 300169	0	0	0	0	0	19,290	19,313	19,290	19,313	19,313	19,290	21,824
GSS 300168	2,430	500	0	0	0	14,910	14,911	14,910	14,911	14,911	14,910	14,911
GSS 300170	10,000	2,200	0	0	0	46,800	46,810	46,800	46,810	46,810	46,800	46,810
TETCO_400221	39,772	10,118	17,118	0	0	87,930	87,916	87,930	87,916	87,916	87,930	98,084
TETCO_400515	1,750	0	750	0	0	5,130	5,146	5,130	5,146	5,146	5,130	5,456
TETCO 400185	1,750	0	750	0	0	4,020	4,030	4,020	4,030	4,030	4,020	4,340
COL FS 38010	0	0	0	0	0	21,270	21,266	21,270	21,266	21,266	21,270	24,366
<b>Total</b>	<b>86,725</b>	<b>33,222</b>	<b>29,779</b>	<b>0</b>	<b>0</b>	<b>405,060</b>	<b>454,573</b>	<b>419,860</b>	<b>405,722</b>	<b>406,506</b>	<b>406,202</b>	<b>421,507</b>

Unit Costs \$/Dth	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
TENN_8995	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102
TENN_501	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102	\$0.0102
GSS 600045	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217
GSS 300171	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0200	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217
GSS 300169	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217
GSS 300168	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217
GSS 300170	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217	\$0.0217
TETCO_400221	\$0.0354	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340
TETCO_400515	\$0.0354	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340
TETCO 400185	\$0.0354	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340	\$0.0340
COL FS 38010	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153	\$0.0153

GAS YEAR 2006 - 2007

Injection Costs	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total
TENN_8995	\$0	\$44	\$40	\$0	\$0	\$171	\$171	\$171	\$171	\$171	\$171	\$171	\$1,195
TENN_501	\$41	\$164	\$73	\$0	\$0	\$449	\$953	\$599	\$455	\$463	\$460	\$449	\$3,828
GSS 600045	\$456	\$0	\$0	\$0	\$0	\$2,721	\$2,721	\$2,721	\$2,721	\$2,721	\$2,721	\$2,721	\$19,048
GSS 300171	\$130	\$0	\$0	\$0	\$0	\$392	\$425	\$426	\$425	\$425	\$426	\$425	\$2,944
GSS 300169	\$0	\$0	\$0	\$0	\$0	\$419	\$419	\$419	\$419	\$419	\$419	\$474	\$2,987
GSS 300168	\$53	\$11	\$0	\$0	\$0	\$324	\$324	\$324	\$324	\$324	\$324	\$324	\$2,265
GSS 300170	\$217	\$48	\$0	\$0	\$0	\$1,016	\$1,016	\$1,016	\$1,016	\$1,016	\$1,016	\$1,016	\$7,110
TETCO_400221	\$1,408	\$344	\$582	\$0	\$0	\$2,990	\$2,989	\$2,990	\$2,989	\$2,989	\$2,990	\$3,335	\$21,271
TETCO_400515	\$62	\$0	\$26	\$0	\$0	\$174	\$175	\$174	\$175	\$175	\$174	\$186	\$1,234
TETCO 400185	\$62	\$0	\$26	\$0	\$0	\$137	\$137	\$137	\$137	\$137	\$137	\$148	\$969
COL FS 38010	\$0	\$0	\$0	\$0	\$0	\$325	\$325	\$325	\$325	\$325	\$325	\$373	\$2,325
<b>Total</b>	<b>\$2,367</b>	<b>\$611</b>	<b>\$721</b>	<b>\$0</b>	<b>\$0</b>	<b>\$9,116</b>	<b>\$9,655</b>	<b>\$9,301</b>	<b>\$9,157</b>	<b>\$9,165</b>	<b>\$9,161</b>	<b>\$9,619</b>	<b>\$65,175</b>



**Withdrawal and Transportation Fuel  
2007 GCR Storage surcharge estimate  
November actual**

**FUEL COSTS ASSIGNED STORAGE**

<b>Volumes withdrawn Dth</b>	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
TENN_8995	0	15,740	35,982	69,876	28,305	0	0	0	0	0	0	0
TENN_501	45,793	2,304	86,251	167,097	42,938	0	39,083	0	15,350	4,623	1,813	9,110
GSS 600045	28,608	192,581	276,580	296,684	104,429	0	0	0	0	0	0	0
GSS 300171	0	25,781	54,712	47,524	15,046	0	0	0	0	0	0	0
GSS 300169	0	26,563	44,585	50,065	15,807	0	0	0	0	0	0	0
GSS 300168	3,066	15,536	31,340	33,624	23,817	0	0	0	0	0	0	0
GSS 300170	6,851	76,021	115,708	102,238	39,012	0	0	0	0	0	0	0
TETCO_400221	35,498	13,034	204,082	285,103	145,941	0	0	0	0	0	0	0
TETCO_400515	527	2,242	15,476	13,540	6,610	0	0	0	0	0	0	0
TETCO 400185	522	1,794	11,600	12,385	4,355	0	0	0	0	0	0	0
COL FS 38010	0	25,891	56,340	42,792	26,252	0	0	0	0	0	0	0
<b>Total</b>	<b>120,865</b>	<b>397,487</b>	<b>932,656</b>	<b>1,120,928</b>	<b>452,512</b>	<b>0</b>	<b>39,083</b>	<b>0</b>	<b>15,350</b>	<b>4,623</b>	<b>1,813</b>	<b>9,110</b>
<b>Fuel % Delivered</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>
Tennessee Storage	2.14%	2.14%	2.14%	2.14%	2.14%	2.14%	2.14%	2.14%	2.14%	2.14%	2.14%	2.14%
Dominion GSS-TE Storage	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%
Dominion GSS Storage	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%	5.80%
Dominion Tenn	4.73%	4.73%	4.73%	4.73%	4.73%	4.73%	4.73%	4.73%	4.73%	4.73%	4.73%	4.73%
Tetco Storage SS-1	4.24%	5.20%	5.20%	5.20%	5.20%	4.05%	4.05%	4.05%	4.05%	4.05%	4.05%	4.05%
Tetco Storage FSS-1	3.64%	4.49%	4.49%	4.49%	4.49%	3.49%	3.49%	3.49%	3.49%	3.49%	3.49%	3.49%
Columbia Storage	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%	3.33%
<b>Storage Fuel Volumes Dth</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>
Tennessee Storage	981	387	2,618	5,076	1,526	0	837	0	329	99	39	195
Dominion GSS-TE Storage	1,658	11,164	16,033	17,199	6,054	0	2,266	0	890	268	105	528
Dominion GSS Storage	0	3,035	5,757	5,658	1,789	0	0	0	0	0	0	0
Dominion Tenn	469	4,326	6,948	6,420	2,969	0	0	0	0	0	0	0
Tetco Storage	1,546	872	11,910	16,077	8,112	0	0	0	0	0	0	0
Columbia Storage	0	863	1,877	1,426	875	0	0	0	0	0	0	0
<b>Total</b>	<b>4,654</b>	<b>20,646</b>	<b>45,145</b>	<b>51,856</b>	<b>21,325</b>	<b>0</b>	<b>3,103</b>	<b>0</b>	<b>1,219</b>	<b>367</b>	<b>144</b>	<b>723</b>
<b>Average Cost of inventory</b>	<b>\$7.274</b>	<b>\$7.288</b>	<b>\$7.303</b>	<b>\$7.303</b>	<b>\$7.303</b>	<b>\$7.470</b>	<b>\$7.615</b>	<b>\$7.732</b>	<b>\$7.773</b>	<b>\$7.785</b>	<b>\$7.802</b>	<b>\$7.825</b>
<b>Withdrawal Fuel Costs</b>	<b>Nov</b>	<b>Dec</b>	<b>Jan</b>	<b>Feb</b>	<b>Mar</b>	<b>Apr</b>	<b>May</b>	<b>Jun</b>	<b>Jul</b>	<b>Aug</b>	<b>Sep</b>	<b>Oct</b>
Tennessee Storage	\$7,136	\$2,817	\$19,121	\$37,071	\$11,145	\$0	\$6,376	\$0	\$2,556	\$771	\$303	\$1,527
Dominion GSS-TE Storage	\$12,064	\$81,357	\$117,084	\$125,594	\$44,208	\$0	\$17,254	\$0	\$6,917	\$2,086	\$820	\$4,133
Dominion GSS Storage	\$0	\$22,115	\$42,039	\$41,316	\$13,062	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dominion Tenn	\$3,409	\$31,528	\$50,741	\$46,881	\$21,680	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tetco Storage	\$11,249	\$6,353	\$86,975	\$117,405	\$59,239	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Columbia Storage	\$0	\$6,288	\$13,710	\$10,413	\$6,388	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>Total</b>	<b>\$33,857</b>	<b>\$150,458</b>	<b>\$329,671</b>	<b>\$378,680</b>	<b>\$155,722</b>	<b>\$0</b>	<b>\$23,630</b>	<b>\$0</b>	<b>\$9,473</b>	<b>\$2,857</b>	<b>\$1,123</b>	<b>\$5,660</b>

**INJECTION FUEL ESTIMATE**  
**2007 GCR Storage surcharge estimate**  
**November actual**

**FUEL COSTS ASSIGNED STORAGE**

2007 GCR	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct
<b>Injection Fuel Volumes</b>												
TENN_8995	0	64	59	0	0	249	249	249	249	249	249	249
TENN_501	60	240	107	0	0	655	1,392	875	665	676	672	655
GSS 600045	538	0	0	0	0	3,210	3,210	3,210	3,210	3,210	3,210	3,210
GSS 300171	154	0	0	0	0	502	502	502	502	502	502	502
GSS 300169	0	0	0	0	0	494	494	494	494	494	494	559
GSS 300168	62	13	0	0	0	382	382	382	382	382	382	382
GSS 300170	256	56	0	0	0	1,198	1,198	1,198	1,198	1,198	1,198	1,198
TETCO_400221	302	90	152	0	0	783	782	783	782	782	783	873
TETCO_400515	13	0	7	0	0	46	46	46	46	46	46	49
TETCO 400185	13	0	7	0	0	36	36	36	36	36	36	39
COL FS 38010	0	0	0	0	0	34	34	34	34	34	34	39
<b>TOTAL FUEL VOLUMES</b>	<b>1,398</b>	<b>463</b>	<b>332</b>	<b>0</b>	<b>0</b>	<b>7,588</b>	<b>8,326</b>	<b>7,809</b>	<b>7,598</b>	<b>7,610</b>	<b>7,605</b>	<b>7,754</b>

Wacog Injection cost	\$8.868	\$8.912	\$9.279	\$9.279	\$9.279	\$8.053	\$7.856	\$8.153	\$7.969	\$7.790	\$7.766	\$8.169
	\$0.022	\$0.022	\$0.022	\$0.022	\$0.022	\$0.022	\$0.022	\$0.022	\$0.022	\$0.022	\$0.022	\$0.022
	\$8.889	\$8.934	\$9.301	\$9.301	\$9.301	\$8.075	\$7.877	\$8.175	\$7.990	\$7.812	\$7.788	\$8.191

2007 GCR	Nov	Dec	Jan	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Total
<b>Injection Fuel Costs</b>													
TENN_8995	\$0	\$571	\$548	\$0	\$0	\$2,014	\$1,965	\$2,039	\$1,993	\$1,948	\$1,942	\$2,043	\$15,064
TENN_501	\$532	\$2,138	\$995	\$0	\$0	\$5,291	\$10,969	\$7,156	\$5,310	\$5,283	\$5,232	\$5,369	\$48,276
GSS 600045	\$4,767	\$0	\$0	\$0	\$0	\$25,922	\$25,287	\$26,244	\$25,650	\$25,077	\$25,000	\$26,294	\$184,241
GSS 300171	\$1,362	\$0	\$0	\$0	\$0	\$4,049	\$3,951	\$4,106	\$4,008	\$3,918	\$3,912	\$4,108	\$29,414
GSS 300169	\$0	\$0	\$0	\$0	\$0	\$3,987	\$3,895	\$4,037	\$3,950	\$3,862	\$3,846	\$4,576	\$28,154
GSS 300168	\$552	\$114	\$0	\$0	\$0	\$3,082	\$3,007	\$3,120	\$3,050	\$2,982	\$2,973	\$3,127	\$22,006
GSS 300170	\$2,270	\$502	\$0	\$0	\$0	\$9,674	\$9,440	\$9,794	\$9,575	\$9,361	\$9,330	\$9,816	\$69,762
TETCO_400221	\$2,680	\$803	\$1,414	\$0	\$0	\$6,319	\$6,164	\$6,398	\$6,252	\$6,112	\$6,094	\$7,150	\$49,386
TETCO_400515	\$118	\$0	\$62	\$0	\$0	\$369	\$361	\$373	\$366	\$358	\$356	\$398	\$2,760
TETCO 400185	\$118	\$0	\$62	\$0	\$0	\$289	\$283	\$292	\$287	\$280	\$279	\$316	\$2,206
COL FS 38010	\$0	\$0	\$0	\$0	\$0	\$275	\$268	\$278	\$272	\$266	\$265	\$319	\$1,943
<b>Total Injection fuel costs</b>	<b>\$12,399</b>	<b>\$4,128</b>	<b>\$3,081</b>	<b>\$0</b>	<b>\$0</b>	<b>\$61,271</b>	<b>\$65,589</b>	<b>\$63,839</b>	<b>\$60,712</b>	<b>\$59,448</b>	<b>\$59,229</b>	<b>\$63,516</b>	<b>\$453,211</b>

DIV 1-11

Request:

Please (a) provide a detailed explanation of the manner in which actual Non-Firm customer gas costs are determined by the Company for each month of the period July 2007 through June 2008, (b) an explanation of the manner in which variations in monthly gas supply requirements for non-firm customers were satisfied in each month, (c) demonstrate the Company's segregation of Non-Firm gas costs from Firm gas costs, (d) provide the data and computations used to determine actual non-firm gas costs by month for the referenced period.

Response:

- a. Non-firm gas costs are based on the Company's highest cost baseload supply excluding any hedged supplies which were price locked price as part of the gas purchase program. The gas cost is based on the full cost to purchase the supply and includes all variable costs and charges to transport the gas to the Company's city gate. The cost also includes an allowance for losses on the distribution system.
- b. After evaluating the prior month's sendout and sendout in the same month in the prior year, the Company plans a certain level of overall requirements including the non-firm sales requirements. Experience has shown that the variations in the monthly supply requirements of non-firm customers are small relative to both the variation in sendout caused by weather and other sources and relative to the inherent flexibility in the supply capability.
- c. The segregation of non-firm gas costs from firm gas costs is done at the time of the accounting close for the month when the non-firm gas costs are subtracted from overall gas costs. The non-firm deliveries are adjusted for losses and the calculated amount is priced out at the highest gas cost paid for any delivered baseload supply.
- d. Attached are the delivered supply costs used during the reference period. The calculation begins with the purchase cost per unit of the supply, which is then increased by any pipeline commodity charges and adjusted to reflect fuel retention losses on the pipeline or pipelines transporting the supply to arrive at the commodity cost of the supply at the city gate. The final adjustment made is to adjust the price to reflect the loss factor on the distribution system.

**Jul-07**

<b>Columbia Supply (Appalachia) - AGT</b>	<b>\$7.37</b> per Dth
Commodity on TCO	0.0164
Commodity on AGT	0.0128
Fuel on TCO	1.989%
Fuel on AGT	0.66%
<b>Total Delivered to City Gate</b>	<b>7.60</b> per Dth
Unaccounted for factor	2.46%
Gas Cost at Customer	\$7.79 per Dth

**Aug-07**

<b>TENNESSEE ZN 0 100 leg</b>	<b>\$5.91</b> per Dth
Commodity to zone 6	0.1624
Fuel to zone 6	7.42%
<b>Total Delivered to City Gate</b>	<b>6.56</b> per Dth
Unaccounted for factor	2.46%
Gas Cost at Customer	\$6.72 per Dth

**Sep-07**

<b>TENNESSEE ZN 0 100 leg</b>	<b>\$5.24</b> per Dth
Commodity to zone 6	0.1624
Fuel to zone 6	7.42%
<b>Total Delivered to City Gate</b>	<b>5.84</b> per Dth
Unaccounted for factor	2.46%
Gas Cost at Customer	\$5.98 per Dth

**Oct-07**

<b>Columbia Supply (Appalachia) - AGT</b>	<b>\$6.61</b> per Dth
Commodity on TCO	0.0164
Commodity on AGT	0.0128
Fuel on TCO	1.989%
Fuel on AGT	0.66%
<b>Total Delivered to City Gate</b>	<b>6.82</b> per Dth
Unaccounted for factor	2.46%
Gas Cost at Customer	\$6.99 per Dth

**Nov-07**

<b>Columbia Supply (Appalachia) - AGT</b>	<b>\$7.5490</b> per Dth
Commodity on TCO	0.0164
Commodity on AGT	0.0128
Fuel on TCO	1.989%
Fuel on AGT	0.66%
<b>Total Delivered to City Gate</b>	<b>7.78</b> per Dth
Unaccounted for factor	2.57%
Gas Cost at Customer	\$7.99 per Dth

**Dec-07**

<b>Columbia Supply (Appalachia) - AGT</b>	<b>\$7.46</b>	per Dth
Commodity on TCO	0.0167	
Commodity on AGT	0.0131	
Fuel on TCO	1.989%	
Fuel on AGT	1.35%	
<b>Total Delivered to City Gate</b>	<b>7.75</b>	per Dth
Unaccounted for factor	2.57%	
Gas Cost at Customer	\$7.95	per Dth

**Jan-08**

<b>Columbia Supply (Appalachia) - AGT</b>	<b>\$7.42</b>	per Dth
Commodity on TCO	0.0167	
Commodity on AGT	0.0131	
Fuel on TCO	1.989%	
Fuel on AGT	1.32%	
<b>Total Delivered to City Gate</b>	<b>7.70</b>	per Dth
Unaccounted for factor	2.57%	
Gas Cost at Customer	\$7.91	per Dth

**Feb-08**

<b>Columbia Supply (Appalachia) - AGT</b>	<b>\$8.29</b>	per Dth
Commodity on TCO	0.0167	
Commodity on AGT	0.0131	
Fuel on TCO	1.989%	
Fuel on AGT	1.32%	
<b>Total Delivered to City Gate</b>	<b>8.60</b>	per Dth
Unaccounted for factor	2.57%	
Gas Cost at Customer	\$8.83	per Dth

**Mar-08**

<b>Columbia Supply (Appalachia) - AGT</b>	<b>\$9.38</b>	per Dth
Commodity on TCO	0.0167	
Commodity on AGT	0.0131	
Fuel on TCO	1.989%	
Fuel on AGT	1.32%	
<b>Total Delivered to City Gate</b>	<b>9.73</b>	per Dth
Unaccounted for factor	2.57%	
Gas Cost at Customer	\$9.99	per Dth

**Apr-08**

<b>Columbia Supply (Appalachia) - AGT</b>	<b>\$9.38</b>	per Dth
Commodity on TCO	0.0167	
Commodity on AGT	0.0131	
Fuel on TCO	1.989%	
Fuel on AGT	1.32%	
<b>Total Delivered to City Gate</b>	<b>9.73</b>	per Dth
Unaccounted for factor	2.57%	
Gas Cost at Customer	\$9.99	per Dth

**May-08**

<b>TENNESSEE ZN 1 500 leg</b>	<b>\$11.279</b> per Dth
Commodity to zone 6	0.1522
Fuel to zone 6	6.67%
<b>Total Delivered to City Gate</b>	<b>12.24</b> per Dth
Unaccounted for factor	2.57%
Gas Cost at Customer	\$12.56 per Dth

**Jun-08**

<b>Columbia Supply (Appalachia) - AGT</b>	<b>\$12.44</b> per Dth
Commodity on TCO	0.0167
Commodity on AGT	0.0131
Fuel on TCO	1.989%
Fuel on AGT	0.61%
<b>Total Delivered to City Gate</b>	<b>12.80</b> per Dth
Unaccounted for factor	2.57%
Gas Cost at Customer	\$13.13 per Dth