

August 20, 2010

**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 nine months of actual data, and three months of projected data, the October 31, 2010 deferred gas cost balance is an under-collection of \$7.4 million (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 through July 2010 along with projected costs for August through October 2010. These projected costs are updated to reflect the August 16, 2010 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 July 2010, the Company incurred actual gas costs of \$6.2 million, working capital of \$44,329 and GCR revenue collections of \$6.9 million, for a net over-collection of approximately \$907,000.

Schedule 2 provides a breakdown of actual gas costs for November 2009 through July 2010 and projected gas costs for August through October 31, 2010. Schedule 3 summarizes actual gas cost revenue collections for November 2009 through July 2010 and projected gas cost revenue collections for August 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. 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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<b>File an original &amp; nine (9) copies w/:</b> Luly E. Massaro, Commission Clerk Public Utilities Commission 89 Jefferson Blvd. Warwick RI 02888	<a href="mailto:Lmassaro@puc.state.ri.us">Lmassaro@puc.state.ri.us</a>	401-780-2107
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	Nov-09 30 actual	Dec-09 31 actual	Jan-10 31 actual	Feb-10 28 actual	Mar-10 31 actual	Apr-10 30 actual	May-10 31 actual	Jun-10 30 actual	Jul-10 31 actual	Aug-10 31 fcst	Sep-10 30 fcst	Oct-10 31 fcst	Nov - Oct 365
<b>I. Supply Fixed Cost Deferred</b>													
Beginning Balance	(\$802,683)	(\$2,008,988)	(\$2,919,408)	(\$6,153,880)	(\$8,740,364)	(\$10,167,336)	(\$12,045,905)	(\$11,723,134)	(\$10,947,773)	(\$9,171,582)	(\$7,552,571)	(\$5,992,424)	
Supply Fixed Costs (net of cap rel)	\$1,841,268	\$1,804,066	\$2,016,419	\$2,007,574	\$2,443,223	\$1,096,842	\$1,813,964	\$1,780,218	\$2,620,430	\$2,477,975	\$2,477,914	\$2,477,975	\$24,857,867
Capacity Release	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Working Capital	\$13,693	\$13,417	\$14,996	\$14,930	\$18,170	\$8,157	\$13,490	\$13,239	\$19,488	\$18,428	\$18,428	\$18,428	\$184,864
Total Supply Fixed Costs	\$1,854,961	\$1,817,483	\$2,031,415	\$2,022,504	\$2,461,393	\$1,104,999	\$1,827,454	\$1,793,457	\$2,639,918	\$2,496,403	\$2,496,342	\$2,496,403	\$25,042,731
Supply Fixed - Collections	\$1,747,051	\$2,570,825	\$5,106,609	\$4,447,380	\$3,723,869	\$2,203,081	\$1,292,179	\$806,558	\$653,159	\$668,625	\$729,343	\$978,464	\$24,927,143
Prelim. Ending Balance	(\$694,774)	(\$2,762,330)	(\$5,994,602)	(\$8,578,755)	(\$10,002,843)	(\$11,265,418)	(\$11,510,630)	(\$10,736,235)	(\$8,961,014)	(\$7,343,804)	(\$5,785,572)	(\$4,474,484)	
Month's Average Balance	(\$748,728)	(\$2,385,659)	(\$4,457,005)	(\$7,366,318)	(\$9,371,603)	(\$10,716,377)	(\$11,778,267)	(\$11,229,685)	(\$9,954,393)	(\$8,257,693)	(\$6,669,071)	(\$5,233,454)	
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)	(\$2,533)	(\$4,732)	(\$7,064)	(\$9,949)	(\$11,010)	(\$12,504)	(\$11,537)	(\$10,568)	(\$8,767)	(\$6,852)	(\$5,556)	(\$91,841)
Gas Procurement Incentive/(penalty)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NGPMP Credit	\$1,313,445	\$154,545	\$154,545	\$154,545	\$154,545	\$769,477	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$3,901,104
Supply Fixed Ending Balance	\$617,902	(\$2,919,408)	(\$6,153,880)	(\$8,740,364)	(\$10,167,336)	(\$12,045,905)	(\$11,723,134)	(\$10,947,773)	(\$9,171,582)	(\$7,552,571)	(\$5,992,424)	(\$4,680,040)	
<b>II. Storage Fixed Cost Deferred</b>													
Beginning Balance	\$1,674,812	\$1,850,028	\$1,670,455	\$206,359	(\$661,406)	(\$1,481,605)	(\$1,862,153)	(\$1,622,104)	(\$1,137,242)	(\$1,277,032)	(\$713,885)	(\$175,056)	
Storage Fixed Costs	\$943,967	\$952,357	\$721,613	\$1,086,439	\$800,927	\$549,607	\$815,928	\$853,488	\$19,866	\$823,721	\$822,521	\$823,721	\$9,214,156
LNG Demand to DAC	(\$77,196)	(\$77,196)	(\$39,815)	(\$84,534)	(\$51,506)	(\$13,671)	(\$58,303)	(\$64,296)	\$75,414	(\$26,460)	(\$26,460)	(\$26,460)	(\$470,482)
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	\$6,829	\$6,892	\$5,454	\$7,834	\$5,957	\$4,369	\$6,018	\$6,252	\$1,092	\$6,312	\$6,304	\$6,312	\$69,626
Total Storage Fixed Costs	\$925,149	\$933,602	\$738,802	\$1,061,289	\$806,927	\$591,855	\$815,192	\$846,994	\$147,922	\$855,123	\$853,914	\$855,123	\$9,431,890
TSS Peaking Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage Fixed - Collections	\$751,743	\$1,115,042	\$2,203,893	\$1,928,836	\$1,625,989	\$970,686	\$573,295	\$360,715	\$286,431	\$290,919	\$314,628	\$424,099	\$10,846,277
Prelim. Ending Balance	\$1,848,218	\$1,668,587	\$205,364	(\$661,188)	(\$1,480,468)	(\$1,860,436)	(\$1,620,256)	(\$1,135,825)	(\$1,275,751)	(\$712,829)	(\$174,599)	\$255,968	
Month's Average Balance	\$1,761,515	\$1,759,307	\$937,909	(\$227,414)	(\$1,070,937)	(\$1,671,021)	(\$1,741,204)	(\$1,378,965)	(\$1,206,497)	(\$994,930)	(\$444,242)	\$40,456	
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	\$1,868	\$996	(\$218)	(\$1,137)	(\$1,717)	(\$1,849)	(\$1,417)	(\$1,281)	(\$1,056)	(\$456)	\$43	(\$4,414)
Storage Fixed Ending Balance	\$1,850,028	\$1,670,455	\$206,359	(\$661,406)	(\$1,481,605)	(\$1,862,153)	(\$1,622,104)	(\$1,137,242)	(\$1,277,032)	(\$713,885)	(\$175,056)	\$256,010	
<b>III. Variable Supply Cost Deferred</b>													
Beginning Balance	\$44,286,232	\$46,972,599	\$56,312,439	\$45,371,861	\$34,931,612	\$24,325,204	\$22,125,549	\$17,535,102	\$14,983,728	\$12,125,403	\$11,369,138	\$10,761,502	
Variable Supply Costs	\$18,065,386	\$31,739,269	\$33,753,812	\$28,292,074	\$21,711,082	\$17,039,931	\$6,791,156	\$4,668,653	\$2,978,384	\$5,196,861	\$5,843,800	\$11,250,462	\$187,330,871
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)	(\$130,763)	(\$88,698)	(\$92,134)	(\$74,192)	(\$39,785)	(\$31,783)	(\$2,757)	(\$52,733)	(\$1,343,898)
Working Capital	\$134,066	\$234,884	\$247,530	\$207,716	\$160,307	\$125,939	\$49,691	\$34,065	\$21,793	\$38,358	\$43,436	\$83,206	\$1,380,991
Total Supply Variable Costs	\$18,161,271	\$31,818,695	\$33,531,807	\$28,138,351	\$21,716,079	\$17,060,343	\$6,731,362	\$4,614,594	\$2,952,250	\$5,196,251	\$5,884,119	\$11,271,562	\$187,076,686
Supply Variable - Collections	\$15,520,233	\$22,531,906	\$44,516,981	\$38,605,179	\$32,336,891	\$19,284,258	\$11,349,178	\$7,191,128	\$5,836,080	\$5,964,982	\$6,503,117	\$8,639,485	\$218,279,417
Deferred Responsibility	\$1,527	\$1,746	\$9,352	\$11,904	\$17,035	(\$410)	(\$6,327)	(\$8,464)	(\$11,123)	\$0	\$0	\$0	\$0
Prelim. Ending Balance	\$46,925,744	\$56,257,643	\$45,317,914	\$34,893,129	\$24,293,766	\$22,101,699	\$17,514,061	\$14,967,032	\$12,111,021	\$11,356,673	\$10,750,140	\$13,393,580	
Month's Average Balance	\$45,605,988	\$51,615,121	\$50,815,177	\$40,132,495	\$29,612,689	\$23,213,451	\$19,819,805	\$16,251,067	\$13,547,374	\$11,741,038	\$11,059,639	\$12,077,541	
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	\$54,797	\$53,948	\$38,483	\$31,438	\$23,849	\$21,042	\$16,696	\$14,382	\$12,465	\$11,363	\$12,822	\$338,141
Gas Procurement Incentive/(penalty)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Supply Variable Ending Balance	\$46,972,599	\$56,312,439	\$45,371,861	\$34,931,612	\$24,325,204	\$22,125,549	\$17,535,102	\$14,983,728	\$12,125,403	\$11,369,138	\$10,761,502	\$13,406,402	

National Grid  
Rhode Island Service Area  
Deferred Gas Cost Balance

	Nov-09 30 actual	Dec-09 31 actual	Jan-10 31 actual	Feb-10 28 actual	Mar-10 31 actual	Apr-10 30 actual	May-10 31 actual	Jun-10 30 actual	Jul-10 31 actual	Aug-10 31 fcst	Sep-10 30 fcst	Oct-10 31 fcst	Nov - Oct 365
<b><u>Iva. Storage Variable Product Cost Deferred</u></b>													
Beginning Balance	(\$30,418,752)	(\$29,547,847)	(\$25,329,368)	(\$13,137,611)	(\$4,815,097)	(\$2,018,864)	(\$2,171,969)	(\$1,778,549)	(\$1,502,844)	(\$1,195,826)	(\$913,835)	(\$651,372)	
Storage Variable Prod. Costs - LNG	\$31,545	\$743,101	\$820,931	\$1,161,436	(\$86,720)	\$205,101	\$157,300	\$152,156	\$125,679	\$112,034	\$107,700	\$111,215	\$3,641,478
Storage Variable Prod. Costs - UG	\$933,168	\$4,102,105	\$12,782,776	\$8,449,142	\$3,807,808	\$70,513	\$374,116	\$86,591	\$170,997	\$0	\$0	\$0	\$30,777,216
Supply Related LNG to DAC	(\$5,299)	(\$124,841)	(\$137,916)	(\$195,121)	\$14,569	(\$34,457)	(\$26,426)	(\$25,562)	(\$101,011)	(\$18,822)	(\$18,094)	(\$18,684)	(\$691,665)
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	\$44,219	\$41,050	\$34,733	\$42,932	\$42,951	\$43,624	\$44,153	\$44,244	\$39,286	\$39,116	\$38,942	\$503,321
Inventory Financing - UG	\$385,002	\$331,274	\$222,978	\$143,100	\$92,455	\$148,334	\$178,811	\$216,366	\$226,970	\$306,594	\$307,945	\$307,945	\$2,867,775
Working Capital	\$7,402	\$35,371	\$100,410	\$70,288	\$28,048	\$2,060	\$4,022	\$1,852	\$1,722	\$960	\$933	\$955	\$254,022
Total Storage Variable Product Costs	\$1,395,758	\$4,971,320	\$13,644,500	\$9,576,405	\$3,843,690	\$468,763	\$760,743	\$508,844	\$496,285	\$475,896	\$473,444	\$476,216	\$37,091,863
Storage Variable Product Collections	\$494,064	\$723,726	\$1,432,335	\$1,245,287	\$1,043,832	\$619,716	\$365,227	\$231,454	\$187,835	\$192,785	\$210,178	\$279,224	\$7,025,663
Prelim. Ending Balance	(\$29,517,058)	(\$25,300,253)	(\$13,117,203)	(\$4,806,493)	(\$2,015,239)	(\$2,169,817)	(\$1,776,453)	(\$1,501,159)	(\$1,194,394)	(\$912,716)	(\$650,569)	(\$454,380)	
Month's Average Balance	(\$29,967,905)	(\$27,424,050)	(\$19,223,285)	(\$8,972,052)	(\$3,415,168)	(\$2,094,341)	(\$1,974,211)	(\$1,639,854)	(\$1,348,619)	(\$1,054,271)	(\$782,202)	(\$552,876)	
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)	(\$29,115)	(\$20,408)	(\$8,603)	(\$3,626)	(\$2,152)	(\$2,096)	(\$1,685)	(\$1,432)	(\$1,119)	(\$804)	(\$587)	(\$102,415)
Storage Variable Product Ending Bal.	(\$29,547,847)	(\$25,329,368)	(\$13,137,611)	(\$4,815,097)	(\$2,018,864)	(\$2,171,969)	(\$1,778,549)	(\$1,502,844)	(\$1,195,826)	(\$913,835)	(\$651,372)	(\$454,967)	
<b><u>Ivb. Stor Var Non-Prod Cost Deferred</u></b>													
Beginning Balance	(\$4,875,985)	(\$4,687,669)	(\$4,242,572)	(\$3,578,583)	(\$3,081,318)	(\$2,677,290)	(\$2,445,835)	(\$2,277,627)	(\$2,159,310)	(\$2,078,279)	(\$1,988,658)	(\$1,930,757)	
Storage Variable Non-prod. Costs	\$39,974	\$195,754	\$221,572	\$123,017	\$91,247	\$1,583	\$6,548	\$2,557	\$8,161	\$0	\$0	\$0	\$690,413
Variable Delivery Storage Costs	\$9,610	\$47,211	\$53,219	\$29,511	\$21,958	\$405	\$1,725	\$687	\$2,201	\$0	\$0	\$0	\$166,527
Variable Injection Storage Costs	\$2,094	\$1,472	\$523	\$1,291	\$1,270	\$12,972	\$11,998	\$10,301	\$3,844	\$7,185	\$361	\$9,372	\$62,684
Fuel Costs Allocated to Storage	\$7,844	\$6,675	\$3,041	\$6,619	\$5,743	\$47,348	\$48,294	\$41,793	\$17,253	\$31,783	\$2,757	\$52,733	\$271,883
Working Capital	\$443	\$1,867	\$2,070	\$1,193	\$894	\$463	\$510	\$412	\$234	\$290	\$23	\$462	\$8,861
Total Storage Var Non-product Costs	\$59,965	\$252,979	\$280,425	\$161,631	\$121,112	\$62,771	\$69,075	\$55,749	\$31,693	\$39,258	\$3,141	\$62,568	\$1,200,367
Storage Var Non-Product Collections	(\$133,262)	(\$196,856)	(\$387,713)	(\$338,825)	(\$285,971)	(\$171,314)	(\$101,639)	(\$64,846)	(\$51,587)	(\$52,521)	(\$56,772)	(\$75,829)	(\$1,917,135)
Prelim. Ending Balance	(\$4,682,759)	(\$4,237,834)	(\$3,574,434)	(\$3,078,127)	(\$2,674,235)	(\$2,443,205)	(\$2,275,121)	(\$2,157,032)	(\$2,076,031)	(\$1,986,500)	(\$1,928,745)	(\$1,792,361)	
Month's Average Balance	(\$4,779,372)	(\$4,462,751)	(\$3,908,503)	(\$3,328,355)	(\$2,877,777)	(\$2,560,248)	(\$2,360,478)	(\$2,217,330)	(\$2,117,671)	(\$2,032,389)	(\$1,958,701)	(\$1,861,559)	
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)	(\$4,738)	(\$4,149)	(\$3,192)	(\$3,055)	(\$2,630)	(\$2,506)	(\$2,278)	(\$2,248)	(\$2,158)	(\$2,012)	(\$1,976)	(\$35,853)
Storage Var Non-Product Ending Bal.	(\$4,687,669)	(\$4,242,572)	(\$3,578,583)	(\$3,081,318)	(\$2,677,290)	(\$2,445,835)	(\$2,277,627)	(\$2,159,310)	(\$2,078,279)	(\$1,988,658)	(\$1,930,757)	(\$1,794,337)	
<b><u>GCR Deferred Summary</u></b>													
Beginning Balance	\$9,863,623	\$15,244,987	\$25,727,275	\$23,165,448	\$18,213,744	\$8,651,672	\$4,272,834	\$813,383	(\$81,189)	(\$906,903)	\$890,603	\$2,702,306	
Gas Costs	\$22,274,646	\$39,697,402	\$50,078,061	\$40,781,235	\$28,827,072	\$19,149,327	\$10,136,644	\$7,766,374	\$6,231,899	\$8,998,582	\$9,641,835	\$15,052,509	\$258,635,587
Working Capital	\$162,432	\$292,431	\$370,459	\$301,961	\$213,376	\$140,988	\$73,730	\$55,820	\$44,329	\$64,349	\$69,124	\$109,363	\$1,898,363
Total Costs	\$22,437,078	\$39,989,833	\$50,448,521	\$41,083,197	\$29,040,448	\$19,290,315	\$10,210,374	\$7,822,194	\$6,276,228	\$9,062,931	\$9,710,959	\$15,161,873	\$260,533,950
Collections	\$18,381,356	\$26,746,389	\$52,881,457	\$45,899,761	\$38,461,645	\$22,906,017	\$13,471,913	\$8,516,545	\$6,900,795	\$7,064,790	\$7,700,494	\$10,245,443	\$259,176,605
Prelim. Ending Balance	\$13,919,345	\$28,488,431	\$23,294,339	\$18,348,883	\$8,792,547	\$5,035,971	\$1,011,296	\$119,031	(\$705,756)	\$1,091,238	\$2,901,068	\$7,618,735	
Month's Average Balance	\$11,891,484	\$21,866,709	\$24,510,807	\$20,757,165	\$13,503,145	\$6,843,822	\$2,642,065	\$466,207	(\$393,473)	\$92,168	\$1,895,835	\$5,160,521	
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	\$20,279	\$25,654	\$19,407	\$13,671	\$6,341	\$2,087	(\$221)	(\$1,146)	(\$635)	\$1,238	\$4,746	\$103,617
Gas Purchase Plan Incentives/(Penalties)	\$1,313,445	(\$1,313,445)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
NGPMP Credit	\$1,467,990	\$154,545	\$154,545	\$154,545	\$154,545	\$769,477	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$3,901,104
<b>Ending Bal. W/ Interest</b>	<b>\$15,244,987</b>	<b>\$25,727,275</b>	<b>\$23,165,448</b>	<b>\$18,213,744</b>	<b>\$8,651,672</b>	<b>\$4,272,834</b>	<b>\$813,383</b>	<b>(\$81,189)</b>	<b>(\$906,903)</b>	<b>\$890,603</b>	<b>\$2,702,306</b>	<b>\$7,423,481</b>	
Under/(Over)-collection	\$4,055,722	\$13,243,444	(\$2,432,936)	(\$4,816,565)	(\$9,421,197)	(\$3,615,702)	(\$3,261,538)	(\$694,351)	(\$624,567)	\$1,998,141	\$2,010,465	\$4,916,429	



	Nov-09 actual	Dec-09 actual	Jan-10 actual	Feb-10 actual	Mar-10 actual	Apr-10 actual	May-10 actual	Jun-10 actual	Jul-10 actual	Aug-10 fcst	Sep-10 fcst	Oct-10 fcst	Total Nov-Oct
<b><u>I. Supply Fixed Cost Collections --</u></b>													
(a) Low Load dth	1,599,798	2,394,199	4,798,717	4,196,088	3,502,394	2,066,076	1,195,701	716,684	578,696	587,734	641,995	882,580	23,160,662
Supply Fixed Cost Factor	\$1.0416	\$1.0352	\$1.0347	\$1.0347	\$1.0353	\$1.0299	\$1.0321	\$1.0357	\$1.0332	\$1.0345	\$1.0345	\$1.0345	\$1.0345
Low Load collections	\$1,666,284	\$2,478,486	\$4,965,365	\$4,341,584	\$3,626,189	\$2,127,856	\$1,234,044	\$742,293	\$597,888	\$608,011	\$664,144	\$913,029	\$23,965,172
(b) High Load dth	110,848	129,380	197,908	148,327	136,864	105,406	81,283	89,247	77,061	84,930	91,354	91,685	1,344,291
Supply Fixed Cost Factor	\$0.7286	\$0.7137	\$0.7137	\$0.7133	\$0.7137	\$0.7137	\$0.7152	\$0.7201	\$0.7172	\$0.7137	\$0.7137	\$0.7137	\$0.7137
High Load collections	\$80,767	\$92,339	\$141,244	\$105,796	\$97,680	\$75,225	\$58,135	\$64,265	\$55,271	\$60,614	\$65,199	\$65,435	\$961,971
sub-total Dth	1,710,647	2,523,579	4,996,625	4,344,415	3,639,258	2,171,482	1,276,984	805,931	655,757	672,664	733,349	974,264	24,504,954
<b>TOTAL Supply Fixed Collections</b>	<b>\$1,747,051</b>	<b>\$2,570,825</b>	<b>\$5,106,609</b>	<b>\$4,447,380</b>	<b>\$3,723,869</b>	<b>\$2,203,081</b>	<b>\$1,292,179</b>	<b>\$806,558</b>	<b>\$653,159</b>	<b>\$668,625</b>	<b>\$729,343</b>	<b>\$978,464</b>	<b>\$24,927,143</b>
<b><u>II. Storage Fixed Cost Collections --</u></b>													
(a) Low Load dth	1,599,798	2,394,199	4,798,717	4,196,088	3,502,394	2,066,076	1,195,701	716,684	578,696	587,734	641,995	882,580	23,160,662
Storage Fixed Cost Factor	\$0.4215	\$0.4189	\$0.4187	\$0.4187	\$0.4189	\$0.4167	\$0.4176	\$0.4191	\$0.4181	\$0.4186	\$0.4186	\$0.4186	\$0.4186
Low Load collections	\$674,245	\$1,002,893	\$2,009,186	\$1,756,779	\$1,467,300	\$861,015	\$499,342	\$300,361	\$241,930	\$246,026	\$268,739	\$369,448	\$9,697,263
(b) High Load dth	110,848	129,380	197,908	148,327	136,864	105,406	81,283	89,247	77,061	84,930	91,354	91,685	1,344,291
Storage Fixed Cost Factor	\$0.2946	\$0.2886	\$0.2886	\$0.2884	\$0.2886	\$0.2892	\$0.2912	\$0.2912	\$0.2900	\$0.2886	\$0.2886	\$0.2886	\$0.2886
High Load collections	\$32,660	\$37,339	\$57,114	\$42,782	\$39,498	\$30,419	\$23,509	\$25,986	\$22,351	\$24,511	\$26,365	\$26,460	\$388,994
(c) FT-2 dth	111,676	186,325	342,697	321,980	296,865	197,390	125,640	85,600	55,169	50,766	48,629	70,215	1,892,953
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	\$74,810	\$137,593	\$129,275	\$119,191	\$79,252	\$50,444	\$34,368	\$22,150	\$20,383	\$19,524	\$28,191	\$760,019
sub-total Dth	1,822,323	2,709,904	5,339,321	4,666,395	3,936,123	2,368,872	1,402,624	891,531	710,926	723,430	781,977	1,044,480	\$26,397,907
<b>TOTAL Storage Fixed Collections</b>	<b>\$751,743</b>	<b>\$1,115,042</b>	<b>\$2,203,893</b>	<b>\$1,928,836</b>	<b>\$1,625,989</b>	<b>\$970,686</b>	<b>\$573,295</b>	<b>\$360,715</b>	<b>\$286,431</b>	<b>\$290,919</b>	<b>\$314,628</b>	<b>\$424,099</b>	<b>\$10,846,277</b>
<b><u>III. Variable Supply Cost Collections --</u></b>													
(a) Firm Sales dth	1,710,647	2,523,579	4,996,625	4,344,415	3,639,258	2,171,482	1,276,984	805,931	655,757	672,664	733,349	974,264	24,504,954
Variable Supply Cost Factor	\$8.9363	\$8.8734	\$8.8696	\$8.8690	\$8.8747	\$8.8302	\$8.8494	\$8.8859	\$8.8628	\$8.8677	\$8.8677	\$8.8677	\$8.8677
Variable Supply collections	\$15,286,855	\$22,392,807	\$44,317,917	\$38,530,442	\$32,297,215	\$19,174,597	\$11,300,486	\$7,161,410	\$5,811,819	\$5,964,982	\$6,503,117	\$8,639,485	\$217,381,131
(b) TSS Sales dth	16,977	5,119	12,462	9,844	9,896	9,028	2,026	27	93				
TSS Variable Supply Cost F.	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000	\$0.0000
TSS Surcharge collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(c) NGV Sales dth	1,515	1,374	832	504	186	304	622	177	0	0	0	0	5,515
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	\$12,188	\$7,376	\$4,471	\$1,652	\$2,698	\$5,519	\$1,568	\$0	\$0	\$0	\$0	\$48,902
(d) Default Sales dth	20,878	12,047	18,196	6,670	3,609	10,153	4,098	2,672	2,303				
Variable Supply Cost Factor	\$10.5348	\$10.5348	\$10.5348	\$10.5348	\$10.5348	\$10.5348	\$10.5348	\$10.5348	\$10.5348	\$10.5348	\$10.5348	\$10.5348	\$10.5348
Variable Supply collections	\$219,947	\$126,911	\$191,688	\$70,267	\$38,024	\$106,962	\$43,173	\$28,151	\$24,261				
<b>TOTAL Variable Supply Collections</b>	<b>\$15,520,233</b>	<b>\$22,531,906</b>	<b>\$44,516,981</b>	<b>\$38,605,179</b>	<b>\$32,336,891</b>	<b>\$19,284,258</b>	<b>\$11,349,178</b>	<b>\$7,191,128</b>	<b>\$5,836,080</b>	<b>\$5,964,982</b>	<b>\$6,503,117</b>	<b>\$8,639,485</b>	<b>\$218,279,417</b>

	Nov-09 actual	Dec-09 actual	Jan-10 actual	Feb-10 actual	Mar-10 actual	Apr-10 actual	May-10 actual	Jun-10 actual	Jul-10 actual	Aug-10 fcst	Sep-10 fcst	Oct-10 fcst	Total Nov-Oct
<b><u>IVa. Storage Variable Product Cost Collections --</u></b>													
(a) Firm Sales dth	1,710,647	2,523,579	4,996,625	4,344,415	3,639,258	2,171,482	1,276,984	805,931	655,757	672,664	733,349	974,264	24,504,954
Variable Supply Cost Factor	\$0.2888	\$0.2868	\$0.2867	\$0.2866	\$0.2868	\$0.2854	\$0.2860	\$0.2872	\$0.2864	\$0.2866	\$0.2866	\$0.2866	\$0.2866
<b>TOTAL Stor Var Product collections</b>	<b>\$494,064</b>	<b>\$723,726</b>	<b>\$1,432,335</b>	<b>\$1,245,287</b>	<b>\$1,043,832</b>	<b>\$619,716</b>	<b>\$365,227</b>	<b>\$231,454</b>	<b>\$187,835</b>	<b>\$192,785</b>	<b>\$210,178</b>	<b>\$279,224</b>	<b>\$7,025,663</b>
<b><u>IVb. Storage Variable Non-product Cost Collections --</u></b>													
(a) Firm Sales dth	1,710,647	2,523,579	4,996,625	4,344,415	3,639,258	2,171,482	1,276,984	805,931	655,757	672,664	733,349	974,264	24,504,954
Variable Supply Cost Factor	(\$0.0732)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0727)	(\$0.0723)	(\$0.0725)	(\$0.0727)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)	(\$0.0726)
Stor Var Non-Product collec	(\$125,154)	(\$183,329)	(\$362,833)	(\$315,449)	(\$264,419)	(\$156,983)	(\$92,518)	(\$58,631)	(\$47,582)	(\$48,835)	(\$53,241)	(\$70,732)	(\$1,779,706)
(b) FT-2 dth	111,676	186,325	342,697	321,980	296,865	197,390	125,640	85,600	55,169	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)	(\$13,527)	(\$24,880)	(\$23,376)	(\$21,552)	(\$14,331)	(\$9,121)	(\$6,215)	(\$4,005)	(\$3,686)	(\$3,530)	(\$5,098)	(\$137,429)
Total Firm Sales/FT-2 dth	1,822,323	2,709,904	5,339,321	4,666,395	3,936,123	2,368,872	1,402,624	891,531	710,926	723,430	781,977	1,044,480	
<b>TOTAL Stor Var Non-Product collec</b>	<b>(\$133,262)</b>	<b>(\$196,856)</b>	<b>(\$387,713)</b>	<b>(\$338,825)</b>	<b>(\$285,971)</b>	<b>(\$171,314)</b>	<b>(\$101,639)</b>	<b>(\$64,846)</b>	<b>(\$51,587)</b>	<b>(\$52,521)</b>	<b>(\$56,772)</b>	<b>(\$75,829)</b>	<b>(\$1,917,135)</b>
<b>Total Gas Cost Collections</b>	<b>\$18,379,829</b>	<b>\$26,744,643</b>	<b>\$52,872,105</b>	<b>\$45,887,857</b>	<b>\$38,444,610</b>	<b>\$22,906,427</b>	<b>\$13,478,240</b>	<b>\$8,525,009</b>	<b>\$6,911,918</b>	<b>\$7,064,790</b>	<b>\$7,700,494</b>	<b>\$10,245,443</b>	<b>\$259,161,365</b>

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	<b>Storage Inventory Balance</b>		\$26,229,386	\$22,683,959	\$17,794,092	\$14,536,590	\$10,860,219	\$15,163,967	\$17,119,647	\$19,826,506	\$20,312,339	\$28,379,464	\$28,487,475	\$28,487,475	
2	Hedging		\$13,127,938	\$11,197,325	\$5,369,649	\$771,545	(\$761,361)	\$836,372	\$2,168,208	\$3,512,326	\$4,170,316	\$4,691,957	\$4,729,688	\$4,729,688	
	Hedge Collateral Carrying Average Balance		\$70,499,148	\$45,422,510	\$35,210,069	\$40,364,683	\$53,935,675	\$53,003,803	\$47,840,092	\$40,860,280	\$45,157,142				
	NE Money Pool Rate		0.21%	0.20%	0.20%	0.20%	0.21%	0.22%	0.30%	0.35%	0.31%				
	Hedge Collateral Carrying Costs		\$12,337	\$6,924	\$5,168	\$5,155	\$8,499	\$8,387	\$10,619	\$10,681	10,780.25				
3	Subtotal	(1) + (2)	\$39,357,324	\$33,881,284	\$23,163,742	\$15,308,136	\$10,098,858	\$16,000,339	\$19,287,855	\$23,338,832	\$24,482,654	\$33,071,421	\$33,217,163	\$33,217,163	
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	\$2,855,292	\$1,952,088	\$1,290,069	\$851,065	\$1,348,403	\$1,625,453	\$1,966,843	\$2,063,237	\$2,787,042	\$2,799,324	\$2,799,324	\$25,654,916
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	\$775,291	\$608,165	\$496,830	\$371,180	\$546,858	\$659,219	\$797,673	\$836,766	\$1,130,312	\$1,135,294	\$1,135,294	\$9,389,347
8	Taxable Income	(5) - (7)	\$2,420,310	\$2,080,001	\$1,343,923	\$793,239	\$479,886	\$801,545	\$966,235	\$1,169,170	\$1,226,471	\$1,656,729	\$1,664,030	\$1,664,030	
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	\$3,200,002	\$2,067,573	\$1,220,367	\$738,286	\$1,233,146	\$1,486,515	\$1,798,724	\$1,886,878	\$2,548,814	\$2,560,047	\$2,560,047	\$25,023,953
11	Working Capital Requirement	(7) + (10)	\$4,620,020	\$3,975,292	\$2,675,738	\$1,717,197	\$1,109,465	\$1,780,004	\$2,145,734	\$2,596,397	\$2,723,644	\$3,679,127	\$3,695,340	\$3,695,340	\$34,413,300
12	Monthly Average	(11) / 12	\$385,002	\$331,274	\$222,978	\$143,100	\$92,455	\$148,334	\$178,811	\$216,366	\$226,970	\$306,594	\$307,945	\$307,945	\$2,867,775
13	<b>LNG Inventory Balance</b>		\$6,232,424	\$5,732,970	\$5,322,061	\$4,503,043	\$5,566,058	\$5,568,519	\$5,655,766	\$5,724,336	\$5,736,123	\$5,093,322	\$5,071,276	\$5,048,708	
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	\$483,137	\$448,508	\$379,487	\$469,071	\$469,278	\$476,631	\$482,409	\$483,403	\$429,232	\$427,374	\$425,472	\$5,499,229
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	\$195,941	\$181,897	\$153,905	\$190,236	\$190,320	\$193,302	\$195,646	\$196,049	\$174,079	\$173,326	\$172,554	\$2,230,267
18	Taxable Income	(15) - (17)	\$312,216	\$287,196	\$266,611	\$225,582	\$278,834	\$278,958	\$283,328	\$286,763	\$287,354	\$255,153	\$254,048	\$252,918	
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	\$441,840	\$410,171	\$347,050	\$428,976	\$429,166	\$435,890	\$441,175	\$442,083	\$392,542	\$390,843	\$389,104	\$5,029,172
21	Working Capital Requirement	(17) + (20)	\$693,344	\$637,781	\$592,068	\$500,954	\$619,212	\$619,486	\$629,192	\$636,820	\$638,132	\$566,621	\$564,169	\$561,658	\$7,259,439
22	Monthly Average	(21) / 12	\$57,779	\$53,148	\$49,339	\$41,746	\$51,601	\$51,624	\$52,433	\$53,068	\$53,178	\$47,218	\$47,014	\$46,805	\$604,953
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	\$8,929	\$8,289	\$7,013	\$8,669	\$8,673	\$8,809	\$8,915	\$8,934	\$7,933	\$7,898	\$7,863	\$101,632
25	Supply Related Inventory Costs	(22) - (24)	\$48,072	\$44,219	\$41,050	\$34,733	\$42,932	\$42,951	\$43,624	\$44,153	\$44,244	\$39,286	\$39,116	\$38,942	\$503,321



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
<b>1</b>	<b>Supply Fixed Costs</b>		\$1,841,268	\$1,804,066	\$2,016,419	\$2,007,574	\$2,443,223	\$1,096,842	\$1,813,964	\$1,780,218	\$2,620,430	\$2,477,975	\$2,477,914	\$2,477,975	\$24,857,867
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	\$1,804,066	\$2,016,419	\$2,007,574	\$2,443,223	\$1,096,842	\$1,813,964	\$1,780,218	\$2,620,430	\$2,477,975	\$2,477,914	\$2,477,975	\$24,857,867
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	\$120,601	\$134,796	\$134,205	\$163,328	\$73,323	\$121,262	\$119,006	\$175,174	\$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	\$10,163	\$11,360	\$11,310	\$13,764	\$6,179	\$10,219	\$10,029	\$14,763	\$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	\$4,122	\$4,607	\$4,587	\$5,582	\$2,506	\$4,144	\$4,067	\$5,987	\$5,662	\$5,661	\$5,662	
10	Taxable Income	(7) - (9)	\$6,166	\$6,042	\$6,753	\$6,723	\$8,182	\$3,673	\$6,075	\$5,962	\$8,775	\$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	\$9,295	\$10,389	\$10,343	\$12,588	\$5,651	\$9,346	\$9,172	\$13,501	\$12,767	\$12,766	\$12,767	
<b>13</b>	<b>Supply Fixed Working Capital Requirement</b>	(9) + (12)	\$13,693	\$13,417	\$14,996	\$14,930	\$18,170	\$8,157	\$13,490	\$13,239	\$19,488	\$18,428	\$18,428	\$18,428	\$184,864
14	<b>Storage Fixed Costs</b>		\$943,967	\$952,357	\$721,613	\$1,086,439	\$800,927	\$549,607	\$815,928	\$853,488	\$19,866	\$823,721	\$822,521	\$823,721	\$9,214,156
15	Less: LNG Demand to DAC		\$77,196	\$77,196	\$39,815	\$84,534	\$51,506	\$13,671	\$58,303	\$64,296	(\$75,414)	\$26,460	\$26,460	\$26,460	\$470,482
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	\$926,710	\$733,348	\$1,053,454	\$800,970	\$587,486	\$809,174	\$840,741	\$146,830	\$848,810	\$847,610	\$848,810	\$9,362,264
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	\$61,950	\$49,024	\$70,423	\$53,544	\$39,273	\$54,093	\$56,203	\$9,815	\$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	\$5,221	\$4,131	\$5,935	\$4,512	\$3,310	\$4,559	\$4,736	\$827	\$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	\$2,117	\$1,676	\$2,407	\$1,830	\$1,342	\$1,849	\$1,921	\$335	\$1,939	\$1,937	\$1,939	
25	Taxable Income	(19) - (23)	\$3,075	\$3,103	\$2,456	\$3,528	\$2,682	\$1,967	\$2,710	\$2,816	\$492	\$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	\$4,774	\$3,778	\$5,427	\$4,127	\$3,027	\$4,169	\$4,332	\$756	\$4,373	\$4,367	\$4,373	
<b>28</b>	<b>Storage Fixed Working Capital Requirement</b>	(23) + (26)	\$6,829	\$6,892	\$5,454	\$7,834	\$5,957	\$4,369	\$6,018	\$6,252	\$1,092	\$6,312	\$6,304	\$6,312	\$69,626
<b>1</b>	<b>Supply Variable Costs</b>		\$18,065,386	\$31,739,269	\$33,753,812	\$28,292,074	\$21,711,082	\$17,039,931	\$6,791,156	\$4,668,653	\$2,978,384	\$5,196,861	\$5,843,800	\$11,250,462	\$187,330,871
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	\$130,763	\$88,698	\$92,134	\$74,192	\$39,785	\$31,783	\$2,757	\$52,733	\$1,343,898
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	\$155,310	\$105,526	\$109,484	\$88,124	\$47,928	\$38,968	\$3,118	\$62,106	\$1,635,176
3	Allowable Working Capital Costs	(1) - (2)	\$18,027,206	\$31,583,811	\$33,284,277	\$27,930,635	\$21,555,772	\$16,934,405	\$6,681,672	\$4,580,529	\$2,930,456	\$5,157,893	\$5,840,682	\$11,188,356	\$185,695,695
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	\$2,111,356	\$2,225,031	\$1,867,144	\$1,440,989	\$1,132,053	\$446,665	\$306,205	\$195,899	\$344,802	\$390,446	\$747,934	
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	\$177,931	\$187,511	\$157,351	\$121,437	\$95,402	\$37,642	\$25,805	\$16,509	\$29,058	\$32,904	\$63,031	
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	\$72,162	\$76,047	\$63,815	\$49,250	\$38,691	\$15,266	\$10,465	\$6,695	\$11,785	\$13,345	\$25,563	
10	Taxable Income	(7) - (9)	\$60,370	\$105,769	\$111,464	\$93,536	\$72,187	\$56,711	\$22,376	\$15,340	\$9,814	\$17,273	\$19,560	\$37,468	
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	\$162,722	\$171,483	\$143,901	\$111,057	\$87,247	\$34,424	\$23,599	\$15,098	\$26,574	\$30,092	\$57,643	
<b>13</b>	<b>Supply Variable Working Capital Requirement</b>	(9) + (12)	\$134,066	\$234,884	\$247,530	\$207,716	\$160,307	\$125,939	\$49,691	\$34,065	\$21,793	\$38,358	\$43,436	\$83,206	\$1,380,991

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	<b>Storage Variable Product Costs</b>		\$964,712	\$4,845,206	\$13,603,707	\$9,610,578	\$3,721,088	\$275,615	\$531,416	\$238,748	\$296,676	\$112,034	\$107,700	\$111,215	\$34,418,694
15	Less: Balancing Related LNG Commodity (to DAC)		(\$5,299)	(\$124,841)	(\$137,916)	(\$195,121)	\$14,569	(\$34,457)	(\$26,426)	(\$25,562)	(\$101,011)	(\$18,822)	(\$18,094)	(\$18,684)	(\$691,665)
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	\$4,756,209	\$13,501,634	\$9,451,301	\$3,771,501	\$277,002	\$540,833	\$249,030	\$231,510	\$129,056	\$125,450	\$128,375	\$34,157,158
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	\$317,949	\$902,575	\$631,813	\$252,122	\$18,517	\$36,154	\$16,647	\$15,476	\$8,627	\$8,386	\$8,582	
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	\$26,795	\$76,063	\$53,245	\$21,247	\$1,561	\$3,047	\$1,403	\$1,304	\$727	\$707	\$723	
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	\$10,867	\$30,848	\$21,594	\$8,617	\$633	\$1,236	\$569	\$529	\$295	\$287	\$293	
24	Taxable Income	(19) - (23)	\$3,333	\$15,928	\$45,215	\$31,651	\$12,630	\$928	\$1,811	\$834	\$775	\$432	\$420	\$430	
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	\$24,504	\$69,561	\$48,694	\$19,431	\$1,427	\$2,786	\$1,283	\$1,193	\$665	\$646	\$661	
27	<b>Storage Var. Product Working Capital Requir.</b>	(23) + (26)	<u>\$7,402</u>	<u>\$35,371</u>	<u>\$100,410</u>	<u>\$70,288</u>	<u>\$28,048</u>	<u>\$2,060</u>	<u>\$4,022</u>	<u>\$1,852</u>	<u>\$1,722</u>	<u>\$960</u>	<u>\$933</u>	<u>\$955</u>	<u>\$254,022</u>
1	<b>Storage Variable Non-Product Costs</b>		\$59,522	\$251,112	\$278,355	\$160,438	\$120,218	\$62,308	\$68,565	\$55,337	\$31,459	\$38,968	\$3,118	\$62,106	\$1,191,506
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	\$251,112	\$278,355	\$160,438	\$120,218	\$62,308	\$68,565	\$55,337	\$31,459	\$38,968	\$3,118	\$62,106	\$1,191,506
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	\$16,787	\$18,608	\$10,725	\$8,037	\$4,165	\$4,584	\$3,699	\$2,103	\$2,605	\$208	\$4,152	
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	\$1,415	\$1,568	\$904	\$677	\$351	\$386	\$312	\$177	\$220	\$18	\$350	
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	\$574	\$636	\$367	\$275	\$142	\$157	\$126	\$72	\$89	\$7	\$142	
10	Taxable Income	(7) - (9)	\$199	\$841	\$932	\$537	\$403	\$209	\$230	\$185	\$105	\$130	\$10	\$208	
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	\$1,294	\$1,434	\$827	\$619	\$321	\$353	\$285	\$162	\$201	\$16	\$320	
13	<b>Storage Variable Non-product WC Requir.</b>	(9) + (12)	<u>\$443</u>	<u>\$1,867</u>	<u>\$2,070</u>	<u>\$1,193</u>	<u>\$894</u>	<u>\$463</u>	<u>\$510</u>	<u>\$412</u>	<u>\$234</u>	<u>\$290</u>	<u>\$23</u>	<u>\$462</u>	<u>\$8,861</u>

Line No.	Rate Class (a)	Nov-09 (b) actual	Dec-09 (c) actual	Jan-10 (d) actual	Feb-10 (e) actual	Mar-10 (f) actual	Apr-10 (g) actual	May-10 (h) actual	Jun-10 (i) actual	Jul-10 (j) actual	Aug-10 (k) fcst	Sep-10 (l) fcst	Oct-10 (m) fcst	Nov-Oct (n)
1	<b>SALES (dth)</b>													
2	Residential Non-Heating	53,856	72,115	106,210	85,485	75,061	56,075	43,806	34,773	31,337	37,916	37,067	39,674	673,376
3	Residential Non-Heating Low Income	1,228	1,917	3,920	3,982	3,696	2,198	1,465	866	681	0	0	0	19,953
4	Residential Heating	976,902	1,638,849	3,063,886	2,797,453	2,247,579	1,308,570	766,843	457,783	366,674	374,569	407,299	558,900	14,965,307
5	Residential Heating Low Income	109,132	175,730	337,180	316,550	289,312	165,907	107,144	65,672	47,950	0	0	0	1,614,578
6	Small C&I	124,663	230,236	615,969	359,350	354,709	183,324	102,574	58,577	50,135	67,983	75,604	90,438	2,313,562
7	Medium C&I	311,911	268,199	628,550	572,428	459,034	290,497	189,139	121,103	103,686	129,233	138,056	181,197	3,393,033
8	Large LLF	51,738	76,229	133,444	131,821	131,876	104,359	24,389	10,448	9,062	14,915	19,394	45,677	753,354
9	Large HLF	27,350	29,269	48,741	33,444	31,949	27,524	25,781	12,714	13,576	25,952	30,312	28,264	334,875
10	Extra Large LLF	15,382	2,660	12,861	12,411	15,061	6,666	5,441	3,074	1,096	1,034	1,642	6,368	83,696
11	Extra Large HLF	<u>21,508</u>	<u>23,255</u>	<u>33,402</u>	<u>21,646</u>	<u>21,085</u>	<u>17,333</u>	<u>8,375</u>	<u>40,894</u>	<u>31,466</u>	<u>21,061</u>	<u>23,975</u>	<u>23,746</u>	<u>287,747</u>
	<b>Total Sales</b>	1,693,670	2,518,460	4,984,162	4,334,571	3,629,362	2,162,453	1,274,958	805,904	655,663	672,664	733,349	974,264	24,439,481
12	<b>TSS</b>													
13	Medium	2,525	2,511	6,387	6,033	4,764	6,749	4,461	27	93				
14	Large LLF	7,545	(215)	441	41	59	3	(4,291)	0	0				
15	Large HLF	6,907	2,823	5,634	3,770	5,073	2,276	1,856	0	0				
16	Extra Large LLF	0	0	0	0	0	0	0	0	0				
17	Extra Large HLF	0	0	0	0	0	0	0	0	0				
18	<b>Total TSS</b>	16,977	5,119	12,462	9,844	9,896	9,028	2,026	27	93				
19	<b>FT-2 TRANSPORTATION</b>													
20	FT-2 Medium	55,472	86,571	164,596	154,653	134,338	91,851	60,355	45,505	18,246	22,767	20,908	33,989	889,252
21	FT-2 Large LLF	39,873	69,264	139,157	125,796	120,286	74,016	38,392	18,410	14,518	11,979	13,000	21,033	685,725
22	FT-2 Large HLF	11,014	17,953	21,969	22,532	24,213	18,749	14,450	13,165	15,171	8,243	8,828	8,245	184,532
23	FT-2 Extra Large LLF	1,075	9,076	12,561	9,369	10,636	5,005	2,988	(265)	641	0	3	185	51,273
24	FT-2 Extra Large HLF	<u>4,243</u>	<u>3,461</u>	<u>4,414</u>	<u>9,631</u>	<u>7,392</u>	<u>7,770</u>	<u>9,454</u>	<u>8,785</u>	<u>6,591</u>	<u>7,776</u>	<u>5,890</u>	<u>6,764</u>	<u>82,171</u>
25	<b>Total FT-2 Transportation</b>	111,676	186,325	342,697	321,980	296,865	197,390	125,640	85,600	55,169	50,766	48,629	70,215	1,892,953
26	<b>Sales &amp; FT-2 THROUGHPUT</b>													
27	Residential Non-Heating	53,856	72,115	106,210	85,485	75,061	56,075	43,806	34,773	31,337	37,916	37,067	39,674	673,376
28	Residential Non-Heating Low Income	1,228	1,917	3,920	3,982	3,696	2,198	1,465	866	681	0	0	0	19,953
29	Residential Heating	976,902	1,638,849	3,063,886	2,797,453	2,247,579	1,308,570	766,843	457,783	366,674	374,569	407,299	558,900	14,965,307
30	Residential Heating Low Income	109,132	175,730	337,180	316,550	289,312	165,907	107,144	65,672	47,950	0	0	0	1,614,578
31	Small C&I	124,663	230,236	615,969	359,350	354,709	183,324	102,574	58,577	50,135	67,983	75,604	90,438	2,313,562
32	Medium C&I	369,907	357,281	799,533	733,114	598,136	389,097	253,956	166,635	122,026	152,001	158,964	215,185	4,315,835
33	Large LLF	99,156	145,278	273,042	257,658	252,221	178,378	58,490	28,859	23,581	26,894	32,395	66,710	1,442,661
34	Large HLF	45,271	50,045	76,344	59,745	61,235	48,549	42,087	25,879	28,747	34,196	39,140	36,509	547,747
35	Extra Large LLF	16,457	11,735	25,422	21,780	25,697	11,671	8,429	2,809	1,738	1,034	1,644	6,552	134,969
36	Extra Large HLF	<u>25,751</u>	<u>26,716</u>	<u>37,816</u>	<u>31,277</u>	<u>28,476</u>	<u>25,103</u>	<u>17,829</u>	<u>49,679</u>	<u>38,058</u>	<u>28,837</u>	<u>29,865</u>	<u>30,510</u>	<u>369,919</u>
37	<b>Total Sales &amp; FT-2 Throughput</b>	1,822,323	2,709,904	5,339,321	4,666,395	3,936,123	2,368,872	1,402,624	891,531	710,926	723,430	781,977	1,044,480	26,397,907
38	<b>FT-1 TRANSPORTATION</b>													
39	FT-1 Medium	55,583	92,625	131,042	102,284	73,803	50,005	41,460	30,070	27,430	22,704	29,877	45,660	702,543
40	FT-1 Large LLF	81,308	145,299	217,037	168,901	113,089	66,066	41,815	16,754	14,469	25,702	30,940	41,632	963,012
41	FT-1 Large HLF	41,419	59,542	78,382	64,417	53,517	43,217	44,174	38,318	31,942	47,361	40,668	38,002	580,959
42	FT-1 Extra Large LLF	34,778	71,391	98,247	101,582	59,774	36,255	30,365	14,642	15,045	28,568	27,615	33,974	552,236
43	FT-1 Extra Large HLF	307,500	399,910	570,169	439,547	410,200	361,432	322,490	373,837	342,848	241,558	289,315	297,281	4,356,086
44	Default	<u>20,878</u>	<u>12,047</u>	<u>18,196</u>	<u>6,670</u>	<u>3,609</u>	<u>10,153</u>	<u>4,098</u>	<u>2,672</u>	<u>2,303</u>				80,626
45	<b>Total FT-1 Transportation</b>	541,466	780,815	1,113,072	883,401	713,993	567,127	484,402	476,292	434,037	365,893	418,416	456,548	7,235,462
46	<b>Total THROUGHPUT</b>													
47	Residential Non-Heating	53,856	72,115	106,210	85,485	75,061	56,075	43,806	34,773	31,337	37,916	37,067	39,674	673,376
48	Residential Non-Heating Low Income	1,228	1,917	3,920	3,982	3,696	2,198	1,465	866	681	0	0	0	19,953
49	Residential Heating	976,902	1,638,849	3,063,886	2,797,453	2,247,579	1,308,570	766,843	457,783	366,674	374,569	407,299	558,900	14,965,307
50	Residential Heating Low Income	109,132	175,730	337,180	316,550	289,312	165,907	107,144	65,672	47,950	0	0	0	1,614,578
51	Small C&I	124,663	230,236	615,969	359,350	354,709	183,324	102,574	58,577	50,135	67,983	75,604	90,438	2,313,562
52	Medium C&I	425,491	449,907	930,575	835,398	671,940	439,102	295,416	196,705	149,455	174,705	188,841	260,845	5,018,378
53	Large LLF	180,464	290,578	490,080	426,559	365,310	244,444	100,305	45,612	38,049	52,596	63,335	108,342	2,405,674
53	Large HLF	86,690	109,587	154,726	124,162	114,752	91,765	86,261	64,197	60,689	81,556	79,808	74,511	1,128,705
54	Extra Large LLF	51,235	83,127	123,668	85,471	47,925	38,794	17,451	16,783	29,602	29,260	31,980	40,527	687,205
55	Extra Large HLF	333,251	426,626	607,985	470,824	438,676	386,535	340,319	423,516	380,905	270,396	319,180	327,791	4,726,005
56	Default	<u>20,878</u>	<u>12,047</u>	<u>18,196</u>	<u>6,670</u>	<u>3,609</u>	<u>10,153</u>	<u>4,098</u>	<u>2,672</u>	<u>2,303</u>	0	0	0	80,626
57	<b>Total Throughput</b>	2,363,789	3,490,719	6,452,394	5,549,796	4,650,116	2,935,998	1,887,027	1,367,824	1,144,962	1,089,323	1,200,393	1,501,028	33,633,369