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February 8, 2005

BY OVERNIGHT DELIVERY AND E-FILE

Mary L. Cottrell, Secretary
Department of Telecommunications and Energy
One South Station
Boston, MA 02110

Re: Bay State Gas Company, D.T.E. 04-93

Dear Ms. Cottrell:

Enclosed for filing, on behalf of Bay State Gas Company ("Bay State"), please find an original and one (1) copy of Bay State's Responses to the Department's Record Requests, issued at the evidentiary hearing held on February 3, 2005.

Please do not hesitate to telephone me with any questions whatsoever.

Very truly yours,

Patricia M. French

cc: Jody Stiefel, Esq., Hearing Officer
Andreas Thanos, Assistant Director, Gas Division, DTE
Dr. Alexander Kofitse,, DTE
Carmen Liron-Espana, DTE
Tim Cargill, DTE
Service List

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
RECORD REQUESTS FROM THE D.T.E.
D.T.E. 04-93

Date: February 8, 2005

Witness Responsible: Joseph A. Ferro

RR-DTE-1-1: Please provide a Table identifying the realized annual energy efficiency savings (in therms) from the period 1993 through 2004 and by the customer class (residential, residential low income, multi-family and C&I).

RESPONSE: Attachment RR-DTE-1-1 provides the annual realized therm savings associated with the cumulative energy efficiency measures remaining in operation based on useful life expectancy, by the rate class sub-categories of Residential, Residential Low Income, C&I Multi-family and all other C&I.

BAY STATE GAS COMPANY

Annual Therm Savings re: Energy Efficiency Programs

Calendar Year 1993 - 2004

	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004 *
Residential	62,779	595,194	1,519,892	2,148,669	2,790,283	2,935,339	3,458,052	4,222,744	4,409,421	4,887,599	5,769,300	3,721,429
Residential Low Income	13,243	137,835	362,582	526,709	694,996	726,658	854,140	1,006,179	985,379	1,065,218	1,302,394	857,570
Multi-family	52	71,629	689,148	1,588,201	2,038,641	1,999,155	2,342,672	2,918,912	2,997,493	3,180,363	3,625,772	2,367,559
Commercial and Industrial	7,559	182,259	1,109,877	2,272,141	3,045,206	3,547,973	4,631,182	5,883,634	6,168,757	6,904,762	8,267,482	5,415,412
TOTAL	83,633	986,916	3,681,498	6,535,720	8,569,124	9,209,125	11,286,046	14,031,469	14,561,050	16,037,942	18,964,948	12,361,969

* 2004 Them Savings associated with the eight months of January - August 2004.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
RECORD REQUESTS FROM THE D.T.E.
D.T.E. 04-93

Date: February 8, 2005

Witness Responsible: Joseph A. Ferro

RR-DTE-1-2: Please compute the adjusted ROE for 2003 and for 2004, first including and second excluding the amount of $2,437,286.

RESPONSE: Please see Attachment RR-DTE-1-2-A (2003) and RR-DTE-1-2-B (2003) for the 2003 adjusted ROE calculations reflecting no Exogenous-LBR and the requested $2,437,286 Exogenous-LBR, respectively. Please note that these two ROE calculations have also been provided in Attachment A, page 1 of the October 26, 2004 filing and in response to DTE 1-3, respectively.

Please see Attachment RR-DTE-1-2-A (2004) and RR-DTE-1-2-B (2004) for the 2004 adjusted ROE calculations reflecting no Exogenous-LBR and the requested $2,437,286 Exogenous-LBR, respectively. Please note that these two ROE calculations have also been provided in Supplemental Response DTE 1-2(a) and Supplemental Response DTE 1-3, respectively, under letter dated January 31, 2005.

Bay State Gas Company
Return on Equity
For the Twelve Months Ended December 31, 2003

Reflecting LBR of $2,169,462

Ln. No.	Item (1)	Detail (2)	Total (3)	Elimination of LBR @ DTE 3-36 Booked 12/31/2003 (4)	Requested LBR (5)	Weather Adjustment (6)	Adjusted Totals (7)
1	**Net Utility Income Available for Common Shareholders**						
2	Total Utility Operating Income - Annual Return - Pg. 10, Ln 18		$ 30,560,368	$ (1,454,871)		$ (6,786,000)	$ 22,319,497
3	Plus:						
4	Amortization of Acquisition Premium	$ 11,126,708					
5	Service Quality Penalties	-					
6	Total	$ 11,126,708					
7	Other Taxes	$ (2,000,000)					
8	Income Taxes	$ 4,338,451		$ 570,673	$ -	$ 2,661,809	$ 3,232,482
9	Net Additions to Utility Operating Income (For Col. 3: Col. 2, Lns. 6 & 7 - Ln. 8)		$ 4,788,257				$ 4,788,257
10	Less:						
11	Total Interest Charges - Annual Return - Pg. 10, Ln. 39	$ 10,512,608					
12	Dividends Declared - Preferred Stock	-					$ 4,788,257
13	Total	$ 10,512,608					
14	Utility Ratio (See Ln. 35 below)	91.72%					
15	Utility Interest Charges (Ln. 13 * Ln. 14)	$ 9,642,164					
16	Income taxes on difference (Ln. 13 - Ln. 15) * 39.225%	$ 341,432					
17	Net Utility Interest Charges (Ln. 15 + Ln. 16)		$ 9,983,596	$ -	$ -	$ -	$ 9,983,596
18	**Net Utility Income (Ln. 2 + Ln. 9 - Ln. 17)**		$ 25,365,029	$ (884,198)	$ -	$ (4,124,191)	$ 20,356,640
19	**Total Utility Common Equity**						
20	Total Proprietary Capital - Annual Return - Pg. 9, Ln. 13						
21	Balance Beginning of Year - Column (b)		$ 520,651,695				$ 520,651,695
22	Balance End of Year - Column (c)		$ 529,215,174				$ 529,215,174
23	Average (Ln. 21 + Ln 22)/2		$ 524,933,435				$ 524,933,435
24	Less:						
25	Average Preferred stock - Annual Return - Pg. 9, Ln. 4		-				-
26	Average Unamortized Acquisition Premium net of deferred income taxes		$ 291,311,230				$ 291,311,230
27	Total Average Common Equity (Ln. 23 - Lns. 25 & 26)		$ 233,622,205				$ 233,622,205
28	Utility Ratio (See Ln. 35 below)		91.72%				91.72%
29	**Total Average Utility Common Equity (Ln. 27 * Ln. 28)**		$ 214,278,286				$ 214,278,286
30	**Return on Equity (Ln. 18/Ln. 29)**		11.84%				9.50%

		Total	Less Acquisition Premium	Net	
31	**Utility Ratio:**				
32	Utility Plant - Annual Return - Pg. 8, Ln. 2	$ 1,190,252,064	$ (443,450,716)	$ 746,801,348	
33	Total Other Property & Investment - Annual Return - Pg 8, Ln. 8	$ 115,079,183	$ (47,650,509)	$ 67,428,674	
34	Total	$ 1,305,331,247		$ 814,230,022	
35	**Utility Ratio (Ln. 31/ Ln. 33)**				91.72%

Notes:
In compliance with the Department of Telecommunications & Energy's letter dated April 3, 2003.

Bay State Gas Company
Return on Equity
For the Twelve Months Ended December 31, 2004

Ln. No.	Item (1)	Detail (2)	Per Books (3)	Elimination of LBR @ DTE 4-93 Booked 10/31/2004 (4)	Requested LBR (5)	Weather Adjustment (6)	Adjusted Totals (7)
1	**Net Utility Income Available for Common Shareholders**						
2	Total Utility Operating Income - Annual Return - Pg. 10, Ln 18		$ 27,185,780	$ (2,169,462)		$ (5,149,000)	$ 19,867,318
3	Plus:						
4	Amortization of Acquisition Premium	$ 11,027,252					
5	Service Quality Penalties	-					
6	Total	$ 11,027,252					
7	Other Taxes	$ -					
8	Income Taxes	$ 4,325,439		$ 850,971	$ -	$ 2,019,695	
9	Net Additions to Utility Operating Income (Lns. 6 & 7 - Ln. 8)		$ 6,701,813	$ 850,971	$ -	$ 2,019,695	$ 9,572,479
10	Less:						
11	Total Interest Charges - Annual Return - Pg. 10, Ln. 39	$ 9,533,226					
12	Dividends Declared - Preferred Stock	-					
13	Total	$ 9,533,226					
14	Utility Ratio (See Ln. 35 below)	91.46%					
15	Utility Interest Charges (Ln. 13 * Ln. 14)	$ 8,719,088					
16	Income taxes on difference (Ln. 13 - Ln. 15) * 39.225%	$ 319,346					
17	Net Utility Interest Charges (Ln. 15 + Ln. 16)		$ 9,038,434	$ -	$ -	$ -	$ 9,038,434
18	**Net Utility Income (Ln. 2 + Ln. 9 - Ln. 17)**		$ 24,849,159	$ (1,318,491)	$ -	$ (3,129,305)	$ 20,401,363
19	**Total Utility Common Equity**						
20	Total Proprietary Capital - Annual Return - Pg. 9, Ln. 13						
21	Balance Beginning of Year - Column (b)		$ 529,215,174				$ 529,215,174
22	Balance End of Year - Column (c)		$ 553,812,166				$ 553,812,166
23	Average (Ln. 21 + Ln 22)/2		$ 541,513,670				$ 541,513,670
24	Less:						
25	Average Preferred stock - Annual Return - Pg. 9, Ln. 4		-				-
26	Average Unamortized Acquisition Premium net of deferred income taxes		$ 283,704,766				$ 283,704,766
27	Total Average Common Equity (Ln. 23 - Lns. 25 & 26)		$ 257,808,904				$ 257,808,904
28	Utility Ratio (See Ln. 35 below)		91.46%				91.46%
29	**Total Average Utility Common Equity (Ln. 27 * Ln. 28)**		$ 235,792,024				$ 235,792,024
30	**Return on Equity (Ln. 18/Ln. 29)**		10.54%				8.65%

		Total	Less Acquisition Premium	Net
31	**Utility Ratio:**			
32	Utility Plant - Annual Return - Pg. 8, Ln. 2	$ 1,212,056,778	$ (442,163,257)	$ 769,893,521
33	Total Other Property & Investment - Annual Return - Pg 8, Ln. 8	$ 118,070,574	$ (46,190,274)	$ 71,880,300
34	Total	$ 1,305,331,247		$ 841,773,821
35	**Utility Ratio (Ln. 31/ Ln. 33)**			91.46%

Notes:
In compliance with the Department of Telecommunications & Energy's letter dated April 3, 2003.

Bay State Gas Company
Return on Equity
For the Twelve Months Ended December 31, 2003

Reflecting LBR of $2,169,462

Ln. No.	Item (1)	Detail (2)	Total (3)	Elimination of LBR @ DTE 3-36 Booked 12/31/2003 (4)	Requested LBR (5)	Weather Adjustment (6)	Adjusted Totals (7)
1	**Net Utility Income Available for Common Shareholders**						
2	Total Utility Operating Income - Annual Return - Pg. 10, Ln 18		$ 30,560,368	$ (1,454,871)	$ 2,437,286	$ (6,786,000)	$ 24,756,783
3	Plus:						
4	Amortization of Acquisition Premium	$ 11,126,708					
5	Service Quality Penalties	-					
6	Total	$ 11,126,708					
7	Other Taxes	$ (2,000,000)					
8	Income Taxes	$ 4,338,451		$ 570,673	$ (956,025)	$ 2,661,809	$ 2,276,457
9	Net Additions to Utility Operating Income (For Col. 3: Col. 2, Lns. 6 & 7 - Ln. 8)		$ 4,788,257				$ 4,788,257
10	Less:						
11	Total Interest Charges - Annual Return - Pg. 10, Ln. 39	$ 10,512,608					
12	Dividends Declared - Preferred Stock	-					$ 4,788,257
13	Total	$ 10,512,608					
14	Utility Ratio (See Ln. 35 below)	91.72%					
15	Utility Interest Charges (Ln. 13 * Ln. 14)	$ 9,642,164					
16	Income taxes on difference (Ln. 13 - Ln. 15) * 39.225%	$ 341,432					
17	Net Utility Interest Charges (Ln. 15 + Ln. 16)		$ 9,983,596	$ -	$ -	$ -	$ 9,983,596
18	**Net Utility Income (Ln. 2 + Ln. 9 - Ln. 17)**		$ 25,365,029	$ (884,198)	$ 1,481,261	$ (4,124,191)	$ 21,837,901
19	**Total Utility Common Equity**						
20	Total Proprietary Capital - Annual Return - Pg. 9, Ln. 13						
21	Balance Beginning of Year - Column (b)		$ 520,651,695				$ 520,651,695
22	Balance End of Year - Column (c)		$ 529,215,174				$ 529,215,174
23	Average (Ln. 21 + Ln 22)/2		$ 524,933,435				$ 524,933,435
24	Less:						
25	Average Preferred stock - Annual Return - Pg. 9, Ln. 4		-				-
26	Average Unamortized Acquisition Premium net of deferred income taxes		$ 291,311,230				$ 291,311,230
27	Total Average Common Equity (Ln. 23 - Lns. 25 & 26)		$ 233,622,205				$ 233,622,205
28	Utility Ratio (See Ln. 35 below)		91.72%				91.72%
29	**Total Average Utility Common Equity (Ln. 27 * Ln. 28)**		$ 214,278,286				$ 214,278,286
30	**Return on Equity (Ln. 18/Ln. 29)**		11.84%				10.19%

		Total	Less Acquisition Premium	Net	
31	**Utility Ratio:**				
32	Utility Plant - Annual Return - Pg. 8, Ln. 2	$ 1,190,252,064	$ (443,450,716)	$ 746,801,348	
33	Total Other Property & Investment - Annual Return - Pg 8, Ln. 8	$ 115,079,183	$ (47,650,509)	$ 67,428,674	
34	Total	$ 1,305,331,247		$ 814,230,022	
35	**Utility Ratio (Ln. 31/ Ln. 33)**				91.72%

Notes:
In compliance with the Department of Telecommunications & Energy's letter dated April 3, 2003.

Bay State Gas Company
Return on Equity
For the Twelve Months Ended December 31, 2004

Ln. No.	Item (1)	Detail (2)	Per Books (3)	Elimination of LBR @ DTE 04-57IR Booked 10/31/2004 (4)	Requested LBR (5)	Weather Adjustment (6)	Adjusted Totals (7)
1	**Net Utility Income Available for Common Shareholders**						
2	Total Utility Operating Income - Annual Return - Pg. 10, Ln 18		$ 27,185,780	$ (2,169,462)	$ 2,437,286	$ (5,089,000)	$ 22,364,604
3	Plus:						
4	Amortization of Acquisition Premium	$ 11,027,252					
5	Service Quality Penalties	-					
6	Total	$ 11,027,252					
7	Other Taxes	$ -					
8	Income Taxes	$ 4,325,440		$ 850,971	$ (956,025)	$ 1,996,160	
9	Net Additions to Utility Operating Income (Lns. 6 & 7 - Ln. 8)		$ 6,701,812	$ 850,971	$ (956,025)	$ 1,996,160	$ 8,592,918
10	Less:						
11	Total Interest Charges - Annual Return - Pg. 10, Ln. 39	$ 9,533,226					
12	Dividends Declared - Preferred Stock	-					
13	Total	$ 9,533,226					
14	Utility Ratio (See Ln. 35 below)	91.46%					
15	Utility Interest Charges (Ln. 13 * Ln. 14)	$ 8,719,088					
16	Income taxes on difference (Ln. 13 - Ln. 15) * 39.225%	$ 319,346					
17	Net Utility Interest Charges (Ln. 15 + Ln. 16)		$ 9,038,434	$ -	$ -	$ -	$ 9,038,434
18	**Net Utility Income (Ln. 2 + Ln. 9 - Ln. 17)**		$ 24,849,158	$ (1,318,491)	$ 1,481,261	$ (3,092,840)	$ 21,919,088
19	**Total Utility Common Equity**						
20	Total Proprietary Capital - Annual Return - Pg. 9, Ln. 13						
21	Balance Beginning of Year - Column (b)		$ 529,215,174				$ 529,215,174
22	Balance End of Year - Column (c)		$ 553,812,166				$ 553,812,166
23	Average (Ln. 21 + Ln 22)/2		$ 541,513,670				$ 541,513,670
24	Less:						
25	Average Preferred stock - Annual Return - Pg. 9, Ln. 4		-				-
26	Average Unamortized Acquisition Premium net of deferred income taxes		$ 283,704,766				$ 283,704,766
27	Total Average Common Equity (Ln. 23 - Lns. 25 & 26)		$ 257,808,904				$ 257,808,904
28	Utility Ratio (See Ln. 35 below)		91.46%				91.46%
29	**Total Average Utility Common Equity (Ln. 27 * Ln. 28)**		$ 235,792,024				$ 235,792,024
30	**Return on Equity (Ln. 18/Ln. 29)**		10.54%				9.30%

		Total	Less Acquisition Premium	Net	
31	**Utility Ratio:**				
32	Utility Plant - Annual Return - Pg. 8, Ln. 2	$ 1,212,056,778	$ (442,163,257)	$ 769,893,521	
33	Total Other Property & Investment - Annual Return - Pg 8, Ln. 8	$ 118,080,574	$ (46,190,274)	$ 71,890,300	
34	Total	$ 1,305,331,247		$ 841,783,821	
35	**Utility Ratio (Ln. 31/ Ln. 33)**				91.46%

Notes:
In compliance with the Department of Telecommunications & Energy's letter dated April 3, 2003.

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

RESPONSE OF BAY STATE GAS COMPANY TO THE
RECORD REQUESTS FROM THE D.T.E.
D.T.E. 04-93

Date: February 8, 2005

Witness Responsible: Joseph A. Ferro

RR-DTE-1-3: Please consolidate the recovery of the Company's second Exogenous-LBR costs requested in DTE 04-57 and the $2,437,286 Exogenous-LBR costs requested in this instant proceeding. Please calculate the consolidated Exogenous Cost Factor (ECF) for effect on May 1, 2005, for an annual recovery period of May 1, 2005 through April 30, 2006.

RESPONSE: Please see pages 1 & 2 of Attachment RR-DTE-1-3-A (Residential), RR-DTE-1-3-B (Residential Low Income), and RR-DTE1-3-C (C&I, including Multi-family) for the consolidated ECFs.

Page 1 of each attachment presents the consolidation of the second and third Exogenous-LBR costs and resulting ECFs for the recovery period of May 1, 2005 through April 30, 2006. Page 2 of each attachment provides the cost recovery activity of each rate category for the Company's second Exogenous-LBR, showing the May 1, 2005 balance, which is transferred over to the consolidated ECF calculation for each rate category on page 1.

Bay State Gas Company
Exogenous Factor Filing
Development of Exogenous Factor for LDAC

Recovery Period: May 2005 - Apr 2006 ---- Residential Heating

Exogenous Costs as of August 2004 (Attachment B)	
Resi Htg	**$1,086,273**

Month		Balance from Prior ECF as of May'05	Beginning Balance	Exogen Rate	Exogen Collections	Ending Balance	Average Balance	Prime per Fed'l Resv Inter. Rate	Monthly Interest	Ending Bal. Plus Interest	MMBtu Sales	# Days
Sep-04	Forecast		1,086,273			1,086,273	1,086,273	0.0450	4,007	1,090,280		30
Oct-04	"		1,090,280			1,090,280	1,090,280	0.045	4,156	1,094,435		31
Nov-04	"		1,094,435			1,094,435	1,094,435	0.045	4,037	1,098,472		30
Dec-04	"		1,098,472			1,098,472	1,098,472	0.045	4,187	1,102,659		31
Jan-05	"		1,102,659			1,102,659	1,102,659	0.045	4,203	1,106,862		31
Feb-05	"		1,106,862			1,106,862	1,106,862	0.045	3,811	1,110,672		28
Mar-05	"		1,110,672			1,110,672	1,110,672	0.045	4,233	1,114,906		31
Apr-05	"		1,114,906			1,114,906	1,114,906	0.045	4,112	1,119,018		30
May-05	"	**183,225**	1,485,468	0.0620	58,261	1,427,207	1,456,338	0.045	5,551	1,432,758	939,695	31
Jun-05	"		1,432,758	0.0620	34,898	1,397,860	1,415,309	0.045	5,220	1,403,080	562,873	30
Jul-05	"		1,403,080	0.0620	34,819	1,368,261	1,385,671	0.045	5,296	1,373,557	561,594	31
Aug-05	"		1,373,557	0.0620	30,974	1,342,583	1,358,070	0.045	5,190	1,347,774	499,581	31
Sep-05	"		1,347,774	0.0620	41,360	1,306,414	1,327,094	0.045	4,908	1,311,322	667,100	30
Oct-05	"		1,311,322	0.0620	94,051	1,217,271	1,264,296	0.045	4,832	1,222,103	1,516,953	31
Nov-05	"		1,222,103	0.0620	157,289	1,064,814	1,143,458	0.045	4,229	1,069,043	2,536,917	30
Dec-05	"		1,069,043	0.0620	241,371	827,672	948,358	0.045	3,625	831,297	3,893,080	31
Jan-06	"		831,297	0.0620	281,790	549,507	690,402	0.045	2,639	552,145	4,545,004	31
Feb-06	"		552,145	0.0620	241,371	310,774	431,460	0.045	1,489	312,264	3,893,080	28
Mar-06	"		312,264	0.0620	199,205	113,059	212,661	0.045	813	113,871	3,212,986	31
Apr-06	"		113,871	0.0620	120,113	(6,242)	53,815	0.045	199	(6,043)	1,937,307	30
Total					1,535,503				76,737		24,766,170	

Exogenous Factor Cost (EFC) --- Residential Heating
Effective May 2005 - Apr 2006

Exogenous Costs as of May 1, 2005	**$1,485,468**	
Projected Interest (May 05 - Apr 06)	$43,992	
Exogenous Costs plus Interest	$1,529,460	
May 05 - Apr 06 Firm Thruput (MMBtu)	24,766,170	
EFC Rate eff. May 1, 2005	$0.062	per MMBtu
EFC Rate eff. May 1, 2005	$0.0062	per Therm

Bay State Gas Company
Exogenous Factor Filing
Development of Exogenous Factor for LDAC

Recovery Period: Nov 2004 - Oct 2005 ---- Residential Heating

Exogenous Costs as of August 2003 (Attachment B)	
Resi Htg	**$899,496**

Month			Beginning Balance	Exogen Rate	Exogen Collections	Ending Balance	Average Balance	Prime per Fed'l Resv Inter. Rate	Monthly Interest	Ending Bal. Plus Interest	MMBtu Sales	# Days
Sep-03			899,496			899,496	899,496	0.0425	3,133	902,630		30
Oct-03			902,630			902,630	902,630	0.0425	3,249	905,879		31
Nov-03			905,879			905,879	905,879	0.0425	3,156	909,035		30
Dec-03			909,035			909,035	909,035	0.0425	3,272	912,307		31
Jan-04			912,307			912,307	912,307	0.0425	3,284	915,591		31
Feb-04			915,591			915,591	915,591	0.0425	3,083	918,675		29
Mar-04			918,675			918,675	918,675	0.0425	3,307	921,981		31
Apr-04			921,981			921,981	921,981	0.0425	3,212	925,193		30
May-04			925,193			925,193	925,193	0.0425	3,330	928,524		31
Jun-04			928,524			928,524	928,524	0.0425	3,235	931,758		30
Jul-04			931,758			931,758	931,758	0.0425	3,354	935,112		31
Aug-04			935,112			935,112	935,112	0.0425	3,366	938,479		31
Sep-04			938,479			938,479	938,479	0.0425	3,269	941,748		30
Oct-04			941,748			941,748	941,748	0.0425	3,390	945,138		31
Nov-04	Forecast		945,138	0.0390	88,823	856,315	900,726	0.0425	3,138	859,453	2,277,513	30
Dec-04	"		859,453	0.0390	147,781	711,672	785,562	0.0425	2,828	714,499	3,789,260	31
Jan-05	"		714,499	0.0390	177,648	536,852	625,675	0.0425	2,258	539,110	4,555,072	31
Feb-05	"		539,110	0.0390	148,979	390,131	464,620	0.0425	1,515	391,645	3,819,981	28
Mar-05	"		391,645	0.0390	132,154	259,491	325,568	0.0425	1,175	260,666	3,388,573	31
Apr-05	"		260,666	0.0390	78,215	182,451	221,559	0.0425	774	183,225	2,005,516	30
May-05	"		**183,225**	0.0390	37,097	146,129	164,677	0.0425	594	146,723	951,195	31
Jun-05	"		146,723	0.0390	18,393	128,330	137,526	0.0425	480	128,810	471,621	30
Jul-05	"		128,810	0.0390	19,654	109,156	118,983	0.0425	429	109,586	503,949	31
Aug-05	"		109,586	0.0390	19,863	89,723	99,654	0.0425	360	90,082	509,310	31
Sep-05	"		90,082	0.0390	21,924	68,158	79,120	0.0425	276	68,434	562,161	30
Oct-05	"		68,434	0.0390	59,342	9,093	38,764	0.0425	140	9,233	1,521,577	31
Total					949,873				59,610		24,355,728	

Exogenous Factor Cost (EFC) --- Residential Heating **Effective Nov 2004 - Oct 2005**		
Exogenous Costs as of Nov 1, 2004	**$945,138**	
Projected Interest (Nov 04 - Oct 05)	$13,968	
Exogenous Costs plus Interest	$959,106	
Nov 04 - Oct 05 Firm Thruput (MMBtu)	24,355,728	
EFC Rate eff. Nov 1, 2004	$0.039	per MMBtu
EFC Rate eff. Nov 1, 2004	$0.0039	per Therm

Bay State Gas Company
Exogenous Factor Filing
Development of Exogenous Factor for LDAC

Recovery Period: May 2005 - Apr 2006 ---- Residential Non-Heating

Exogenous Costs as of August 2004 (Attachment B)	
Resi Non-Htg	**$33,247**

Month		Balance from Prior ECF as of May'05	Beginning Balance	Exogen Rate	Exogen Collections	Ending Balance	Average Balance	New_Prime per Fed'l Resv Inter. Rate	Monthly Interest	Ending Bal. Plus Interest	MMBtu Sales	# Days
Sep-04			33,247			33,247	33,247	0.045	123	33,370		30
Oct-04			33,370			33,370	33,370	0.045	123	33,493		30
Nov-04			33,493			33,493	33,493	0.045	128	33,621		31
Dec-04			33,621			33,621	33,621	0.045	124	33,745		30
Jan-05			33,745			33,745	33,745	0.045	129	33,873		31
Feb-05			33,873			33,873	33,873	0.045	129	34,003		31
Mar-05			34,003			34,003	34,003	0.045	125	34,128		30
Apr-05			34,128			34,128	34,128	0.045	126	34,254		30
May-05	Forecast	**31,908**	98,070	0.1590	7,082	90,988	94,529	0.045	360	91,349	44,540	31
Jun-05	"		91,349	0.1590	6,665	84,684	88,017	0.045	325	85,009	41,915	30
Jul-05	"		85,009	0.1590	7,173	77,836	81,423	0.045	311	78,147	45,112	31
Aug-05	"		78,147	0.1590	6,532	71,616	74,882	0.045	286	71,902	41,079	31
Sep-05	"		71,902	0.1590	6,780	65,122	68,512	0.045	253	65,375	42,641	30
Oct-05	"		65,375	0.1590	7,721	57,654	61,515	0.045	235	57,889	48,561	31
Nov-05	"		57,889	0.1590	8,874	49,015	53,452	0.045	198	49,213	55,812	30
Dec-05	"		49,213	0.1590	10,376	38,837	44,025	0.045	168	39,005	65,258	31
Jan-06	"		39,005	0.1590	11,098	27,907	33,456	0.045	128	28,035	69,798	31
Feb-06	"		28,035	0.1590	10,376	17,659	22,847	0.045	79	17,738	65,258	28
Mar-06	"		17,738	0.1590	9,623	8,115	12,927	0.045	49	8,165	60,521	31
Apr-06	"		8,165	0.1590	8,210	(45)	4,060	0.045	15	(30)	51,635	30
Total					100,508				3,414		632,129	

Exogenous Factor Cost (EFC) --- Residential Non-heating **Effective May 2005 - Apr 2006**		
Exogenous Costs as of May 1, 2005	**$98,070**	
Projected Interest (May 05 - Apr 06)	$2,408	
Exogenous Costs plus Interest	$100,478	
May 05 - Apr 06 Firm Thruput (MMBtu)	632,129	
EFC Rate eff. May 1, 2005	$0.159	per MMBtu
EFC Rate eff. May 1, 2005	$0.0159	per Therm

Bay State Gas Company
Exogenous Factor Filing
Development of Exogenous Factor for LDAC

Recovery Period: Nov 2004 - Oct 2005 ---- Residential Non-Heating

Exogenous Costs as of August 2003 (Attachment B)	
Resi Non-Htg	**$66,622**

Month			Beginning Balance	Exogen Rate	Exogen Collections	Ending Balance	Average Balance	Prime per Fed'l Resv Inter. Rate	Monthly Interest	Ending Bal. Plus Interest	MMBtu Sales	# Days
Sep-03			66,622			66,622	66,622	0.0425	232	66,854		30
Oct-03			66,854			66,854	66,854	0.0425	241	67,095		31
Nov-03			67,095			67,095	67,095	0.0425	234	67,328		30
Dec-03			67,328			67,328	67,328	0.0425	242	67,571		31
Jan-04			67,571			67,571	67,571	0.0425	243	67,814		31
Feb-04			67,814			67,814	67,814	0.0425	228	68,042		29
Mar-04			68,042			68,042	68,042	0.0425	245	68,287		31
Apr-04			68,287			68,287	68,287	0.0425	238	68,525		30
May-04			68,525			68,525	68,525	0.0425	247	68,772		31
Jun-04			68,772			68,772	68,772	0.0425	240	69,011		30
Jul-04			69,011			69,011	69,011	0.0425	248	69,260		31
Aug-04			69,260			69,260	69,260	0.0425	249	69,509		31
Sep-04			69,509			69,509	69,509	0.0425	242	69,751		30
Oct-04			69,751			69,751	69,751	0.0425	251	70,002		31
Nov-04	Forecast		70,002	0.1140	5,160	64,843	67,423	0.0425	235	65,077	45,262	30
Dec-04	"		65,077	0.1140	6,664	58,413	61,745	0.0425	222	58,636	58,458	31
Jan-05	"		58,636	0.1140	7,404	51,231	54,933	0.0425	198	51,430	64,948	31
Feb-05	"		51,430	0.1140	6,448	44,981	48,206	0.0425	157	45,139	56,564	28
Mar-05	"		45,139	0.1140	6,899	38,239	41,689	0.0425	150	38,390	60,519	31
Apr-05	"		38,390	0.1140	6,604	31,786	35,088	0.0425	123	31,908	57,932	30
May-05	"		**31,908**	0.1140	5,973	25,935	28,922	0.0425	104	26,040	52,394	31
Jun-05	"		26,040	0.1140	5,297	20,743	23,391	0.0425	82	20,824	46,465	30
Jul-05	"		20,824	0.1140	6,176	14,649	17,737	0.0425	64	14,713	54,173	31
Aug-05	"		14,713	0.1140	4,887	9,826	12,269	0.0425	44	9,870	42,869	31
Sep-05	"		9,870	0.1140	4,100	5,769	7,820	0.0425	27	5,797	35,969	30
Oct-05	"		5,797	0.1140	5,795	2	2,899	0.0425	10	12	50,834	31
Total					71,408				4,798		626,387	

Exogenous Factor Cost (EFC) --- Residential Non-heating **Effective Nov 2004 - Oct 2005**		
Exogenous Costs as of Nov 1, 2004	**$70,002**	
Projected Interest (Nov 04 - Oct 05)	$1,418	
Exogenous Costs plus Interest	$71,420	
Nov 04 - Oct 05 Firm Thruput (MMBtu)	626,387	
EFC Rate eff. Nov 1, 2004	$0.114	per MMBtu
EFC Rate eff. Nov 1, 2004	$0.0114	per Therm

Bay State Gas Company
Exogenous Factor Filing
Development of Exogenous Factor for LDAC

Recovery Period: May 2005 - Apr 2006 ---- Commercial & Industrial (includes Multi-family)

Exogenous Costs as of August 2004 (Attachment B)		
C&I	$	916,873
Multi-Family		400,893
Total	$	1,317,766

Month		Balance from Prior ECF as of May'05	Beginning Balance	Exogen Rate	Exogen Collections	Ending Balance	Average Balance	New_Prime per Fed'l Resv Inter. Rate	Monthly Interest	Ending Bal. Plus Interest	MMBtu Sales	# Days
Sep-04			1,317,766			1,317,766	1,317,766	0.045	4,861	1,322,626		30
Oct-04			1,322,626			1,322,626	1,322,626	0.045	4,879	1,327,505		30
Nov-04			1,327,505			1,327,505	1,327,505	0.045	5,060	1,332,565		31
Dec-04			1,332,565			1,332,565	1,332,565	0.045	4,915	1,337,480		30
Jan-05			1,337,480			1,337,480	1,337,480	0.045	5,098	1,342,577		31
Feb-05			1,342,577			1,342,577	1,342,577	0.045	5,117	1,347,695		31
Mar-05			1,347,695			1,347,695	1,347,695	0.045	4,971	1,352,666		30
Apr-05			1,352,666			1,352,666	1,352,666	0.045	4,989	1,357,655		30
May-05	Forecast	**343,028**	2,043,710	0.0860	104,477	1,939,233	1,991,472	0.045	7,590	1,946,824	1,214,846	31
Jun-05	"		1,946,824	0.0860	79,574	1,867,250	1,907,037	0.045	7,034	1,874,284	925,280	30
Jul-05	"		1,874,284	0.0860	84,512	1,789,772	1,832,028	0.045	7,002	1,796,773	982,701	31
Aug-05	"		1,796,773	0.0860	78,071	1,718,702	1,757,738	0.045	6,718	1,725,420	907,802	31
Sep-05	"		1,725,420	0.0860	87,435	1,637,985	1,681,703	0.045	6,220	1,644,205	1,016,686	30
Oct-05	"		1,644,205	0.0860	137,906	1,506,299	1,575,252	0.045	6,020	1,512,319	1,603,563	31
Nov-05	"		1,512,319	0.0860	203,542	1,308,777	1,410,548	0.045	5,217	1,313,994	2,366,772	30
Dec-05	"		1,313,994	0.0860	286,178	1,027,816	1,170,905	0.045	4,475	1,032,291	3,327,649	31
Jan-06	"		1,032,291	0.0860	327,574	704,718	868,505	0.045	3,319	708,037	3,808,995	31
Feb-06	"		708,037	0.0860	287,501	420,536	564,287	0.045	1,948	422,484	3,343,038	28
Mar-06	"		422,484	0.0860	245,267	177,217	299,851	0.045	1,146	178,363	2,851,937	31
Apr-06	"		178,363	0.0860	166,827	11,537	94,950	0.045	351	11,888	1,939,847	30
Total					2,088,864				96,931		24,289,116	

Exogenous Factor Cost (EFC) --- C&I and Multi-family
Effective May 2005 - Apr 2006

Exogenous Costs as of May 1, 2005	**$2,043,710**	
Projected Interest (May 05 - Apr 06)	$57,042	
Exogenous Costs plus Interest	$2,100,752	
May 05 - Apr 06 Firm Thruput (MMBtu)	24,289,116	
EFC Rate eff. May 1, 2005	$0.086	per MMBtu
EFC Rate eff. May 1, 2005	$0.0086	per Therm

Bay State Gas Company
Exogenous Factor Filing
Development of Exogenous Factor for LDAC

Recovery Period: Nov 2004 - Oct 2005 ---- Commercial & Industrial (includes Multi-family)

Exogenous Costs as of August 2003 (Attachment B)

C&I	$786,640
Multi-Family	$416,703
Total	**$1,203,344**

Month			Beginning Balance	Exogen Rate	Exogen Collections	Ending Balance	Average Balance	Prime per Fed'l Resv Inter. Rate	Monthly Interest	Ending Bal. Plus Interest	MMBtu Sales	# Days
Sep-03			1,203,344			1,203,344	1,203,344	0.0425	4,192	1,207,536		30
Oct-03			1,207,536			1,207,536	1,207,536	0.0425	4,347	1,211,883		31
Nov-03			1,211,883			1,211,883	1,211,883	0.0425	4,222	1,216,104		30
Dec-03			1,216,104			1,216,104	1,216,104	0.0425	4,378	1,220,482		31
Jan-04			1,220,482			1,220,482	1,220,482	0.0425	4,393	1,224,875		31
Feb-04			1,224,875			1,224,875	1,224,875	0.0425	4,125	1,229,000		29
Mar-04			1,229,000			1,229,000	1,229,000	0.0425	4,424	1,233,424		31
Apr-04			1,233,424			1,233,424	1,233,424	0.0425	4,297	1,237,721		30
May-04			1,237,721			1,237,721	1,237,721	0.0425	4,455	1,242,176		31
Jun-04			1,242,176			1,242,176	1,242,176	0.0425	4,327	1,246,504		30
Jul-04			1,246,504			1,246,504	1,246,504	0.0425	4,487	1,250,991		31
Aug-04			1,250,991			1,250,991	1,250,991	0.0425	4,503	1,255,494		31
Sep-04			1,255,494			1,255,494	1,255,494	0.0425	4,374	1,259,868		30
Oct-04			1,259,868			1,259,868	1,259,868	0.0425	4,535	1,264,403		31
Nov-04	Forecast		1,264,403	0.0510	110,962	1,153,441	1,208,922	0.0425	4,211	1,157,653	2,175,719	30
Dec-04	"		1,157,653	0.0510	166,377	991,276	1,074,464	0.0425	3,868	995,144	3,262,286	31
Jan-05	"		995,144	0.0510	208,911	786,233	890,688	0.0425	3,215	789,448	4,096,292	31
Feb-05	"		789,448	0.0510	181,716	607,731	698,590	0.0425	2,278	610,009	3,563,067	28
Mar-05	"		610,009	0.0510	158,149	451,860	530,935	0.0425	1,916	453,777	3,100,954	31
Apr-05	"		453,777	0.0510	112,139	341,638	397,708	0.0425	1,389	343,028	2,198,795	30
May-05	"		**343,028**	0.0510	70,061	272,967	307,997	0.0425	1,112	274,079	1,373,740	31
Jun-05	"		274,079	0.0510	45,554	228,525	251,302	0.0425	878	229,403	893,206	30
Jul-05	"		229,403	0.0510	47,636	181,767	205,585	0.0425	742	182,509	934,036	31
Aug-05	"		182,509	0.0510	46,165	136,345	159,427	0.0425	575	136,920	905,187	31
Sep-05	"		136,920	0.0510	46,878	90,042	113,481	0.0425	396	90,438	919,185	30
Oct-05	"		90,438	0.0510	80,614	9,824	50,131	0.0425	181	10,005	1,580,664	31
Total					1,275,160				81,821		25,003,133	

Exogenous Factor Cost (EFC) --- C&I and Multi-family
Effective Nov 2004 - Oct 2005

Exogenous Costs as of Nov 1, 2004	**$1,264,403**	
Projected Interest (Nov 04 - Oct 05)	$20,762	
Exogenous Costs plus Interest	$1,285,165	
Nov 04 - Oct 05 Firm Thruput (MMBtu)	25,003,133	
EFC Rate eff. Nov 1, 2004	$0.051	per MMBtu
EFC Rate eff. Nov 1, 2004	$0.0051	per Therm