

December 21, 2009

VIA HAND DELIVERY AND ELECTRONIC MAIL

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

**RE: Docket 4097 – National Grid, Gas Cost Recovery (“GCR”)
Monthly Filing of GCR Deferred Balances**

Dear Ms. Massaro:

Enclosed please find an original and nine copies of National Grid’s monthly filing of gas costs and gas cost revenue collections data. Based on one month of actual data, and eleven month of projected data, the October 31, 2010 deferred gas cost balance is an under-collection of \$ 132 thousand (see attached Schedule 1, page 2). This calculation is based on the November 1, 2009 starting balance of a \$ 9.9 million under-collection, plus actual gas costs and gas cost collections for November 2009 along with projected costs for December 2009 through October 2010. These projected costs are updated to reflect the December 14, 2009 NYMEX settle.

Details are provided on the attached schedules. Schedule 1, pages 1 and 2, summarizes the deferred gas cost activity by GCR category and by month. The Schedule 1 summary shows that for the month of November 2009, the Company incurred actual gas costs of \$ 22.3 million, working capital of \$ 162 thousand and GCR revenue collections of \$ 18.4 million, for a net under-collection of approximately \$ 4.1 million. Schedule 2 provides a breakdown of actual gas costs for November 2009 and projected gas costs for December 2009 through October 31, 2010. Schedule 3 summarizes actual gas cost revenue collections for November 2009 and projected gas cost revenue collections for December 2009 through October 2010. Schedule 4 shows 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. Note that the schedules have been updated to reflect various changes approved by the Commission in Docket 3943 (2008 rate case), Docket 4038 (insourcing) and Docket 4097 (2009/2010 gas cost recovery filing). A section has been added beginning on Schedule 5, line 2, to track the hedge collateral carrying costs approved in Dkt 4097. Thank you for your attention to this matter.

If you have any questions, please do not hesitate to contact me at (401) 784-7667 or Gary Beland at (781) 907-2129.

Very truly yours,



Thomas R. Teehan

Enclosures

cc: Docket 4097 Service List

**Docket No. 4097 – National Grid – Annual Gas Cost Recovery Filing
 (“GCR”) - Service List as of 10/5/09**

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File an original & nine (9) copies w/: Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02888	Lmassaro@puc.state.ri.us	401-780-2107
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	Nov-09 30 actual	Dec-09 31 fcst	Jan-10 31 fcst	Feb-10 28 fcst	Mar-10 31 fcst	Apr-10 30 fcst	May-10 31 fcst	Jun-10 30 fcst	Jul-10 31 fcst	Aug-10 31 fcst	Sep-10 30 fcst	Oct-10 31 fcst	Nov - Oct 365
I. Supply Fixed Cost Deferred													
Beginning Balance	(\$802,683)	\$617,902	\$153,648	(\$1,797,144)	(\$3,914,311)	(\$5,384,637)	(\$5,949,271)	(\$5,636,771)	(\$4,145,124)	(\$2,286,197)	(\$305,330)	\$1,616,808	
Supply Fixed Costs (net of cap rel)	\$1,841,268	\$2,519,325	\$2,518,055	\$2,514,271	\$2,518,055	\$2,300,794	\$2,065,655	\$2,477,914	\$2,477,975	\$2,477,975	\$2,477,914	\$2,477,975	\$28,667,176
Capacity Release	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Working Capital	<u>\$13,693</u>	<u>\$18,736</u>	<u>\$18,726</u>	<u>\$18,698</u>	<u>\$18,726</u>	<u>\$17,111</u>	<u>\$15,362</u>	<u>\$18,428</u>	<u>\$18,428</u>	<u>\$18,428</u>	<u>\$18,428</u>	<u>\$18,428</u>	\$213,193
Total Supply Fixed Costs	\$1,854,961	\$2,538,061	\$2,536,782	\$2,532,970	\$2,536,782	\$2,317,905	\$2,081,017	\$2,496,342	\$2,496,403	\$2,496,403	\$2,496,342	\$2,496,403	\$28,880,370
Supply Fixed - Collections	\$1,747,051	\$3,157,187	\$4,641,165	\$4,801,871	\$4,156,637	\$3,031,186	\$1,916,833	\$1,154,138	\$788,528	\$668,625	\$729,343	\$978,464	\$27,771,030
Prelim. Ending Balance	(\$694,774)	(\$1,224)	(\$1,950,735)	(\$4,066,045)	(\$5,534,167)	(\$6,097,918)	(\$5,785,087)	(\$4,294,567)	(\$2,437,248)	(\$458,419)	\$1,461,669	\$3,134,748	
Month's Average Balance	(\$748,728)	\$308,339	(\$898,543)	(\$2,931,595)	(\$4,724,239)	(\$5,741,277)	(\$5,867,179)	(\$4,965,669)	(\$3,291,186)	(\$1,372,308)	\$578,169	\$2,375,778	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	(\$769)	\$327	(\$954)	(\$2,811)	(\$5,015)	(\$5,899)	(\$6,229)	(\$5,102)	(\$3,494)	(\$1,457)	\$594	\$2,522	(\$28,286)
NGPMP Credit	\$1,313,445	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$3,013,445
Supply Fixed Ending Balance	\$617,902	\$153,648	(\$1,797,144)	(\$3,914,311)	(\$5,384,637)	(\$5,949,271)	(\$5,636,771)	(\$4,145,124)	(\$2,286,197)	(\$305,330)	\$1,616,808	\$3,291,815	
II. Storage Fixed Cost Deferred													
Beginning Balance	\$1,674,812	\$1,850,028	\$1,314,268	\$142,909	(\$1,091,759)	(\$2,056,709)	(\$2,327,506)	(\$1,885,663)	(\$1,535,369)	(\$1,020,389)	(\$456,969)	\$82,124	
Storage Fixed Costs	\$943,967	\$783,641	\$783,641	\$783,641	\$783,641	\$999,641	\$1,236,041	\$822,521	\$823,721	\$823,721	\$822,521	\$823,721	\$10,430,416
LNG Demand to DAC	(\$77,196)	(\$34,020)	(\$34,020)	(\$34,020)	(\$34,020)	(\$26,460)	(\$26,460)	(\$26,460)	(\$26,460)	(\$26,460)	(\$26,460)	(\$26,460)	(\$398,496)
Supply Related LNG O & M	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$618,591
Working Capital	<u>\$6,829</u>	<u>\$5,958</u>	<u>\$5,958</u>	<u>\$5,958</u>	<u>\$5,958</u>	<u>\$7,621</u>	<u>\$9,379</u>	<u>\$6,304</u>	<u>\$6,312</u>	<u>\$6,312</u>	<u>\$6,304</u>	<u>\$6,312</u>	<u>\$79,206</u>
Total Storage Fixed Costs	\$925,149	\$807,128	\$807,128	\$807,128	\$807,128	\$1,032,351	\$1,270,509	\$853,914	\$855,123	\$855,123	\$853,914	\$855,123	\$10,729,717
TSS Peaking Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage Fixed - Collections	\$751,743	\$1,344,566	\$1,979,260	\$2,041,342	\$1,770,408	\$1,300,897	\$826,431	\$501,863	\$338,787	\$290,919	\$314,628	\$424,099	\$11,884,944
Prelim. Ending Balance	\$1,848,218	\$1,312,590	\$142,136	(\$1,091,304)	(\$2,055,038)	(\$2,325,255)	(\$1,883,428)	(\$1,533,612)	(\$1,019,033)	(\$456,185)	\$82,316	\$513,147	
Month's Average Balance	\$1,761,515	\$1,581,309	\$728,202	(\$474,197)	(\$1,573,399)	(\$2,190,982)	(\$2,105,467)	(\$1,709,638)	(\$1,277,201)	(\$738,287)	(\$187,326)	\$297,635	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	\$1,810	\$1,679	\$773	(\$455)	(\$1,670)	(\$2,251)	(\$2,235)	(\$1,756)	(\$1,356)	(\$784)	(\$192)	\$316	(\$6,122)
Storage Fixed Ending Balance	\$1,850,028	\$1,314,268	\$142,909	(\$1,091,759)	(\$2,056,709)	(\$2,327,506)	(\$1,885,663)	(\$1,535,369)	(\$1,020,389)	(\$456,969)	\$82,124	\$513,463	
III. Variable Supply Cost Deferred													
Beginning Balance	\$44,286,232	\$46,972,599	\$49,436,848	\$40,278,258	\$25,760,068	\$17,025,070	\$6,027,179	(\$2,361,939)	(\$7,442,130)	(\$9,378,259)	(\$10,299,472)	(\$11,083,030)	
Variable Supply Costs	\$18,065,386	\$29,771,012	\$31,255,998	\$27,209,555	\$27,213,938	\$15,333,442	\$8,421,926	\$5,157,745	\$5,075,871	\$5,056,322	\$5,691,285	\$11,754,813	\$190,007,294
Variable Delivery Storage	\$0	(\$29,074)	(\$89,361)	(\$69,473)	(\$23,075)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$210,983)
Variable Injections Storage	(\$5,163)	(\$488)	\$0	\$0	(\$1,472)	(\$16,828)	(\$17,350)	(\$13,932)	(\$8,143)	(\$7,185)	(\$361)	(\$9,372)	(\$80,294)
Fuel Cost Allocated to Storage	(\$33,017)	(\$125,895)	(\$380,174)	(\$291,966)	(\$131,162)	(\$95,782)	(\$97,527)	(\$76,781)	(\$40,390)	(\$32,238)	(\$2,690)	(\$54,135)	(\$1,361,757)
Working Capital	<u>\$134,066</u>	<u>\$220,246</u>	<u>\$228,954</u>	<u>\$199,665</u>	<u>\$201,228</u>	<u>\$113,195</u>	<u>\$61,778</u>	<u>\$37,683</u>	<u>\$37,388</u>	<u>\$37,310</u>	<u>\$42,303</u>	<u>\$86,946</u>	\$1,400,762
Total Supply Variable Costs	\$18,161,271	\$29,835,801	\$31,015,417	\$27,047,782	\$27,259,457	\$15,334,027	\$8,368,827	\$5,104,714	\$5,064,726	\$5,054,209	\$5,730,537	\$11,778,252	\$189,755,022
Supply Variable - Collections	\$15,520,233	\$27,422,702	\$40,221,604	\$41,597,620	\$36,017,154	\$26,343,754	\$16,759,890	\$10,179,871	\$6,991,932	\$5,964,982	\$6,503,117	\$8,639,485	\$242,162,343
Deferred Responsibility	\$1,527	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Prelim. Ending Balance	\$46,925,744	\$49,385,699	\$40,230,661	\$25,728,420	\$17,002,371	\$6,015,343	(\$2,363,884)	(\$7,437,096)	(\$9,369,335)	(\$10,289,032)	(\$11,072,052)	(\$7,944,263)	
Month's Average Balance	\$45,605,988	\$48,179,149	\$44,833,754	\$33,003,339	\$21,381,219	\$11,520,206	\$1,831,648	(\$4,899,518)	(\$8,405,733)	(\$9,833,646)	(\$10,685,762)	(\$9,513,647)	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	\$46,855	\$51,149	\$47,597	\$31,647	\$22,699	\$11,836	\$1,945	(\$5,034)	(\$8,924)	(\$10,440)	(\$10,979)	(\$10,100)	\$168,253
Gas Procurement Incentive/(penalty)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supply Variable Ending Balance	\$46,972,599	\$49,436,848	\$40,278,258	\$25,760,068	\$17,025,070	\$6,027,179	(\$2,361,939)	(\$7,442,130)	(\$9,378,259)	(\$10,299,472)	(\$11,083,030)	(\$7,954,364)	

	Nov-09 30 actual	Dec-09 31 fcst	Jan-10 31 fcst	Feb-10 28 fcst	Mar-10 31 fcst	Apr-10 30 fcst	May-10 31 fcst	Jun-10 30 fcst	Jul-10 31 fcst	Aug-10 31 fcst	Sep-10 30 fcst	Oct-10 31 fcst	Nov - Oct 365
IVa. Storage Variable Product Cost Deferred													
Beginning Balance	(\$30,418,752)	(\$29,547,847)	(\$24,356,070)	(\$9,587,969)	\$1,044,516	\$3,901,693	\$3,359,665	\$3,192,238	\$3,276,413	\$3,495,258	\$3,770,519	\$4,025,808	
Storage Variable Prod. Costs - LNG	\$31,545	\$1,113,318	\$1,746,795	\$598,613	\$127,420	\$122,842	\$124,568	\$116,481	\$120,601	\$120,408	\$115,927	\$120,111	\$4,458,628
Storage Variable Prod. Costs - UG	\$933,168	\$4,696,201	\$14,225,892	\$11,219,634	\$3,740,378	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$3,815,272
Supply Related LNG to DAC	(\$5,299)	(\$187,037)	(\$293,462)	(\$100,567)	(\$21,407)	(\$20,637)	(\$20,927)	(\$19,569)	(\$20,261)	(\$20,229)	(\$19,476)	(\$20,179)	(\$749,050)
Supply Related LNG O & M	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$35,844	\$430,129
Inventory Financing - LNG	\$48,072	\$45,633	\$34,313	\$31,326	\$30,344	\$33,916	\$42,483	\$42,411	\$42,343	\$42,287	\$42,244	\$42,213	\$477,587
Inventory Financing - UG	\$385,002	\$360,626	\$219,801	\$108,736	\$77,160	\$132,670	\$187,764	\$233,708	\$261,687	\$284,870	\$285,940	\$285,940	\$2,823,903
Working Capital	\$7,402	\$42,080	\$116,871	\$87,409	\$28,872	\$1,027	\$1,037	\$987	\$1,013	\$1,012	\$984	\$1,010	\$289,702
Total Storage Variable Product Costs	\$1,395,758	\$6,106,664	\$16,086,053	\$11,980,996	\$4,018,611	\$305,662	\$370,769	\$409,863	\$441,228	\$464,192	\$461,464	\$464,939	\$42,506,198
Storage Variable Product Collections	\$494,064	\$886,289	\$1,299,944	\$1,344,416	\$1,164,058	\$851,418	\$541,672	\$329,009	\$225,976	\$192,785	\$210,178	\$279,224	\$7,819,033
Prelim. Ending Balance	(\$29,517,058)	(\$24,327,472)	(\$9,569,960)	\$1,048,611	\$3,899,069	\$3,355,937	\$3,188,762	\$3,273,092	\$3,491,665	\$3,766,664	\$4,021,805	\$4,211,523	
Month's Average Balance	(\$29,967,905)	(\$26,937,659)	(\$16,963,015)	(\$4,269,679)	\$2,471,793	\$3,628,815	\$3,274,214	\$3,232,665	\$3,384,039	\$3,630,961	\$3,896,162	\$4,118,665	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	(\$30,789)	(\$28,598)	(\$18,009)	(\$4,094)	\$2,624	\$3,728	\$3,476	\$3,321	\$3,593	\$3,855	\$4,003	\$4,373	(\$52,517)
Storage Variable Product Ending Bal.	(\$29,547,847)	(\$24,356,070)	(\$9,587,969)	\$1,044,516	\$3,901,693	\$3,359,665	\$3,192,238	\$3,276,413	\$3,495,258	\$3,770,519	\$4,025,808	\$4,215,895	
IVb. Stor Var Non-Prod Cost Deferred													
Beginning Balance	(\$4,875,985)	(\$4,687,669)	(\$4,146,334)	(\$2,856,384)	(\$1,772,006)	(\$1,159,030)	(\$817,471)	(\$556,065)	(\$375,506)	(\$266,142)	(\$174,138)	(\$114,441)	
Storage Variable Non-prod. Costs	\$39,974	\$151,643	\$469,535	\$361,439	\$145,706	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,168,297
Variable Delivery Storage Costs	\$9,610	\$29,074	\$89,361	\$69,473	\$23,075	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$220,593
Variable Injection Storage Costs	\$2,094	\$488	\$0	\$0	\$1,472	\$16,828	\$17,350	\$13,932	\$8,143	\$7,185	\$361	\$9,372	\$77,225
Fuel Costs Allocated to Storage	\$7,844	\$125,895	\$380,174	\$291,966	\$131,162	\$95,782	\$97,527	\$76,781	\$40,390	\$32,238	\$2,690	\$54,135	\$1,336,584
Working Capital	\$443	\$2,284	\$6,984	\$5,376	\$2,242	\$837	\$854	\$675	\$361	\$293	\$23	\$472	\$20,843
Total Storage Var Non-product Costs	\$59,965	\$309,384	\$946,055	\$728,253	\$303,656	\$113,447	\$115,731	\$91,388	\$48,893	\$39,716	\$3,073	\$63,980	\$2,823,543
Storage Var Non-Product Collections	(\$133,262)	(\$236,637)	(\$347,610)	(\$358,343)	(\$310,875)	(\$229,127)	(\$146,404)	(\$89,648)	(\$60,811)	(\$52,521)	(\$56,772)	(\$75,829)	(\$2,097,840)
Prelim. Ending Balance	(\$4,682,759)	(\$4,141,647)	(\$2,852,669)	(\$1,769,788)	(\$1,157,475)	(\$816,457)	(\$555,336)	(\$375,028)	(\$265,801)	(\$173,904)	(\$114,293)	\$25,368	
Month's Average Balance	(\$4,779,372)	(\$4,414,658)	(\$3,499,502)	(\$2,313,086)	(\$1,464,741)	(\$987,743)	(\$686,404)	(\$465,546)	(\$320,654)	(\$220,023)	(\$144,216)	(\$44,537)	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	(\$4,910)	(\$4,687)	(\$3,715)	(\$2,218)	(\$1,555)	(\$1,015)	(\$729)	(\$478)	(\$340)	(\$234)	(\$148)	(\$47)	(\$20,077)
Storage Var Non-Product Ending Bal.	(\$4,687,669)	(\$4,146,334)	(\$2,856,384)	(\$1,772,006)	(\$1,159,030)	(\$817,471)	(\$556,065)	(\$375,506)	(\$266,142)	(\$174,138)	(\$114,441)	\$25,320	
GCR Deferred Summary													
Beginning Balance	\$9,863,623	\$15,244,987	\$22,442,335	\$26,219,644	\$20,066,482	\$12,366,361	\$332,569	(\$7,208,225)	(\$10,181,741)	(\$9,415,755)	(\$7,425,417)	(\$5,432,758)	
Gas Costs	\$22,274,646	\$39,307,734	\$51,013,942	\$42,780,022	\$34,668,608	\$18,963,601	\$12,118,443	\$8,892,145	\$8,842,871	\$8,846,287	\$9,477,289	\$15,545,528	\$272,731,117
Working Capital	\$162,432	\$289,304	\$377,493	\$317,107	\$257,026	\$139,791	\$88,411	\$64,076	\$63,502	\$63,355	\$68,040	\$113,169	\$2,003,707
Total Costs	\$22,437,078	\$39,597,039	\$51,391,435	\$43,097,129	\$34,925,634	\$19,103,391	\$12,206,854	\$8,956,221	\$8,906,373	\$8,909,643	\$9,545,330	\$15,658,697	\$274,734,824
Collections	\$18,381,356	\$32,574,107	\$47,794,363	\$49,426,906	\$42,797,383	\$31,298,128	\$19,898,421	\$12,075,233	\$8,284,411	\$7,064,790	\$7,700,494	\$10,245,443	\$287,541,037
Prelim. Ending Balance	\$13,919,345	\$22,267,919	\$26,039,406	\$19,889,867	\$12,194,733	\$171,624	(\$7,358,998)	(\$10,327,238)	(\$9,559,779)	(\$7,570,903)	(\$5,580,581)	(\$19,504)	
Month's Average Balance	\$11,891,484	\$18,756,453	\$24,240,870	\$23,054,756	\$16,130,608	\$6,268,993	(\$3,513,215)	(\$8,767,731)	(\$9,870,760)	(\$8,493,329)	(\$6,502,999)	(\$2,726,131)	
Interest Rate (BOA Prime minus 200 bps)	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	1.25%	
Interest Applied	\$12,197	\$19,870	\$25,693	\$22,069	\$17,083	\$6,400	(\$3,772)	(\$9,049)	(\$10,522)	(\$9,059)	(\$6,722)	(\$2,937)	\$61,250
Gas Purchase Plan Incentives/(Penalties)	\$1,313,445	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	\$154,545	
Ending Bal. W/ Interest	\$15,244,987	\$22,442,335	\$26,219,644	\$20,066,482	\$12,366,361	\$332,569	(\$7,208,225)	(\$10,181,741)	(\$9,415,755)	(\$7,425,417)	(\$5,432,758)	\$132,105	
Under/(Over)-collection	\$4,055,722	\$7,022,932	\$3,597,072	(\$6,329,777)	(\$7,871,748)	(\$12,194,737)	(\$7,691,568)	(\$3,119,012)	\$621,962	\$1,844,852	\$1,844,836	\$5,413,254	

Projected Gas Costs using 12-14-09 NYMEX	Nov-09 actual	Dec-09 fcst	Jan-10 fcst	Feb-10 fcst	Mar-10 fcst	Apr-10 fcst	May-10 fcst	Jun-10 fcst	Jul-10 fcst	Aug-10 fcst	Sep-10 fcst	Oct-10 fcst	Nov-Oct
SUPPLY FIXED COSTS - Pipeline & Supplier													
Algonquin	\$646,473	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$723,452	\$8,604,449
TETCO/Texas Eastern	\$500,954	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$747,967	\$8,728,587
Tennessee	\$694,705	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$774,541	\$9,214,653
Columbia	\$308,698	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$285,205	\$3,445,948
Westerly Lateral	\$60,149	\$60,149	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$58,879	\$709,088
Others	\$88,971	\$364,912	\$364,912	\$361,128	\$364,912	\$147,650	(\$87,488)	\$324,770	\$324,832	\$324,832	\$324,770	\$324,832	\$3,229,030
Less Credits from Mkter Releases	\$458,683	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$436,900	\$5,264,580
TOTAL SUPPLY FIXED COSTS - Pipeline & Supplier	\$1,841,268	\$2,519,325	\$2,518,055	\$2,514,271	\$2,518,055	\$2,300,794	\$2,065,655	\$2,477,914	\$2,477,975	\$2,477,975	\$2,477,914	\$2,477,975	\$28,667,176
STORAGE FIXED COSTS - Facilities													
Texas Eastern SS-1 Demand	\$88,743	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$97,190	\$1,157,829
Dominion GSS Demand	\$83,348	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$83,456	\$1,001,369
Tennessee FSMA Demand	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$473,138
Columbia FSS Demand	\$0	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$9,725	\$106,970
Keyspan LNG Tank Lease Payment	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$1,890,000
TOTAL FIXED STORAGE COSTS	\$369,019	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$4,629,306
STORAGE FIXED COSTS - Delivery													
STORAGE DELIVERY FIXED COST \$	\$574,948	\$396,342	\$396,342	\$396,342	\$396,342	\$612,342	\$848,742	\$435,222	\$436,422	\$436,422	\$435,222	\$436,422	\$5,801,110
TOTAL STORAGE FIXED	\$943,967	\$783,641	\$783,641	\$783,641	\$783,641	\$999,641	\$1,236,041	\$822,521	\$823,721	\$823,721	\$822,521	\$823,721	\$10,430,416
TOTAL FIXED COSTS	\$2,785,234	\$3,302,966	\$3,301,696	\$3,297,912	\$3,301,696	\$3,300,435	\$3,301,696	\$3,300,435	\$3,301,696	\$3,301,696	\$3,300,435	\$3,301,696	\$39,097,593
VARIABLE SUPPLY COSTS (Includes Injections)													
Total Pipeline Commodity Charges	8,974,179	\$18,098,325	\$20,795,528	\$18,667,145	\$20,521,857	\$18,660,690	\$12,878,237	\$8,975,571	\$7,164,462	\$6,837,673	\$5,250,121	\$11,198,863	\$158,022,652
Hedging	\$9,053,170	\$11,995,580	\$10,460,470	\$8,542,410	\$7,278,450	\$1,896,852	\$918,830	\$629,116	\$613,271	\$497,253	\$546,225	\$555,950	\$52,987,577
Costs of Injections	\$0	\$322,893	\$0	\$0	\$586,369	\$5,224,099	\$5,375,141	\$4,446,942	\$2,701,862	\$2,278,604	\$105,060	\$0	\$21,040,971
TOTAL VARIABLE SUPPLY COSTS	\$18,027,350	\$29,771,012	\$31,255,998	\$27,209,555	\$27,213,938	\$15,333,442	\$8,421,926	\$5,157,745	\$5,075,871	\$5,056,322	\$5,691,285	\$11,754,813	\$189,969,258
VARIABLE STORAGE COSTS													
Underground Storage	\$933,168	\$4,696,201	\$14,225,892	\$11,219,634	\$3,740,378	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$34,815,272
LNG Withdrawals/Westerly Trucking	\$31,545	\$1,113,318	\$1,746,795	\$598,613	\$127,420	\$122,842	\$124,568	\$116,481	\$120,601	\$120,408	\$115,927	\$120,111	\$4,458,628
TOTAL VARIABLE STORAGE COSTS	\$964,712	\$5,809,519	\$15,972,686	\$11,818,247	\$3,867,798	\$122,842	\$124,568	\$116,481	\$120,601	\$120,408	\$115,927	\$120,111	\$39,273,901
TOTAL VARIABLE COSTS	\$18,992,062	\$35,580,531	\$47,228,685	\$39,027,803	\$31,081,736	\$15,456,284	\$8,546,494	\$5,274,226	\$5,196,473	\$5,176,730	\$5,807,213	\$11,874,924	\$229,243,158
TOTAL SUPPLY COSTS AFTER CREDITS	\$21,777,296	\$38,883,497	\$50,530,381	\$42,325,715	\$34,383,432	\$18,756,719	\$11,848,190	\$8,574,661	\$8,498,169	\$8,478,426	\$9,107,647	\$15,176,620	\$268,340,751
Storage Costs for FT-2 Calculation													
Storage Fixed Costs - Facilities	\$369,019	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$387,299	\$4,629,306
Storage Fixed Costs - Deliveries	\$574,948	\$396,342	\$396,342	\$396,342	\$396,342	\$612,342	\$848,742	\$435,222	\$436,422	\$436,422	\$435,222	\$436,422	\$5,801,110
Variable Delivery Costs	\$0	\$29,074	\$89,361	\$69,473	\$23,075	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$210,983
Variable Injection Costs	\$5,163	\$488	\$0	\$0	\$1,472	\$16,828	\$17,350	\$13,932	\$8,143	\$7,185	\$361	\$9,372	\$80,294
Fuel Costs Allocated to Storage	\$33,017	\$125,895	\$380,174	\$291,966	\$131,162	\$95,782	\$97,527	\$76,781	\$40,390	\$32,238	\$2,690	\$54,135	\$1,361,757
Total Storage Costs	\$982,146	\$939,099	\$1,253,176	\$1,145,080	\$939,349	\$1,112,250	\$1,350,918	\$913,235	\$872,253	\$863,144	\$825,572	\$887,228	\$12,083,450
Pipeline Variable	\$18,027,350	\$29,771,012	\$31,255,998	\$27,209,555	\$27,213,938	\$15,333,442	\$8,421,926	\$5,157,745	\$5,075,871	\$5,056,322	\$5,691,285	\$11,754,813	
Less Non-firm Gas Costs	\$181,276												
Less Company Use	\$122,766												
Less Manchester St Balancing	\$9,339												
Plus Cashout													
Less Mkter Over-takes	\$136,755												
Less Mkter W/drawals	\$158,988												
Plus Mkter Undertakes	\$468,531												
Plus Mkter Injections	\$0												
Storage Service Charge													
Plus Pipeline Srchg/Credit	\$178,630												
TOTAL FIRM COMMODITY COSTS	\$18,065,386	\$29,771,012	\$31,255,998	\$27,209,555	\$27,213,938	\$15,333,442	\$8,421,926	\$5,157,745	\$5,075,871	\$5,056,322	\$5,691,285	\$11,754,813	

	Nov-09 actual	Dec-09 fcst	Jan-10 fcst	Feb-10 fcst	Mar-10 fcst	Apr-10 fcst	May-10 fcst	Jun-09 fcst	Jul-10 fcst	Aug-10 fcst	Sep-10 fcst	Oct-10 fcst	Total Nov-Oct
<u>I. Supply Fixed Cost Collections --</u>													
(a) Low Load dth	1,599,798	2,961,731	4,376,577	4,532,312	3,921,026	2,839,646	1,770,403	1,043,737	703,852	587,734	641,995	882,580	25,861,391
Supply Fixed Cost Factor	\$1.0416	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345	\$1.0345
Low Load collections	\$1,666,284	\$3,063,910	\$4,527,569	\$4,688,677	\$4,056,301	\$2,937,614	\$1,831,482	\$1,079,746	\$728,135	\$608,011	\$664,144	\$913,029	\$26,764,902
(b) High Load dth	110,848	130,695	159,166	158,602	140,586	131,108	119,590	104,235	84,620	84,930	91,354	91,685	1,407,417
Supply Fixed Cost Factor	\$0.7286	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137	\$0.7137
High Load collections	\$80,767	\$93,277	\$113,596	\$113,194	\$100,336	\$93,571	\$85,351	\$74,392	\$60,393	\$60,614	\$65,199	\$65,435	\$1,006,128
sub-total Dth	1,710,647	3,092,425	4,535,743	4,690,914	4,061,612	2,970,754	1,889,993	1,147,972	788,472	672,664	733,349	974,264	27,268,808
TOTAL Supply Fixed Collections	\$1,747,051	\$3,157,187	\$4,641,165	\$4,801,871	\$4,156,637	\$3,031,186	\$1,916,833	\$1,154,138	\$788,528	\$668,625	\$729,343	\$978,464	\$27,771,030
<u>II. Storage Fixed Cost Collections --</u>													
(a) Low Load dth	1,599,798	2,961,731	4,376,577	4,532,312	3,921,026	2,839,646	1,770,403	1,043,737	703,852	587,734	641,995	882,580	25,861,391
Storage Fixed Cost Factor	\$0.4215	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186	\$0.4186
Low Load collections	\$674,245	\$1,239,780	\$1,832,035	\$1,897,226	\$1,641,341	\$1,188,676	\$741,091	\$436,908	\$294,632	\$246,026	\$268,739	\$369,448	\$10,830,148
(b) High Load dth	110,848	130,695	159,166	158,602	140,586	131,108	119,590	104,235	84,620	84,930	91,354	91,685	1,407,417
Storage Fixed Cost Factor	\$0.2946	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886	\$0.2886
High Load collections	\$32,660	\$37,719	\$45,935	\$45,773	\$40,573	\$37,838	\$34,514	\$30,082	\$24,421	\$24,511	\$26,365	\$26,460	\$406,850
(c) FT-2 dth	111,676	167,042	252,279	244,941	220,406	185,264	126,591	86,855	49,149	50,766	48,629	70,215	1,613,813
Storage Fixed Cost Factor	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015	\$0.4015
FT-2 collection	\$44,838	\$67,067	\$101,290	\$98,344	\$88,493	\$74,384	\$50,826	\$34,872	\$19,733	\$20,383	\$19,524	\$28,191	\$647,946
sub-total Dth	1,822,323	3,259,467	4,788,021	4,935,855	4,282,018	3,156,018	2,016,584	1,234,827	837,621	723,430	781,977	1,044,480	\$28,882,622
TOTAL Storage Fixed Collections	\$751,743	\$1,344,566	\$1,979,260	\$2,041,342	\$1,770,408	\$1,300,897	\$826,431	\$501,863	\$338,787	\$290,919	\$314,628	\$424,099	\$11,884,944
<u>III. Variable Supply Cost Collections --</u>													
(a) Firm Sales dth	1,710,647	3,092,425	4,535,743	4,690,914	4,061,612	2,970,754	1,889,993	1,147,972	788,472	672,664	733,349	974,264	27,268,808
Variable Supply Cost Factor	\$8.9363	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677
Variable Supply collections	\$15,286,855	\$27,422,702	\$40,221,604	\$41,597,620	\$36,017,154	\$26,343,754	\$16,759,890	\$10,179,871	\$6,991,932	\$5,964,982	\$6,503,117	\$8,639,485	\$241,928,965
(b) TSS Sales dth	16,977												
TSS Variable Supply Cost F.	\$0.0000												
TSS Surcharge collections	\$0												
(c) NGV Sales dth	1,515	0	0	0	0	0	0	0	0	0	0	0	1,515
Variable Supply Cost Factor	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677	\$8.8677
Variable Supply collections	\$13,431	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	13,431
(d) Default Sales dth	20,878												
Variable Supply Cost Factor	\$10.5348												
Variable Supply collections	\$219,947												
TOTAL Variable Supply Collections	\$15,520,233	\$27,422,702	\$40,221,604	\$41,597,620	\$36,017,154	\$26,343,754	\$16,759,890	\$10,179,871	\$6,991,932	\$5,964,982	\$6,503,117	\$8,639,485	\$242,162,343

	Nov-09 actual	Dec-09 fcst	Jan-10 fcst	Feb-10 fcst	Mar-10 fcst	Apr-10 fcst	May-10 fcst	Jun-09 fcst	Jul-10 fcst	Aug-10 fcst	Sep-10 fcst	Oct-10 fcst	Total Nov-Oct
<u>IVa. Storage Variable Product Cost Collections --</u>													
(a) Firm Sales dth	1,710,647	3,092,425	4,535,743	4,690,914	4,061,612	2,970,754	1,889,993	1,147,972	788,472	672,664	733,349	974,264	27,268,808
Variable Supply Cost Factor	\$0.2888	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866	\$0.2866
TOTAL Stor Var Product collections	\$494,064	\$886,289	\$1,299,944	\$1,344,416	\$1,164,058	\$851,418	\$541,672	\$329,009	\$225,976	\$192,785	\$210,178	\$279,224	\$7,819,033
<u>IVb. Storage Variable Non-product Cost Collections --</u>													
(a) Firm Sales dth	1,710,647	3,092,425	4,535,743	4,690,914	4,061,612	2,970,754	1,889,993	1,147,972	788,472	672,664	733,349	974,264	27,268,808
Variable Supply Cost Factor	(\$0.0732)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)
Stor Var Non-Product collec	(\$125,154)	(\$224,510)	(\$329,295)	(\$340,560)	(\$294,873)	(\$215,677)	(\$137,213)	(\$83,343)	(\$57,243)	(\$48,835)	(\$53,241)	(\$70,732)	(\$1,980,677)
(b) FT-2 dth	111,676	167,042	252,279	244,941	220,406	185,264	126,591	86,855	49,149	50,766	48,629	70,215	
Variable Supply Cost Factor	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)
Stor Var Non-Product collec	(\$8,108)	(\$12,127)	(\$18,315)	(\$17,783)	(\$16,001)	(\$13,450)	(\$9,191)	(\$6,306)	(\$3,568)	(\$3,686)	(\$3,530)	(\$5,098)	(\$117,163)
Total Firm Sales/FT-2 dth	1,822,323	3,259,467	4,788,021	4,935,855	4,282,018	3,156,018	2,016,584	1,234,827	837,621	723,430	781,977	1,044,480	
TOTAL Stor Var Non-Product collec	(\$133,262)	(\$236,637)	(\$347,610)	(\$358,343)	(\$310,875)	(\$229,127)	(\$146,404)	(\$89,648)	(\$60,811)	(\$52,521)	(\$56,772)	(\$75,829)	(\$2,097,840)
Total Gas Cost Collections	\$18,379,829	\$32,574,107	\$47,794,363	\$49,426,906	\$42,797,383	\$31,298,128	\$19,898,421	\$12,075,233	\$8,284,411	\$7,064,790	\$7,700,494	\$10,245,443	\$287,539,510

Line No.	Description (a)	Reference (b)	Nov-09 (c)	Dec-09 (d)	Jan-10 (e)	Feb-10 (f)	Mar-10 (g)	Apr-10 (h)	May-10 (i)	Jun-10 (j)	Jul-10 (k)	Aug-10 (l)	Sep-10 (m)	Oct-10 (n)	Total (p)
1	Storage Inventory Balance		\$26,229,386	\$25,847,132	\$17,451,389	\$10,829,858	\$9,210,316	\$14,451,003	\$19,843,373	\$24,304,302	\$27,014,541	\$29,300,248	\$29,405,634	\$29,405,634	
2	Hedging		\$13,127,938	\$11,199,798	\$5,369,650	\$771,546	(\$761,360)	(\$140,262)	\$410,188	\$905,112	\$1,212,891	\$1,427,838	\$1,437,903	\$1,437,903	
	Hedge Collateral Carrying Average Balance		\$70,499,148												
	NE Money Pool Rate		0.21%												
	Hedge Collateral Carrying Costs		\$12,337												
3	Subtotal	(1) + (2)	\$39,357,324	\$37,046,930	\$22,821,039	\$11,601,404	\$8,448,956	\$14,310,741	\$20,253,561	\$25,209,414	\$28,227,432	\$30,728,086	\$30,843,537	\$30,843,537	
4	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
5	Return on Working Capital Requirement	(3) * (4)	\$3,316,776	\$3,122,071	\$1,923,207	\$977,690	\$712,022	\$1,206,015	\$1,706,837	\$2,124,484	\$2,378,822	\$2,589,561	\$2,599,290	\$2,599,290	\$25,256,066
6	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
7	Interest Charges Financed	(1) * (6)	\$896,466	\$883,401	\$596,452	\$370,142	\$314,789	\$489,111	\$692,225	\$861,605	\$964,755	\$1,050,222	\$1,054,168	\$1,054,168	\$9,227,505
8	Taxable Income	(5) - (7)	\$2,420,310	\$2,238,670	\$1,326,755	\$607,548	\$397,233	\$716,904	\$1,014,612	\$1,262,878	\$1,414,067	\$1,539,339	\$1,545,122	\$1,545,122	
9	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	
10	Return and Tax Requirement	(8) / (9)	\$3,723,555	\$3,444,108	\$2,041,161	\$934,689	\$611,128	\$1,102,929	\$1,560,942	\$1,942,890	\$2,175,488	\$2,368,214	\$2,377,111	\$2,377,111	\$24,659,326
11	Working Capital Requirement	(7) + (10)	\$4,620,020	\$4,327,509	\$2,637,613	\$1,304,831	\$925,917	\$1,592,040	\$2,253,167	\$2,804,495	\$3,140,243	\$3,418,436	\$3,431,279	\$3,431,279	\$33,886,830
12	Monthly Average	(11) / 12	\$385,002	\$360,626	\$219,801	\$108,736	\$77,160	\$132,670	\$187,764	\$233,708	\$261,687	\$284,870	\$285,940	\$285,940	\$2,823,903
13	LNG Inventory Balance		\$6,232,424	\$5,916,264	\$4,448,590	\$4,061,417	\$3,933,997	\$4,397,167	\$5,507,884	\$5,498,554	\$5,489,746	\$5,482,418	\$5,476,914	\$5,472,888	
14	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
15	Return on Working Capital Requirement	(13) * (14)	\$525,228	\$498,584	\$374,898	\$342,270	\$331,531	\$370,564	\$464,168	\$463,382	\$462,640	\$462,022	\$461,558	\$461,219	\$5,218,064
16	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
17	Interest Charges Financed	(13) * (16)	\$213,011	\$202,206	\$152,044	\$138,811	\$134,456	\$150,286	\$188,248	\$187,929	\$187,628	\$187,378	\$187,190	\$187,052	\$2,116,237
18	Taxable Income	(15) - (17)	\$312,216	\$296,378	\$222,854	\$203,459	\$197,076	\$220,278	\$275,920	\$275,453	\$275,012	\$274,644	\$274,369	\$274,167	
19	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	
20	Return and Tax Requirement	(18) / (19)	\$480,333	\$455,966	\$342,853	\$313,013	\$303,193	\$338,890	\$424,493	\$423,774	\$423,095	\$422,530	\$422,106	\$421,796	\$4,772,041
21	Working Capital Requirement	(17) + (20)	\$693,344	\$658,172	\$494,896	\$451,824	\$437,649	\$489,176	\$612,741	\$611,703	\$610,723	\$609,908	\$609,295	\$608,847	\$6,888,278
22	Monthly Average	(21) / 12	\$57,779	\$54,848	\$41,241	\$37,652	\$36,471	\$40,765	\$51,062	\$50,975	\$50,894	\$50,826	\$50,775	\$50,737	\$574,023
23	System Balancing Factor	Rate Case	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	16.80%	
24	Balancing Related Inventory Costs	(22) * (23)	\$9,707	\$9,214	\$6,929	\$6,326	\$6,127	\$6,848	\$8,578	\$8,564	\$8,550	\$8,539	\$8,530	\$8,524	\$96,436
25	Supply Related Inventory Costs	(22) - (24)	\$48,072	\$45,633	\$34,313	\$31,326	\$30,344	\$33,916	\$42,483	\$42,411	\$42,343	\$42,287	\$42,244	\$42,213	\$477,587

Line No.	Description (a)	Reference (b)	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Total
1	Supply Fixed Costs		\$1,841,268	\$2,519,325	\$2,518,055	\$2,514,271	\$2,518,055	\$2,300,794	\$2,065,655	\$2,477,914	\$2,477,975	\$2,477,975	\$2,477,914	\$2,477,975	\$28,667,176
2	Capacity Release Revenue		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Allowable Working Capital Costs	(1) - (2)	\$1,841,268	\$2,519,325	\$2,518,055	\$2,514,271	\$2,518,055	\$2,300,794	\$2,065,655	\$2,477,914	\$2,477,975	\$2,477,975	\$2,477,914	\$2,477,975	\$28,667,176
4	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
5	Working Capital Requirement	[(3) * (4)] / 365	\$123,087	\$168,415	\$168,330	\$168,077	\$168,330	\$153,806	\$138,088	\$165,647	\$165,651	\$165,651	\$165,647	\$165,651	
6	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
7	Return on Working Capital Requirement	(5) * (6)	\$10,373	\$14,193	\$14,186	\$14,164	\$14,186	\$12,962	\$11,637	\$13,960	\$13,960	\$13,960	\$13,960	\$13,960	
8	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
9	Interest Expense	(5) * (8)	\$4,207	\$5,756	\$5,753	\$5,745	\$5,753	\$5,257	\$4,720	\$5,661	\$5,662	\$5,662	\$5,661	\$5,662	
10	Taxable Income	(7) - (9)	\$6,166	\$8,437	\$8,433	\$8,420	\$8,433	\$7,705	\$6,918	\$8,298	\$8,298	\$8,298	\$8,298	\$8,298	
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)	\$9,486	\$12,980	\$12,973	\$12,954	\$12,973	\$11,854	\$10,642	\$12,766	\$12,767	\$12,767	\$12,766	\$12,767	
13	Supply Fixed Working Capital Requirement	(9) + (12)	\$13,693	\$18,736	\$18,726	\$18,698	\$18,726	\$17,111	\$15,362	\$18,428	\$18,428	\$18,428	\$18,428	\$18,428	\$213,193
14	Storage Fixed Costs		\$943,967	\$783,641	\$783,641	\$783,641	\$783,641	\$999,641	\$1,236,041	\$822,521	\$823,721	\$823,721	\$822,521	\$823,721	\$10,430,416
15	Less: LNG Demand to DAC		\$77,196	\$34,020	\$34,020	\$34,020	\$34,020	\$26,460	\$26,460	\$26,460	\$26,460	\$26,460	\$26,460	\$26,460	\$398,496
16	Less: Credits		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Plus: Supply Related LNG O&M Costs		\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$51,549	\$618,591
18	Allowable Working Capital Costs	(14) - (15) + (16)	\$918,320	\$801,170	\$801,170	\$801,170	\$801,170	\$1,024,730	\$1,261,130	\$847,610	\$848,810	\$848,810	\$847,610	\$848,810	\$10,650,511
19	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
20	Working Capital Requirement	[(17) * (18)] / 365	\$61,389	\$53,558	\$53,558	\$53,558	\$53,558	\$68,503	\$84,306	\$56,662	\$56,742	\$56,742	\$56,662	\$56,742	
21	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
22	Return on Working Capital Requirement	(19) * (20)	\$5,173	\$4,513	\$4,513	\$4,513	\$4,513	\$5,773	\$7,105	\$4,775	\$4,782	\$4,782	\$4,775	\$4,782	
23	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
24	Interest Expense	(19) * (22)	\$2,098	\$1,830	\$1,830	\$1,830	\$1,830	\$2,341	\$2,881	\$1,937	\$1,939	\$1,939	\$1,937	\$1,939	
25	Taxable Income	(19) - (23)	\$3,075	\$2,683	\$2,683	\$2,683	\$2,683	\$3,432	\$4,223	\$2,839	\$2,843	\$2,843	\$2,839	\$2,843	
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)	\$4,731	\$4,128	\$4,128	\$4,128	\$4,128	\$5,279	\$6,497	\$4,367	\$4,373	\$4,373	\$4,367	\$4,373	
28	Storage Fixed Working Capital Requirement	(23) + (26)	\$6,829	\$5,958	\$5,958	\$5,958	\$5,958	\$7,621	\$9,379	\$6,304	\$6,312	\$6,312	\$6,304	\$6,312	\$79,206
1	Supply Variable Costs		\$18,065,386	\$29,771,012	\$31,255,998	\$27,209,555	\$27,213,938	\$15,333,442	\$8,421,926	\$5,157,745	\$5,075,871	\$5,056,322	\$5,691,285	\$11,754,813	\$190,007,294
2a	Less: Non-firm Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2b	Less: Variable Delivery Storage Costs		\$0	\$29,074	\$89,361	\$69,473	\$23,075	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$210,983
2c	Less: Variable Injection Storage Costs		\$5,163	\$488	\$0	\$0	\$1,472	\$16,828	\$17,350	\$13,932	\$8,143	\$7,185	\$361	\$9,372	\$80,294
2d	Less: Fuel Costs Allocated to Storage		\$33,017	\$125,895	\$380,174	\$291,966	\$131,162	\$95,782	\$97,527	\$76,781	\$40,390	\$32,238	\$2,690	\$54,135	\$1,361,757
2e	Less: Supply Refunds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	Total Credits		\$38,180	\$155,458	\$469,535	\$361,439	\$155,709	\$112,609	\$114,877	\$90,714	\$48,533	\$39,423	\$3,051	\$63,507	\$1,653,034
3	Allowable Working Capital Costs	(1) - (2)	\$18,027,206	\$29,615,554	\$30,786,463	\$26,848,117	\$27,058,229	\$15,220,832	\$8,307,049	\$5,067,031	\$5,027,339	\$5,016,899	\$5,688,235	\$11,691,305	\$188,354,260
4	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
5	Working Capital Requirement	[(3) * (4)] / 365	\$1,205,106	\$1,979,780	\$2,058,054	\$1,794,778	\$1,808,824	\$1,017,502	\$555,321	\$338,728	\$336,074	\$335,376	\$380,255	\$781,556	
6	Cost of Capital	Rate Case	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	8.43%	
7	Return on Working Capital Requirement	(5) * (6)	\$101,558	\$166,843	\$173,439	\$151,252	\$152,436	\$85,748	\$46,799	\$28,546	\$28,322	\$28,263	\$32,045	\$65,864	
8	Weighted Cost of Debt	Rate Case	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	3.42%	
9	Interest Expense	(5) * (8)	\$41,188	\$67,665	\$70,340	\$61,342	\$61,822	\$34,776	\$18,980	\$11,577	\$11,486	\$11,462	\$12,996	\$26,712	
10	Taxable Income	(7) - (9)	\$60,370	\$99,178	\$103,099	\$89,910	\$90,614	\$50,972	\$27,819	\$16,969	\$16,836	\$16,801	\$19,049	\$39,152	
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)	\$92,878	\$152,582	\$158,614	\$138,324	\$139,406	\$78,419	\$42,799	\$26,106	\$25,901	\$25,847	\$29,306	\$60,235	
13	Supply Variable Working Capital Requirement	(9) + (12)	\$134,066	\$220,246	\$228,954	\$199,665	\$201,228	\$113,195	\$61,778	\$37,683	\$37,388	\$37,310	\$42,303	\$86,946	\$1,400,762

National Grid
Rhode Island Service Area
Gas Cost Working Capital Calculation

Line No.	Description (a)	Reference (b)	Nov-09	Dec-09	Jan-10	Feb-10	Mar-10	Apr-10	May-10	Jun-10	Jul-10	Aug-10	Sep-10	Oct-10	Total
14	Storage Variable Product Costs		\$964,712	\$5,809,519	\$15,972,686	\$11,818,247	\$3,867,798	\$122,842	\$124,568	\$116,481	\$120,601	\$120,408	\$115,927	\$120,111	\$39,273,901
15	Less: Balancing Related LNG Commodity (to DAC)		(\$5,299)	(\$187,037)	(\$293,462)	(\$100,567)	(\$21,407)	(\$20,637)	(\$20,927)	(\$19,569)	(\$20,261)	(\$20,229)	(\$19,476)	(\$20,179)	(\$749,050)
16	Plus: Supply Related LNG O&M Costs		<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$35,844</u>	<u>\$430,129</u>
17	Allowable Working Capital Costs	(14) + (15) + (16)	\$995,257	\$5,658,325	\$15,715,069	\$11,753,524	\$3,882,236	\$138,049	\$139,484	\$132,756	\$136,184	\$136,024	\$132,295	\$135,776	\$38,954,980
18	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
19	Working Capital Requirement	[(17) * (18)] / 365	\$66,532	\$378,255	\$1,050,542	\$785,715	\$259,525	\$9,228	\$9,324	\$8,875	\$9,104	\$9,093	\$8,844	\$9,077	
20	Cost of Capital	Rate Case	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>
21	Return on Working Capital Requirement	(19) * (20)	\$5,607	\$31,877	\$88,533	\$66,215	\$21,871	\$778	\$786	\$748	\$767	\$766	\$745	\$765	
22	Weighted Cost of Debt	Rate Case	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>
23	Interest Expense	(19) * (22)	\$2,274	\$12,928	\$35,905	\$26,854	\$8,870	\$315	\$319	\$303	\$311	\$311	\$302	\$310	
24	Taxable Income	(19) - (23)	\$3,333	\$18,949	\$52,627	\$39,361	\$13,001	\$462	\$467	\$445	\$456	\$456	\$443	\$455	
25	1 - Combined Tax Rate	Rate Case	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>
26	Return and Tax Requirement	(24) / (25)	\$5,128	\$29,152	\$80,965	\$60,555	\$20,002	\$711	\$719	\$684	\$702	\$701	\$682	\$700	
27	Storage Var. Product Working Capital Requir.	(23) + (26)	<u>\$7,402</u>	<u>\$42,080</u>	<u>\$116,871</u>	<u>\$87,409</u>	<u>\$28,872</u>	<u>\$1,027</u>	<u>\$1,037</u>	<u>\$987</u>	<u>\$1,013</u>	<u>\$1,012</u>	<u>\$984</u>	<u>\$1,010</u>	<u>\$289,702</u>
1	Storage Variable Non-Product Costs		\$59,522	\$307,101	\$939,071	\$722,877	\$301,415	\$112,609	\$114,877	\$90,714	\$48,533	\$39,423	\$3,051	\$63,507	\$2,802,699
2	Credits		<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
3	Allowable Working Capital Costs	(1) - (2)	\$59,522	\$307,101	\$939,071	\$722,877	\$301,415	\$112,609	\$114,877	\$90,714	\$48,533	\$39,423	\$3,051	\$63,507	\$2,802,699
4	Number of Days Lag	Rate Case	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	24.40	
5	Working Capital Requirement	[(3) * (4)] / 365	\$3,979	\$20,529	\$62,776	\$48,324	\$20,149	\$7,528	\$7,679	\$6,064	\$3,244	\$2,635	\$204	\$4,245	
6	Cost of Capital	Rate Case	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>	<u>8.43%</u>
7	Return on Working Capital Requirement	(5) * (6)	\$335	\$1,730	\$5,290	\$4,072	\$1,698	\$634	\$647	\$511	\$273	\$222	\$17	\$358	
8	Weighted Cost of Debt	Rate Case	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>	<u>3.42%</u>
9	Interest Expense	(5) * (8)	\$136	\$702	\$2,146	\$1,652	\$689	\$257	\$262	\$207	\$111	\$90	\$7	\$145	
10	Taxable Income	(7) - (9)	\$199	\$1,028	\$3,145	\$2,421	\$1,009	\$377	\$385	\$304	\$163	\$132	\$10	\$213	
11	1 - Combined Tax Rate	Rate Case	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>	<u>0.6500</u>
12	Return and Tax Requirement	(10) / (11)	\$307	\$1,582	\$4,838	\$3,724	\$1,553	\$580	\$592	\$467	\$250	\$203	\$16	\$327	
13	Storage Variable Non-product WC Requir.	(9) + (12)	<u>\$443</u>	<u>\$2,284</u>	<u>\$6,984</u>	<u>\$5,376</u>	<u>\$2,242</u>	<u>\$837</u>	<u>\$854</u>	<u>\$675</u>	<u>\$361</u>	<u>\$293</u>	<u>\$23</u>	<u>\$472</u>	<u>\$20,843</u>

