THE COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNCIATIONS AND ENERGY

D.T.E. 05-27

DIRECT TESTIMONY
OF
JAMES L. HARRISON

GAS COST ALLOCATION

IN SUPPORT OF
BAY STATE GAS COMPANY'S
REQUEST FOR AN INCREASE IN BASE REVENUES
AND OTHER RATE MODIFICATIONS

EXH. BSG/JLH-1

APRIL 27, 2005

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I. INTRODUCTION

Q. Please state your name, address and position.

A. My name is James L. Harrison. I am a management consultant and Vice President with the firm of Management Applications Consulting, Inc., 1103 Rocky Drive, Suite 201, Reading, PA 19609.

Q. Please state your qualifications.

A. My qualifications are shown on Schedule JLH-1-1.

II. SCOPE OF TESTIMONY

Q. What is your responsibility in connection with this proceeding?

A. I am responsible for developing the accounting cost of service and marginal cost studies and the proposed revisions for the Cost of Gas Adjustment Clause used by Bay State Gas Company ("Bay State" or the "Company") in rate design in this filing.

Q. Please outline the organization of your testimony and schedules.

A. My testimony is organized into three Exhibits, this being the first exhibit. In this exhibit, I will first discuss the allocation of gas costs using the proposed Simplified Market Based Allocation Method ("SMBA"). I will discus the reasons I recommend for implementing the SMBA not only for gas cost allocation in this

case, but for use in all subsequent Cost of Gas Adjustment ("CGA") filings. I propose changes to the current Cost of Gas Adjustment Clause ("CGAC") and have provided a redlined version of the current tariff to highlight proposed changes.

In addition to this exhibit, Exhibit BSG/JLH-2 will present the results of my Accounting Class Cost of Service Study ("COSS") and Exhibit BSG/JLH-3 will present the results of my Marginal Cost Study. I will describe the two studies and the various reports that were generated in support of the proposed rate design. Since the subject of gas cost allocation is closely related to the cost studies, I include a complete list of all schedules contained in Exhibits BSG/JLH-1, -2 and -3 with each piece of my testimony to serve as a ready reference. I have labeled my Schedules to be consistent with the testimony exhibits. The four schedules referenced in Exhibit BSG/JLH-1 are labeled sequentially beginning with Schedule JLH-1-1. The six schedules addressing the accounting cost of service study and referenced in Exhibit BSG/JLH-2 are labeled Schedule JLH-2-1 though BSG/JLH-2-6. Finally, the marginal cost study information is presented in Schedules JLH-3-1 through JLH-3-14.

III. RATE CLASSES UNDER STUDY

Q. What rate classes did you address in your cost analyses?

A. My analyses address all of the Company's firm sales and transportation classes served under tariffed rates. I did not specifically study the costs to serve interruptible service or the costs to serve those customers billed under previously approved special contracts. The bundled sales rate classes are:

Rate designation	Description
R-1	Residential non-heating regular
R-2	Residential non-heating low income
R-3	Residential heating regular
R-4	Residential heating low income
OL-1	Outdoor lighting
G-40	General service small high winter use
G-41	General service medium high winter use
G-42	General service large high winter use
G-42	General service extra large high winter use
G-50	General service small low winter use
G-51	General service medium low winter use
G-52	General service large low winter use
G-53	General service extra large low winter use

In addition the Company offers transportation services to all classes excluding outdoor lighting, labeling the rates with a "T" pre-fix instead of a "G".

Q. What was the source of the customer data incorporated into your analyses?

A. The development of billing data was performed by Mr. Ferro and includes number of customers, number of bills, weather normalized calendar month sales and, for the extra large customer classes, weather normalized billing demands for each class, segregated between sales and transportation service.

IV. MARKET BASED ALLOCATION OF GAS COSTS

Q. Please explain the basis for assigning gas costs to customer classes in your accounting cost of service study.

A. Gas costs are recovered through the Cost of Gas Adjustment Clause ("CGAC"). The accounting cost study is used primarily in the design of base rates, where gas costs are excluded, so the choice of gas costs, whether historical or projected, has a relatively minor impact on the cost study. The only impact of gas cost allocation in the design of base rates is in the development of indirect gas costs, items that had been included in base rates prior to unbundling. The indirect gas costs identified in the cost study are those costs assigned to the gas supply function, including: (a) manufactured production and storage gas costs, which represent a portion of the revenue requirement associated with supplemental plant , (b) gas dispatching and (c) gas acquisition costs including outside services expenses, (d) uncollectible accounts expense and (e) associated overheads. By including all supply and delivery costs in the cost of service study, the study can identify the proper segregation of indirect gas costs. For example, the study can correctly identify uncollectible accounts expense between the gas supply and delivery functions.

Q. Are gas cost allocation issues limited to the design of base rates?

A. Certainly not. In the past, the Department specified that weather adjusted actual test year gas costs should be used for the purposes of developing the class cost of

service study. Using these gas costs, LDCs, including Bay State, have developed a set of indirect gas costs that are subtracted from the total test year allowed revenue requirements that form the basis for base rates. These indirect gas costs are then recovered in the Company's Cost of Gas Adjustment Clause. The CGAC employs forward-looking estimates of gas supply costs coupled with indirect gas costs that are established in a general rate case and fixed at that level until a subsequent rate case.

Q. What gas cost allocation method is currently used by Bay State in its CGAC filings?

A. The Market Based Allocation method, often referred to as the "MBA" method.

Q. In simple terms, could you explain the MBA method?

A. The MBA method was first approved in Bay State's rate redesign case, D.P.U. 95-52/95-104 (1995). The MBA method first identifies and then separately assigns costs to the portion of the system load curve that can be served at extremely high annual firm load factors. In the case of a hypothetical customer with a 100% load factor, all of his load can be served with relatively inexpensive long line supplies. The MBA method identifies the least-cost supplies, considering both capacity and commodity costs combined, to serve the high load factor block of system load. Finally, the MBA assigns those costs, on average, to the loads of the individual customer classes that make up the block. Therefore,

the 100% load factor customer would be exclusively assigned the costs of the base load supply used to serve his load.

The MBA method defines base load usage as the level of system load that remains constant throughout the year. In practice, the level of capacity in the base load block is computed as the average of normal year firm sendout over the months of July and August. The base load supply block is intended to serve these requirements for all customers. The supply costs to serve this block are determined by assigning the lowest-cost sources available, including capacity and commodity considerations. In the MBA method, the capacity and commodity costs of gas slated for injection and their associated transportation costs are accumulated and assigned to the winter period.

The MBA method then addresses the allocation of capacity and commodity costs to the portion of the system load curve that remains after this high load factor block is served. These remaining loads are primarily firm winter loads.

Q. What level of detail is used in the MBA's allocations?

A. The MBA method employs an extremely low level of detail. Each of Bay State's supply resources is allocated individually. Each allocation is performed daily using the results of dispatches used to simulate forecasted period operations. Furthermore, allocations are performed using separate dispatches for normal year and design year sales. The normal year sales are used to allocate commodity

costs while the design year daily dispatch forms the basis for capacity cost allocations. As a result of this level of detail, the development of MBA allocators represents a sizable commitment of resources for each CGA filing.

V. CONSISTENCY BETWEEN GAS COST ALLOCATION AND CAPACITY ASSIGNMENT

Q. Is the capacity cost allocation method included in the MBA method consistent with the capacity assignment methodology prescribed by the Department in D.T.E. 98-32.

A. No. Capacity assignment is based on class design day demands, while the MBA allocates demand costs using a Proportional Responsibility-weighted design year daily allocation. In 1995, when the Company filed its rate redesign case, the Department had not yet mandated capacity assignment for customers migrating to transportation service. Now, the Company assigns capacity to migrating customers in accordance with Department requirements using a design day allocation.

Q. Is it appropriate to allocate capacity costs using one method in the semi-annual CGA filings and use a different method when capacity is assigned to migrating sales customers?

A. No. The two methods should employ identical methods to insure that the capacity-related supply costs for migrating sales customers are the same costs charged to them when they were sales customers. If not, marketers will be assigned an inequitable cost for assigned capacity and the assignment of the remaining capacity costs to sales customers through the CGAC would also be inequitable.

Q. Have you encountered this problem in your work for other LDCs under the Department's jurisdiction?

A. Yes. This issue was resolved in general rate cases for Berkshire Gas Company and Fitchburg Gas and Electric Light Company, D.T.E. 01-56 and 02-24/25, respectively. In both cases, I proposed the Simplified Market Based Allocation Method ("SMBA") which was accepted by the Department.

VI. SIMPLIFIED MARKET BASED ALLOCATION

Q. What are the major differences between the ten-year old MBA method and the simplified version?

A. The SMBA allocates costs monthly instead of daily. It uses a single, normal year dispatch for both commodity and capacity. It allocates average pipeline capacity and commodity costs to the base use portion of the load curve and then allocates all remaining supply costs to the remaining period. The SMBA allocates the

remaining capacity costs on the basis of temperature sensitive design day demands.

Q. Is the SMBA method consistent with the Department's capacity assignment methods?

A. Yes. I am emulating the same method already used for mandatory capacity assignment in the MBA gas cost allocations, in particular the use of design day demand to allocate remaining capacity costs after assigning pipeline capacity costs. In this manner, migrating customers are assigned the same capacity cost for which they were paying under the CGAC rates. With this change, remaining sales customers are neither benefited nor harmed as the result of customer migration to transportation service.

Q. Please describe the SMBA method in general terms.

A. The SMBA method identifies two portions of the utility's load duration curve and separately assigns costs to each portion of the curve. I have constructed a simple example, shown as Schedule JLH-1-2, to demonstrate the method. The rectangle forming the lower portion of the curve represents the "base use" portion of the curve, which can be served at extremely high annual firm load factors. All of this load can be served with relatively inexpensive long line supplies. The simplified MBA method identifies the capacity and commodity costs for both supply and transportation contracts to deliver these low cost supplies to the high load factor block of load. The SMBA assigns these costs, on average, to the loads of the

individual customer classes that make up this block. The upper triangular portion of the load duration curve represents the "remaining load". This remaining load is load served by a combination of supplies including the pipeline supplies not serving the base use portion of the curve, winter service contracts, storage supplies, peaking supplies and manufactured gas including both propane and LNG facilities.

The SMBA method defines base use as the level of system firm customer load that remains constant throughout the year. Interruptible loads and storage refill requirements are not considered as part of the base use load since interruptible loads are not firm loads and storage refill does not represent customer load. Instead, customer loads served by storage withdrawals and their associated costs are treated as part of remaining load. In practice, the level of capacity or maximum daily quantity of the base use block is computed as the average daily normal year firm sendout over the months of July and August. The base load supply block is intended to serve these requirements. So, a hypothetical 100% load factor customer would be exclusively assigned the costs of the base load supply used to serve his load. On the other hand, for a customer who only uses gas in the winter period, none of his load is in the base load use block of the utility's load duration curve and he would not receive any of the base load use block of supply.

The remainder of the SMBA method addresses the allocation of capacity and commodity costs to the portion of the system load curve that remains after this high load factor block is served. These loads primarily consist of firm loads in the winter period. In the summer, the remaining loads consist of interruptible load, storage refill, and a minor amount of firm load served on cooler summer days.

Q. How did you allocate capacity costs for the load remaining after serving the high load factor block?

A. I have streamlined the detailed design year daily allocations incorporated in the more complex version of the MBA. I have employed the results of the Company's daily dispatching model by tabulating results monthly and allocating costs to classes monthly. The simplified monthly MBA method employs a normal weather year's monthly dispatch of supplies net of the high load factor block already served. The remaining loads to be served are identified as a single block, instead of stratifying the remaining load for each dispatched supply source. Pipeline charges required for summer period storage injections are included in the remaining load category and are assigned primarily from the winter period. The SMBA method allocates the remaining capacity to classes on the basis of their respective design day demand less that portion of their load served by base use supplies. Capacity costs are assigned to months using a Proportional Responsibility (PR) allocator based on the system's remaining load in a normal year. The PR allocator is applied to the total remaining capacity cost to assign proportionately higher capacity costs to higher load periods. Monthly costs are

then allocated to customer classes in proportion to their monthly usage, after deducting load served by the high load factor block.

Q. How did you allocate commodity costs to the remaining portion of the system load curve?

A. Monthly commodity costs were computed residually after serving the base load use block. Test year monthly commodity costs by source were reduced for base load commodity. The remaining monthly load was assigned to customer classes in proportion to their remaining usage.

Q. Does this method incorporate any changes to the gas cost allocation method accepted by the Department in D.T.E. 02-24/25?

A. No. The method is conceptually identical. The calculations are identical with one exception; I made one minor addition to the method, necessitated by the nature of the dispatch performed by Bay State.

Q. Please explain.

A. Bay State undertakes planning studies and forecasted dispatches including the loads both for its firm sales customers and non-grandfathered transportation customers in accordance with the Department's Order in D.T.E. 98-32. The supply portfolio includes resources to serve firm transportation customers. In practice, the supply costs for these resources are not incurred by Bay State Gas. The Company assigns these capacity costs to marketers and the marketers, rather

than the Company, incur the commodity costs. However, the Company's dispatch simulations include the dispatch of these resources, both capacity and commodity. The capacity costs and the commodity costs are included in the dispatch.

If the SMBA calculations used the dispatch model outputs without adjustment, there is a chance that the results would be slightly biased. Bias would only be introduced if the load factor of the non-grandfathered customers included in the dispatch were different from the load factors of sales customers in the same classes. Rather than risk the inclusion of this potential bias, I have chosen to revise the model to exclude the dispatched costs to serve the non-grandfathered customers. In order to equitably remove these costs from the gas cost allocations, I included an additional set of classes representing the non-grandfathered transportation customers. I allocated gas costs to all classes and simply excluded the gas costs allocated to these transportation customers when I computed the SMBA gas costs for the firm sales customers.

Q. Could you further elaborate on the details of the SMBA method you employed?

A. While the concepts of the SMBA method are quite simple, the mechanics of the SMBA calculation are somewhat detailed. This filing contains a complete set of workpapers for the Simplified Market Based Allocation calculations to aid in its understanding and technical review. Schedule JLH-1-3, consisting of 13 pages, shows the development of the SMBA allocator. For this example, I have chosen

the test year ending December 31, 2004. In order to develop this example I have employed the test year actual gas costs and sales adjusted for normal weather. By doing so, the results of this analysis can be used to allocate gas costs in the class cost of service study.

Page 1 summarizes the results of the SMBA calculations. This summary presents winter (Peak Period) and summer (Off-peak Period) prices for direct gas costs applicable to high load factor and low load factor customer classes, excluding non-grandfathered transportation customers. These prices were established by summing the gas costs for each rate class, subtotaling into high and load low factor groups, computing unit costs and then rounding to four decimal places.

Page 2 presents the sendout by rate class for the test year. The monthly sendout represents the calendar month sales adjusted for losses to reflect the sendout statistics that would be recorded at the Company's gate stations. Page 3 shows the base use entitlements for each class. Recall that base use is computed as the average of the daily use in the months of July and August. Page 4 presents the remaining use, which is simply total use minus base load use for each class.

Q. Please describe how you computed the commodity costs for base load use and remaining use.

A. These calculations are shown on page 5 of Schedule JLH-1-3. Page 5 shows the test year volumes and commodity costs taken from the Company's daily dispatch model. At the bottom of the page, base load commodity costs are computed by multiplying the average pipeline commodity cost by the base load use volumes previously determined. Remaining commodity costs are computed by subtracting base load commodity costs from total commodity costs.

Q. How did you segregate demand costs between base and remaining?

A. That calculation is shown on page 6 of Schedule JLH-1-3. Total pipeline demand costs were divided by the Maximum Daily Quantity (MDQ) that could be delivered to the Company's city gate. The resulting unit cost was multiplied by the system's base load use quantity to determine the total capacity cost assignable to the base load use portion of the load curve. Page 7 shows the assignment of base load use demand costs and base load use commodity costs to customer classes. In each instance, the monthly costs were allocated to customer classes on the basis of their base load monthly sendouts.

Q. How did you assign remaining capacity costs to classes?

A. The remaining demand allocation is shown on pages 8 and 9 of Schedule JLH-1-3 and consists of two steps. First, I identified the design day demands of each customer class and subtracted the portion of the design day load that was already

served through each class' assignment of base load use demand. The remaining design day demand loads formed the basis for allocating remaining demand costs to customer classes. This allocation is shown at the bottom of page 8. Once I assigned these costs to customer classes, I then allocated these annual costs to months using a Proportional Responsibility (PR) allocator. This calculation is shown at the top of page 9 of Schedule JLH-1-3. Only monthly remaining load is used as a basis for the PR allocation factors. Once monthly factors were developed, annual class responsibilities were allocated to months as shown on the bottom of page 9.

Q. How did you calculate class design day loads?

A. This calculation is summarized on pages 10 and 11 of Schedule JLH-1-3. Average daily base use was computed for each class and monthly remaining use was computed. Remaining use for the peak month, January, was then divided by the month's degree days to compute a heating factor in the form of therms per effective degree day. The heating factor was then multiplied by the design day's effective degree days and then daily base use was added to derive class design day demand.

Q. How did you determine class responsibilities for remaining commodity costs?

A. This calculation is shown on page 12 of Schedule JLH-1-3. Total remaining commodity costs were previously determined monthly. Each month's remaining commodity cost was allocated to classes on the basis of class remaining sendouts in that month. The results of that calculation are shown on the middle of page 12 while the bottom of the page indicates total remaining costs, computed as the sum of demand and commodity costs.

Q. Please describe the calculations shown on page 13 of Schedule JLH-1-3.

A. This page summarizes the results of all earlier calculations. The gas cost allocations are used to determine two average seasonal costs, one for high load factor classes and one for low load factor classes. The top half of the page depicts the costs to serve, while the bottom half reflects costs on a per unit basis. Details are provided for seasonal gas costs segregated between demand and commodity. This allows for the computation of the unit costs shown at the right. The bolded figures shown on the top half of this page provide annual allocation factors for demand and commodity costs in the Accounting Cost of Service Study, Schedule JLH-2-1.

Q. How are the gas costs for the test year shown in Schedule JLH-1-3 employed to establish gas pricing in future CGAC filings?

A. The Department's current practice for gas pricing establishes rates on a forward-looking basis. The allocated test year gas costs shown on Schedule JLH-1-3 refer to a historical period and must be updated using forecasted costs. Therefore the figures shown on Schedule JLH-1-3 are of little value in establishing gas costs for the future. However, the same methods that I have used to assign historical test year gas costs to classes should be employed in allocating forecasted gas costs in future CGAC filings.

Q. Have you prepared a CGAC filing using the SMBA method?

A. Yes, Schedule JLH-1-4 presents the gas cost calculations for the period November 1, 2004 to October 31, 2005. This period was chosen to be consistent with the Company's CGAC filing of September 14, 2004 for the same period. By utilizing the same period as well as identical load and cost data, a direct comparison of the two methods is possible. Schedule JLH-1-4 has the same page layout as Schedule JLH-1-3. There are only three differences between the two schedules. First, Schedule JLH-1-4 contains a forecast of gas costs while Schedule JLH-1-3 contains test year weather normalized actual gas costs. Second, the forecasted gas costs in Schedule JLH-1-4 include not only the gas costs to serve the Company's firm bundled sales customers, but it also includes the non-grandfathered transportation customers for which the Company is responsible for capacity planning. In contrast, Schedule JLH-1-3 contained only the bundled firm sales customers and the net gas costs incurred to serve them. Capacity costs incurred to

serve non-grandfathered transportation customers were offset by capacity release revenue and the net capacity costs were used in Schedule JLH-1-3. Third, Schedule JLH-1-3 dealt with total system costs and loads. Schedule JLH-1-4 was designed to provide capacity assignment data as well as CGAC data. Consequently, the supply cost and load data was developed separately for the Brockton division, served by the Algonquin pipeline, and the Springfield/Lawrence area served by the Tennessee Gas Pipeline and then summed to generate total Company statistics.

Q. You stated earlier that the choice of time period for Schedule JLH-1-4 was made to allow direct comparison with the CGAC filing made last fall. Have you made that comparison?

A. Yes, I have tabulated the results of the two different gas cost allocation methods of Schedule JLH-1-5. Pages 1 and 2 of this schedule display the gas revenues that would be collected under the current MBA allocation method and those that would be collected under the proposed SMBA method, respectively. The differences, both in total dollars and in percentages, are displayed on page 3. The results of the two methods are very similar. The allocation of gas costs between the winter (Peak Period) and summer (Off-peak Period) seasons is virtually identical. The SMBA method assigns 0.1% more costs in the winter season. In the more significant winter period, the rates charged to low load factor classes, predominantly heating customers, would decrease by 0.3%, while the high load classes, representing less than 10% of the total sales, would increase by 4.5%.

Customer impacts in the summer would be even smaller. Since the differences are small and the SMBA results are consistent with the Department's mandatory capacity assignment rules, the Company proposes to implement the SMBA gas cost allocations immediately and will file a revised CGAC as part of its compliance filing in this proceeding upon approval of the Department.

VII. COST OF GAS ADJUSTMENT CLAUSE

Q. Have you proposed any conceptual changes to the CGAC?

A. No, the concepts embedded in the proposed CGAC are unchanged. However, I am proposing one simplification. Bay State's current CGAC establishes gas prices for nine different load factor-based rates each season depending on rate classes. In many cases, the rates are very similar. I am proposing that the CGAC be revised to be consistent with more recently approved CGAC filings for Berkshire Gas Company and Fitchburg Gas and Electric Light Company and reflect a single rate for all high load factor customer classes and a second rate for all low load factor customer classes.

Q. Why are you proposing this change?

A. A review of the current CGAC rates demonstrates that the gas costs to serve the high load factor classes are quite similar. Similarly, the low load factor classes have similar costs to serve. The variations in costs among the individual high load and low load factor classes are very small. I believe that two prices are

adequate to convey the necessary price signal and will avoid much unneeded administration time and complexity to maintain separate CGAC prices for each rate schedule. The variations are not a function of the size of the customers in the class, but rather the overall load factor of the class. In general, low load factor classes use natural gas primarily as a heating fuel while high load factor classes use gas for process loads, albeit water heating in the small residential class or industrial production processes in the very largest C&I classes. The minor variations in costs among the high and low load factor classes do not convey any additional price signal information nor will they lead to different consumption decisions for customers. Therefore the administrative effort to maintain these distinctions is unnecessary.

Q. Have you prepared any of the schedules typically filed with a semi-annual CGAC filing?

A. Yes, Schedule JLH-1-5 presents Section 2, 3 and 4 of the CGAC filing. As you can see, the format of the filing is unchanged from the past.

Q. How will the implementation of the SMBA impact the CGAC tariff itself?

A. With the exception of aggregating individual rate class prices into high load factor and low load factor price, the changes are very minor. I have included a redlined markup of the current CGAC to demonstrate the changes and labeled it Exhibit BSG/JLH-1-6. The changes can be classified into three categories:

1. Changes necessitated to describe rates by load factor rather than by individual rates class,
2. Changes to improve understanding, such as including a tabulation of the indirect cost factors established as part of the Company's most recent base rate proceeding that will be unchanged until the next general rate case,
3. Changes necessitated by starting with costs dispatched to serve loads rather than costs as they are incurred.

Q. Could you please expand your explanation of this last change?

A. The CGAC is based on forecasted gas costs. In order to generate its estimates, the Company runs its Sendout model to generate a least cost daily dispatch simulation for the forecasted test period. The model automatically handles storage injection and withdrawal calculations and can produce reports showing the cost of gas as it is acquired or the cost of gas as it is dispatched. The CGAC calculations are all based on the cost of gas dispatched to firm sales customers. Yet the existing tariff language deals with the cost of gas as it is acquired and mechanically addresses the cost of gas placed into storage, removing these costs from the summer season and shifting them to the winter when they are withdrawn. The revised tariff language removes the mechanical instructions to shift storage injection costs between seasons and utilizes the costs as they are dispatched to serve customer load. Thus, the cost of gas purchased for injections does not appear in the summer season, instead the entire cost of storage withdrawals appear in the winter. This change does not impact the level of gas costs; it simply reduces the

computational burden within the CGAC filing by more fully utilizing the data available from the dispatch model. This change makes Bay State's CGAC tariff consistent with that of Fitchburg Gas and Electric Light Company, another utility that utilizes the Sendout dispatch model.

Q. When would Bay State propose to implement the simplified Market Based Allocation method in its CGAC filings?

A. The new CGAC rates would be prepared and submitted for approval for implementation immediately after Department approval of revised tariff language. Bay State would propose revised CGAC rates as part of its compliance filing and implement the new rates for service rendered after the effective date of the order.

Q. Does this conclude your testimony?

A. Yes, it does.

EXHIBIT JLH-1-1

QUALIFICATIONS OF JAMES L. HARRISON

Q. WOULD YOU DESCRIBE YOUR EDUCATIONAL BACKGROUND?

A. My undergraduate work was taken at Lehigh University, Bethlehem, Pennsylvania. I graduated in 1968 with a Bachelor of Science degree in Engineering Mechanics, with a strong background in Electrical Engineering. Following graduation, I joined General Electric Company in Pittsfield, Massachusetts, and enrolled in their evening program, taking courses in Engineering Economics. While still employed at GE in a field service position, I enrolled in a graduate program in Electrical Engineering at Old Dominion University, Norfolk, Virginia. I also took accounting courses at the City College of Charleston (South Carolina) and at the Southeastern Branch of the University of Connecticut, located in New London, Connecticut. I then left General Electric to pursue full-time graduate studies at the University of Connecticut. I graduated in 1973 with a Masters of Business Administration degree, specializing in Industrial Administration. I joined Gilbert Associates, Inc., and completed numerous short courses offered by the Company in the fields of Management Science, Construction Management and Computer Science. I have also attended numerous industry workshops and seminars in the areas of cost of service and rate design for the electric utility industry.

Q. ARE YOU A REGISTERED ENGINEER?

A. Yes, since 1975, I have been a licensed professional engineer by examination in the State of Pennsylvania, License No. PE-023191-E.

Q. PLEASE DESCRIBE YOUR PROFESSIONAL BACKGROUND.

A. I have been employed by Management Applications Consulting, providing management consulting services to utilities since 1984. Previously, I was employed by Gilbert Associates, Inc., in various capacities for over 11

years. Prior to that, I was employed by General Electric Company Ordinance Systems Division for over three years.

Q. BEGINNING WITH YOUR FIRST EMPLOYMENT, WOULD YOU BRIEFLY DESCRIBE YOUR DUTIES WITH GENERAL ELECTRIC?

A. Upon graduation from Lehigh University, I was employed by General Electric Company to work in a field service capacity on the Poseidon missile fire control system. After an intensive training program, I was assigned to the Training Facilities Division and given responsibilities for construction management, installation supervision and certification testing of Poseidon Missile Fire Control Training Systems at naval training stations at Dam Neck, Virginia; Charleston, South Carolina and New London, Connecticut. My assignments included the development and letting of contracts for suitable subcontractors, critical path method scheduling, cost accounting and actual equipment certification testing. During this period, I received first-hand knowledge of costs and cost control in large organizations.

Q. PLEASE DESCRIBE YOUR DUTIES WITH GILBERT ASSOCIATES, INC.

A. My initial assignment was with the Scheduling Department, in charge of the development of engineering and construction Schedules for large electric utility projects. Most of my Schedules employed the precedence method of Critical Path Method (CPM), scheduling to computer model the interfaces between engineering disciplines, construction subcontractors and equipment suppliers. I developed sophisticated engineering Schedules for two nuclear plants and construction Schedules for two fossil plants. I also scheduled the engineering and construction activities for major additions and modifications to Rochester Gas and Electric's R. E. Ginna Nuclear Power Plant. My next assignment was as an administrator for a group of approximately 150 engineers. My responsibilities included

budgeting, forecasting, staffing and supervision of computer program development activities. I also acted as special consultant on matters of statistics and probabilistic inference. In 1978, I transferred to the Management and Consulting Division and have held progressively more responsible positions with its Cost and Load Analysis Department, culminating with the title of Department Manager and Senior Consulting Engineer. In this position, I was responsible for the administration of a group of professionals working in the field of Regulatory Services. My work required technical supervision over my colleagues in the performance of cost of service studies and various rate and cost-related studies.

Q. PLEASE DESCRIBE YOUR DUTIES WITH MANAGEMENT APPLICATIONS CONSULTING, INC.

A. As a principal in the firm, I am responsible for all phases of consulting services offered to electric and gas utilities. Acting as project manager and principal consultant, I provide services in all phases of utility rate and regulatory matters.

Q. COULD YOU PLEASE EXPAND ON YOUR TECHNICAL EXPERIENCE IN COST AND LOAD ANALYSIS FOR UTILITIES?

A. My work has centered in four areas: the performance of accounting cost of service and rate design studies, the performance of marginal cost of service studies, the development of new and improved methods of performing either type of cost of service study and, lastly, special projects. Let me discuss these activities one at a time.

I have performed numerous accounting cost of service and rate design studies, including conventional, time-differentiated bundled and fully unbundled studies. In the process of conducting such studies, I have supervised the development of computerized loss analyses and load

research based class demand analyses. Working with the results of these studies, I have performed conventional rate designs as well as developed unbundled, time of day, load management, conservation, interruptible, curtailable and experimental rate designs.

In the area of methods and procedures, I was responsible for developing the methods utilized by all Gilbert Associates' Consultants in performing time-differentiated accounting cost studies. In 1977, I devised the Probability of Dispatch Method to allocate production costs to time periods and have supervised the development of computer software to carry out the method. In a similar vein, I have been the system architect to lay out the development of a system of interrelated computer programs to vertically integrate plant allocations to time periods and customer classes. In 1994 I developed the Market Based Allocation (MBA) method to allocate gas supply costs for gas distribution utilities.

My responsibilities under the category of special assignments are many and varied. I have been an active member of the IEEE Demand Side Management Committee and the Association of Energy Service Professionals. I have authored generic cost of service and rate design testimony for hearings held by the Public Utility Commission of Texas, the Rhode Island Public Utilities Commission and the Florida Public Service Commission. I assembled a primer on marginal costing techniques for a Central American utility. I have reviewed the marginal costing techniques employed by a French consulting firm for a utility whose generation is predominantly hydro-electric. I have been a principal investigator in several Electric Power Research Institute sponsored research projects. I have negotiated transmission wheeling contracts, performed economic feasibility studies, participated in large-scale management audits and prepared portions of Engineer's Reports for municipal bond financing.

Q. HAVE THE RESULTS OF YOUR WORK BEEN FILED WITH ANY REGULATORY COMMISSION?

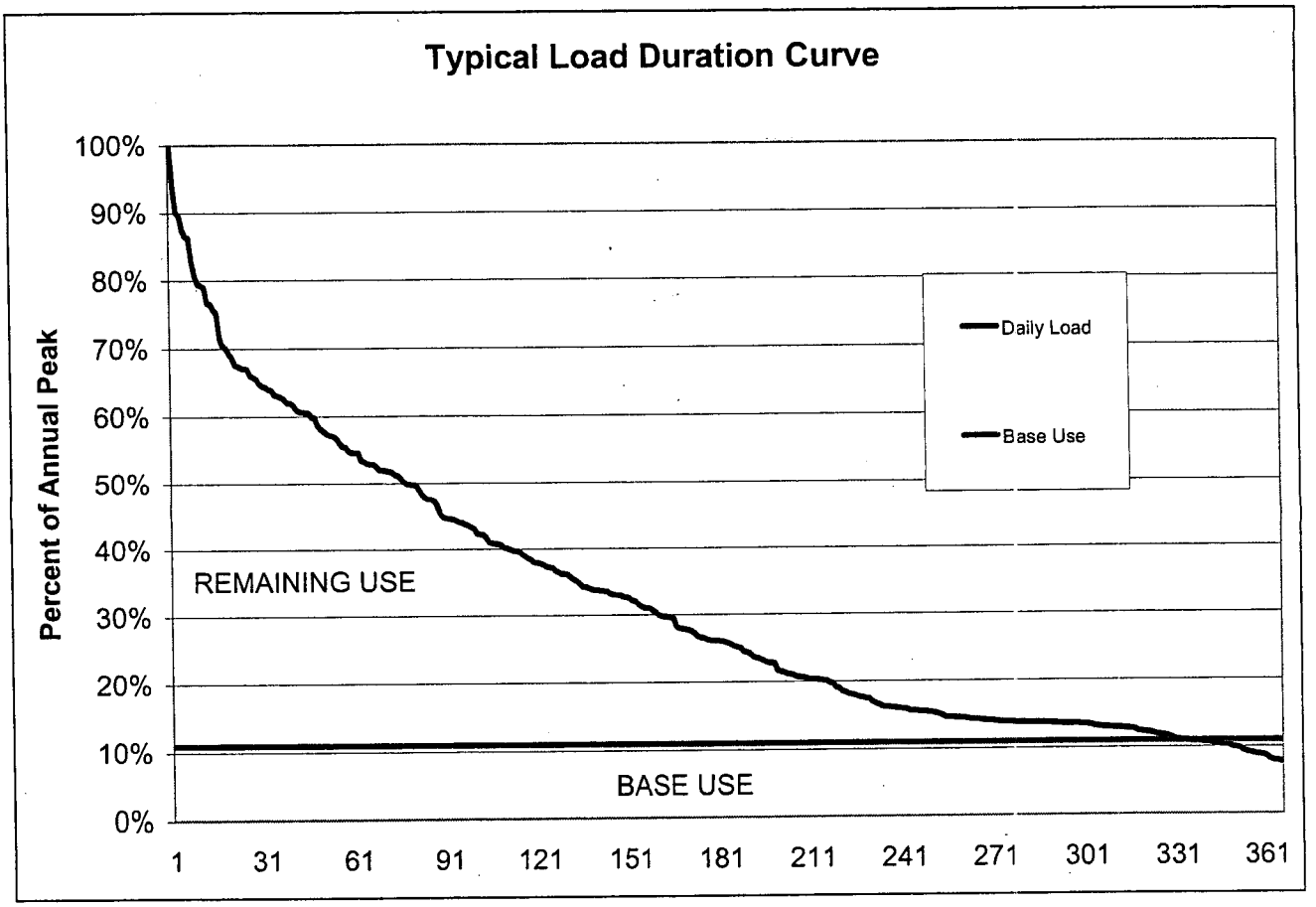
A. Yes, in the course of my employment, the studies in which I have participated have been presented before the Federal Energy Regulatory Commission, the Massachusetts Department of Telecommunications and Energy, the Public Utility Commission of Texas, the Pennsylvania Public Utility Commission, the Public Service commission of New York, the Arizona Corporation Commission, the Public Service Commission of Wisconsin, the Public Service Commission of Ohio, the New Hampshire Public Utilities Commission, the Maine Public Utilities Commission, the New Jersey Board of Public Utilities, the Public Service Commission of Florida, Illinois Commerce Commission, Rhode Island Public Utilities Commission and the Vermont Public Service Board.

Q. COULD YOU BRIEFLY EXPLAIN YOUR EXPERIENCE WITH NEW ENGLAND UTILITIES?

A. Starting over twenty years ago, I was heavily involved in the Massachusetts' generic investigation into the feasibility of implementing marginal cost-based rates, Docket No. 18810. I performed electric utility marginal cost studies for New Bedford Gas & Edison Light Company, Eastern Edison and Fitchburg Gas & Electric, and Cambridge Electric Light Company.

In the 1980's, I developed time differentiated accounting cost study allocators, utilizing my "Probability of Dispatch" technique for COM Energy, EUA and Northeast Utilities. I assisted in load research sample selection and system loss factor development for COM Electric. I assisted Western Massachusetts Electric Company in the computation of loss factors and the separation of distribution plant into primary and secondary voltage functions and the development of loss factors.

More recently, I have evolved a marginal gas cost of service study procedure which was employed in filings for Berkshire Gas Company, Boston Gas Company, Bay State Gas Company, Fall River Gas Company, Fitchburg Gas and Electric Light Company, New York State Electric and Gas, Northern Utilities, EnergyNorth Natural Gas, and Commonwealth Gas Company. I assisted the Vermont Gas Company in measuring costs and benefits of various supply side projects. I developed a computerized ogive curve employed by Boston Gas as part of its weather normalization calculations and assisted in the initial development of an end use load research experiment to monitor the effectiveness of conservation and load management programs. I proposed and implemented commercial and industrial reclassification for a half dozen New England gas utilities. I have participated in all phases of Demand Side Management programs but most heavily in the computation of avoided cost studies and lost base revenue calculations. I have also participated in the preparation of Integrated Resource Plans for gas utilities, concentrating on the areas of load forecasting, supply planning, and profitability analyses. I have developed the Market Based Allocation Method for production cost allocation for local distribution utilities and employed it in unbundling cost studies for six New England utilities. Most recently, I testified on behalf of Connecticut Natural Gas and Southern Connecticut Gas Company in generic hearings on the subject of gas cost allocation and for the Burlington Electric Department on cost of service and rate design issues.


Typical Load Duration Curve
Percent of Annual Peak
100%
90%
80%
70%
60%
50%
40%
30%
20%
10%
0%
1
31
61
91
121
151
181
211
241
271
301
331
361
Daily Load
Base Use
REMAINING USE
BASE USE

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
Summary of SMBA Gas Cost Allocations

Summary of MBA Gas Costs Allocations Test Period Jan 1, 2004 to Dec 31, 2004	Total	Winter	Summer
Gas Costs			
Capacity	$52,095,709	$47,023,353	$5,072,356
Commodity	$272,462,909	$214,243,177	$58,219,733
Total Allocated Gas Costs	$324,558,618	$261,266,529	$63,292,089
Calendar Month Sales - Therms			
High Load Factor	34,381,985	20,562,878	13,819,107
Low Load Factor	331,567,063	273,997,544	57,569,519
Total Calendar Month Sales	365,949,048	294,560,422	71,388,626
Allocated Gas Costs			
High Load Factor	$29,853,269	$17,662,435	$12,190,834
Low Load Factor	$294,705,350	$243,604,094	$51,101,255
Total Allocated Gas Costs	$324,558,618	$261,266,529	$63,292,089
Average Costs per Therm			
High Load Factor	$0.8683	$0.8589	$0.8822
Low Load Factor	$0.8888	$0.8891	$0.8876
Total Average Cost per Therm	$0.8869	$0.8870	$0.8866

DISPATCH DATA

Dispatch Year Calendar Month Sendout Volumes, MMBtu All Divisions

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Total	Winter	Summer
Resid Space Heating (R-3) & (R-4)	2,372,946	3,797,433	4,675,474	3,994,677	3,470,723	2,080,688	1,027,569	601,338	534,979	535,149	616,215	1,313,388	25,020,580	20,391,942	4,628,638
Resid Non-Space Heating (R-1) & (R-2)	57,824	67,913	71,886	63,100	63,643	53,534	47,635	41,657	41,668	41,671	43,209	52,144	645,885	377,900	267,984
Outdoor Lighting	25	20	25	22	24	24	22	19	21	23	23	26	276	141	135
HLF Small Rate Q - G-50	37,221	44,894	52,049	45,909	46,308	37,475	36,133	28,287	26,522	27,676	30,098	36,539	449,112	263,856	185,256
LLF Small Rate R - G-40	203,925	389,182	530,298	454,616	349,578	181,171	59,295	29,233	22,115	24,815	31,633	78,807	2,354,668	2,108,770	245,898
HLF Medium Rate S - G-51	129,086	150,846	158,921	135,093	130,750	115,155	96,937	87,375	88,461	88,436	91,974	112,713	1,385,748	819,851	565,897
LLF Medium Rate T - G-41	344,103	613,404	806,048	705,582	591,933	323,989	127,052	58,534	52,874	46,901	60,246	172,010	3,902,675	3,385,059	517,616
HLF Large Rate U & Y - G-52	58,770	75,398	70,274	57,067	70,047	52,746	43,402	42,765	40,357	58,727	44,184	59,585	673,322	384,301	289,021
LLF Large Rate V & Z - G-42	155,196	271,000	325,580	289,408	273,370	160,164	72,450	33,686	27,554	29,472	40,713	87,435	1,766,029	1,474,719	291,310
HLF Large Rate U & Y - G-53	49,912	67,110	39,167	27,628	23,462	23,730	18,623	13,743	12,474	13,165	14,599	14,973	318,586	231,009	87,577
LLF Large Rate V & Z - G-43	15,193	20,041	86,954	71,753	73,129	48,959	26,443	16,219	17,049	17,319	19,780	34,831	447,671	316,030	131,641
Total	3,424,201	5,497,241	6,816,677	5,844,857	5,092,968	3,077,635	1,555,561	952,855	864,075	883,353	992,675	1,962,453	36,964,550	29,753,578	7,210,972

Dispatch Year Billing Total Monthly Sales Volumes (Excludes Non-firm Volumes)

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	Total	
Monthly Total Sales	3,389,959	5,442,269	6,748,510	5,786,408	5,042,038	3,046,858	1,540,006	943,327	855,434	874,520	982,748	1,942,829	36,594,905	
Sendout	3,424,201	5,497,241	6,816,677	5,844,857	5,092,968	3,077,635	1,555,561	952,855	864,075	883,353	992,675	1,962,453	36,964,550	
Difference Sales & Sendout	34,242	54,972	68,167	58,449	50,930	30,776	15,556	9,529	8,641	8,834	9,927	19,625	369,646	1.00%

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
SENDOUT BY CLASS

SENDOUT BY CLASS
Therms

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	Winter	Summer	% In Winter
Resid Space Heating (R-3) & (R-4)	23,729,464	37,974,328	46,754,740	39,946,774	34,707,227	20,806,885	10,275,691	6,013,381	5,349,791	5,351,486	6,162,153	13,133,879	250,205,798	203,919,418	46,286,380	82%
Resid Non-Space Heating (R-1) & (R-2)	578,235	679,133	718,859	631,000	636,433	535,343	476,354	416,568	416,680	416,707	432,090	521,444	6,458,846	3,779,004	2,679,842	59%
Outdoor Lighting	253	201	255	220	243	237	222	190	210	231	232	261	2,756	1,409	1,346	51%
HLF Small Rate Q - G-50	372,212	448,941	520,487	459,093	463,079	374,745	361,331	282,871	265,221	276,765	300,982	365,388	4,491,115	2,638,558	1,852,558	59%
LLF Small Rate R - G-40	2,039,247	3,891,819	5,302,984	4,546,158	3,495,784	1,811,705	592,945	292,333	221,153	248,147	316,326	788,075	23,546,677	21,087,697	2,458,980	90%
HLF Medium Rate S - G-51	1,290,861	1,508,460	1,589,208	1,350,930	1,307,501	1,151,552	969,371	873,754	884,610	884,360	919,744	1,127,132	13,857,482	8,198,511	5,658,971	59%
LLF Medium Rate T - G-41	3,441,026	6,134,037	8,060,485	7,055,823	5,919,328	3,239,889	1,270,520	585,337	528,735	469,005	602,457	1,720,103	39,026,746	33,850,589	5,176,158	87%
HLF Large Rate U & Y - G-52	587,703	753,979	702,738	570,671	700,467	527,456	434,018	427,649	403,574	587,274	441,843	595,852	6,733,223	3,843,013	2,890,210	57%
LLF Large Rate V & Z - G-42	1,551,961	2,710,004	3,255,804	2,894,083	2,733,696	1,601,644	724,498	336,856	275,544	294,716	407,130	874,355	17,660,291	14,747,192	2,913,099	84%
HLF Large Rate U & Y - G-53	499,117	671,097	391,672	276,283	234,623	237,297	186,226	137,427	124,737	131,651	145,992	149,733	3,185,856	2,310,089	875,767	73%
LLF Large Rate V & Z - G-43	151,933	200,410	869,537	717,532	731,295	489,592	264,434	162,187	170,491	173,190	197,802	348,309	4,476,713	3,160,300	1,316,413	71%
TOTAL	34,242,012	54,972,410	68,166,769	58,448,567	50,929,677	30,776,345	15,555,611	9,528,553	8,640,746	8,833,531	9,926,752	19,624,530	369,645,503	297,535,780	72,109,723	80%

BASE SENDOUT BY CLASS - Therms

July Aug Daily Average	281,843															
Days per Month	30	31	31	28	31	30	31	30	31	31	30	31	365	181	184	
	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER	Base Use Daily Entitlement
Resid Space Heating (R-3) & (R-4)	5,178,037	5,350,638	5,350,638	4,832,835	5,350,638	5,178,037	5,350,638	5,178,037	5,349,791	5,350,638	5,178,037	5,350,638	62,998,604	31,240,824	31,757,780	172,601
Resid Non-Space Heating (R-1) & (R-2)	403,252	416,693	416,693	376,368	416,693	403,252	416,693	403,252	416,680	416,693	403,252	416,693	4,906,216	2,432,952	2,473,264	13,442
Outdoor Lighting	253	201	255	220	243	237	222	190	210	231	232	261	2,756	1,409	1,346	7
HLF Small Rate Q - G-50	262,251	270,993	270,993	244,768	270,993	262,251	270,993	262,251	265,221	270,993	262,251	270,993	3,184,951	1,582,249	1,602,702	8,742
LLF Small Rate R - G-40	227,081	234,650	234,650	211,942	234,650	227,081	234,650	227,081	221,153	234,650	227,081	234,650	2,749,317	1,370,053	1,379,264	7,569
HLF Medium Rate S - G-51	855,953	884,485	884,485	798,890	884,485	855,953	884,485	855,953	884,485	884,360	855,953	884,485	10,413,971	5,164,250	5,249,720	28,532
LLF Medium Rate T - G-41	482,778	498,870	498,870	450,592	498,870	482,778	498,870	482,778	498,870	469,005	482,778	498,870	5,843,929	2,912,758	2,931,171	16,093
HLF Large Rate U & Y - G-52	479,442	495,424	495,424	447,480	495,424	479,442	434,018	427,649	403,574	495,424	441,843	495,424	5,590,568	2,892,635	2,697,932	15,981
LLF Large Rate V & Z - G-42	275,933	285,130	285,130	257,537	285,130	275,933	285,130	275,933	275,544	285,130	275,933	285,130	3,347,594	1,664,793	1,682,800	9,198
HLF Large Rate U & Y - G-53	124,059	128,194	128,194	115,788	128,194	124,059	128,194	124,059	124,737	128,194	124,059	128,194	1,505,924	748,487	757,436	4,135
LLF Large Rate V & Z - G-43	151,933	171,840	171,840	155,211	171,840	166,297	171,840	162,187	170,491	171,840	166,297	171,840	2,003,459	988,962	1,014,496	5,543
TOTAL	8,440,971	8,757,119	8,757,173	7,891,630	8,737,162	8,455,319	8,675,735	8,399,369	8,610,756	8,707,159	8,417,716	8,737,179	102,547,287	50,999,374	51,547,913	281,843

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
SENDOUT BY CLASS

REMAINING SENDOUT BY CLASS - Therms

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
Resid Space Heating (R-3) & (R-4)	18,551,426	32,623,690	41,404,102	35,113,939	29,356,589	15,628,848	4,925,053	835,344	-	847	984,115	7,783,240	187,207,194	172,678,594	14,528,599
Resid Non-Space Heating (R-1) & (R-2)	174,984	262,440	302,165	254,632	219,740	132,092	59,660	13,316	-	14	28,838	104,751	1,552,631	1,346,052	206,579
Outdoor Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HLF Small Rate Q - G-50	109,961	177,948	249,494	214,325	192,086	112,494	90,338	20,619	-	5,772	38,731	94,395	1,306,164	1,056,309	249,855
LLF Small Rate R - G-40	1,812,167	3,657,169	5,068,334	4,334,216	3,261,134	1,584,624	358,295	65,253	-	13,497	89,246	553,425	20,797,360	19,717,644	1,079,716
HLF Medium Rate S - G-51	434,908	623,975	704,723	552,041	423,016	295,598	84,886	17,800	125	-	63,791	242,647	3,443,511	3,034,261	409,250
LLF Medium Rate T - G-41	2,958,249	5,635,167	7,561,615	6,605,231	5,420,458	2,757,111	771,650	102,560	29,865	-	119,679	1,221,233	33,182,817	30,937,831	2,244,987
HLF Large Rate U & Y - G-52	108,261	258,555	207,315	123,191	205,043	48,013	-	-	-	91,850	-	100,428	1,142,656	950,378	192,278
LLF Large Rate V & Z - G-42	1,276,028	2,424,874	2,970,674	2,636,546	2,448,566	1,325,712	439,368	60,923	-	9,586	131,198	589,224	14,312,697	13,082,399	1,230,299
HLF Large Rate U & Y - G-53	375,059	542,903	263,478	160,495	106,429	113,238	58,032	13,369	-	3,457	21,933	21,539	1,679,932	1,561,602	118,330
LLF Large Rate V & Z - G-43	-	28,570	697,697	562,322	559,455	323,295	92,594	-	-	1,349	31,505	176,469	2,473,255	2,171,338	301,917
TOTAL	25,801,041	46,235,291	59,429,596	50,556,936	42,192,515	22,321,026	6,879,876	1,129,184	29,990	126,372	1,509,036	10,887,352	267,098,216	246,536,406	20,561,810

BASE USE PERCENTAGE OF TOTAL

Resid Space Heating (R-3) & (R-4)	22%	14%	11%	12%	15%	25%	52%	86%	100%	100%	84%	41%	25%	15%	69%
Resid Non-Space Heating (R-1) & (R-2)	70%	61%	58%	60%	65%	75%	87%	97%	100%	100%	93%	80%	76%	64%	92%
Outdoor Lighting	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%	100%
HLF Small Rate Q - G-50	70%	60%	52%	53%	59%	70%	75%	93%	100%	98%	87%	74%	71%	60%	87%
LLF Small Rate R - G-40	11%	6%	4%	5%	7%	13%	40%	78%	100%	95%	72%	30%	12%	6%	56%
HLF Medium Rate S - G-51	66%	59%	56%	59%	68%	74%	91%	98%	100%	100%	93%	78%	75%	63%	93%
LLF Medium Rate T - G-41	14%	8%	6%	6%	8%	15%	39%	82%	94%	100%	80%	29%	15%	9%	57%
HLF Large Rate U & Y - G-52	82%	66%	70%	78%	71%	91%	100%	100%	100%	84%	100%	83%	83%	75%	93%
LLF Large Rate V & Z - G-42	18%	11%	9%	9%	10%	17%	39%	82%	100%	97%	68%	33%	19%	11%	58%
HLF Large Rate U & Y - G-53	25%	19%	33%	42%	55%	52%	69%	90%	100%	97%	85%	86%	47%	32%	86%
LLF Large Rate V & Z - G-43	100%	86%	20%	22%	23%	34%	65%	100%	100%	99%	84%	49%	45%	31%	77%
TOTAL	25%	16%	13%	14%	17%	27%	56%	88%	100%	99%	85%	45%	28%	17%	71%

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
COMMODITY COSTS

		Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
1	**Supply Volumes - therms**															
2																
3	Total Pipeline	30,506,317	39,835,649	44,977,603	42,514,095	39,655,956	29,736,599	14,505,982	9,109,375	8,179,762	8,029,828	9,330,225	18,731,455	295,112,846	227,226,218	67,886,628
4	Total Other than Pipeline	3,735,695	15,136,761	23,189,166	15,934,472	11,273,721	1,039,747	1,049,629	419,177	460,984	803,703	596,527	893,075	74,532,657	70,309,562	4,223,095
5	Subtotal	34,242,012	54,972,410	68,166,769	58,448,567	50,929,677	30,776,345	15,555,611	9,528,553	8,640,746	8,833,531	9,926,752	19,624,530	369,645,503	297,535,780	72,109,723
6	Less Interruptible	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
7	Less Company Use	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
8	Total Firm	34,242,012	54,972,410	68,166,769	58,448,567	50,929,677	30,776,345	15,555,611	9,528,553	8,640,746	8,833,531	9,926,752	19,624,530	369,645,503	297,535,780	72,109,723
9	Usage (Firm Sales)	33,899,592	54,422,686	67,485,101	57,864,081	50,420,380	30,468,582	15,400,055	9,433,267	8,554,339	8,745,196	9,827,484	19,428,285	365,949,048	294,560,422	71,388,626
10	Difference	342,420	549,724	681,668	584,486	509,297	307,763	155,556	95,286	86,407	88,335	99,268	196,245	3,696,455	2,975,358	721,097
11	Percent	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
12																
13																
14	**Variable Costs**															
15																
16	Total Pipeline	$ 28,037,992	$ 35,188,044	$ 39,140,177	$ 28,243,359	$ 23,920,895	$ 18,968,425	$ 11,609,711	$ 5,169,200	$ 11,910,467	$ 2,774,846	$ 8,215,257	$ 16,266,145	$ 229,444,517	$ 173,498,891	$ 55,945,626
17	Total Other than Pipeline	$ 2,352,709	$ 9,839,869	$ 12,843,311	$ 9,007,500	$ 6,131,190	$ 569,708	$ 458,771	$ 255,062	$ 160,494	$ 508,047	$ 378,830	$ 512,902	$ 43,018,392	$ 40,744,285	$ 2,274,107
18	Subtotal	$ 30,390,701	$ 45,027,913	$ 51,983,487	$ 37,250,858	$ 30,052,085	$ 19,538,133	$ 12,068,482	$ 5,424,262	$ 12,070,962	$ 3,282,893	$ 8,594,087	$ 16,779,047	$ 272,462,909	$ 214,243,177	$ 58,219,733
19	Total Interruptible Incl Above	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
20	Total (Without Interr)	$ 30,390,701	$ 45,027,913	$ 51,983,487	$ 37,250,858	$ 30,052,085	$ 19,538,133	$ 12,068,482	$ 5,424,262	$ 12,070,962	$ 3,282,893	$ 8,594,087	$ 16,779,047	$ 272,462,909	$ 214,243,177	$ 58,219,733
21																
22																
23	**Supply Cost/Therm**	(Includes all variable costs, both supplier and transportation)														
24																
25	Total Pipeline	$0.919	$0.883	$0.870	$0.664	$0.603	$0.638	$0.800	$0.567	$1.456	$0.346	$0.880	$0.868	$0.777		
26	Total Other than Pipeline	$0.630	$0.650	$0.554	$0.565	$0.544	$0.548	$0.437	$0.608	$0.348	$0.632	$0.635	$0.574	$0.577		
27																
28	Interruptible	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000	$0.000		
29	Total	$0.888	$0.819	$0.763	$0.637	$0.590	$0.635	$0.776	$0.569	$1.397	$0.372	$0.866	$0.855	$0.737		
30																
31																
32	**Commodity Costs**															
33																
34	Pipeline Average Cost	$ 0.919	$ 0.883	$ 0.870	$ 0.664	$ 0.603	$ 0.638	$ 0.800	$ 0.567	$ 1.456	$ 0.346	$ 0.880	$ 0.868	$ 0.777	$ 0.764	$ 0.824
35	Base Commodity, therms	8,440,971	8,737,119	8,737,173	7,891,630	8,737,162	8,455,319	8,675,735	8,399,369	8,610,756	8,707,159	8,417,716	8,737,179	102,547,287	50,999,374	51,547,913
36																
37	Base Commodity Cost	$ 7,757,996	$ 7,717,764	$ 7,603,217	$ 5,242,641	$ 5,270,349	$ 5,393,492	$ 6,943,534	$ 4,766,301	$ 12,070,962	$ 3,008,909	$ 7,411,793	$ 7,587,249	$ 80,774,205	$ 38,985,458	$ 41,788,747
38																
39	Remaining Commodity	$ 22,632,705	$ 37,310,149	$ 44,380,270	$ 32,008,217	$ 24,781,736	$ 14,144,641	$ 5,124,948	$ 657,962	$ -	$ 273,983	$ 1,182,294	$ 9,191,798	$ 191,688,704	$ 175,257,718	$ 16,430,986
40																
41	Total Commodity	$ 30,390,701	$ 45,027,913	$ 51,983,487	$ 37,250,858	$ 30,052,085	$ 19,538,133	$ 12,068,482	$ 5,424,262	$ 12,070,962	$ 3,282,893	$ 8,594,087	$ 16,779,047	$ 272,462,909	$ 214,243,177	$ 58,219,733

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
DEMAND COSTS

	Total MDQ	Total Costs	Unit cost $/Dt-Yr	Unit cost MDQ	Base Use MDQ	Base Use Costs	Remaining Use MDQ	Remaining Use Costs
Pipeline	144,302	$32,194,522	$	223.11	28,184	$6,288,067	116,118	$25,906,455
All Other Demand	128,424	$24,016,634					128,424	$24,016,634
TOTAL	272,726	$56,211,156			28,184	$6,288,067	244,542	$49,923,089
Less: Capacity Release		$1,799,020						$1,799,020
Total for Working Capital		$54,412,136				$6,288,067		$48,124,069
Demand Cost Deducts								
Interuptible Margins		$494,603						$494,603
Overtake Energy Charge		$284,941						$284,941
Off System Sales Margin		$1,536,884						$1,536,884
TOTAL DEDUCTS		$2,316,427				$0		$2,316,427
Demand Cost Additions								
Production & Storage		$0						$0
Stranded Prod & Storage		$0						$0
Other		$0						$0
Other		$0						$0
TOTAL ADDITIONS		$0						$0
Grand Total - Capacity	272,726	$52,095,709			28,184	$6,288,067	244,542	$45,807,642
Commodity		*$272,462,909*						
Total Gas Costs after Adj		*$324,558,618*						
Total Gas Costs before Adj		*$328,674,066*						

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL
BASE DEMAND COSTS	$524,006	$524,006	$524,006	$524,006	$524,006	$524,006	$524,006	$524,006	$524,006	$524,006	$524,006	$524,006	$6,288,067

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
Base Costs

BASE DEMAND COSTS BY CLASS

	Nov-04 (30)	Dec-04 (31)	Jan-05 (31)	Feb-05 (28)	Mar-05 (31)	Apr-05 (30)	May-05 (31)	Jun-05 (30)	Jul-05 (31)	Aug-05 (31)	Sep-05 (30)	Oct-05 (31)	TOTAL (365)	WINTER (181)	SUMMER (184)
Resid Space Heating (R-3) & (R-4)	$ 321,446	$ 320,903	$ 320,901	$ 320,901	$ 320,901	$ 320,901	$ 323,173	$ 323,039	$ 325,560	$ 322,007	$ 322,335	$ 320,900	$ 3,862,967	$ 1,925,953	$ 1,937,014
Resid Non-Space Heating (R-1) & (R-2)	$ 25,033	$ 24,991	$ 24,991	$ 24,991	$ 24,991	$ 24,991	$ 25,168	$ 25,157	$ 25,357	$ 25,077	$ 25,103	$ 24,991	$ 300,841	$ 149,988	$ 150,853
Outdoor Lighting	$ 16	$ 12	$ 15	$ 15	$ 15	$ 15	$ 13	$ 12	$ 13	$ 14	$ 14	$ 16	$ 169	$ 87	$ 82
HLF Small Rate Q - G-50	$ 16,280	$ 16,253	$ 16,253	$ 16,253	$ 16,253	$ 16,253	$ 16,368	$ 16,361	$ 16,140	$ 16,309	$ 16,325	$ 16,253	$ 195,298	$ 97,543	$ 97,755
LLF Small Rate R - G-40	$ 14,097	$ 14,073	$ 14,073	$ 14,073	$ 14,073	$ 14,073	$ 14,173	$ 14,167	$ 13,458	$ 14,121	$ 14,136	$ 14,073	$ 168,590	$ 84,462	$ 84,128
HLF Medium Rate S - G-51	$ 53,137	$ 53,047	$ 53,046	$ 53,046	$ 53,046	$ 53,046	$ 53,422	$ 53,400	$ 53,825	$ 53,222	$ 53,283	$ 53,046	$ 638,567	$ 318,369	$ 320,198
LLF Medium Rate T - G-41	$ 29,970	$ 29,920	$ 29,919	$ 29,919	$ 29,919	$ 29,919	$ 30,131	$ 30,119	$ 30,359	$ 28,225	$ 30,053	$ 29,919	$ 358,374	$ 179,567	$ 178,806
HLF Large Rate U & Y - G-52	$ 29,763	$ 29,713	$ 29,713	$ 29,713	$ 29,713	$ 29,713	$ 26,214	$ 26,679	$ 24,559	$ 29,815	$ 27,505	$ 29,713	$ 342,813	$ 178,327	$ 164,486
LLF Large Rate V & Z - G-42	$ 17,130	$ 17,101	$ 17,100	$ 17,101	$ 17,101	$ 17,101	$ 17,222	$ 17,214	$ 16,768	$ 17,159	$ 17,177	$ 17,100	$ 205,273	$ 102,632	$ 102,641
HLF Large Rate U & Y - G-53	$ 7,701	$ 7,688	$ 7,688	$ 7,688	$ 7,688	$ 7,688	$ 7,743	$ 7,740	$ 7,591	$ 7,715	$ 7,723	$ 7,688	$ 92,342	$ 46,143	$ 46,199
LLF Large Rate V & Z - G-43	$ 9,432	$ 10,306	$ 10,306	$ 10,306	$ 10,306	$ 10,306	$ 10,379	$ 10,118	$ 10,375	$ 10,342	$ 10,352	$ 10,306	$ 122,834	$ 60,962	$ 61,872
TOTAL	$ 524,006	$ 524,006	$ 524,006	$ 524,006	$ 524,006	$ 524,006	$ 524,006	$ 524,006	$ 524,006	$ 524,006	$ 524,006	$ 524,006	$ 6,288,067	$ 3,144,034	$ 3,144,034

BASE COMMODITY COSTS BY CLASS

Resid Space Heating (R-3) & (R-4)	$ 4,759,072	$ 4,726,382	$ 4,656,205	$ 3,210,594	$ 3,227,562	$ 3,302,974	$ 4,282,328	$ 2,938,326	$ 7,499,588	$ 1,849,006	$ 4,559,258	$ 4,646,423	$ 49,657,716	$ 23,882,789	$ 25,774,928
Resid Non-Space Heating (R-1) & (R-2)	$ 370,624	$ 368,078	$ 362,613	$ 250,032	$ 251,354	$ 257,227	$ 333,496	$ 228,829	$ 584,121	$ 143,996	$ 355,063	$ 361,851	$ 3,867,284	$ 1,859,928	$ 2,007,356
Outdoor Lighting	$ 232	$ 178	$ 222	$ 146	$ 147	$ 151	$ 178	$ 108	$ 295	$ 80	$ 205	$ 226	$ 2,167	$ 1,076	$ 1,091
HLF Small Rate Q - G-50	$ 241,032	$ 239,376	$ 235,822	$ 162,606	$ 163,466	$ 167,285	$ 216,886	$ 148,817	$ 371,800	$ 93,646	$ 230,912	$ 235,327	$ 2,506,976	$ 1,209,588	$ 1,297,388
LLF Small Rate R - G-40	$ 208,707	$ 207,274	$ 204,196	$ 140,799	$ 141,543	$ 144,851	$ 187,800	$ 128,859	$ 310,022	$ 81,087	$ 199,944	$ 203,767	$ 2,158,849	$ 1,047,370	$ 1,111,479
HLF Medium Rate S - G-51	$ 786,696	$ 781,292	$ 769,692	$ 530,726	$ 533,531	$ 545,997	$ 707,888	$ 485,719	$ 1,239,912	$ 305,606	$ 753,666	$ 768,075	$ 8,208,799	$ 3,947,934	$ 4,260,866
LLF Medium Rate T - G-41	$ 443,715	$ 440,667	$ 434,124	$ 299,342	$ 300,924	$ 307,955	$ 399,266	$ 273,957	$ 699,340	$ 162,073	$ 425,085	$ 433,212	$ 4,619,659	$ 2,226,727	$ 2,392,932
HLF Large Rate U & Y - G-52	$ 440,650	$ 437,623	$ 431,125	$ 297,274	$ 298,845	$ 305,827	$ 347,362	$ 242,674	$ 565,749	$ 171,202	$ 389,043	$ 430,219	$ 4,357,592	$ 2,211,344	$ 2,146,249
LLF Large Rate V & Z - G-42	$ 253,606	$ 251,864	$ 248,125	$ 171,089	$ 171,994	$ 176,012	$ 228,201	$ 156,581	$ 386,271	$ 98,532	$ 242,958	$ 247,603	$ 2,632,837	$ 1,272,691	$ 1,360,146
HLF Large Rate U & Y - G-53	$ 114,021	$ 113,238	$ 111,556	$ 76,921	$ 77,328	$ 79,135	$ 102,599	$ 70,398	$ 174,863	$ 44,300	$ 109,234	$ 111,322	$ 1,184,913	$ 572,199	$ 612,715
LLF Large Rate V & Z - G-43	$ 139,640	$ 151,792	$ 149,538	$ 103,111	$ 103,656	$ 106,078	$ 137,531	$ 92,034	$ 239,002	$ 59,382	$ 146,425	$ 149,224	$ 1,577,413	$ 753,815	$ 823,598
TOTAL	$ 7,757,996	$ 7,717,764	$ 7,603,217	$ 5,242,641	$ 5,270,349	$ 5,393,492	$ 6,943,534	$ 4,766,301	$ 12,070,962	$ 3,008,909	$ 7,411,793	$ 7,587,249	$ 80,774,205	$ 38,985,458	$ 41,788,747

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
REMAINING COSTS

REMAINING DEMAND COSTS $ 45,807,642 (From DEMAND tab)

Remaining Load (Sendout)

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL
Resid Space Heating (R-3) & (R-4)	18,551,426	32,623,690	41,404,102	35,113,939	29,356,589	15,628,848	4,925,053	835,344	-	847	984,115	7,783,240	187,207,194
Resid Non-Space Heating (R-1) & (R-2)	174,984	262,440	302,165	254,632	219,740	132,092	59,660	13,316	-	14	28,838	104,751	1,552,631
Outdoor Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-
HLF Small Rate Q - G-50	109,961	177,948	249,494	214,325	192,086	112,494	90,338	20,619	-	5,772	38,731	94,395	1,306,164
LLF Small Rate R - G-40	1,812,167	3,657,169	5,068,334	4,334,216	3,261,134	1,584,624	358,295	65,253	-	13,497	89,246	553,425	20,797,360
HLF Medium Rate S - G-51	434,908	623,975	704,723	552,041	423,016	295,598	84,886	17,800	125	-	63,791	242,647	3,443,511
LLF Medium Rate T - G-41	2,958,249	5,635,167	7,561,615	6,605,231	5,420,458	2,757,111	771,650	102,560	29,865	-	119,679	1,221,233	33,182,817
HLF Large Rate U & Y - G-52	108,261	258,555	207,315	123,191	205,043	48,013	-	-	-	91,850	-	100,428	1,142,656
LLF Large Rate V & Z - G-42	1,276,028	2,424,874	2,970,674	2,636,546	2,448,566	1,325,712	439,368	60,923	-	9,586	131,198	589,224	14,312,697
HLF Large Rate U & Y - G-53	375,059	542,903	263,478	160,495	106,429	113,238	58,032	13,369	-	3,457	21,933	21,539	1,679,932
LLF Large Rate V & Z - G-43	-	28,570	697,697	562,322	559,455	323,295	92,594	-	-	1,349	31,505	176,469	2,473,255
TOTAL	25,801,041	46,235,291	59,429,596	50,556,936	42,192,515	22,321,026	6,879,876	1,129,184	29,990	126,372	1,509,036	10,887,352	267,098,216

Design Day Allocation to Rate Classes

	Class Design Day Load, therms	Less Base Use on Design Day	Remaining Design Day Load	% of Total	Annual Load Factor (Info Only)	Allocated Net Remaining Demand
Resid Space Heating (R-3) & (R-4)	2,746,296	172,601	**2,573,694**	69.669%	25%	$ 31,913,801
Resid Non-Space Heating (R-1) & (R-2)	32,224	13,442	**18,783**	0.508%	54%	$ 232,905
Outdoor Lighting	8	8	-	0.000%	91%	$ -
HLF Small Rate Q - G-50	24,250	8,742	**15,509**	0.420%	50%	$ 192,307
LLF Small Rate R - G-40	322,619	7,569	**315,050**	8.528%	20%	$ 3,906,613
HLF Medium Rate S - G-51	72,338	28,532	**43,806**	1.186%	52%	$ 543,192
LLF Medium Rate T - G-41	486,125	16,093	**470,033**	12.724%	22%	$ 5,828,405
HLF Large Rate U & Y - G-52	28,868	15,981	**12,887**	0.349%	63%	$ 159,796
LLF Large Rate V & Z - G-42	193,856	9,198	**184,658**	4.999%	25%	$ 2,289,761
HLF Large Rate U & Y - G-53	20,513	4,135	**16,378**	0.443%	42%	$ 203,086
LLF Large Rate V & Z - G-43	48,912	5,543	**43,369**	1.174%	25%	$ 537,777
TOTAL	3,976,010	281,844	3,694,166	100.000%	25%	$ 45,807,642

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
REMAINING COSTS

Proportional Responsibility (PR) Allocator

	Remaining Load	Rank	%WINTER	PR	CumPR
NOV	25,801,041	5	43.41%	1.171%	6.729%
DEC	46,235,291	3	77.80%	2.268%	15.892%
JAN	59,429,596	1	100.00%	14.930%	34.458%
FEB	50,556,936	2	85.07%	3.636%	19.528%
MAR	42,192,515	4	71.00%	6.895%	13.625%
APR	22,321,026	6	37.56%	3.207%	5.558%
MAY	6,879,876	8	11.58%	1.130%	1.388%
JUN	1,129,184	10	1.90%	0.169%	0.188%
JUL	29,990	12	0.05%	0.004%	0.004%
AUG	126,372	11	0.21%	0.015%	0.019%
SEP	1,509,036	9	2.54%	0.071%	0.259%
OCT	10,887,352	7	18.32%	0.963%	2.352%
TOTAL	267,098,216			34.458%	100.000%

REMAINING DEMAND COSTS BY CLASS

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
MONTHLY PR DEMAND %	6.729%	15.892%	34.458%	19.528%	13.625%	5.558%	1.388%	0.188%	0.004%	0.019%	0.259%	2.352%	100.000%	95.790%	4.210%
Resid Space Heating (R-3) & (R-4)	$ 2,147,586	$ 5,071,808	$ 10,996,808	$ 6,232,174	$ 4,348,149	$ 1,773,831	$ 443,082	$ 59,898	$ 1,342	$ 6,047	$ 82,563	$ 750,514	$ 31,913,801	$ 30,570,354	$ 1,343,446
Resid Non-Space Heating (R-1) & (R-2)	$ 15,673	$ 37,014	$ 80,254	$ 45,482	$ 31,733	$ 12,945	$ 3,234	$ 437	$ 10	$ 44	$ 603	$ 5,477	$ 232,905	$ 223,101	$ 9,804
Outdoor Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
HLF Small Rate Q - G-50	$ 12,941	$ 30,562	$ 66,265	$ 37,554	$ 26,201	$ 10,689	$ 2,670	$ 361	$ 8	$ 36	$ 498	$ 4,522	$ 192,307	$ 184,212	$ 8,095
LLF Small Rate R - G-40	$ 262,889	$ 620,847	$ 1,346,135	$ 762,889	$ 532,263	$ 217,137	$ 54,238	$ 7,332	$ 164	$ 740	$ 10,107	$ 91,871	$ 3,906,613	$ 3,742,160	$ 164,453
HLF Medium Rate S - G-51	$ 36,553	$ 86,325	$ 187,172	$ 106,075	$ 74,008	$ 30,192	$ 7,542	$ 1,020	$ 23	$ 103	$ 1,405	$ 12,774	$ 543,192	$ 520,326	$ 22,866
LLF Medium Rate T - G-41	$ 392,213	$ 926,262	$ 2,008,343	$ 1,138,179	$ 794,101	$ 323,954	$ 80,920	$ 10,939	$ 245	$ 1,104	$ 15,078	$ 137,066	$ 5,828,405	$ 5,583,052	$ 245,353
HLF Large Rate U & Y - G-52	$ 10,753	$ 25,395	$ 55,062	$ 31,205	$ 21,772	$ 8,882	$ 2,219	$ 300	$ 7	$ 30	$ 413	$ 3,758	$ 159,796	$ 153,069	$ 6,727
LLF Large Rate V & Z - G-42	$ 154,086	$ 363,894	$ 789,002	$ 447,148	$ 311,972	$ 127,269	$ 31,790	$ 4,298	$ 96	$ 434	$ 5,924	$ 53,848	$ 2,289,761	$ 2,193,371	$ 96,390
HLF Large Rate U & Y - G-53	$ 13,666	$ 32,275	$ 69,979	$ 39,659	$ 27,670	$ 11,288	$ 2,820	$ 381	$ 9	$ 38	$ 525	$ 4,776	$ 203,086	$ 194,536	$ 8,549
LLF Large Rate V & Z - G-43	$ 36,189	$ 85,465	$ 185,306	$ 105,018	$ 73,270	$ 29,891	$ 7,466	$ 1,009	$ 23	$ 102	$ 1,391	$ 12,647	$ 537,777	$ 515,138	$ 22,638
TOTAL	$ 3,082,549	$ 7,279,846	$ 15,784,326	$ 8,945,383	$ 6,241,138	$ 2,546,077	$ 635,980	$ 85,976	$ 1,926	$ 8,680	$ 118,507	$ 1,077,254	$ 45,807,642	$ 43,879,319	$ 1,928,323

Bay State Gas Company
SENDOUT FORECAST: Normal Calendar Month Sendout (MMBtu)
DESIGN DAY DEMANDS ALL DIVISIONS

1 **Sendout for Design Day Calculation**

	Customer Class	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	Winter	Summer
5	Resid Space Heating (R-3) & (R-4)	2,372,946	3,797,433	4,675,474	3,994,677	3,470,723	2,080,688	1,027,569	601,338	534,979	535,149	616,215	1,313,388	25,020,580	20,391,942	4,628,638
6	Resid Non-Space Heating (R-1) & (R-2)	57,824	67,913	71,886	63,100	63,643	53,534	47,635	41,657	41,668	41,671	43,209	52,144	645,885	377,900	267,984
7	Outdoor Lighting	25	20	25	22	24	24	22	19	21	23	23	26	276	141	135
8	HLF Small Rate Q - G-50	37,221	44,894	52,049	45,909	46,308	37,475	36,133	28,287	26,522	27,676	30,098	36,539	449,112	263,856	185,256
9	LLF Small Rate R - G-40	203,925	389,182	530,298	454,616	349,578	181,171	59,295	29,233	22,115	24,815	31,633	78,807	2,354,668	2,108,770	245,898
10	HLF Medium Rate S - G-51	129,086	150,846	158,921	135,093	130,750	115,155	96,937	87,375	88,461	88,436	91,974	112,713	1,385,748	819,851	565,897
11	LLF Medium Rate T - G-41	344,103	613,404	806,048	705,582	591,933	323,989	127,052	58,534	52,874	46,901	60,246	172,010	3,902,675	3,385,059	517,616
12	HLF Large Rate U & Y - G-52	58,770	75,398	70,274	57,067	70,047	52,746	43,402	42,765	40,357	58,727	44,184	59,585	673,322	384,301	289,021
13	LLF Large Rate V & Z - G-42	155,196	271,000	325,580	289,408	273,370	160,164	72,450	33,686	27,554	29,472	40,713	87,435	1,766,029	1,474,719	291,310
14	HLF Large Rate U & Y - G-53	49,912	67,110	39,167	27,628	23,462	23,730	18,623	13,743	12,474	13,165	14,599	14,973	318,586	231,009	87,577
15	LLF Large Rate V & Z - G-43	15,193	20,041	86,954	71,753	73,129	48,959	26,443	16,219	17,049	17,319	19,780	34,831	447,671	316,030	131,641
25	Grand Total	3,424,201	5,497,241	6,816,677	5,844,857	5,092,968	3,077,635	1,555,561	952,855	864,075	883,353	992,675	1,962,453	36,964,550	29,753,578	7,210,972
27	Days/Month	30	31	31	28	31	30	31	30	31	31	30	31	365		

31 **BASE LOAD: Customer day weighted**

	Customer Class															
35	Resid Space Heating (R-3) & (R-4)	517,804	535,064	535,064	483,283	535,064	517,804	535,064	517,804	534,979	535,064	517,804	535,064	6,299,860	3,124,082	3,175,778
36	Resid Non-Space Heating (R-1) & (R-2)	40,325	41,669	41,669	37,637	41,669	40,325	41,669	40,325	41,668	41,669	40,325	41,669	490,622	243,295	247,326
37	Outdoor Lighting	25	20	25	22	24	24	22	19	21	23	23	26	276	141	135
38	HLF Small Rate Q - G-50	26,225	27,099	27,099	24,477	27,099	26,225	27,099	26,225	26,522	27,099	26,225	27,099	318,495	158,225	160,270
39	LLF Small Rate R - G-40	22,708	23,465	23,465	21,194	23,465	22,708	23,465	22,708	22,115	23,465	22,708	23,465	274,932	137,005	137,926
40	HLF Medium Rate S - G-51	85,595	88,448	88,448	79,889	88,448	85,595	88,448	85,595	88,448	88,436	85,595	88,448	1,041,397	516,425	524,972
41	LLF Medium Rate T - G-41	48,278	49,887	49,887	45,059	49,887	48,278	49,887	48,278	49,887	46,901	48,278	49,887	584,393	291,276	293,117
42	HLF Large Rate U & Y - G-52	47,944	49,542	49,542	44,748	49,542	47,944	49,542	47,944	40,357	49,542	47,944	49,542	574,136	289,264	284,873
43	LLF Large Rate V & Z - G-42	27,593	28,513	28,513	25,754	28,513	27,593	28,513	27,593	27,554	28,513	27,593	28,513	334,759	166,479	168,280
44	HLF Large Rate U & Y - G-53	12,406	12,819	12,819	11,579	12,819	12,406	12,819	12,406	12,474	12,819	12,406	12,819	150,592	74,849	75,744
45	LLF Large Rate V & Z - G-43	16,630	17,184	17,184	15,521	17,184	16,630	17,184	16,630	17,049	17,184	16,630	17,184	202,193	100,333	101,861
51	Grand Total	845,533	873,712	873,717	789,163	873,716	845,532	873,714	845,527	861,076	870,716	845,531	873,718	10,271,656	5,101,374	5,170,282

Bay State Gas Company
SENDOUT FORECAST: Normal Calendar Month Sendout (MMBtu)

DESIGN DAY DEMANDS ALL DIVISIONS

1 HEATING LOAD: Difference of Base from Total Sendout

Customer Class	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	Winter	Summer
Resid Space Heating (R-3) & (R-4)	1,855,143	3,262,369	4,140,410	3,511,394	2,935,659	1,562,885	492,505	83,534	-	85	98,412	778,324	18,720,719	17,267,859	1,452,860
Resid Non-Space Heating (R-1) & (R-2)	17,498	26,244	30,217	25,463	21,974	13,209	5,966	1,332	-	1	2,884	10,475	155,263	134,605	20,658
Outdoor Lighting	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
HLF Small Rate Q - G-50	10,996	17,795	24,949	21,433	19,209	11,249	9,034	2,062	-	577	3,873	9,439	130,616	105,631	24,986
LLF Small Rate R - G-40	181,217	365,717	506,833	433,422	326,113	158,462	35,830	6,525	-	1,350	8,925	55,342	2,079,736	1,971,764	107,972
HLF Medium Rate S - G-51	43,491	62,397	70,472	55,204	42,302	29,560	8,489	1,780	13	-	6,379	24,265	344,351	303,426	40,925
LLF Medium Rate T - G-41	295,825	563,517	756,161	660,523	542,046	275,711	77,165	10,256	2,987	-	11,968	122,123	3,318,282	3,093,783	224,499
HLF Large Rate U & Y - G-52	10,826	25,856	20,731	12,319	20,504	4,801	(6,141)	(5,179)	-	9,185	(3,760)	10,043	99,186	95,038	4,148
LLF Large Rate V & Z - G-42	127,603	242,487	297,067	263,655	244,857	132,571	43,937	6,092	-	959	13,120	58,922	1,431,270	1,308,240	123,030
HLF Large Rate U & Y - G-53	37,506	54,290	26,348	16,049	10,643	11,324	5,803	1,337	-	346	2,193	2,154	167,993	156,160	11,833
LLF Large Rate V & Z - G-43	(1,436)	2,857	69,770	56,232	55,945	32,329	9,259	(411)	-	135	3,150	17,647	245,478	215,697	29,781
Grand Total	2,578,668	4,623,529	5,942,960	5,055,694	4,219,252	2,232,103	681,847	107,328	2,999	12,637	147,144	1,088,735	26,692,894	24,652,204	2,040,690

DESIGN DAY LOAD (Jan)

Customer Class	Peak Month Normal HDDays	Incremental Use/HDD	Design HDDays	Design Day Heating Use	% of Total	Base Use	Design Day Total Use	Scaled Design Day Total Use	% of Total	Load Factor
Resid Space Heating (R-3) & (R-4)	1,305	3,172.66	78	246,479	69.6692%	17,260	263,739	274,630	69.07%	25.99%
Resid Non-Space Heating (R-1) & (R-2)	1,305	23.15	78	1,799	0.5084%	1,344	3,143	3,222	0.81%	56.30%
Outdoor Lighting	1,305	0.00	78	0	0.0000%	1	1	1	0.00%	91.94%
HLF Small Rate Q - G-50	1,305	19.12	78	1,485	0.4198%	874	2,359	2,425	0.61%	52.15%
LLF Small Rate R - G-40	1,305	388.37	78	30,172	8.5283%	757	30,929	32,262	8.11%	20.86%
HLF Medium Rate S - G-51	1,305	54.00	78	4,195	1.1858%	2,853	7,048	7,234	1.82%	53.86%
LLF Medium Rate T - G-41	1,305	579.42	78	45,014	12.7237%	1,609	46,624	48,613	12.23%	22.93%
HLF Large Rate U & Y - G-52	1,305	15.89	78	1,234	0.3488%	1,598	2,832	2,887	0.73%	65.13%
LLF Large Rate V & Z - G-42	1,305	227.63	78	17,684	4.9986%	920	18,604	19,386	4.88%	26.01%
HLF Large Rate U & Y - G-53	1,305	20.19	78	1,568	0.4433%	414	1,982	2,051	0.52%	44.04%
LLF Large Rate V & Z - G-43	1,305	53.46	78	4,153	1.1740%	554	4,708	4,891	1.23%	26.05%
Grand Total		4,553.89		353,785	100.0000%	28,184	381,969	397,601	100.00%	26.51%
TOTAL		4,553.89		353,785	100.0000%	28,184	381,969	397,601	100.000%	25.47%
								397,601		

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
REMAINING COSTS

REMAINING COMMODITY COSTS BY CLASS (From Commodity tab) (Allocate to classes based on Remaining Sendout)

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
TOT REMAINING COMM	$ 22,632,705	$ 37,310,149	$ 44,380,270	$ 32,008,217	$ 24,781,736	$ 14,144,641	$ 5,124,948	$ 657,962	$ -	$ 273,983	$ 1,182,294	$ 9,191,798	$ 191,688,704	$ 175,257,718	$ 16,430,986
Resid Space Heating (R-3) & (R-4)	$ 16,273,334	$ 26,326,096	$ 30,919,363	$ 22,231,066	$ 17,242,566	$ 9,903,866	$ 3,668,763	$ 486,745	$ -	$ 1,485	$ 771,031	$ 6,571,109	$ 134,395,424	$ 122,896,291	$ 11,499,133
Resid Non-Space Heating (R-1) & (R-2)	$ 153,496	$ 211,779	$ 225,648	$ 161,210	$ 129,064	$ 83,705	$ 44,442	$ 7,759	$ -	$ 24	$ 22,594	$ 88,437	$ 1,128,159	$ 964,903	$ 163,256
Outdoor Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
HLF Small Rate Q - G-50	$ 96,458	$ 143,598	$ 186,315	$ 135,692	$ 112,821	$ 71,287	$ 67,295	$ 12,015	$ -	$ 10,113	$ 30,345	$ 79,694	$ 945,632	$ 746,170	$ 199,462
LLF Small Rate R - G-40	$ 1,589,635	$ 2,951,199	$ 3,784,882	$ 2,744,045	$ 1,915,424	$ 1,004,163	$ 266,901	$ 38,022	$ -	$ 23,651	$ 69,922	$ 467,237	$ 14,855,080	$ 13,989,348	$ 865,732
HLF Medium Rate S - G-51	$ 381,501	$ 503,524	$ 526,267	$ 349,504	$ 248,458	$ 187,318	$ 63,233	$ 10,372	$ -	$ 219	$ 49,979	$ 204,859	$ 2,525,235	$ 2,196,572	$ 328,662
LLF Medium Rate T - G-41	$ 2,594,979	$ 4,547,369	$ 5,646,791	$ 4,181,853	$ 3,183,701	$ 1,747,158	$ 574,816	$ 59,760	$ -	$ 52,331	$ 93,766	$ 1,031,043	$ 23,713,567	$ 21,901,851	$ 1,811,716
HLF Large Rate U & Y - G-52	$ 94,966	$ 208,644	$ 154,816	$ 77,994	$ 120,432	$ 30,426	$ -	$ -	$ -	$ 160,942	$ -	$ 84,788	$ 933,008	$ 687,278	$ 245,730
LLF Large Rate V & Z - G-42	$ 1,119,333	$ 1,956,782	$ 2,218,412	$ 1,669,230	$ 1,438,163	$ 840,092	$ 327,293	$ 35,499	$ -	$ 16,797	$ 102,790	$ 497,461	$ 10,221,852	$ 9,242,012	$ 979,840
HLF Large Rate U & Y - G-53	$ 329,002	$ 438,102	$ 196,757	$ 101,611	$ 62,511	$ 71,758	$ 43,229	$ 7,790	$ -	$ 6,057	$ 17,184	$ 18,185	$ 1,292,187	$ 1,199,742	$ 92,445
LLF Large Rate V & Z - G-43	$ -	$ 23,055	$ 521,020	$ 356,013	$ 328,595	$ 204,869	$ 68,975	$ -	$ -	$ 2,365	$ 24,683	$ 148,986	$ 1,678,560	$ 1,433,551	$ 245,009
TOTAL	$ 22,632,705	$ 37,310,149	$ 44,380,270	$ 32,008,217	$ 24,781,736	$ 14,144,641	$ 5,124,948	$ 657,962	$ -	$ 273,983	$ 1,182,294	$ 9,191,798	$ 191,688,704	$ 175,257,718	$ 16,430,986

REMAINING TOTAL COSTS BY CLASS

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
Resid Space Heating (R-3) & (R-4)	$ 18,420,920	$ 31,397,904	$ 41,916,171	$ 28,463,240	$ 21,590,714	$ 11,677,697	$ 4,111,845	$ 546,643	$ 1,342	$ 7,532	$ 853,594	$ 7,321,623	$ 166,309,225	$ 153,466,645	$ 12,842,580
Resid Non-Space Heating (R-1) & (R-2)	$ 169,169	$ 248,793	$ 305,902	$ 206,693	$ 160,797	$ 96,651	$ 47,676	$ 8,196	$ 10	$ 68	$ 23,197	$ 93,915	$ 1,361,065	$ 1,188,004	$ 173,061
Outdoor Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
HLF Small Rate Q - G-50	$ 109,399	$ 174,160	$ 252,580	$ 173,246	$ 139,023	$ 81,975	$ 69,965	$ 12,376	$ 8	$ 10,150	$ 30,842	$ 84,217	$ 1,137,939	$ 930,382	$ 207,557
LLF Small Rate R - G-40	$ 1,852,524	$ 3,572,046	$ 5,131,017	$ 3,506,934	$ 2,447,687	$ 1,221,300	$ 321,139	$ 45,354	$ 164	$ 24,391	$ 80,029	$ 559,108	$ 18,761,693	$ 17,731,508	$ 1,030,185
HLF Medium Rate S - G-51	$ 418,055	$ 589,850	$ 713,439	$ 455,579	$ 322,466	$ 217,510	$ 70,775	$ 11,392	$ 23	$ 322	$ 51,384	$ 217,633	$ 3,068,427	$ 2,716,899	$ 351,528
LLF Medium Rate T - G-41	$ 2,987,192	$ 5,473,631	$ 7,655,134	$ 5,320,032	$ 3,977,802	$ 2,071,112	$ 655,736	$ 70,700	$ 245	$ 53,435	$ 108,844	$ 1,168,109	$ 29,541,971	$ 27,484,902	$ 2,057,069
HLF Large Rate U & Y - G-52	$ 105,720	$ 234,039	$ 209,879	$ 109,199	$ 142,203	$ 39,307	$ 2,219	$ 300	$ 7	$ 160,973	$ 413	$ 88,545	$ 1,092,804	$ 840,347	$ 252,457
LLF Large Rate V & Z - G-42	$ 1,273,419	$ 2,320,676	$ 3,007,414	$ 2,116,377	$ 1,750,135	$ 967,362	$ 359,084	$ 39,797	$ 96	$ 17,231	$ 108,714	$ 551,309	$ 12,511,613	$ 11,435,383	$ 1,076,230
HLF Large Rate U & Y - G-53	$ 342,668	$ 470,377	$ 266,736	$ 141,270	$ 90,181	$ 83,046	$ 46,049	$ 8,171	$ 9	$ 6,095	$ 17,710	$ 22,961	$ 1,495,273	$ 1,394,279	$ 100,994
LLF Large Rate V & Z - G-43	$ 36,189	$ 108,519	$ 706,326	$ 461,031	$ 401,865	$ 234,760	$ 76,441	$ 1,009	$ 23	$ 2,467	$ 26,075	$ 161,633	$ 2,216,337	$ 1,948,690	$ 267,647
TOTAL	$ 25,715,254	$ 44,589,995	$ 60,164,596	$ 40,953,601	$ 31,022,874	$ 16,690,719	$ 5,760,928	$ 743,937	$ 1,926	$ 282,663	$ 1,300,802	$ 10,269,052	$ 237,496,346	$ 219,137,037	$ 18,359,308

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
NEW LOAD-FACTOR CGA

Line	RATE CLASS	WINTER Gas Cost	SUMMER Gas Cost	ANNUAL AVG	SALES VOLUMES WINTER	SALES VOLUMES SUMMER	SALES VOLUMES ANNUAL	DEMAND COSTS WINTER	DEMAND COSTS SUMMER	DEMAND COSTS ANNUAL	COMMODITY COSTS WINTER	COMMODITY COSTS SUMMER	COMMODITY COSTS ANNUAL	TOTAL COSTS WINTER	TOTAL COSTS SUMMER	TOTAL COSTS ANNUAL
1	Resid Space Heating (R-3) & (R-4)	$0.8880	$0.8850	$0.8875	201,880,224	45,823,516	247,703,740	$ 32,496,307	$ 3,280,460	$ 35,776,767	$ 146,779,080	$ 37,274,061	$ 184,053,141	$ 179,275,387	$ 40,554,521	$ 219,829,908
2	Resid Non-Space Heating (R-1) & (R-2)	$0.8548	$0.8787	$0.8647	3,741,214	2,653,044	6,394,258	$ 373,089	$ 160,657	$ 533,746	$ 2,824,831	$ 2,170,612	$ 4,995,443	$ 3,197,920	$ 2,331,269	$ 5,529,189
3	Outdoor Lighting	$0.8334	$0.8800	$0.8562	1,395	1,333	2,728	$ 87	$ 82	$ 169	$ 1,076	$ 1,091	$ 2,167	$ 1,163	$ 1,173	$ 2,336
4	HLF Small Rate Q - G-50	$0.8566	$0.8739	$0.8637	2,612,172	1,834,032	4,446,204	$ 281,755	$ 105,850	$ 387,605	$ 1,955,758	$ 1,496,849	$ 3,452,607	$ 2,237,513	$ 1,602,700	$ 3,840,213
5	LLF Small Rate R - G-40	$0.9036	$0.9143	$0.9047	20,876,820	2,434,390	23,311,210	$ 3,826,622	$ 248,581	$ 4,075,202	$ 15,036,717	$ 1,977,211	$ 17,013,929	$ 18,863,339	$ 2,225,792	$ 21,089,131
6	HLF Medium Rate S - G-51	$0.8604	$0.8804	$0.8686	8,116,526	5,602,381	13,718,907	$ 838,695	$ 343,064	$ 1,181,759	$ 6,144,506	$ 4,589,528	$ 10,734,034	$ 6,983,201	$ 4,932,592	$ 11,915,793
7	LLF Medium Rate T - G-41	$0.8920	$0.9033	$0.8935	33,512,083	5,124,396	38,636,479	$ 5,762,619	$ 424,159	$ 6,186,778	$ 24,128,578	$ 4,204,648	$ 28,333,226	$ 29,891,197	$ 4,628,807	$ 34,520,004
8	HLF Large Rate U & Y - G-52	$0.8490	$0.8958	$0.8691	3,804,583	2,861,308	6,665,891	$ 331,396	$ 171,213	$ 502,608	$ 2,898,622	$ 2,391,979	$ 5,290,601	$ 3,230,018	$ 2,563,191	$ 5,793,209
9	LLF Large Rate V & Z - G-42	$0.8775	$0.8804	$0.8779	14,599,720	2,883,968	17,483,688	$ 2,296,003	$ 199,031	$ 2,495,034	$ 10,514,702	$ 2,339,986	$ 12,854,688	$ 12,810,705	$ 2,539,017	$ 15,349,722
10	HLF Large Rate U & Y - G-53	$0.8800	$0.8765	$0.8791	2,286,988	867,009	3,153,997	$ 240,680	$ 54,748	$ 295,428	$ 1,771,941	$ 705,160	$ 2,477,101	$ 2,012,621	$ 759,908	$ 2,772,528
11	LLF Large Rate V & Z - G-43	$0.8833	$0.8848	$0.8837	3,128,697	1,303,249	4,431,946	$ 576,100	$ 84,510	$ 660,611	$ 2,187,366	$ 1,068,607	$ 3,255,973	$ 2,763,466	$ 1,153,117	$ 3,916,584
12																
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17	TOTAL	$0.8870	$0.8866	$0.8869	294,560,422	71,388,626	365,949,048	$ 47,023,353	$ 5,072,356	$ 52,095,709	$ 214,243,177	$ 58,219,733	$ 272,462,909	$ 261,266,529	$ 63,292,089	$ 324,558,618
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Line	Class	TOTAL Gas Cost WINTER	TOTAL Gas Cost SUMMER	TOTAL Gas Cost ANNUAL	DEMAND UNIT COST WINTER	DEMAND UNIT COST SUMMER	DEMAND UNIT COST ANNUAL	COMMODITY UNIT COST WINTER	COMMODITY UNIT COST SUMMER	COMMODITY UNIT COST ANNUAL	DEMAND COSTS ALLOCATORS BASE	DEMAND COSTS ALLOCATORS REMAINING	DEMAND COSTS ALLOCATORS TOTAL	COMMODITY COSTS ALLOCATOR BASE	COMMODITY COSTS ALLOCATOR REMAINING	COMMODITY COSTS ALLOCATOR TOTAL
1	Resid Space Heating (R-3) & (R-4)	$0.8880	$0.8850	$0.8875	$0.1610	$0.0716	$0.1444	$0.7271	$0.8134	$0.7430	$ 3,862,967	$ 31,913,801	$ 35,776,767	$ 49,657,716	$ 134,395,424	$ 184,053,141
2	Resid Non-Space Heating (R-1) & (R-2)	$0.8548	$0.8787	$0.8647	$0.0997	$0.0606	$0.0835	$0.7551	$0.8182	$0.7812	$ 300,841	$ 232,905	$ 533,746	$ 3,867,284	$ 1,128,159	$ 4,995,443
3	Outdoor Lighting	$0.8334	$0.8800	$0.8562	$0.0623	$0.0616	$0.0619	$0.7711	$0.8184	$0.7942	$ 169	$ -	$ 169	$ 2,167	$ -	$ 2,167
4	HLF Small Rate Q - G-50	$0.8566	$0.8739	$0.8637	$0.1079	$0.0577	$0.0872	$0.7487	$0.8162	$0.7765	$ 195,298	$ 192,307	$ 387,605	$ 2,506,976	$ 945,632	$ 3,452,607
5	LLF Small Rate R - G-40	$0.9036	$0.9143	$0.9047	$0.1833	$0.1021	$0.1748	$0.7203	$0.8122	$0.7299	$ 168,590	$ 3,906,613	$ 4,075,202	$ 2,158,849	$ 14,855,080	$ 17,013,929
6	HLF Medium Rate S - G-51	$0.8604	$0.8804	$0.8686	$0.1033	$0.0612	$0.0861	$0.7570	$0.8192	$0.7824	$ 638,567	$ 543,192	$ 1,181,759	$ 8,208,799	$ 2,525,235	$ 10,734,034
7	LLF Medium Rate T - G-41	$0.8920	$0.9033	$0.8935	$0.1720	$0.0828	$0.1601	$0.7200	$0.8205	$0.7333	$ 358,374	$ 5,828,405	$ 6,186,778	$ 4,619,659	$ 23,713,567	$ 28,333,226
8	HLF Large Rate U & Y - G-52	$0.8490	$0.8958	$0.8691	$0.0871	$0.0598	$0.0754	$0.7619	$0.8360	$0.7937	$ 342,813	$ 159,796	$ 502,608	$ 4,357,592	$ 933,008	$ 5,290,601
9	LLF Large Rate V & Z - G-42	$0.8775	$0.8804	$0.8779	$0.1573	$0.0690	$0.1427	$0.7202	$0.8114	$0.7352	$ 205,273	$ 2,289,761	$ 2,495,034	$ 2,632,837	$ 10,221,852	$ 12,854,688
10	HLF Large Rate U & Y - G-53	$0.8800	$0.8765	$0.8791	$0.1052	$0.0631	$0.0937	$0.7748	$0.8133	$0.7854	$ 92,342	$ 203,086	$ 295,428	$ 1,184,913	$ 1,292,187	$ 2,477,101
11	LLF Large Rate V & Z - G-43	$0.8833	$0.8848	$0.8837	$0.1841	$0.0648	$0.1491	$0.6991	$0.8200	$0.7347	$ 122,834	$ 537,777	$ 660,611	$ 1,577,413	$ 1,678,560	$ 3,255,973
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17	TOTAL	$0.8870	$0.8866	$0.8869	$0.1596	$0.0711	$0.1424	$0.7273	$0.8155	$0.7445	$ 6,288,067	$ 45,807,642	$ 52,095,709	$ 80,774,205	$ 191,688,704	$ 272,462,909
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Bay State Gas Company
Simplified Market Based Alloctor (MBA) Calculations
Summary of MBA Gas Cost Allocations

Summary of MBA Gas Costs Allocations Test Period Nov 1, 2004 to Oct 31, 2005	Total	Winter	Summer
Gas Costs			
Capacity	$60,029,963	$54,158,921	$5,871,042
Commodity	$292,487,719	$240,485,906	$52,001,813
Total Allocated Gas Costs	$352,517,682	$294,644,827	$57,872,855
Calendar Month Sales - Therms			
High Load Factor	32,979,560	19,526,710	13,452,850
Low Load Factor	330,483,640	270,250,120	60,233,520
Total Calendar Month Sales	363,463,200	289,776,830	73,686,370
Allocated Gas Costs			
High Load Factor	$29,313,764	$19,063,712	$10,250,052
Low Load Factor	$323,203,917	$275,581,115	$47,622,802
Total Allocated Gas Costs	$352,517,682	$294,644,827	$57,872,855
Average Costs per Therm			
High Load Factor	$0.8888	$0.9763	$0.7619
Low Load Factor	$0.9780	$1.0197	$0.7906
Total Average Cost per Therm	$0.9699	$1.0168	$0.7854

BAY STATE GAS COMPANY
Forecasted Sales and Transportation (Volumes in MMBtu)
Normal Weather November 2004 through April 2005
Effective November 2004

Line No.	Firm Sales	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	Winter	Summer
1	Resid Space Heating (R-3) & (R-4)	2,528,293	3,840,264	4,470,945	3,840,264	3,182,332	1,948,223	990,397	623,049	576,153	489,276	666,555	1,553,142	24,708,893	19,810,321	4,898,572
2	Resid Non-Space Heating (R-1) & (R-2)	55,844	64,222	68,248	64,221	59,996	52,143	46,180	43,833	43,533	39,091	38,494	48,548	624,351	364,673	259,678
3	Outdoor Lighting	25	25	25	25	25	25	25	25	25	25	25	25	302	151	151
4	HLF Small Rate Q - G-50	40,086	49,147	50,661	49,147	41,880	38,220	32,990	30,856	30,583	38,552	22,790	36,238	461,150	269,141	192,009
5	LLF Small Rate R - G-40	253,171	412,677	489,353	412,677	332,687	182,647	66,391	21,459	15,723	23,869	32,849	135,223	2,378,726	2,083,212	295,514
6	HLF Medium Rate S - G-51	120,404	145,212	157,138	145,212	132,771	109,435	92,156	85,168	84,276	77,153	79,844	102,862	1,331,631	810,172	521,459
7	LLF Medium Rate T - G-41	405,838	657,058	777,823	657,058	531,075	294,764	111,731	40,963	31,929	40,384	46,701	220,142	3,815,466	3,323,616	491,850
8	HLF Large Rate U & Y - G-52 & G-53	66,906	87,915	99,997	93,890	88,410	71,416	69,410	54,863	66,051	52,251	59,022	70,391	880,522	508,534	371,988
9	LLF Large Rate V & Z - G-42 & G-43	226,968	353,076	413,698	353,076	289,834	171,211	79,563	30,101	40,587	20,953	40,194	126,018	2,145,279	1,807,863	337,416
10	Non-Grandfathered Trans Q - T-50	3,265	4,116	5,668	4,798	3,963	3,682	2,369	2,165	2,096	1,982	2,080	3,270	39,454	25,492	13,962
11	Non-Grandfathered Trans R - T-40	7,965	12,067	13,671	13,406	9,928	6,758	3,079	2,117	2,377	1,805	2,701	5,429	81,303	63,795	17,508
12	Non-Grandfathered Trans S - T-51	33,754	42,639	46,349	44,362	41,590	37,711	27,308	25,236	25,944	26,824	26,880	32,386	410,983	246,405	164,578
13	Non-Grandfathered Trans T - T-41	54,948	92,573	108,011	96,361	79,281	46,505	14,375	9,021	9,065	7,530	12,867	32,800	563,337	477,679	85,658
14	Non-Grndfthrd Trans U&Y-T-52 & 53	102,483	128,363	131,726	125,509	129,780	106,681	88,072	84,790	80,924	77,786	82,080	91,438	1,229,632	724,542	505,090
15	Non-Grndfthrd Trans V&Z-T-42 & 43	94,837	165,542	190,277	166,828	137,922	77,695	33,711	18,592	16,484	14,937	22,074	58,318	997,217	833,101	164,116
16	**Total Firm Sales**	3,994,787	6,054,896	7,023,590	6,066,834	5,061,474	3,147,116	1,657,757	1,072,238	1,025,750	912,418	1,135,156	2,516,230	39,668,246	31,348,697	8,319,549
17																
18	SALES HLF CLASSES	283,265	346,521	376,069	352,495	323,082	271,239	240,761	214,745	224,468	207,072	200,175	258,064	3,297,956	1,952,671	1,345,285
19	SALES LLF CLASSES	3,414,270	5,263,075	6,151,819	5,263,075	4,335,928	2,596,845	1,248,082	715,572	664,392	574,482	786,299	2,034,525	33,048,364	27,025,012	6,023,352
20	Non-Grandfathered HLF CLASSES	139,502	175,118	183,743	174,669	175,333	148,074	117,749	112,191	108,964	106,592	111,040	127,094	1,680,069	996,439	683,630
21	Non-Grandfathered LLF CLASSES	157,750	270,182	311,959	276,595	227,131	130,958	51,165	29,730	27,926	24,272	37,642	96,547	1,641,857	1,374,575	267,282
22																
23																
24	**Transportation**															
25	Resid Space Heating (T-3) & (T-4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Resid Non-Space Heating (T-1) & (T-2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	HLF Small Rate Q - T-50	4,283	5,752	5,869	5,878	5,380	4,105	4,012	3,652	3,650	3,811	3,489	3,962	53,843	31,267	22,576
28	LLF Small Rate R - T-40	14,216	21,072	24,736	19,733	17,716	10,578	6,318	3,767	3,538	2,328	3,300	8,696	135,998	108,051	27,947
29	HLF Medium Rate S - T-51	34,466	39,218	41,699	39,655	37,933	31,819	39,116	38,825	37,814	38,469	33,906	35,209	448,129	224,790	223,339
30	LLF Medium Rate T - T-41	115,591	172,650	202,728	168,862	138,460	82,171	45,493	24,175	20,726	18,444	27,577	67,926	1,084,803	880,462	204,341
31	HLF Large Rate U & Y - T-52 & T-53	509,370	575,682	616,636	578,536	528,032	464,412	420,441	397,753	398,304	360,695	395,697	443,288	5,688,846	3,272,668	2,416,178
32	LLF Large Rate V & Z - T-42 & T-43	235,231	353,838	420,107	352,553	286,522	168,672	74,968	36,758	32,060	33,403	44,209	129,458	2,167,779	1,816,923	350,856
33																
34																
35	**Total Transportation**	913,157	1,168,212	1,311,775	1,165,217	1,014,043	761,757	590,348	504,930	496,092	457,150	508,178	688,539	9,579,398	6,334,161	3,245,237
36																
37	ALL HLF CLASSES	548,119	620,652	664,204	624,069	571,345	500,336	463,569	440,230	439,768	402,975	433,092	482,459	6,190,818	3,528,725	2,662,093
38	ALL LLF CLASSES	365,038	547,560	647,571	541,148	442,698	261,421	126,779	64,700	56,324	54,175	75,086	206,080	3,388,580	2,805,436	583,144
39																
40																
41	**Total Firm Sales and Transportation**															
42	Resid Space Heating	2,528,293	3,840,264	4,470,945	3,840,264	3,182,332	1,948,223	990,397	623,049	576,153	489,276	666,555	1,553,142	24,708,893	19,810,321	4,898,572
43	Resid Non-Space Heating	55,844	64,222	68,248	64,221	59,996	52,143	46,180	43,833	43,533	39,091	38,494	48,548	624,351	364,673	259,678
44	Outdoor Lighting	25	25	25	25	25	25	25	25	25	25	25	25	302	151	151
45	HLF Small Rate Q - 50	44,369	54,899	56,530	55,025	47,260	42,325	37,002	34,508	34,233	42,363	26,279	40,200	514,993	300,408	214,585
46	LLF Small Rate R - 40	267,387	433,749	514,089	432,410	350,403	193,225	72,709	25,226	19,261	26,197	36,149	143,919	2,514,724	2,191,263	323,461
47	HLF Medium Rate S - 51	154,870	184,430	198,837	184,867	170,704	141,254	131,272	123,993	122,090	115,622	113,750	138,071	1,779,760	1,034,962	744,798
48	LLF Medium Rate T - 41	521,429	829,708	980,551	825,920	669,535	376,935	157,224	65,138	52,655	58,828	74,278	288,068	4,900,269	4,204,078	696,191
49	HLF Large Rate U & Y - 52 & 53	576,276	663,597	716,633	672,426	616,442	535,828	489,851	452,616	464,355	412,946	454,719	513,679	6,569,368	3,781,202	2,788,166
50	LLF Large Rate V & Z - 42 & 43	462,199	706,914	833,805	705,629	576,356	339,883	154,531	66,859	72,647	54,356	84,403	255,476	4,313,058	3,624,786	688,272
51	Non-Grandfathered Trans Q - T-50	3,265	4,116	5,668	4,798	3,963	3,682	2,369	2,165	2,096	1,982	2,080	3,270	39,454	25,492	13,962
52	Non-Grandfathered Trans R - T-40	7,965	12,067	13,671	13,406	9,928	6,758	3,079	2,117	2,377	1,805	2,701	5,429	81,303	63,795	17,508
53	Non-Grandfathered Trans S - T-51	33,754	42,639	46,349	44,362	41,590	37,711	27,308	25,236	25,944	26,824	26,880	32,386	410,983	246,405	164,578
54	Non-Grandfathered Trans T - T-41	54,948	92,573	108,011	96,361	79,281	46,505	14,375	9,021	9,065	7,530	12,867	32,800	563,337	477,679	85,658
55	Non-Grndfthrd Trans U&Y-T-52 & 53	102,483	128,363	131,726	125,509	129,780	106,681	88,072	84,790	80,924	77,786	82,080	91,438	1,229,632	724,542	505,090
56	Non-Grndfthrd Trans V&Z-T-42 & 43	94,837	165,542	190,277	166,828	137,922	77,695	33,711	18,592	16,484	14,937	22,074	58,318	997,217	833,101	164,116
57	**Total Firm Sales and Transportation**	4,907,944	7,223,108	8,335,365	7,232,051	6,075,517	3,908,873	2,248,105	1,577,168	1,521,842	1,369,568	1,643,334	3,204,769	49,247,644	37,682,858	11,564,786
58																
59	ALL HLF CLASSES Excl Non-Grnf	831,384	967,173	1,040,273	976,564	894,427	771,575	704,330	654,975	664,236	610,047	633,267	740,523	9,488,774	5,481,396	4,007,378
60	ALL LLF CLASSES Excl Non-Grnf	3,779,308	5,810,635	6,799,390	5,804,223	4,778,626	2,858,266	1,374,861	780,272	720,716	628,657	861,385	2,240,605	36,436,944	29,830,448	6,606,496
61	ALL Non-Grandf HLF CLASSES	139,502	175,118	183,743	174,669	175,333	148,074	117,749	112,191	108,964	106,592	111,040	127,094	1,680,069	996,439	683,630
62	ALL Non-Grandf LLF CLASSES	157,750	270,182	311,959	276,595	227,131	130,958	51,165	29,730	27,926	24,272	37,642	96,547	1,641,857	1,374,575	267,282

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
SENDOUT BY CLASS

ESTIMATED SENDOUT BY CLASS
Therms

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	Winter	Summer	% in Winter
Resid Space Heating (R-3) & (R-4)	25,535,760	38,786,669	45,156,543	38,786,669	32,141,554	19,677,049	10,003,006	6,292,794	5,819,150	4,941,690	6,732,204	15,686,735	249,559,824	200,084,245	49,475,579	80%
Resid Non-Space Heating (R-1) & (R-2)	563,781	648,380	689,048	648,380	605,955	526,377	466,145	442,458	439,434	394,566	388,535	490,077	6,303,135	3,681,921	2,621,214	58%
Outdoor Lighting	254	254	254	254	254	254	254	254	254	254	254	254	3,050	1,525	1,525	50%
HLF Small Rate Q - G-50	404,865	496,382	511,672	496,382	422,985	386,019	333,200	311,642	308,890	389,377	230,175	366,000	4,657,590	2,718,305	1,939,284	58%
LLF Small Rate R - G-40	2,557,024	4,168,033	4,942,465	4,168,033	3,360,138	1,844,737	670,549	216,733	158,799	241,074	331,774	1,365,756	24,025,115	21,040,432	2,984,684	88%
HLF Medium Rate S - G-51	1,216,079	1,466,645	1,587,095	1,466,645	1,340,990	1,105,295	930,781	860,197	851,186	779,246	806,426	1,038,909	13,449,495	8,182,750	5,266,745	61%
LLF Medium Rate T - G-41	4,098,959	6,636,288	7,856,013	6,636,288	5,363,859	2,977,113	1,128,484	413,728	322,482	407,883	471,681	2,223,430	38,536,211	33,568,521	4,967,689	87%
HLF Large Rate U & Y - G-52 & G-53	675,754	887,943	1,009,966	948,288	892,938	721,298	701,041	554,122	667,115	527,732	596,120	710,945	8,893,263	5,136,188	3,757,075	58%
LLF Large Rate V & Z - G-42 & G-43	2,292,376	3,566,064	4,178,342	3,566,064	2,927,330	1,729,231	803,584	304,019	409,933	211,625	405,954	1,272,789	21,667,309	18,259,407	3,407,903	84%
Non-Grandfathered Trans Q - T-50	32,980	41,576	57,253	48,465	40,026	37,192	23,929	21,872	21,165	20,017	21,011	33,027	398,512	257,492	141,020	65%
Non-Grandfathered Trans R - T-40	80,454	121,878	138,078	135,407	100,274	68,256	31,097	21,387	24,010	18,230	27,280	54,834	821,184	644,347	176,837	78%
Non-Grandfathered Trans S - T-51	340,920	430,646	468,123	448,048	420,055	380,882	275,806	254,881	262,040	270,919	271,487	327,096	4,150,902	2,488,675	1,662,228	60%
Non-Grandfathered Trans T - T-41	554,981	934,985	1,090,907	973,246	800,735	469,709	145,187	91,116	91,556	76,051	129,952	331,285	5,689,709	4,824,562	865,147	85%
Non-Grndfthrd Trans U&Y-T-52 & 53	1,035,077	1,296,466	1,330,434	1,267,645	1,310,783	1,077,477	889,527	856,377	817,333	785,639	829,010	923,531	12,419,300	7,317,883	5,101,417	59%
Non-Grndfthrd Trans V&Z-T-42 & 43	957,853	1,671,978	1,921,809	1,684,962	1,393,007	784,715	340,487	187,783	166,486	150,863	222,955	589,008	10,071,905	8,414,323	1,657,581	84%
TOTAL	40,347,117	61,154,190	70,938,002	61,274,777	51,120,884	31,785,605	16,743,077	10,829,361	10,359,832	9,215,166	11,464,817	25,413,675	400,646,505	316,620,576	84,025,929	79%
SALES HLF CLASSES	2,860,733	3,499,605	3,798,035	3,559,950	3,263,123	2,739,243	2,431,421	2,168,673	2,266,879	2,091,175	2,021,511	2,606,185	33,306,533	19,720,689	13,585,844	59%
SALES LLF CLASSES	34,484,118	53,157,055	62,133,363	53,157,055	43,792,882	26,228,131	12,605,622	7,227,274	6,710,364	5,802,273	7,941,612	20,548,709	333,788,460	272,952,605	60,835,855	82%
Non-Grandfathered HLF CLASSES	1,408,977	1,768,689	1,855,810	1,764,158	1,770,864	1,495,551	1,189,262	1,133,130	1,100,537	1,076,574	1,121,508	1,283,654	16,968,714	10,064,049	6,904,665	59%
Non-Grandfathered LLF CLASSES	1,593,288	2,728,841	3,150,794	2,793,615	2,294,016	1,322,679	516,771	300,285	282,051	245,144	380,187	975,127	16,582,798	13,883,233	2,699,565	84%

BASE SENDOUT BY CLASS - Therms

July Aug Daily Average **315,726**

Days per Month	30	31	31	28	31	30	31	30	31	31	30	31	365	181	184	
	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER	Base Use Daily Entitlement
Resid Space Heating (R-3) & (R-4)	5,206,858	5,380,420	5,380,420	4,859,735	5,380,420	5,206,858	5,380,420	5,206,858	5,380,420	4,941,690	5,206,858	5,380,420	62,911,381	31,414,713	31,496,668	173,562
Resid Non-Space Heating (R-1) & (R-2)	403,548	417,000	417,000	376,645	417,000	403,548	417,000	403,548	417,000	394,566	388,535	417,000	4,872,390	2,434,741	2,437,649	13,452
Outdoor Lighting	246	254	254	230	254	246	254	246	254	254	246	254	2,993	1,484	1,509	8
HLF Small Rate Q - G-50	337,871	349,134	349,134	315,347	349,134	337,871	333,200	311,642	308,890	349,134	230,175	349,134	3,920,665	2,038,490	1,882,175	11,262
LLF Small Rate R - G-40	193,487	199,936	199,936	180,588	199,936	193,487	199,936	193,487	158,799	199,936	193,487	199,936	2,312,953	1,167,371	1,145,582	6,450
HLF Medium Rate S - G-51	788,919	815,216	815,216	736,324	815,216	788,919	815,216	788,919	815,216	779,246	788,919	815,216	9,562,543	4,759,810	4,802,732	26,297
LLF Medium Rate T - G-41	353,403	365,183	365,183	329,842	365,183	353,403	365,183	353,403	322,482	365,183	353,403	365,183	4,257,032	2,132,196	2,124,836	11,780
HLF Large Rate U & Y - G-52 & G-53	578,152	597,424	597,424	539,608	597,424	578,152	597,424	554,122	597,424	527,732	578,152	597,424	6,940,459	3,488,183	3,452,276	19,272
LLF Large Rate V & Z - G-42 & G-43	300,754	310,779	310,779	280,703	310,779	300,754	310,779	300,754	310,779	211,625	300,754	310,779	3,560,016	1,814,547	1,745,469	10,025
Non-Grandfathered Trans Q - T-50	19,926	20,591	20,591	18,598	20,591	19,926	20,591	19,926	20,591	20,017	19,926	20,591	241,864	120,223	121,641	664
Non-Grandfathered Trans R - T-40	20,439	21,120	21,120	19,076	21,120	20,439	21,120	20,439	21,120	18,230	20,439	21,120	245,779	123,313	122,466	681
Non-Grandfathered Trans S - T-51	257,883	266,479	266,479	240,691	266,479	257,883	266,479	254,881	262,040	266,479	257,883	266,479	3,130,136	1,555,895	1,574,241	8,596
Non-Grandfathered Trans T - T-41	81,100	83,803	83,803	75,693	83,803	81,100	83,803	81,100	83,803	76,051	81,100	83,803	978,965	489,304	489,662	2,703
Non-Grndfthrd Trans U&Y-T-52 & 53	775,632	801,486	801,486	723,923	801,486	775,632	801,486	775,632	801,486	785,639	775,632	801,486	9,421,004	4,679,644	4,741,360	25,854
Non-Grndfthrd Trans V&Z-T-42 & 43	153,556	158,674	158,674	143,319	158,674	153,556	158,674	153,556	158,674	150,863	153,556	158,674	1,860,449	926,453	933,997	5,119
TOTAL	9,471,773	9,787,499	9,787,499	8,840,322	9,787,499	9,471,773	9,771,565	9,418,512	9,658,978	9,086,645	9,349,064	9,787,499	114,218,628	57,146,366	57,072,263	315,726
SALES HLF CLASSES	2,108,736	2,179,027	2,179,027	1,968,154	2,179,027	2,108,736	2,163,093	2,058,477	2,138,784	2,050,932	1,986,027	2,179,027	25,299,048	12,722,708	12,576,340	70,291
SALES LLF CLASSES	6,054,502	6,256,318	6,256,318	5,650,868	6,256,318	6,054,502	6,256,318	6,054,502	6,172,480	5,718,435	6,054,502	6,256,318	73,041,382	36,528,827	36,512,555	201,817
Non-Grandfathered HLF CLASSES	1,053,441	1,088,556	1,088,556	983,212	1,088,556	1,053,441	1,088,556	1,050,439	1,084,116	1,072,135	1,053,441	1,088,556	12,793,004	6,355,762	6,437,243	35,115
Non-Grandfathered LLF CLASSES	255,094	263,597	263,597	238,088	263,597	255,094	263,597	255,094	263,597	245,144	255,094	263,597	3,085,194	1,539,069	1,546,125	8,503

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
SENDOUT BY CLASS

REMAINING SENDOUT BY CLASS - Therms

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
Resid Space Heating (R-3) & (R-4)	20,328,901	33,406,249	39,776,122	33,926,935	26,761,134	14,470,191	4,622,586	1,085,936	438,730	-	1,525,345	10,306,314	186,648,443	168,669,532	17,978,911
Resid Non-Space Heating (R-1) & (R-2)	160,233	231,380	272,048	271,735	188,955	122,829	49,145	38,909	22,434	-	-	73,077	1,430,746	1,247,180	183,565
Outdoor Lighting	8	-	-	25	-	8	-	8	-	-	8	-	57	41	16
HLF Small Rate Q - G-50	66,994	147,249	162,538	181,036	73,851	48,148	-	-	-	40,244	-	16,866	736,925	679,815	57,110
LLF Small Rate R - G-40	2,363,537	3,968,097	4,742,529	3,987,446	3,160,202	1,651,250	470,612	23,246	-	41,138	138,287	1,165,819	21,712,162	19,873,061	1,839,101
HLF Medium Rate S - G-51	427,160	651,429	771,879	730,321	525,774	316,376	115,564	71,278	35,970	-	17,507	223,692	3,886,952	3,422,939	464,012
LLF Medium Rate T - G-41	3,745,556	6,271,106	7,490,831	6,306,446	4,998,676	2,623,711	763,302	60,325	-	42,701	118,279	1,858,248	34,279,179	31,436,325	2,842,853
HLF Large Rate U & Y - G-52 & G-53	97,602	290,520	412,542	408,680	295,515	143,147	103,618	-	69,692	-	17,968	113,522	1,952,804	1,648,005	304,799
LLF Large Rate V & Z - G-42 & G-43	1,991,622	3,255,285	3,867,563	3,285,361	2,616,551	1,428,478	492,805	3,265	99,154	-	105,200	962,010	18,107,293	16,444,859	1,662,434
Non-Grandfathered Trans Q - T-50	13,054	20,986	36,662	29,867	19,435	17,265	3,338	1,946	574	-	1,085	12,437	156,648	137,269	19,379
Non-Grandfathered Trans R - T-40	60,016	100,759	116,958	116,331	79,154	47,818	9,977	948	2,890	-	6,841	33,714	575,405	521,035	54,371
Non-Grandfathered Trans S - T-51	83,037	164,167	201,644	207,357	153,576	122,999	9,327	-	-	4,440	13,603	60,616	1,020,766	932,780	87,987
Non-Grandfathered Trans T - T-41	473,881	851,182	1,007,103	897,553	716,931	388,609	61,384	10,015	7,752	-	48,852	247,482	4,710,744	4,335,259	375,485
Non-Grndfthrd Trans U&Y-T-52 & 53	259,446	494,980	528,948	543,722	509,296	301,846	88,041	80,746	15,847	-	53,378	122,045	2,998,296	2,638,238	360,057
Non-Grndfthrd Trans V&Z-T-42 & 43	804,297	1,513,304	1,763,135	1,541,643	1,234,333	631,159	181,813	34,227	7,811	-	69,400	430,333	8,211,455	7,487,871	723,585
TOTAL	30,875,343	51,366,691	61,150,503	52,434,456	41,333,385	22,313,832	6,971,512	1,410,849	700,855	128,521	2,115,753	15,626,176	286,427,876	259,474,210	26,953,666
SALES HLF CLASSES	751,997	1,320,578	1,619,007	1,591,796	1,084,095	630,507	268,327	110,196	128,096	40,244	35,484	427,157	8,007,484	6,997,981	1,009,503
SALES LLF CLASSES	28,429,616	46,900,737	55,877,045	47,506,187	37,536,564	20,173,629	6,349,304	1,172,772	537,884	83,838	1,887,110	14,292,391	260,747,078	236,423,778	24,323,300
Non-Grandfathered HLF CLASSES	355,536	680,133	767,254	780,946	682,308	442,110	100,706	82,691	16,421	4,440	68,066	195,098	4,175,710	3,708,287	467,423
Non-Grandfathered LLF CLASSES	1,338,194	2,465,244	2,887,197	2,555,527	2,030,418	1,067,585	253,174	45,190	18,454	-	125,093	711,529	13,497,605	12,344,164	1,153,440

BASE USE PERCENTAGE OF TOTAL

Resid Space Heating (R-3) & (R-4)	20%	14%	12%	13%	17%	26%	54%	83%	92%	100%	77%	34%	25%	16%	64%
Resid Non-Space Heating (R-1) & (R-2)	72%	64%	61%	58%	69%	77%	89%	91%	95%	100%	100%	85%	77%	66%	93%
Outdoor Lighting	97%	100%	100%	90%	100%	97%	100%	97%	100%	100%	97%	100%	98%	97%	99%
HLF Small Rate Q - G-50	83%	70%	68%	64%	83%	88%	100%	100%	100%	90%	100%	95%	84%	75%	97%
LLF Small Rate R - G-40	8%	5%	4%	4%	6%	10%	30%	89%	100%	83%	58%	15%	10%	6%	38%
HLF Medium Rate S - G-51	65%	56%	51%	50%	61%	71%	88%	92%	96%	100%	98%	78%	71%	58%	91%
LLF Medium Rate T - G-41	9%	6%	5%	5%	7%	12%	32%	85%	100%	90%	75%	16%	11%	6%	43%
HLF Large Rate U & Y - G-52 & G-53	86%	67%	59%	57%	67%	80%	85%	100%	90%	100%	97%	84%	78%	68%	92%
LLF Large Rate V & Z - G-42 & G-43	13%	9%	7%	8%	11%	17%	39%	99%	76%	100%	74%	24%	16%	10%	51%
Non-Grandfathered Trans Q - T-50	60%	50%	36%	38%	51%	54%	86%	91%	97%	100%	95%	62%	61%	47%	86%
Non-Grandfathered Trans R - T-40	25%	17%	15%	14%	21%	30%	68%	96%	88%	100%	75%	39%	30%	19%	69%
Non-Grandfathered Trans S - T-51	76%	62%	57%	54%	63%	68%	97%	100%	100%	98%	95%	81%	75%	63%	95%
Non-Grandfathered Trans T - T-41	15%	9%	8%	8%	10%	17%	58%	89%	92%	100%	62%	25%	17%	10%	57%
Non-Grndfthrd Trans U&Y-T-52 & 53	75%	62%	60%	57%	61%	72%	90%	91%	98%	100%	94%	87%	76%	64%	93%
Non-Grndfthrd Trans V&Z-T-42 & 43	16%	9%	8%	9%	11%	20%	47%	82%	95%	100%	69%	27%	18%	11%	56%
TOTAL	23%	16%	14%	14%	19%	30%	58%	87%	93%	99%	82%	39%	29%	18%	68%
SALES HLF CLASSES	74%	62%	57%	55%	67%	77%	89%	95%	94%	98%	98%	84%	76%	65%	93%
SALES LLF CLASSES	18%	12%	10%	11%	14%	23%	50%	84%	92%	99%	76%	30%	22%	13%	60%
Non-Grandfathered HLF CLASSES	75%	62%	59%	56%	61%	70%	92%	93%	99%	100%	94%	85%	75%	63%	93%
Non-Grandfathered LLF CLASSES	16%	10%	8%	9%	11%	19%	51%	85%	93%	100%	67%	27%	19%	11%	57%

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
COMMODITY COSTS

		Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
1	**Supply Volumes - therms**															
2																
3	Total Pipeline	33,649,450	43,348,270	44,096,840	38,371,390	34,427,940	31,491,230	16,899,600	11,058,760	10,555,930	10,371,360	12,584,260	26,649,970	313,505,000	225,385,120	88,119,880
4	Total Other than Pipeline	7,313,130	17,990,430	27,078,370	23,143,130	16,971,570	818,480	407,030	393,900	407,030	407,030	393,900	407,030	95,731,030	93,315,110	2,415,920
5	Subtotal	40,962,580	61,338,700	71,175,210	61,514,520	51,399,510	32,309,710	17,306,630	11,452,660	10,962,960	10,778,390	12,978,160	27,057,000	409,236,030	318,700,230	90,535,800
6	Less Interruptible	524,410	22,900	4,920	7,320	107,020	392,490	482,520	572,490	572,510	1,522,500	1,472,490	1,592,500	7,274,070	1,059,060	6,215,010
7	Less Company Use	90,900	161,610	232,290	232,290	171,690	131,310	80,790	50,490	30,290	40,420	40,410	50,490	1,312,980	1,020,090	292,890
8	Total Firm	40,347,270	61,154,190	70,938,000	61,274,910	51,120,800	31,785,910	16,743,320	10,829,680	10,360,160	9,215,470	11,465,260	25,414,010	400,648,980	316,621,080	84,027,900
9	Usage (Firm Sales)	39,947,870	60,548,960	70,235,900	60,668,340	50,614,740	31,471,160	16,577,570	10,722,380	10,257,500	9,124,180	11,351,560	25,162,300	396,682,460	313,486,970	83,195,490
10	Difference	399,400	605,230	702,100	606,570	506,060	314,750	165,750	107,300	102,660	91,290	113,700	251,710	3,966,520	3,134,110	832,410
11	Percent	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%	1%
12																
13																
14	**Variable Costs**															
15																
16	Total Pipeline	$ 26,222,941	$ 39,686,676	$ 42,450,126	$ 36,659,160	$ 31,273,777	$ 23,698,414	$ 11,664,515	$ 7,517,474	$ 7,197,612	$ 7,095,163	$ 8,569,018	$ 18,934,803	$ 260,969,679	$ 199,991,094	$ 60,978,585
17	Total Other than Pipeline	$ 4,644,672	$ 11,698,428	$ 18,027,639	$ 15,208,496	$ 11,125,402	$ 606,734	$ 340,823	$ 332,061	$ 344,819	$ 345,455	$ 334,600	$ 346,467	$ 63,355,596	$ 61,311,371	$ 2,044,225
18	Subtotal	$ 30,867,613	$ 51,385,104	$ 60,477,765	$ 51,867,656	$ 42,399,179	$ 24,305,148	$ 12,005,338	$ 7,849,535	$ 7,542,431	$ 7,440,618	$ 8,903,618	$ 19,281,270	$ 324,325,275	$ 261,302,465	$ 63,022,810
19	Total Interruptible Incl Above	$ 415,511	$ 21,996	$ 4,946	$ 7,298	$ 101,093	$ 317,936	$ 364,279	$ 392,876	$ 385,587	$ 1,031,883	$ 1,019,188	$ 1,168,239	$ 5,230,834	$ 868,780	$ 4,362,053
20	Total (Without Interr)	$ 30,452,102	$ 51,363,108	$ 60,472,819	$ 51,860,358	$ 42,298,086	$ 23,987,212	$ 11,641,059	$ 7,456,659	$ 7,156,844	$ 6,408,735	$ 7,884,430	$ 18,113,031	$ 319,094,441	$ 260,433,685	$ 58,660,757
21																
22																
23	**Supply Cost/Therm**	(Includes all variable costs, both supplier and transportation)														
24																
25	Total Pipeline	$0.779	$0.916	$0.963	$0.955	$0.908	$0.753	$0.690	$0.680	$0.682	$0.684	$0.681	$0.710	$0.832		
26	Total Other than Pipeline	$0.635	$0.650	$0.666	$0.657	$0.656	$0.741	$0.837	$0.843	$0.847	$0.849	$0.849	$0.851	$0.662		
27																
28	Interruptible	$0.792	$0.961	$1.005	$0.997	$0.945	$0.810	$0.755	$0.686	$0.674	$0.678	$0.692	$0.734	$0.719		
29	Total	$0.755	$0.840	$0.852	$0.846	$0.827	$0.755	$0.695	$0.689	$0.691	$0.695	$0.688	$0.713	$0.796		
30																
31																
32	**Commodity Costs**															
33																
34	Pipeline Average Cost	$ 0.779	$ 0.916	$ 0.963	$ 0.955	$ 0.908	$ 0.753	$ 0.690	$ 0.680	$ 0.682	$ 0.684	$ 0.681	$ 0.710	$ 0.832	$ 0.887	$ 0.692
35	Base Commodity, therms	9,471,773	9,787,499	9,787,499	8,840,322	9,787,499	9,471,773	9,771,565	9,418,512	9,658,978	9,086,645	9,349,064	9,787,499	114,218,628	57,146,366	57,072,263
36																
37	Base Commodity Cost	$ 7,381,332	$ 8,960,757	$ 9,422,003	$ 8,445,844	$ 8,890,804	$ 7,127,889	$ 6,744,572	$ 6,402,473	$ 6,586,021	$ 6,216,275	$ 6,366,072	$ 6,954,018	$ 89,498,060	$ 50,228,629	$ 39,269,431
38																
39	Remaining Commodity	$ 23,070,770	$ 42,402,351	$ 51,050,816	$ 43,414,514	$ 33,407,283	$ 16,859,322	$ 4,896,487	$ 1,054,185	$ 570,823	$ 192,460	$ 1,518,358	$ 11,159,013	$ 229,596,382	$ 210,205,056	$ 19,391,326
40																
41	Total Commodity	$ 30,452,102	$ 51,363,108	$ 60,472,819	$ 51,860,358	$ 42,298,086	$ 23,987,212	$ 11,641,059	$ 7,456,659	$ 7,156,844	$ 6,408,735	$ 7,884,430	$ 18,113,031	$ 319,094,441	$ 260,433,685	$ 58,660,757

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
DEMAND COSTS

	Total MDQ	Total Costs	Unit cost $/Dt-Yr	Unit cost MDQ	Base Use MDQ	Base Use Costs	Remaining Use MDQ	Remaining Use Costs
Pipeline	146,964	$32,002,178	$	217.76	31,573	$6,875,094	115,391	$25,127,084
All Other Demand	132,330	$25,531,790					132,330	$25,531,790
TOTAL	279,294	$57,533,968			31,573	$6,875,094	247,721	$50,658,874
Less: Capacity Release		$674,160						$674,160
Total for Working Capital		$56,859,808				$6,875,094		$49,984,714
Demand Cost Deducts								
Interuptible Margins		$1,408,982						$1,408,982
Other		$0						$0
Other		$0						$0
TOTAL DEDUCTS		$1,408,982				$0		$1,408,982
Demand Cost Additions								
Production & Storage		$9,129,632						$9,129,632
Stranded Prod & Storage		($155,281)						($155,281)
Other		$0						$0
Other		$0						$0
TOTAL ADDITIONS		$8,974,351						$8,974,351
Grand Total - Capacity	279,294	$64,425,177			31,573	$6,875,094	247,721	$57,550,083
Commodity		*$319,094,441*						
Total Gas Costs after Adj		*$383,519,618*						
Total Gas Costs before Adj		*$376,628,409*						

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL
BASE DEMAND COSTS	$572,924	$572,924	$572,924	$572,924	$572,924	$572,924	$572,924	$572,924	$572,924	$572,924	$572,924	$572,924	$6,875,094

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
Base Costs

BASE DEMAND COSTS BY CLASS

	Nov-04 (30)	Dec-04 (31)	Jan-05 (31)	Feb-05 (28)	Mar-05 (31)	Apr-05 (30)	May-05 (31)	Jun-05 (30)	Jul-05 (31)	Aug-05 (31)	Sep-05 (30)	Oct-05 (31)	TOTAL (365)	WINTER (181)	SUMMER (184)
Resid Space Heating (R-3) & (R-4)	$ 314,950	$ 314,950	$ 314,950	$ 314,950	$ 314,950	$ 314,950	$ 315,464	$ 316,731	$ 319,141	$ 311,580	$ 319,084	$ 314,950	$ 3,786,651	$ 1,889,701	$ 1,896,950
Resid Non-Space Heating (R-1) & (R-2)	$ 24,410	$ 24,410	$ 24,410	$ 24,410	$ 24,410	$ 24,410	$ 24,449	$ 24,548	$ 24,734	$ 24,878	$ 23,810	$ 24,410	$ 293,287	$ 146,458	$ 146,829
Outdoor Lighting	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 15	$ 16	$ 15	$ 15	$ 180	$ 89	$ 91
HLF Small Rate Q - G-50	$ 20,437	$ 20,437	$ 20,437	$ 20,437	$ 20,437	$ 20,437	$ 19,536	$ 18,957	$ 18,322	$ 22,013	$ 14,105	$ 20,437	$ 235,993	$ 122,622	$ 113,371
LLF Small Rate R - G-40	$ 11,704	$ 11,704	$ 11,704	$ 11,704	$ 11,704	$ 11,704	$ 11,723	$ 11,770	$ 9,419	$ 12,606	$ 11,857	$ 11,704	$ 139,300	$ 70,221	$ 69,079
HLF Medium Rate S - G-51	$ 47,720	$ 47,720	$ 47,720	$ 47,720	$ 47,720	$ 47,720	$ 47,798	$ 47,990	$ 48,355	$ 49,132	$ 48,346	$ 47,720	$ 575,659	$ 286,319	$ 289,340
LLF Medium Rate T - G-41	$ 21,376	$ 21,376	$ 21,376	$ 21,376	$ 21,376	$ 21,376	$ 21,411	$ 21,497	$ 19,128	$ 23,025	$ 21,657	$ 21,376	$ 256,354	$ 128,259	$ 128,096
HLF Large Rate U & Y - G-52 & G-53	$ 34,971	$ 34,971	$ 34,971	$ 34,971	$ 34,971	$ 34,971	$ 35,028	$ 33,707	$ 35,436	$ 33,274	$ 35,430	$ 34,971	$ 417,672	$ 209,826	$ 207,847
LLF Large Rate V & Z - G-42 & G-43	$ 18,192	$ 18,192	$ 18,192	$ 18,192	$ 18,192	$ 18,192	$ 18,222	$ 18,295	$ 18,434	$ 13,343	$ 18,431	$ 18,192	$ 214,067	$ 109,151	$ 104,916
Non-Grandfathered Trans Q - T-50	$ 1,205	$ 1,205	$ 1,205	$ 1,205	$ 1,205	$ 1,205	$ 1,207	$ 1,212	$ 1,221	$ 1,262	$ 1,221	$ 1,205	$ 14,561	$ 7,232	$ 7,329
Non-Grandfathered Trans R - T-40	$ 1,236	$ 1,236	$ 1,236	$ 1,236	$ 1,236	$ 1,236	$ 1,238	$ 1,243	$ 1,253	$ 1,149	$ 1,253	$ 1,236	$ 14,790	$ 7,418	$ 7,372
Non-Grandfathered Trans S - T-51	$ 15,599	$ 15,599	$ 15,599	$ 15,599	$ 15,599	$ 15,599	$ 15,624	$ 15,504	$ 15,543	$ 16,802	$ 15,803	$ 15,599	$ 188,468	$ 93,592	$ 94,875
Non-Grandfathered Trans T - T-41	$ 4,906	$ 4,906	$ 4,906	$ 4,906	$ 4,906	$ 4,906	$ 4,914	$ 4,933	$ 4,971	$ 4,795	$ 4,970	$ 4,906	$ 58,922	$ 29,433	$ 29,488
Non-Grndfthrd Trans U&Y-T-52 & 53	$ 46,916	$ 46,916	$ 46,916	$ 46,916	$ 46,916	$ 46,916	$ 46,993	$ 47,181	$ 47,540	$ 49,536	$ 47,532	$ 46,916	$ 567,194	$ 281,496	$ 285,698
Non-Grndfthrd Trans V&Z-T-42 & 43	$ 9,288	$ 9,288	$ 9,288	$ 9,288	$ 9,288	$ 9,288	$ 9,303	$ 9,341	$ 9,412	$ 9,512	$ 9,410	$ 9,288	$ 111,996	$ 55,729	$ 56,266
TOTAL	$ 572,924	$ 572,924	$ 572,924	$ 572,924	$ 572,924	$ 572,924	$ 572,924	$ 572,924	$ 572,924	$ 572,924	$ 572,924	$ 572,924	$ 6,875,094	$ 3,437,547	$ 3,437,547
SALES HLF CLASSES	$ 127,552	$ 127,552	$ 127,552	$ 127,552	$ 127,552	$ 127,552	$ 126,826	$ 125,216	$ 126,862	$ 129,314	$ 121,707	$ 127,552	$ 1,522,792	$ 765,314	$ 757,478
SALES LLF CLASSES	$ 366,222	$ 366,222	$ 366,222	$ 366,222	$ 366,222	$ 366,222	$ 366,819	$ 368,293	$ 366,122	$ 360,555	$ 371,029	$ 366,222	$ 4,396,372	$ 2,197,332	$ 2,199,040
Non-Grandfathered HLF CLASSES	$ 63,720	$ 63,720	$ 63,720	$ 63,720	$ 63,720	$ 63,720	$ 63,824	$ 63,898	$ 64,305	$ 67,599	$ 64,556	$ 63,720	$ 770,223	$ 382,321	$ 387,902
Non-Grandfathered LLF CLASSES	$ 15,430	$ 15,430	$ 15,430	$ 15,430	$ 15,430	$ 15,430	$ 15,455	$ 15,517	$ 15,635	$ 15,457	$ 15,633	$ 15,430	$ 185,707	$ 92,580	$ 93,127

BASE COMMODITY COSTS BY CLASS

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
Resid Space Heating (R-3) & (R-4)	$ 4,057,693	$ 4,925,941	$ 5,179,499	$ 4,642,881	$ 4,887,486	$ 3,918,370	$ 3,713,697	$ 3,539,495	$ 3,668,666	$ 3,380,665	$ 3,545,513	$ 3,822,789	$ 49,282,694	$ 27,611,869	$ 21,670,825
Resid Non-Space Heating (R-1) & (R-2)	$ 314,484	$ 381,776	$ 401,428	$ 359,838	$ 378,796	$ 303,686	$ 287,823	$ 274,322	$ 284,333	$ 269,927	$ 264,566	$ 296,278	$ 3,817,258	$ 2,140,008	$ 1,677,250
Outdoor Lighting	$ 192	$ 233	$ 245	$ 219	$ 231	$ 185	$ 175	$ 167	$ 173	$ 174	$ 167	$ 181	$ 2,342	$ 1,304	$ 1,038
HLF Small Rate Q - G-50	$ 263,302	$ 319,643	$ 336,096	$ 301,275	$ 317,147	$ 254,262	$ 229,982	$ 211,847	$ 210,618	$ 238,846	$ 156,734	$ 248,059	$ 3,087,812	$ 1,791,725	$ 1,296,087
LLF Small Rate R - G-40	$ 150,784	$ 183,048	$ 192,470	$ 172,529	$ 181,619	$ 145,607	$ 138,001	$ 131,528	$ 108,278	$ 136,779	$ 131,751	$ 142,055	$ 1,814,449	$ 1,026,057	$ 788,391
HLF Medium Rate S - G-51	$ 614,803	$ 746,355	$ 784,773	$ 703,468	$ 740,529	$ 593,693	$ 562,682	$ 536,288	$ 555,859	$ 533,091	$ 537,200	$ 579,211	$ 7,487,952	$ 4,183,621	$ 3,304,330
LLF Medium Rate T - G-41	$ 275,406	$ 334,336	$ 351,546	$ 315,124	$ 331,726	$ 265,950	$ 252,058	$ 240,234	$ 219,886	$ 249,826	$ 240,643	$ 259,462	$ 3,336,197	$ 1,874,087	$ 1,462,109
HLF Large Rate U & Y - G-52 & G-53	$ 450,552	$ 546,960	$ 575,114	$ 515,530	$ 542,690	$ 435,082	$ 412,356	$ 376,679	$ 407,356	$ 361,027	$ 393,682	$ 424,469	$ 5,441,497	$ 3,065,928	$ 2,375,569
LLF Large Rate V & Z - G-42 & G-43	$ 234,377	$ 284,528	$ 299,173	$ 268,178	$ 282,306	$ 226,329	$ 214,507	$ 204,445	$ 211,906	$ 144,775	$ 204,793	$ 220,808	$ 2,796,125	$ 1,594,891	$ 1,201,234
Non-Grandfathered Trans Q - T-50	$ 15,579	$ 18,851	$ 19,822	$ 17,768	$ 18,704	$ 14,995	$ 14,212	$ 13,545	$ 14,040	$ 13,694	$ 13,569	$ 14,630	$ 189,359	$ 105,669	$ 83,689
Non-Grandfathered Trans R - T-40	$ 15,928	$ 19,336	$ 20,331	$ 18,225	$ 19,185	$ 15,381	$ 14,577	$ 13,894	$ 14,401	$ 12,471	$ 13,917	$ 15,006	$ 192,651	$ 108,385	$ 84,266
Non-Grandfathered Trans S - T-51	$ 200,968	$ 243,970	$ 256,528	$ 229,951	$ 242,065	$ 194,067	$ 183,930	$ 173,262	$ 178,673	$ 182,301	$ 175,601	$ 189,333	$ 2,450,650	$ 1,367,549	$ 1,083,101
Non-Grandfathered Trans T - T-41	$ 63,201	$ 76,725	$ 80,674	$ 72,316	$ 76,126	$ 61,031	$ 57,843	$ 55,130	$ 57,142	$ 52,028	$ 55,224	$ 59,542	$ 766,980	$ 430,072	$ 336,908
Non-Grndfthrd Trans U&Y-T-52 & 53	$ 604,448	$ 733,785	$ 771,556	$ 691,620	$ 728,057	$ 583,694	$ 553,205	$ 527,255	$ 546,497	$ 537,464	$ 528,152	$ 569,456	$ 7,375,189	$ 4,113,159	$ 3,262,030
Non-Grndfthrd Trans V&Z-T-42 & 43	$ 119,666	$ 145,271	$ 152,749	$ 136,923	$ 144,137	$ 115,557	$ 109,521	$ 104,383	$ 108,193	$ 103,207	$ 104,561	$ 112,738	$ 1,456,906	$ 814,303	$ 642,603
TOTAL	$ 7,381,332	$ 8,960,757	$ 9,422,003	$ 8,445,844	$ 8,890,804	$ 7,127,889	$ 6,744,572	$ 6,402,473	$ 6,586,021	$ 6,216,275	$ 6,366,072	$ 6,954,018	$ 89,498,060	$ 50,228,629	$ 39,269,431
SALES HLF CLASSES	$ 1,643,333	$ 1,994,967	$ 2,097,656	$ 1,880,330	$ 1,979,393	$ 1,586,909	$ 1,493,020	$ 1,399,302	$ 1,458,340	$ 1,403,065	$ 1,352,348	$ 1,548,199	$ 19,836,861	$ 11,182,587	$ 8,654,274
SALES LLF CLASSES	$ 4,718,260	$ 5,727,852	$ 6,022,688	$ 5,398,712	$ 5,683,137	$ 4,556,255	$ 4,318,263	$ 4,115,702	$ 4,208,736	$ 3,912,045	$ 4,122,700	$ 4,445,114	$ 57,229,464	$ 32,106,904	$ 25,122,560
Non-Grandfathered HLF CLASSES	$ 820,944	$ 996,606	$ 1,047,906	$ 939,338	$ 988,826	$ 792,757	$ 751,348	$ 714,062	$ 739,210	$ 733,459	$ 717,321	$ 773,419	$ 10,015,198	$ 5,586,378	$ 4,428,820
Non-Grandfathered LLF CLASSES	$ 198,794	$ 241,332	$ 253,754	$ 227,464	$ 239,448	$ 191,969	$ 181,941	$ 173,407	$ 179,735	$ 167,706	$ 173,702	$ 187,286	$ 2,416,537	$ 1,352,760	$ 1,063,777

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
REMAINING COSTS

1 **REMAINING DEMAND COSTS** $ 57,550,083 (From DEMAND tab)

3 **Remaining Load (Sendout)**

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL
7 Resid Space Heating (R-3) & (R-4)	20,328,901	33,406,249	39,776,122	33,926,935	26,761,134	14,470,191	4,622,586	1,085,936	438,730	-	1,525,345	10,306,314	186,648,443
8 Resid Non-Space Heating (R-1) & (R-2)	160,233	231,380	272,048	271,735	188,955	122,829	49,145	38,909	22,434	-	-	73,077	1,430,746
9 Outdoor Lighting	8	-	-	25	-	8	-	8	-	-	8	-	57
10 HLF Small Rate Q - G-50	66,994	147,249	162,538	181,036	73,851	48,148	-	-	-	40,244	-	16,866	736,925
11 LLF Small Rate R - G-40	2,363,537	3,968,097	4,742,529	3,987,446	3,160,202	1,651,250	470,612	23,246	-	41,138	138,287	1,165,819	21,712,162
12 HLF Medium Rate S - G-51	427,160	651,429	771,879	730,321	525,774	316,376	115,564	71,278	35,970	-	17,507	223,692	3,886,952
13 LLF Medium Rate T - G-41	3,745,556	6,271,106	7,490,831	6,306,446	4,998,676	2,623,711	763,302	60,325	-	42,701	118,279	1,858,248	34,279,179
14 HLF Large Rate U & Y - G-52 & G-53	97,602	290,520	412,542	408,680	295,515	143,147	103,618	-	69,692	-	17,968	113,522	1,952,804
15 LLF Large Rate V & Z - G-42 & G-43	1,991,622	3,255,285	3,867,563	3,285,361	2,616,551	1,428,478	492,805	3,265	99,154	-	105,200	962,010	18,107,293
16 Non-Grandfathered Trans Q - T-50	13,054	20,986	36,662	29,867	19,435	17,265	3,338	1,946	574	-	1,085	12,437	156,648
17 Non-Grandfathered Trans R - T-40	60,016	100,759	116,958	116,331	79,154	47,818	9,977	948	2,890	-	6,841	33,714	575,405
18 Non-Grandfathered Trans S - T-51	83,037	164,167	201,644	207,357	153,576	122,999	9,327	-	-	4,440	13,603	60,616	1,020,766
19 Non-Grandfathered Trans T - T-41	473,881	851,182	1,007,103	897,553	716,931	388,609	61,384	10,015	7,752	-	48,852	247,482	4,710,744
20 Non-Grndfthrd Trans U&Y-T-52 & 53	259,446	494,980	528,948	543,722	509,296	301,846	88,041	80,746	15,847	-	53,378	122,045	2,998,296
21 Non-Grndfthrd Trans V&Z-T-42 & 43	804,297	1,513,304	1,763,135	1,541,643	1,234,333	631,159	181,813	34,227	7,811	-	69,400	430,333	8,211,455
23 TOTAL	30,875,343	51,366,691	61,150,503	52,434,456	41,333,385	22,313,832	6,971,512	1,410,849	700,855	128,521	2,115,753	15,626,176	286,427,876
25 SALES HLF CLASSES	751,997	1,320,578	1,619,007	1,591,796	1,084,095	630,507	268,327	110,196	128,096	40,244	35,484	427,157	8,007,484
26 SALES LLF CLASSES	28,429,616	46,900,737	55,877,045	47,506,187	37,536,564	20,173,629	6,349,304	1,172,772	537,884	83,838	1,887,110	14,292,391	260,747,078
27 Non-Grandfathered HLF CLASSES	355,536	680,133	767,254	780,946	682,308	442,110	100,706	82,691	16,421	4,440	68,066	195,098	4,175,710
28 Non-Grandfathered LLF CLASSES	1,338,194	2,465,244	2,887,197	2,555,527	2,030,418	1,067,585	253,174	45,190	18,454	-	125,093	711,529	13,497,605

32 **Design Day Allocation to Rate Classes**

	Class Design Day Load, therms	Less Base Use on Design Day	Remaining Design Day Load	% of Total	Annual Load Factor (Info Only)	Allocated Net Remaining Demand	Allocated Pipeline & Other Demand	Allocated Capacity Release Demand	Allocated Interruptible Margins	Allocated Production & Storage	Allocated Stranded Prod & Storage	Total Net Remaining Demand
35 Resid Space Heating (R-3) & (R-4)	2,541,436	173,562	2,367,874	65.046%	27%	$ 37,434,184	$ 32,951,709	$ 438,516	$ 916,490	$ 5,938,485	$ (101,005)	
36 Resid Non-Space Heating (R-1) & (R-2)	29,647	13,452	16,195	0.445%	58%	$ 256,030	$ 225,373	$ 2,999	$ 6,268	$ 40,616	$ (691)	
37 Outdoor Lighting	8	8	-	0.000%	101%	$ -	$ -	$ -	$ -	$ -	$ -	
38 HLF Small Rate Q - G-50	20,938	11,262	9,676	0.266%	60%	$ 152,968	$ 134,651	$ 1,792	$ 3,745	$ 24,267	$ (413)	
39 LLF Small Rate R - G-40	288,772	6,450	282,323	7.756%	23%	$ 4,463,298	$ 3,928,850	$ 52,284	$ 109,274	$ 708,049	$ (12,043)	
40 HLF Medium Rate S - G-51	72,247	26,297	45,950	1.262%	50%	$ 726,432	$ 639,447	$ 8,510	$ 17,785	$ 115,240	$ (1,960)	
41 LLF Medium Rate T - G-41	457,709	11,780	445,929	12.250%	23%	$ 7,049,785	$ 6,205,624	$ 82,583	$ 172,598	$ 1,118,364	$ (19,022)	
42 HLF Large Rate U & Y - G-52 & G-53	43,830	19,272	24,559	0.675%	55%	$ 388,253	$ 341,762	$ 4,548	$ 9,505	$ 61,592	$ (1,048)	
43 LLF Large Rate V & Z - G-42 & G-43	240,261	10,025	230,236	6.325%	24%	$ 3,639,848	$ 3,204,003	$ 42,638	$ 89,113	$ 577,418	$ (9,821)	
44 Non-Grandfathered Trans Q - T-50	2,847	664	2,182	0.060%	38%	$ 34,503	$ 30,372	$ 404	$ 845	$ 5,474	$ (93)	
45 Non-Grandfathered Trans R - T-40	7,644	681	6,963	0.191%	29%	$ 110,077	$ 96,892	$ 1,289	$ 2,695	$ 17,462	$ (297)	
46 Non-Grandfathered Trans S - T-51	20,600	8,596	12,004	0.330%	55%	$ 189,772	$ 167,048	$ 2,223	$ 4,646	$ 30,105	$ (512)	
47 Non-Grandfathered Trans T - T-41	62,656	2,703	59,953	1.647%	25%	$ 947,807	$ 834,314	$ 11,103	$ 23,205	$ 150,358	$ (2,557)	
48 Non-Grndfthrd Trans U&Y-T-52 & 53	57,343	25,854	31,488	0.865%	59%	$ 497,805	$ 438,196	$ 5,831	$ 12,188	$ 78,971	$ (1,343)	
49 Non-Grndfthrd Trans V&Z-T-42 & 43	110,078	5,119	104,959	2.883%	25%	$ 1,659,325	$ 1,460,633	$ 19,438	$ 40,625	$ 263,232	$ (4,477)	
51 TOTAL	3,956,017	315,726	3,640,291	100.000%	27%	$ 57,550,083	$ 50,658,874	$ 674,160	$ 1,408,982	$ 9,129,632	$ (155,281)	$ 57,550,083
53 SALES HLF CLASSES	166,671	70,291	96,380	2.65%		$ 1,523,684	$ 1,341,233	$ 17,849	$ 37,304	$ 241,714	$ (4,111)	$ 1,523,684
54 SALES LLF CLASSES	3,528,179	201,817	3,326,362	91.38%		$ 52,587,116	$ 46,290,187	$ 616,022	$ 1,287,475	$ 8,342,317	$ (141,890)	$ 52,587,116
55 Non-Grandfathered HLF CLASSES	80,789	35,115	45,675	1.25%		$ 722,080	$ 635,616	$ 8,459	$ 17,678	$ 114,549	$ (1,948)	$ 722,080
56 Non-Grandfathered LLF CLASSES	180,378	8,503	171,875	4.72%		$ 2,717,204	$ 2,391,839	$ 31,830	$ 66,525	$ 431,052	$ (7,332)	$ 2,717,204

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
REMAINING COSTS

Proportional Responsibility (PR) Allocator

	Remaining Load	Rank	%WINTER	PR	CumPR
NOV	30,875,343	5	50.49%	2.800%	7.984%
DEC	51,366,691	3	84.00%	5.469%	17.729%
JAN	61,150,503	1	100.00%	14.253%	32.855%
FEB	52,434,456	2	85.75%	0.873%	18.602%
MAR	41,333,385	4	67.59%	4.276%	12.260%
APR	22,313,832	6	36.49%	1.823%	5.184%
MAY	6,971,512	8	11.40%	0.993%	1.339%
JUN	1,410,849	10	2.31%	0.116%	0.219%
JUL	700,855	11	1.15%	0.085%	0.103%
AUG	128,521	12	0.21%	0.018%	0.018%
SEP	2,115,753	9	3.46%	0.128%	0.347%
OCT	15,626,176	7	25.55%	2.022%	3.361%
TOTAL	286,427,876			32.855%	100.000%

REMAINING DEMAND COSTS BY CLASS

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
MONTHLY PR DEMAND %	7.984%	17.729%	32.855%	18.602%	12.260%	5.184%	1.339%	0.219%	0.103%	0.018%	0.347%	3.361%	100.000%	94.614%	5.386%
Resid Space Heating (R-3) & (R-4)	$ 2,988,787	$ 6,636,644	$ 12,299,125	$ 6,963,468	$ 4,589,298	$ 1,940,576	$ 501,383	$ 81,871	$ 38,407	$ 6,556	$ 129,817	$ 1,258,251	$ 37,434,184	$ 35,417,898	$ 2,016,286
Resid Non-Space Heating (R-1) & (R-2)	$ 20,442	$ 45,391	$ 84,120	$ 47,627	$ 31,388	$ 13,273	$ 3,429	$ 560	$ 263	$ 45	$ 888	$ 8,606	$ 256,030	$ 242,240	$ 13,790
Outdoor Lighting	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
HLF Small Rate Q - G-50	$ 12,213	$ 27,119	$ 50,258	$ 28,455	$ 18,753	$ 7,930	$ 2,049	$ 335	$ 157	$ 27	$ 530	$ 5,142	$ 152,968	$ 144,729	$ 8,239
LLF Small Rate R - G-40	$ 356,355	$ 791,291	$ 1,466,431	$ 830,258	$ 547,185	$ 231,376	$ 59,780	$ 9,762	$ 4,579	$ 782	$ 15,478	$ 150,022	$ 4,463,298	$ 4,222,895	$ 240,403
HLF Medium Rate S - G-51	$ 57,999	$ 128,788	$ 238,672	$ 135,130	$ 89,058	$ 37,658	$ 9,730	$ 1,589	$ 745	$ 127	$ 2,519	$ 24,417	$ 726,432	$ 687,305	$ 39,127
LLF Medium Rate T - G-41	$ 562,863	$ 1,249,845	$ 2,316,230	$ 1,311,394	$ 864,279	$ 365,459	$ 94,423	$ 15,418	$ 7,233	$ 1,235	$ 24,448	$ 236,960	$ 7,049,785	$ 6,670,069	$ 379,717
HLF Large Rate U & Y - G-52 & G-53	$ 30,999	$ 68,833	$ 127,562	$ 72,222	$ 47,598	$ 20,127	$ 5,200	$ 849	$ 398	$ 68	$ 1,346	$ 13,050	$ 388,253	$ 367,340	$ 20,912
LLF Large Rate V & Z - G-42 & G-43	$ 290,610	$ 645,303	$ 1,195,884	$ 677,081	$ 446,233	$ 188,689	$ 48,751	$ 7,961	$ 3,734	$ 637	$ 12,623	$ 122,344	$ 3,639,848	$ 3,443,798	$ 196,050
Non-Grandfathered Trans Q - T-50	$ 2,755	$ 6,117	$ 11,336	$ 6,418	$ 4,230	$ 1,789	$ 462	$ 75	$ 35	$ 6	$ 120	$ 1,160	$ 34,503	$ 32,645	$ 1,858
Non-Grandfathered Trans R - T-40	$ 8,788	$ 19,515	$ 36,165	$ 20,476	$ 13,494	$ 5,706	$ 1,474	$ 241	$ 113	$ 19	$ 382	$ 3,700	$ 110,072	$ 104,143	$ 5,929
Non-Grandfathered Trans S - T-51	$ 15,152	$ 33,644	$ 62,350	$ 35,301	$ 23,265	$ 9,838	$ 2,542	$ 415	$ 195	$ 33	$ 658	$ 6,379	$ 189,772	$ 179,550	$ 10,222
Non-Grandfathered Trans T - T-41	$ 75,674	$ 168,035	$ 311,405	$ 176,310	$ 116,198	$ 49,134	$ 12,695	$ 2,073	$ 972	$ 166	$ 3,287	$ 31,858	$ 947,807	$ 896,756	$ 51,051
Non-Grndfthrd Trans U&Y-T-52 & 53	$ 39,745	$ 88,255	$ 163,555	$ 92,601	$ 61,029	$ 25,806	$ 6,667	$ 1,089	$ 511	$ 87	$ 1,726	$ 16,732	$ 497,805	$ 470,992	$ 26,813
Non-Grndfthrd Trans V&Z-T-42 & 43	$ 132,482	$ 294,179	$ 545,177	$ 308,666	$ 203,427	$ 86,019	$ 22,225	$ 3,629	$ 1,702	$ 291	$ 5,754	$ 55,774	$ 1,659,325	$ 1,569,950	$ 89,375
TOTAL	$ 4,594,863	$ 10,202,958	$ 18,908,270	$ 10,705,406	$ 7,055,436	$ 2,983,378	$ 770,809	$ 125,866	$ 59,046	$ 10,080	$ 199,577	$ 1,934,394	$ 57,550,083	$ 54,450,312	$ 3,099,772
SALES HLF CLASSES	$ 121,653	$ 270,131	$ 500,611	$ 283,434	$ 186,798	$ 78,987	$ 20,408	$ 3,337	$ 1,563	$ 267	$ 5,284	$ 51,215	$ 1,523,684	$ 1,441,615	$ 82,069
SALES LLF CLASSES	$ 4,198,614	$ 9,323,082	$ 17,277,671	$ 9,782,200	$ 6,446,994	$ 2,726,099	$ 704,337	$ 115,011	$ 53,954	$ 9,210	$ 182,366	$ 1,767,577	$ 52,587,116	$ 49,754,660	$ 2,832,456
Non-Grandfathered HLF CLASSES	$ 57,652	$ 128,016	$ 237,242	$ 134,321	$ 88,524	$ 37,432	$ 9,671	$ 1,579	$ 741	$ 126	$ 2,504	$ 24,271	$ 722,080	$ 683,187	$ 38,893
Non-Grandfathered LLF CLASSES	$ 216,945	$ 481,729	$ 892,746	$ 505,452	$ 333,120	$ 140,859	$ 36,393	$ 5,943	$ 2,788	$ 476	$ 9,423	$ 91,332	$ 2,717,204	$ 2,570,850	$ 146,354

Bay State Gas Company
SENDOUT FORECAST: Normal Calendar Month Sendout (MMBtu)
DESIGN DAY DEMANDS ALL DIVISIONS

1 **Sendout for Design Day Calculation**

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	Winter	Summer
Customer Class															
Resid Space Heating (R-3) & (R-4)	2,553,576	3,878,667	4,515,654	3,878,667	3,214,155	1,967,705	1,000,301	629,279	581,915	494,169	673,220	1,568,673	24,955,982	20,008,424	4,947,558
Resid Non-Space Heating (R-1) & (R-2)	56,378	64,838	68,905	64,838	60,596	52,638	46,614	44,246	43,943	39,457	38,854	49,008	630,314	368,192	262,121
Outdoor Lighting	25	25	25	25	25	25	25	25	25	25	25	25	305	153	153
HLF Small Rate Q - G-50	40,486	49,638	51,167	49,638	42,298	38,602	33,320	31,164	30,889	38,938	23,018	36,600	465,759	271,831	193,928
LLF Small Rate R - G-40	255,702	416,803	494,247	416,803	336,014	184,474	67,055	21,673	15,880	24,107	33,177	136,576	2,402,512	2,104,043	298,468
HLF Medium Rate S - G-51	121,608	146,665	158,710	146,665	134,099	110,529	93,078	86,020	85,119	77,925	80,643	103,891	1,344,949	818,275	526,674
LLF Medium Rate T - G-41	409,896	663,629	785,601	663,629	536,386	297,711	112,848	41,373	32,248	40,788	47,168	222,343	3,853,621	3,356,852	496,769
HLF Large Rate U & Y - G-52 & G-53	67,575	88,794	100,997	94,829	89,294	72,130	70,104	55,412	66,712	52,773	59,612	71,095	889,326	513,619	375,708
LLF Large Rate V & Z - G-42 & G-43	229,238	356,606	417,834	356,606	292,733	172,923	80,358	30,402	40,993	21,162	40,595	127,279	2,166,731	1,825,941	340,790
Non-Grandfathered Trans Q - T-50	3,298	4,158	5,725	4,847	4,003	3,719	2,393	2,187	2,116	2,002	2,101	3,303	39,851	25,749	14,102
Non-Grandfathered Trans R - T-40	8,045	12,188	13,808	13,541	10,027	6,826	3,110	2,139	2,401	1,823	2,728	5,483	82,118	64,435	17,684
Non-Grandfathered Trans S - T-51	34,092	43,065	46,812	44,805	42,006	38,088	27,581	25,488	26,204	27,092	27,149	32,710	415,090	248,867	166,223
Non-Grandfathered Trans T - T-41	55,498	93,498	109,091	97,325	80,073	46,971	14,519	9,112	9,156	7,605	12,995	33,129	568,971	482,456	86,515
Non-Grndfthrd Trans U&Y-T-52 & 53	103,508	129,647	133,043	126,765	131,078	107,748	88,953	85,638	81,733	78,564	82,901	92,353	1,241,930	731,788	510,142
Non-Grndfthrd Trans V&Z-T-42 & 43	95,785	167,198	192,181	168,496	139,301	78,471	34,049	18,778	16,649	15,086	22,296	58,901	1,007,190	841,432	165,758
SALES HLF CLASSES	286,073	349,961	379,803	355,995	326,312	273,924	243,142	216,867	226,688	209,118	202,151	260,618	3,330,653	1,972,069	1,358,584
SALES LLF CLASSES	3,448,412	5,315,706	6,213,336	5,315,706	4,379,288	2,622,813	1,260,562	722,727	671,036	580,227	794,161	2,054,871	33,378,846	27,295,260	6,083,585
Non-Grandfathered HLF CLASSES	140,898	176,869	185,581	176,416	177,086	149,555	118,926	113,313	110,054	107,657	112,151	128,365	1,696,871	1,006,405	690,467
Non-Grandfathered LLF CLASSES	159,329	272,884	315,079	279,361	229,402	132,268	51,677	30,028	28,205	24,514	38,019	97,513	1,658,280	1,388,323	269,956
Grand Total	4,034,712	6,115,419	7,093,800	6,127,478	5,112,088	3,178,560	1,674,308	1,082,936	1,035,983	921,517	1,146,482	2,541,367	40,064,650	31,662,058	8,402,593
Days/Month	30	31	31	28	31	30	31	30	31	31	30	31	365		

BASE LOAD: Customer day weighted

Customer Class															
Resid Space Heating (R-3) & (R-4)	520,686	538,042	538,042	485,973	538,042	520,686	538,042	520,686	538,042	494,169	520,686	538,042	6,291,138	3,141,471	3,149,667
Resid Non-Space Heating (R-1) & (R-2)	40,355	41,700	41,700	37,664	41,700	40,355	41,700	40,355	41,700	39,457	40,355	41,700	488,740	243,474	245,266
Outdoor Lighting	25	25	25	23	25	25	25	25	25	25	25	25	299	148	151
HLF Small Rate Q - G-50	33,787	34,913	34,913	31,535	34,913	33,787	34,913	33,787	30,889	34,913	33,787	34,913	407,052	203,849	203,203
LLF Small Rate R - G-40	19,349	19,994	19,994	18,059	19,994	19,349	19,994	19,349	15,880	19,994	19,349	19,994	231,295	116,737	114,558
HLF Medium Rate S - G-51	78,892	81,522	81,522	73,632	81,522	78,892	81,522	78,892	81,522	77,925	78,892	81,522	956,254	475,981	480,273
LLF Medium Rate T - G-41	35,340	36,518	36,518	32,984	36,518	35,340	36,518	35,340	32,248	36,518	35,340	36,518	425,703	213,220	212,484
HLF Large Rate U & Y - G-52 & G-53	57,815	59,742	59,742	53,961	59,742	57,815	59,742	57,815	59,742	52,773	57,815	59,742	696,449	348,818	347,631
LLF Large Rate V & Z - G-42 & G-43	30,075	31,078	31,078	28,070	31,078	30,075	31,078	30,075	31,078	21,162	30,075	31,078	356,002	181,455	174,547
Non-Grandfathered Trans Q - T-50	1,993	2,059	2,059	1,860	2,059	1,993	2,059	1,993	2,059	2,002	1,993	2,059	24,186	12,022	12,164
Non-Grandfathered Trans R - T-40	2,044	2,112	2,112	1,908	2,112	2,044	2,112	2,044	2,112	1,823	2,044	2,112	24,578	12,331	12,247
Non-Grandfathered Trans S - T-51	25,788	26,648	26,648	24,069	26,648	25,788	26,648	25,788	26,204	26,648	25,788	26,648	313,314	155,589	157,724
Non-Grandfathered Trans T - T-41	8,110	8,380	8,380	7,569	8,380	8,110	8,380	8,110	8,380	7,605	8,110	8,380	97,897	48,930	48,966
Non-Grndfthrd Trans U&Y-T-52 & 53	77,563	80,149	80,149	72,392	80,149	77,563	80,149	77,563	80,149	78,564	77,563	80,149	942,100	467,964	474,136
Non-Grndfthrd Trans V&Z-T-42 & 43	15,356	15,867	15,867	14,332	15,867	15,356	15,867	15,356	15,867	15,086	15,356	15,867	186,045	92,645	93,400
Grand Total	947,177	978,750	978,750	884,032	978,750	947,177	978,750	947,177	965,898	908,664	947,177	978,750	11,441,053	5,714,637	5,726,417

Bay State Gas Company
SENDOUT FORECAST: Normal Calendar Month Sendout (MMBtu)
DESIGN DAY DEMANDS ALL DIVISIONS

1 HEATING LOAD: Difference of Base from Total Sendout

	Customer Class	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	Winter	Summer
5	Resid Space Heating (R-3) & (R-4)	2,032,890	3,340,625	3,977,612	3,392,693	2,676,113	1,447,019	462,259	108,594	43,873	-	152,535	1,030,631	18,664,844	16,866,953	1,797,891
6	Resid Non-Space Heating (R-1) & (R-2)	16,023	23,138	27,205	27,174	18,896	12,283	4,915	3,891	2,243	-	(1,501)	7,308	141,573	124,718	16,855
7	Outdoor Lighting	1	-	-	2	-	1	-	1	-	-	1	-	6	4	2
8	HLF Small Rate Q - G-50	6,699	14,725	16,254	18,104	7,385	4,815	(1,593)	(2,623)	-	4,024	(10,770)	1,687	58,707	67,981	(9,275)
9	LLF Small Rate R - G-40	236,354	396,810	474,253	398,745	316,020	165,125	47,061	2,325	-	4,114	13,829	116,582	2,171,216	1,987,306	183,910
10	HLF Medium Rate S - G-51	42,716	65,143	77,188	73,032	52,577	31,638	11,556	7,128	3,597	-	1,751	22,369	388,695	342,294	46,401
11	LLF Medium Rate T - G-41	374,556	627,111	749,083	630,645	499,868	262,371	76,330	6,033	-	4,270	11,828	185,825	3,427,918	3,143,633	284,285
12	HLF Large Rate U & Y - G-52 & G-53	9,760	29,052	41,254	40,868	29,551	14,315	10,362	(2,403)	6,969	-	1,797	11,352	192,877	164,801	28,077
13	LLF Large Rate V & Z - G-42 & G-43	199,162	325,529	386,756	328,536	261,655	142,848	49,280	327	9,915	-	10,520	96,201	1,810,729	1,644,486	166,243
14	Non-Grandfathered Trans Q - T-50	1,305	2,099	3,666	2,987	1,944	1,727	334	195	57	-	108	1,244	15,665	13,727	1,938
15	Non-Grandfathered Trans R - T-40	6,002	10,076	11,696	11,633	7,915	4,782	998	95	289	-	684	3,371	57,541	52,103	5,437
16	Non-Grandfathered Trans S - T-51	8,304	16,417	20,164	20,736	15,358	12,300	933	(300)	-	444	1,360	6,062	101,776	93,278	8,498
17	Non-Grandfathered Trans T - T-41	47,388	85,118	100,710	89,755	71,693	38,861	6,138	1,002	775	-	4,885	24,748	471,074	433,526	37,549
18	Non-Grndfthrd Trans U&Y-T-52 & 53	25,945	49,498	52,895	54,372	50,930	30,185	8,804	8,075	1,585	-	5,338	12,204	299,830	263,824	36,006
19	Non-Grndfthrd Trans V&Z-T-42 & 43	80,430	151,330	176,313	154,164	123,433	63,116	18,181	3,423	781	-	6,940	43,033	821,146	748,787	72,358
21	Grand Total	3,087,534	5,136,669	6,115,050	5,243,446	4,133,339	2,231,383	695,558	135,759	70,085	12,852	199,304	1,562,618	28,623,597	25,947,421	2,676,176

DESIGN DAY LOAD (Jan)

	Customer Class	Peak Month Normal HDDays	Incremental Use/HDD	Design HDDays	Design Day Heating Use	% of Total	Base Use	Design Day Total Use	Scaled Design Day Total Use	% of Total	Load Factor
29	Resid Space Heating (R-3) & (R-4)	1,305	3,047.91	78	236,787	65.0463%	17,356	254,144	254,144	64.24%	26.90%
30	Resid Non-Space Heating (R-1) & (R-2)	1,305	20.85	78	1,620	0.4449%	1,345	2,965	2,965	0.75%	58.25%
31	Outdoor Lighting	1,305	0.00	78	0	0.0000%	1	1	1	0.00%	101.92%
32	HLF Small Rate Q - G-50	1,305	12.45	78	968	0.2658%	1,126	2,094	2,094	0.53%	60.94%
33	LLF Small Rate R - G-40	1,305	363.40	78	28,232	7.7555%	645	28,877	28,877	7.30%	22.79%
34	HLF Medium Rate S - G-51	1,305	59.15	78	4,595	1.2623%	2,630	7,225	7,225	1.83%	51.00%
35	LLF Medium Rate T - G-41	1,305	574.00	78	44,593	12.2498%	1,178	45,771	45,771	11.57%	23.07%
36	HLF Large Rate U & Y - G-52 & G-53	1,305	31.61	78	2,456	0.6746%	1,927	4,383	4,383	1.11%	55.59%
37	LLF Large Rate V & Z - G-42 & G-43	1,305	296.36	78	23,024	6.3247%	1,003	24,026	24,026	6.07%	24.71%
38	Non-Grandfathered Trans Q - T-50	1,305	2.81	78	218	0.0600%	66	285	285	0.07%	38.35%
39	Non-Grandfathered Trans R - T-40	1,305	8.96	78	696	0.1913%	68	764	764	0.19%	29.43%
40	Non-Grandfathered Trans S - T-51	1,305	15.45	78	1,200	0.3298%	860	2,060	2,060	0.52%	55.21%
41	Non-Grandfathered Trans T - T-41	1,305	77.17	78	5,995	1.6469%	270	6,266	6,266	1.58%	24.88%
42	Non-Grndfthrd Trans U&Y-T-52 & 53	1,305	40.53	78	3,149	0.8650%	2,585	5,734	5,734	1.45%	59.34%
43	Non-Grndfthrd Trans V&Z-T-42 & 43	1,305	135.10	78	10,496	2.8833%	512	11,008	11,008	2.78%	25.07%
45	SALES HLF CLASSES		124.06		9,638	2.6476%	7,029	16,667	16,667	4.21%	54.75%
46	SALES LLF CLASSES		4,281.67		332,636	91.3763%	20,182	352,818	352,818	89.19%	25.92%
47	Non-Grandfathered HLF CLASSES		58.79		4,567	1.2547%	3,511	8,079	8,079	2.04%	57.54%
48	Non-Grandfathered LLF CLASSES		221.24		17,187	4.7215%	850	18,038	18,038	4.56%	25.19%
49	Grand Total		4,685.76		364,029	100.0000%	31,573	395,602	395,602	100.00%	27.75%
51	TOTAL		4,685.76		364,029	100.0000%	31,573	395,602	395,602	100.000%	27.75%
									395,602		

REMAINING COMMODITY COSTS BY CLASS (From Commodity tab) (Allocate to classes based on Remaining Sendout)

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
TOT REMAINING COMM	$ 23,070,770	$ 42,402,351	$ 51,050,816	$ 43,414,514	$ 33,407,283	$ 16,859,322	$ 4,896,487	$ 1,054,185	$ 570,823	$ 192,460	$ 1,518,358	$ 11,159,013	$ 229,596,382	$ 210,205,056	$ 19,391,326
Resid Space Heating (R-3) & (R-4)	$ 15,190,225	$ 27,576,304	$ 33,206,652	$ 28,090,716	$ 21,629,411	$ 10,933,022	$ 3,246,703	$ 811,410	$ 301,959	$ 101,809	$ 1,094,655	$ 7,359,977	$ 149,542,843	$ 136,626,329	$ 12,916,513
Resid Non-Space Heating (R-1) & (R-2)	$ 119,730	$ 191,001	$ 227,116	$ 224,990	$ 152,721	$ 92,804	$ 34,517	$ 29,073	$ 15,440	$ 5,206	$ -	$ 52,186	$ 1,144,785	$ 1,008,362	$ 136,422
Outdoor Lighting	$ 6	$ -	$ -	$ 20	$ -	$ 6	$ -	$ 6	$ -	$ -	$ 6	$ -	$ 45	$ 33	$ 12
HLF Small Rate Q - G-50	$ 50,059	$ 121,551	$ 135,693	$ 149,893	$ 59,689	$ 36,378	$ -	$ -	$ 27,698	$ 9,339	$ -	$ 12,045	$ 602,346	$ 553,265	$ 49,081
LLF Small Rate R - G-40	$ 1,766,089	$ 3,275,598	$ 3,959,247	$ 3,301,513	$ 2,554,201	$ 1,247,610	$ 330,537	$ 17,369	$ 28,313	$ 9,546	$ 99,241	$ 832,538	$ 17,421,803	$ 16,104,258	$ 1,317,545
HLF Medium Rate S - G-51	$ 319,184	$ 537,744	$ 644,395	$ 604,689	$ 424,952	$ 239,039	$ 81,167	$ 53,259	$ 24,757	$ 8,347	$ 12,564	$ 159,744	$ 3,109,840	$ 2,770,002	$ 339,838
LLF Medium Rate T - G-41	$ 2,798,766	$ 5,176,694	$ 6,253,636	$ 5,221,591	$ 4,040,129	$ 1,982,357	$ 536,110	$ 45,075	$ 29,389	$ 9,909	$ 84,882	$ 1,327,018	$ 27,505,555	$ 25,473,173	$ 2,032,382
HLF Large Rate U & Y - G-52 & G-53	$ 72,930	$ 239,819	$ 344,406	$ 338,377	$ 238,847	$ 108,155	$ 72,777	$ -	$ 47,966	$ 16,172	$ 12,895	$ 81,068	$ 1,573,413	$ 1,342,535	$ 230,878
LLF Large Rate V & Z - G-42 & G-43	$ 1,488,186	$ 2,687,184	$ 3,228,792	$ 2,720,202	$ 2,114,801	$ 1,079,293	$ 346,125	$ 2,440	$ 68,243	$ 23,009	$ 75,496	$ 686,994	$ 14,520,764	$ 13,318,458	$ 1,202,306
Non-Grandfathered Trans Q - T-50	$ 9,754	$ 17,323	$ 30,607	$ 24,729	$ 15,708	$ 13,045	$ 2,344	$ 1,454	$ 395	$ 133	$ 778	$ 8,881	$ 125,153	$ 111,167	$ 13,986
Non-Grandfathered Trans R - T-40	$ 44,845	$ 83,175	$ 97,641	$ 96,319	$ 63,975	$ 36,129	$ 7,007	$ 708	$ 1,989	$ 671	$ 4,910	$ 24,076	$ 461,446	$ 422,084	$ 39,361
Non-Grandfathered Trans S - T-51	$ 62,047	$ 135,517	$ 168,340	$ 171,687	$ 124,126	$ 92,933	$ 6,551	$ -	$ 3,056	$ 1,030	$ 9,762	$ 43,288	$ 818,337	$ 754,650	$ 63,687
Non-Grandfathered Trans T - T-41	$ 354,095	$ 702,636	$ 840,769	$ 743,153	$ 579,452	$ 293,615	$ 43,113	$ 7,484	$ 5,335	$ 1,799	$ 35,058	$ 176,732	$ 3,783,243	$ 3,513,721	$ 269,522
Non-Grndfthrd Trans U&Y-T-52 & 53	$ 193,864	$ 408,598	$ 441,586	$ 450,189	$ 411,634	$ 228,061	$ 61,836	$ 60,333	$ 10,907	$ 3,677	$ 38,307	$ 87,155	$ 2,396,147	$ 2,133,932	$ 262,215
Non-Grndfthrd Trans V&Z-T-42 & 43	$ 600,989	$ 1,249,207	$ 1,471,934	$ 1,276,445	$ 997,637	$ 476,875	$ 127,698	$ 25,574	$ 5,376	$ 1,813	$ 49,804	$ 307,311	$ 6,590,663	$ 6,073,087	$ 517,576
TOTAL	$ 23,070,770	$ 42,402,351	$ 51,050,816	$ 43,414,514	$ 33,407,283	$ 16,859,322	$ 4,896,487	$ 1,054,185	$ 570,823	$ 192,460	$ 1,518,358	$ 11,159,013	$ 229,596,382	$ 210,205,056	$ 19,391,326
SALES HLF CLASSES	$ 561,910	$ 1,090,115	$ 1,351,610	$ 1,317,970	$ 876,209	$ 476,383	$ 188,462	$ 82,338	$ 115,861	$ 39,064	$ 25,465	$ 305,043	$ 6,430,428	$ 5,674,197	$ 756,231
SALES LLF CLASSES	$ 21,243,266	$ 38,715,780	$ 46,648,328	$ 39,334,022	$ 30,338,541	$ 15,242,282	$ 4,459,475	$ 876,294	$ 427,904	$ 144,273	$ 1,354,274	$ 10,206,527	$ 208,990,965	$ 191,522,218	$ 17,468,747
Non-Grandfathered HLF CLASSES	$ 265,665	$ 561,439	$ 640,534	$ 646,605	$ 551,468	$ 334,038	$ 70,732	$ 61,787	$ 14,358	$ 4,841	$ 48,847	$ 139,324	$ 3,339,637	$ 2,999,749	$ 339,888
Non-Grandfathered LLF CLASSES	$ 999,929	$ 2,035,018	$ 2,410,344	$ 2,115,917	$ 1,641,065	$ 806,619	$ 177,818	$ 33,766	$ 12,701	$ 4,282	$ 89,772	$ 508,120	$ 10,835,351	$ 10,008,892	$ 826,459

REMAINING TOTAL COSTS BY CLASS

	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	WINTER	SUMMER
Resid Space Heating (R-3) & (R-4)	$ 18,179,012	$ 34,212,948	$ 45,505,777	$ 35,054,183	$ 26,218,709	$ 12,873,598	$ 3,748,086	$ 893,281	$ 340,366	$ 108,365	$ 1,224,472	$ 8,618,229	$ 186,977,026	$ 172,044,227	$ 14,932,799
Resid Non-Space Heating (R-1) & (R-2)	$ 140,171	$ 236,392	$ 311,236	$ 272,617	$ 184,110	$ 106,076	$ 37,947	$ 29,633	$ 15,703	$ 5,251	$ 888	$ 60,792	$ 1,400,815	$ 1,250,602	$ 150,213
Outdoor Lighting	$ 6	$ -	$ -	$ 20	$ -	$ 6	$ -	$ 6	$ -	$ -	$ 6	$ -	$ 45	$ 33	$ 12
HLF Small Rate Q - G-50	$ 62,272	$ 148,671	$ 185,951	$ 178,348	$ 78,443	$ 44,308	$ 2,049	$ 335	$ 27,855	$ 9,365	$ 530	$ 17,186	$ 755,314	$ 697,994	$ 57,320
LLF Small Rate R - G-40	$ 2,122,444	$ 4,066,889	$ 5,425,679	$ 4,131,771	$ 3,101,385	$ 1,478,986	$ 390,318	$ 27,131	$ 32,892	$ 10,328	$ 114,719	$ 982,560	$ 21,885,102	$ 20,327,154	$ 1,557,948
HLF Medium Rate S - G-51	$ 377,183	$ 666,532	$ 883,066	$ 739,819	$ 514,010	$ 276,697	$ 90,897	$ 54,848	$ 25,502	$ 8,474	$ 15,083	$ 184,161	$ 3,836,273	$ 3,457,307	$ 378,965
LLF Medium Rate T - G-41	$ 3,361,629	$ 6,426,538	$ 8,569,867	$ 6,532,985	$ 4,904,407	$ 2,347,816	$ 630,533	$ 60,493	$ 36,622	$ 11,144	$ 109,330	$ 1,563,978	$ 34,555,340	$ 32,143,242	$ 2,412,099
HLF Large Rate U & Y - G-52 & G-53	$ 103,929	$ 308,652	$ 471,968	$ 410,600	$ 286,445	$ 128,282	$ 77,977	$ 849	$ 48,364	$ 16,240	$ 14,241	$ 94,118	$ 1,961,665	$ 1,709,876	$ 251,790
LLF Large Rate V & Z - G-42 & G-43	$ 1,778,795	$ 3,332,487	$ 4,424,676	$ 3,397,283	$ 2,561,033	$ 1,267,982	$ 394,876	$ 10,400	$ 71,978	$ 23,647	$ 88,119	$ 809,338	$ 18,160,613	$ 16,762,256	$ 1,398,357
Non-Grandfathered Trans Q - T-50	$ 12,509	$ 23,440	$ 41,943	$ 31,148	$ 19,938	$ 14,833	$ 2,807	$ 1,529	$ 431	$ 139	$ 898	$ 10,041	$ 159,656	$ 143,812	$ 15,845
Non-Grandfathered Trans R - T-40	$ 53,633	$ 102,689	$ 133,806	$ 116,795	$ 77,470	$ 41,835	$ 8,482	$ 949	$ 2,102	$ 690	$ 5,291	$ 27,776	$ 571,518	$ 526,228	$ 45,290
Non-Grandfathered Trans S - T-51	$ 77,199	$ 169,162	$ 230,691	$ 206,988	$ 147,392	$ 102,770	$ 9,093	$ 415	$ 3,250	$ 1,063	$ 10,421	$ 49,666	$ 1,008,108	$ 934,200	$ 73,908
Non-Grandfathered Trans T - T-41	$ 429,769	$ 870,671	$ 1,152,174	$ 919,463	$ 695,650	$ 342,749	$ 55,808	$ 9,556	$ 6,308	$ 1,965	$ 38,345	$ 208,590	$ 4,731,050	$ 4,410,477	$ 320,573
Non-Grndfthrd Trans U&Y-T-52 & 53	$ 233,609	$ 496,853	$ 605,142	$ 542,790	$ 472,663	$ 253,867	$ 68,504	$ 61,422	$ 11,418	$ 3,765	$ 40,033	$ 103,887	$ 2,893,952	$ 2,604,924	$ 289,028
Non-Grndfthrd Trans V&Z-T-42 & 43	$ 733,472	$ 1,543,386	$ 2,017,110	$ 1,585,111	$ 1,201,064	$ 562,894	$ 149,922	$ 29,203	$ 7,079	$ 2,103	$ 55,559	$ 363,085	$ 8,249,988	$ 7,643,037	$ 606,951
TOTAL	$ 27,665,633	$ 52,605,309	$ 69,959,086	$ 54,119,920	$ 40,462,719	$ 19,842,700	$ 5,667,297	$ 1,180,051	$ 629,869	$ 202,539	$ 1,717,935	$ 13,093,408	$ 287,146,465	$ 264,655,367	$ 22,491,098
SALES HLF CLASSES	$ 683,562	$ 1,360,246	$ 1,852,222	$ 1,601,404	$ 1,063,007	$ 555,370	$ 208,869	$ 85,670	$ 117,424	$ 39,331	$ 30,749	$ 356,258	$ 7,954,112	$ 7,115,811	$ 838,300
SALES LLF CLASSES	$ 25,441,880	$ 48,038,861	$ 63,925,999	$ 49,116,222	$ 36,785,535	$ 17,968,381	$ 5,163,812	$ 991,305	$ 481,858	$ 153,483	$ 1,536,639	$ 11,974,104	$ 261,578,081	$ 241,276,879	$ 20,301,203
Non-Grandfathered HLF CLASSES	$ 323,316	$ 689,455	$ 877,775	$ 780,926	$ 639,993	$ 371,471	$ 80,403	$ 63,366	$ 15,098	$ 4,967	$ 51,352	$ 163,595	$ 4,061,717	$ 3,682,936	$ 378,781
Non-Grandfathered LLF CLASSES	$ 1,216,874	$ 2,516,746	$ 3,303,091	$ 2,621,368	$ 1,974,184	$ 947,478	$ 214,212	$ 39,709	$ 15,489	$ 4,758	$ 99,195	$ 599,451	$ 13,552,555	$ 12,579,741	$ 972,814

Bay State Gas Company
Simplified Market Based Allocator (SMBA) Calculations
NEW LOAD-FACTOR CGA

GAS COST ALLOCATION

Line	RATE CLASS	WINTER Gas Cost	SUMMER Gas Cost	ANNUAL AVG	SALES VOLUMES WINTER	SALES VOLUMES SUMMER	SALES VOLUMES ANNUAL	DEMAND COSTS WINTER	DEMAND COSTS SUMMER	DEMAND COSTS ANNUAL	COMMODITY COSTS WINTER	COMMODITY COSTS SUMMER	COMMODITY COSTS ANNUAL	TOTAL COSTS WINTER	TOTAL COSTS SUMMER	TOTAL COSTS ANNUAL
1	Resid Space Heating (R-3) & (R-4)	$1.0174	$0.7860	$0.9715	198,103,210	48,985,720	247,088,930	$ 37,307,599	$ 3,913,236	$ 41,220,834	$ 164,238,198	$ 34,587,338	$ 198,825,536	$ 201,545,797	$ 38,500,574	$ 240,046,371
2	Resid Non-Space Heating (R-1) & (R-2)	$0.9699	$0.7603	$0.8827	3,646,730	2,596,780	6,243,510	$ 388,698	$ 160,619	$ 549,317	$ 3,148,370	$ 1,813,673	$ 4,962,043	$ 3,537,068	$ 1,974,292	$ 5,511,360
3	Outdoor Lighting	$0.9446	$0.7556	$0.8501	1,510	1,510	3,020	$ 89	$ 91	$ 180	$ 1,337	$ 1,050	$ 2,387	$ 1,426	$ 1,141	$ 2,567
4	HLF Small Rate Q - G-50	$0.9706	$0.7639	$0.8846	2,691,410	1,920,090	4,611,500	$ 267,351	$ 121,610	$ 388,961	$ 2,344,990	$ 1,345,168	$ 3,690,157	$ 2,612,341	$ 1,466,778	$ 4,079,119
5	LLF Small Rate R - G-40	$1.0284	$0.8174	$1.0022	20,832,120	2,955,140	23,787,260	$ 4,293,117	$ 309,481	$ 4,602,598	$ 17,130,316	$ 2,105,937	$ 19,236,252	$ 21,423,432	$ 2,415,418	$ 23,838,850
6	HLF Medium Rate S - G-51	$0.9785	$0.7618	$0.8936	8,101,720	5,214,590	13,316,310	$ 973,624	$ 328,468	$ 1,302,091	$ 6,953,624	$ 3,644,168	$ 10,597,792	$ 7,927,247	$ 3,972,636	$ 11,899,883
7	LLF Medium Rate T - G-41	$1.0274	$0.8137	$0.9998	33,236,160	4,918,500	38,154,660	$ 6,798,328	$ 507,812	$ 7,306,140	$ 27,347,260	$ 3,494,491	$ 30,841,752	$ 34,145,588	$ 4,002,304	$ 38,147,892
8	HLF Large Rate U & Y - G-52 & G-53	$0.9804	$0.7622	$0.8882	5,085,340	3,719,880	8,805,220	$ 577,166	$ 228,759	$ 805,925	$ 4,408,463	$ 2,606,447	$ 7,014,910	$ 4,985,629	$ 2,835,206	$ 7,820,835
9	LLF Large Rate V & Z - G-42 & G-43	$1.0214	$0.8015	$0.9869	18,078,630	3,374,160	21,452,790	$ 3,552,950	$ 300,966	$ 3,853,915	$ 14,913,349	$ 2,403,541	$ 17,316,889	$ 18,466,298	$ 2,704,507	$ 21,170,805
10	Non-Grandfathered Trans Q - T-50	$1.0070	$0.7654	$0.9215	254,920	139,620	394,540	$ 39,877	$ 9,188	$ 49,064	$ 216,836	$ 97,675	$ 314,511	$ 256,713	$ 106,863	$ 363,576
11	Non-Grandfathered Trans R - T-40	$1.0064	$0.7821	$0.9581	637,950	175,080	813,030	$ 111,561	$ 13,301	$ 124,862	$ 530,470	$ 123,627	$ 654,097	$ 642,031	$ 136,928	$ 778,959
12	Non-Grandfathered Trans S - T-51	$0.9721	$0.7607	$0.8874	2,464,050	1,645,780	4,109,830	$ 273,143	$ 105,097	$ 378,240	$ 2,122,199	$ 1,146,787	$ 3,268,987	$ 2,395,342	$ 1,251,884	$ 3,647,226
13	Non-Grandfathered Trans T - T-41	$1.0195	$0.8020	$0.9864	4,776,790	856,580	5,633,370	$ 926,190	$ 80,539	$ 1,006,729	$ 3,943,793	$ 606,430	$ 4,550,223	$ 4,869,982	$ 686,969	$ 5,556,951
14	Non-Grndfthrd Trans U&Y-T-52 & 53	$0.9661	$0.7596	$0.8813	7,245,420	5,050,900	12,296,320	$ 752,488	$ 312,511	$ 1,064,999	$ 6,247,092	$ 3,524,245	$ 9,771,337	$ 6,999,580	$ 3,836,756	$ 10,836,335
15	Non-Grndfthrd Trans V&Z-T-42 & 43	$1.0219	$0.7957	$0.9846	8,331,010	1,641,160	9,972,170	$ 1,625,679	$ 145,641	$ 1,771,321	$ 6,887,390	$ 1,160,179	$ 8,047,569	$ 8,513,069	$ 1,305,820	$ 9,818,889
16																
17	TOTAL	$1.0154	$0.7837	$0.9668	313,486,970	83,195,490	396,682,460	$ 57,887,858	$ 6,537,319	$ 64,425,177	$ 260,433,685	$ 58,660,757	$ 319,094,441	$ 318,321,543	$ 65,198,075	$ 383,519,618
18																
19	SALES HLF CLASSES	$0.9763	$0.7619	$0.8888	19,526,710	13,452,850	32,979,560	$ 2,206,928	$ 839,547	$ 3,046,475	$ 16,856,783	$ 9,410,506	$ 26,267,289	$ 19,063,712	$ 10,250,052	$ 29,313,764
20	SALES LLF CLASSES	$1.0197	$0.7906	$0.9780	270,250,120	60,233,520	330,483,640	$ 51,951,992	$ 5,031,495	$ 56,983,488	$ 223,629,123	$ 42,591,307	$ 266,220,430	$ 275,581,115	$ 47,622,802	$ 323,203,917
21	Non-Grandfathered HLF CLASSES	$0.9686	$0.7600	$0.8837	9,964,390	6,836,300	16,800,690	$ 1,065,507	$ 426,795	$ 1,492,303	$ 8,586,127	$ 4,768,708	$ 13,354,835	$ 9,651,634	$ 5,195,503	$ 14,847,137
22	Non-Grandfathered LLF CLASSES	$1.0203	$0.7968	$0.9839	13,745,750	2,672,820	16,418,570	$ 2,663,430	$ 239,482	$ 2,902,912	$ 11,361,652	$ 1,890,236	$ 13,251,888	$ 14,025,082	$ 2,129,718	$ 16,154,799

GAS RECOVERY RATES

Line	Class	WINTER	SUMMER
1	Resid Space Heating (R-3) & (R-4)	$1.0197	$0.7906
2	Resid Non-Space Heating (R-1) & (R-2)	$0.9763	$0.7619
3	Outdoor Lighting	$0.9763	$0.7619
4	HLF Small Rate Q - G-50	$0.9763	$0.7619
5	LLF Small Rate R - G-40	$1.0197	$0.7906
6	HLF Medium Rate S - G-51	$0.9763	$0.7619
7	LLF Medium Rate T - G-41	$1.0197	$0.7906
8	HLF Large Rate U & Y - G-52 & G-53	$0.9763	$0.7619
9	LLF Large Rate V & Z - G-42 & G-43	$1.0197	$0.7906
10	Non-Grandfathered Trans Q - T-50	$0.9686	$0.7600
11	Non-Grandfathered Trans R - T-40	$1.0203	$0.7968
12	Non-Grandfathered Trans S - T-51	$0.9686	$0.7600
13	Non-Grandfathered Trans T - T-41	$1.0203	$0.7968
14	Non-Grndfthrd Trans U&Y-T-52 & 53	$0.9686	$0.7600
15	Non-Grndfthrd Trans V&Z-T-42 & 43	$1.0203	$0.7968
16			
17			
18			
19	SALES HLF CLASSES	**$0.9763**	**$0.7619**
20	SALES LLF CLASSES	**$1.0197**	**$0.7906**
21	Non-Grandfathered HLF CLASSES	**$0.9686**	**$0.7600**
22	Non-Grandfathered LLF CLASSES	**$1.0203**	**$0.7968**

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
FILED CGA ALLOCATION VS PROPOSED SMBA METHOD

CGA REVENUE COMPARISON (After Rounding)
(Dispatched Costs Only)

Line	Class	TOTAL WINTER - FILING 6 Mo. Sales	MBA Costs	Filed CGA	TOTAL WINTER - NEW SMBA SMBA Costs	New Rate	DIFFERENCE Costs	Unit Rate	% Change
1	Resid Space Heating (R-3) & (R-4)	198,103,210	$202,120,938	$ 1.0203	$202,011,024	$ 1.0197	($109,914)	$ (0.0006)	-0.1%
2	Resid Non-Space Heating (R-1) & (R-2)	3,646,730	$3,370,740	$ 0.9243	$3,560,262	$ 0.9763	$189,522	$ 0.0520	5.6%
3	Outdoor Lighting	1,510	$1,302	$ 0.8623	$1,474	$ 0.9763	$172	$ 0.1140	13.2%
4	HLF Small Rate Q - G-50	2,691,410	$2,509,113	$ 0.9323	$2,627,594	$ 0.9763	$118,481	$ 0.0440	4.7%
5	LLF Small Rate R - G-40	20,832,120	$21,565,753	$ 1.0352	$21,243,058	$ 1.0197	($322,695)	$ (0.0155)	-1.5%
6	HLF Medium Rate S - G-51	8,101,720	$7,607,527	$ 0.9390	$7,909,620	$ 0.9763	$302,093	$ 0.0373	4.0%
7	LLF Medium Rate T - G-41	33,236,160	$34,241,473	$ 1.0302	$33,891,782	$ 1.0197	($349,691)	$ (0.0105)	-1.0%
8	HLF Large Rate U & Y - G-52 & G-53	5,085,340	$4,747,811	$ 0.9336	$4,964,761	$ 0.9763	$216,951	$ 0.0427	4.6%
9	LLF Large Rate V & Z - G-42 & G-43	18,078,630	$18,517,726	$ 1.0243	$18,435,252	$ 1.0197	($82,474)	$ (0.0046)	-0.4%
10	Non-Grandfathered Trans Q - T-50	254,920	$237,653	$ 0.9323	$246,919	$ 0.9686	$9,265	$ 0.0363	3.9%
11	Non-Grandfathered Trans R - T-40	637,950	$660,416	$ 1.0352	$650,914	$ 1.0203	($9,502)	$ (0.0149)	-1.4%
12	Non-Grandfathered Trans S - T-51	2,464,050	$2,313,746	$ 0.9390	$2,386,710	$ 0.9686	$72,964	$ 0.0296	3.2%
13	Non-Grandfathered Trans T - T-41	4,776,790	$4,921,276	$ 1.0302	$4,873,861	$ 1.0203	($47,416)	$ (0.0099)	-1.0%
14	Non-Grndfthrd Trans U&Y-T-52 & 53	7,245,420	$6,764,519	$ 0.9336	$7,018,005	$ 0.9686	$253,486	$ 0.0350	3.7%
15	Non-Grndfthrd Trans V&Z-T-42 & 43	8,331,010	$8,533,354	$ 1.0243	$8,500,307	$ 1.0203	($33,047)	$ (0.0040)	-0.4%
16									
17	Total CGA	313,486,970	$318,113,347	$ 1.0148	$318,321,543	$ 1.0154	$208,196	$ 0.0007	0.1%
18									
19	SALES HLF CLASSES	19,526,710	$18,236,492	$ 0.9339	$19,063,712	$ 0.9763	$827,220	$ 0.0424	4.5%
20	SALES LLF CLASSES	270,250,120	$276,445,889	$ 1.0229	$275,581,115	$ 1.0197	-$864,774	$ (0.0032)	-0.3%
21	Non-Grandfathered HLF CLASSES	9,964,390	$9,315,919	$ 0.9349	$9,651,634	$ 0.9686	$335,715	$ 0.0337	3.6%
22	Non-Grandfathered LLF CLASSES	13,745,750	$14,115,047	$ 1.0269	$14,025,082	$ 1.0203	-$89,965	$ (0.0065)	-0.6%

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
FILED CGA ALLOCATION VS PROPOSED SMBA METHOD

CGA REVENUE COMPARISON (After Rounding)

Line	Class	TOTAL SUMMER - FILING 6 Mo. Sales	MBA Costs	Filed CGA	TOTAL SUMMER - NEW SMBA SMBA Costs	New Rate	DIFFERENCE Costs	Unit Rate	% Change
1	Resid Space Heating (R-3) & (R-4)	48,985,720	$38,817,117	$ 0.7924	$38,729,884	$ 0.7906	($87,233)	$ (0.0018)	-0.2%
2	Resid Non-Space Heating (R-1) & (R-2)	2,596,780	$1,918,621	$ 0.7388	$1,978,550	$ 0.7619	$59,929	$ 0.0231	3.1%
3	Outdoor Lighting	1,510	$1,091	$ 0.7225	$1,151	$ 0.7619	$60	$ 0.0394	5.5%
4	HLF Small Rate Q - G-50	1,920,090	$1,416,370	$ 0.7377	$1,462,963	$ 0.7619	$46,593	$ 0.0243	3.3%
5	LLF Small Rate R - G-40	2,955,140	$2,486,808	$ 0.8415	$2,336,441	$ 0.7906	($150,367)	$ (0.0509)	-6.0%
6	HLF Medium Rate S - G-51	5,214,590	$3,858,959	$ 0.7400	$3,973,122	$ 0.7619	$114,164	$ 0.0219	3.0%
7	LLF Medium Rate T - G-41	4,918,500	$4,105,737	$ 0.8348	$3,888,744	$ 0.7906	($216,992)	$ (0.0441)	-5.3%
8	HLF Large Rate U & Y - G-52 & G-53	3,719,880	$2,770,333	$ 0.7447	$2,834,267	$ 0.7619	$63,934	$ 0.0172	2.3%
9	LLF Large Rate V & Z - G-42 & G-43	3,374,160	$2,748,752	$ 0.8146	$2,667,733	$ 0.7906	($81,019)	$ (0.0240)	-2.9%
10	Non-Grandfathered Trans Q - T-50	139,620	$102,992	$ 0.7377	$106,109	$ 0.7600	$3,118	$ 0.0223	3.0%
11	Non-Grandfathered Trans R - T-40	175,080	$147,333	$ 0.8415	$139,505	$ 0.7968	($7,829)	$ (0.0447)	-5.3%
12	Non-Grandfathered Trans S - T-51	1,645,780	$1,217,928	$ 0.7400	$1,250,772	$ 0.7600	$32,844	$ 0.0200	2.7%
13	Non-Grandfathered Trans T - T-41	856,580	$715,033	$ 0.8348	$682,528	$ 0.7968	($32,506)	$ (0.0379)	-4.5%
14	Non-Grndfthrd Trans U&Y-T-52 & 53	5,050,900	$3,761,592	$ 0.7447	$3,838,621	$ 0.7600	$77,029	$ 0.0153	2.0%
15	Non-Grndfthrd Trans V&Z-T-42 & 43	1,641,160	$1,336,967	$ 0.8146	$1,307,685	$ 0.7968	($29,282)	$ (0.0178)	-2.2%
16									
17	Total CGA	83,195,490	$65,405,633	$ 0.7862	$65,198,075	$ 0.7837	-$207,558	$ (0.0025)	-0.3%
18									
19	SALES HLF CLASSES	13,452,850	$9,965,373	$ 0.7408	$10,250,052	$ 0.7619	$284,679	$ 0.0212	2.9%
20	SALES LLF CLASSES	60,233,520	$48,158,413	$ 0.7995	$47,622,802	$ 0.7906	-$535,611	$ (0.0089)	-1.1%
21	Non-Grandfathered HLF CLASSES	6,836,300	$5,082,513	$ 0.7435	$5,195,503	$ 0.7600	$112,990	$ 0.0165	2.2%
22	Non-Grandfathered LLF CLASSES	2,672,820	$2,199,334	$ 0.8229	$2,129,718	$ 0.7968	-$69,616	$ (0.0260)	-3.2%

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
FILED CGA ALLOCATION VS PROPOSED SMBA METHOD

CGA REVENUE COMPARISON (After Rounding)

		TOTAL - FILING			TOTAL - NEW SMBA		DIFFERENCE		
Line	Class	Annual Sales	MBA Costs	Filed CGA	SMBA Costs	New Rate	Costs	Unit Rate	% Change
1	Resid Space Heating (R-3) & (R-4)	247,088,930	$240,938,055	$ 0.9751	$240,740,908	$ 0.9743	($197,147)	$ (0.0008)	-0.1%
2	Resid Non-Space Heating (R-1) & (R-2)	6,243,510	$5,289,361	$ 0.8472	$5,538,812	$ 0.8871	$249,451	$ 0.0400	4.7%
3	Outdoor Lighting	3,020	$2,393	$ 0.7924	$2,625	$ 0.8691	$232	$ 0.0767	9.7%
4	HLF Small Rate Q - G-50	4,611,500	$3,925,483	$ 0.8512	$4,090,557	$ 0.8870	$165,074	$ 0.0358	4.2%
5	LLF Small Rate R - G-40	23,787,260	$24,052,560	$ 1.0112	$23,579,498	$ 0.9913	($473,062)	$ (0.0199)	-2.0%
6	HLF Medium Rate S - G-51	13,316,310	$11,466,485	$ 0.8611	$11,882,742	$ 0.8923	$416,257	$ 0.0313	3.6%
7	LLF Medium Rate T - G-41	38,154,660	$38,347,209	$ 1.0050	$37,780,526	$ 0.9902	($566,684)	$ (0.0149)	-1.5%
8	HLF Large Rate U & Y - G-52 & G-53	8,805,220	$7,518,143	$ 0.8538	$7,799,028	$ 0.8857	$280,885	$ 0.0319	3.7%
9	LLF Large Rate V & Z - G-42 & G-43	21,452,790	$21,266,477	$ 0.9913	$21,102,985	$ 0.9837	($163,492)	$ (0.0076)	-0.8%
10	Non-Grandfathered Trans Q - T-50	394,540	$340,645	$ 0.8634	$353,028	$ 0.8948	$12,383	$ 0.0314	3.6%
11	Non-Grandfathered Trans R - T-40	813,030	$807,750	$ 0.9935	$790,419	$ 0.9722	($17,331)	$ (0.0213)	-2.1%
12	Non-Grandfathered Trans S - T-51	4,109,830	$3,531,675	$ 0.8593	$3,637,482	$ 0.8851	$105,808	$ 0.0257	3.0%
13	Non-Grandfathered Trans T - T-41	5,633,370	$5,636,310	$ 1.0005	$5,556,388	$ 0.9863	($79,921)	$ (0.0142)	-1.4%
14	Non-Grndfthrd Trans U&Y-T-52 & 53	12,296,320	$10,526,112	$ 0.8560	$10,856,627	$ 0.8829	$330,515	$ 0.0269	3.1%
15	Non-Grndfthrd Trans V&Z-T-42 & 43	9,972,170	$9,870,322	$ 0.9898	$9,807,992	$ 0.9835	($62,329)	$ (0.0063)	-0.6%
16									
17	Total CGA	396,682,460	$383,518,980	$ 0.9668	$383,519,618	$ 0.9668	$638	$ 0.0000	0.0%
18									
19	SALES HLF CLASSES	32,979,560	$28,201,865	$ 0.8551	$29,313,764	$ 0.8888	$1,111,899	$ 0.0337	3.9%
20	SALES LLF CLASSES	330,483,640	$324,604,302	$ 0.9822	$323,203,917	$ 0.9780	-$1,400,385	$ (0.0042)	-0.4%
21	Non-Grandfathered HLF CLASSES	16,800,690	$14,398,432	$ 0.8570	$14,847,137	$ 0.8837	$448,705	$ 0.0267	3.1%
22	Non-Grandfathered LLF CLASSES	16,418,570	$16,314,381	$ 0.9937	$16,154,799	$ 0.9839	-$159,581	$ (0.0097)	-1.0%

Bay State Gas Company
Simplified Market Based Alloctor (SMBA) Calculations
FILED CGA ALLOCATION VS PROPOSED SMBA METHOD

CGA REVENUE COMPARISON (After Rounding)

Line	Class Description	Percent Change Winter	Summer	Total		Difference Winter	Summer	Total
		(1)	(2)	(3)		(4)	(5)	(6)
1	Resid Space Heating (R-3) & (R-4)	-0.1%	-0.2%	-0.1%		($109,914)	($87,233)	($197,147)
2	Resid Non-Space Heating (R-1) & (R-2)	5.6%	3.1%	4.7%		$189,522	$59,929	$249,451
3	Outdoor Lighting	13.2%	5.5%	9.7%		$172	$60	$232
4	HLF Small Rate Q - G-50	4.7%	3.3%	4.2%		$118,481	$46,593	$165,074
5	LLF Small Rate R - G-40	-1.5%	-6.0%	-2.0%		($322,695)	($150,367)	($473,062)
6	HLF Medium Rate S - G-51	4.0%	3.0%	3.6%		$302,093	$114,164	$416,257
7	LLF Medium Rate T - G-41	-1.0%	-5.3%	-1.5%		($349,691)	($216,992)	($566,684)
8	HLF Large Rate U & Y - G-52 & G-53	4.6%	2.3%	3.7%		$216,951	$63,934	$280,885
9	LLF Large Rate V & Z - G-42 & G-43	-0.4%	-2.9%	-0.8%		($82,474)	($81,019)	($163,492)
10	Non-Grandfathered Trans Q - T-50	3.9%	3.0%	3.6%		$9,265	$3,118	$12,383
11	Non-Grandfathered Trans R - T-40	-1.4%	-5.3%	-2.1%		($9,502)	($7,829)	($17,331)
12	Non-Grandfathered Trans S - T-51	3.2%	2.7%	3.0%		$72,964	$32,844	$105,808
13	Non-Grandfathered Trans T - T-41	-1.0%	-4.5%	-1.4%		($47,416)	($32,506)	($79,921)
14	Non-Grndfthrd Trans U&Y-T-52 & 53	3.7%	2.0%	3.1%		$253,486	$77,029	$330,515
15	Non-Grndfthrd Trans V&Z-T-42 & 43	-0.4%	-2.2%	-0.6%		($33,047)	($29,282)	($62,329)
16								
17	Total	0.1%	-0.3%	0.0%		$208,196	($207,558)	$638
18								
19	SALES HLF CLASSES	4.5%	2.9%	3.9%		$827,220	$284,679	$1,111,899
20	SALES LLF CLASSES	-0.3%	-1.1%	-0.4%		($864,774)	($535,611)	($1,400,385)
21	Non-Grandfathered HLF CLASSES	3.6%	2.2%	3.1%		$335,715	$112,990	$448,705
22	Non-Grandfathered LLF CLASSES	-0.6%	-3.2%	-1.0%		($89,965)	($69,616)	($159,581)

PEAK

Section 2

BAY STATE GAS COMPANY
Summary of Peak Rates
November 2004 through April 2005
FORM II
Effective November 2004

Line No.	Firm Sales Service	HLF Rate Classes	LLF Rate Classes	Total
1	**Peak Demand Costs - Section 3**	$2,206,928	$51,951,992	$54,158,921
2	Forecasted Sales (MMBtu) - Section 4	1,952,671	27,025,012	28,977,683
3	Unit Peak Demand Cost (Ln 1 divided by Ln 2)	$1.1302	$1.9224	
4	Reconcilation Adjustment - Section 5	$0.0510	$0.0510	
5	Reconcilation Adjustment - Production & Storage - Sect 5	$0.0070	$0.0070	
6	Working Capital Factor - Section 6	$0.0200	$0.0200	
7	Total Peak Demand Factor (DFp) (Ln. 3 thru 6)	$1.2082	$2.0004	
8				
9	**Peak Commodity Costs - Section 3**	$16,856,783	$223,629,123	$240,485,906
10	Forecasted Sales (MMBtu) - Section 4	1,952,671	27,025,012	28,977,683
11	Unit Peak Commodity Cost (Ln 9 divided by Ln 10)	$8.6327	$8.2749	
12	Reconcilation Adjustment - Section 5	$0.8110	$0.8110	
13	Working Capital Factor - Section 6	$0.1240	$0.1240	
14	Total Peak Commodity Factor (CFp) (Ln. 11 thru 13)	$9.5677	$9.2099	
15				
16	Unit Supplier Refund R1 May - Section 7	$0.0070	$0.0070	
17	Unit Supplier Refund R2 Nov - Section 7	($0.0320)	($0.0320)	
18	Bad Debt Charge - Section 8	$0.2240	$0.2240	
19	Peak Gas Adjustment Factor (GAFp) (Ln 7 + 14 thru 18)	$10.9749	$11.4093	
20	**GAF Rate per Therm (Line 19 divided by 10)**	$1.0975	$1.1409	
21				
22	**DAF Excluding Conservation & Exogenous Factor**			
23	Remediation Charge - Section 10	$0.0029	$0.0029	
24	Interruptible Transportation - Section 11	$0.0000	$0.0000	
25	Customer Choice - Section 12	$0.0000	$0.0000	
26	**DAF Rate per Therm (Lines 23 thru 25)**	$0.0029	$0.0029	
27				
28	**Total Peak Adj. per Therm (Line 20 plus 26)**	$1.1004	$1.1438	
29				
30				
31	Off Peak Demand Costs - Section 3	$839,547	$5,031,495	$5,871,042
32	Off Peak Commodity Costs - Section 3	$9,410,506	$42,591,307	$52,001,813
33				
34	Total Demand Costs (Lines 31 and 1)	$3,046,475	$56,983,488	$60,029,963
35	Total Commodity Costs (Lines 32 and 9)	$26,267,289	$266,220,430	$292,487,719
36	Total Gas Costs	$29,313,764	$323,203,917	$352,517,682
37				
38	**Total Direct Peak Gas Costs per Therm - (Lines 3 & 11 /10)**	$0.9763	$1.0197	

OFF PEAK

Section 2

BAY STATE GAS COMPANY
Summary of Off Peak Rates
November 2004 through April 2005
FORM II
Effective May 2005

Line No.	Firm Sales Service	HLF Rate Classes	LLF Rate Classes	Total
1	**Off Peak Demand Costs - Section 3**	$839,547	$5,031,495	$5,871,042
2	Forecasted Sales (MMBtu) - Section 4	1,345,285	6,023,352	7,368,637
3	Unit Off Peak Demand Cost (Ln 1 divided by Ln 2)	$0.6241	$0.8353	
4	Reconcilation Adjustment - Section 5	$0.0510	$0.0510	
5	Reconcilation Adjustment - Production & Storage - Sect 5	$0.0070	$0.0070	
6	Working Capital Factor - Section 6	$0.0200	$0.0200	
7	Total Off Peak Demand Factor (DFp) (Ln. 3 thru 6)	$0.7021	$0.9133	
8				
9	**Off Peak Commodity Costs - Section 3**	$9,410,506	$42,591,307	$52,001,813
10	Forecasted Sales (MMBtu) - Section 4	1,345,285	6,023,352	7,368,637
11	Unit Off Peak Commodity Cost (Ln 9 divided by Ln 10)	$6.9952	$7.0710	
12	Reconcilation Adjustment - Section 5	$0.8110	$0.8110	
13	Working Capital Factor - Section 6	$0.1240	$0.1240	
14	Total Off Peak Commodity Factor (CFp) (Ln. 11 thru 13)	$7.9302	$8.0060	
15				
16	Unit Supplier Refund R1 May - Section 7	$0.0070	$0.0070	
17	Unit Supplier Refund R2 Nov - Section 7	($0.0320)	($0.0320)	
18	Bad Debt Charge - Section 8	$0.2240	$0.2240	
19	Off Peak Gas Adjustment Factor (GAFp) (Ln 7 + 14 thru 18)	$8.8312	$9.1184	
20	**GAF Rate per Therm (Line 19 divided by 10)**	$0.8831	$0.9118	
21				
22	**DAF Excluding Conservation & Exogenous Factor**			
23	Remediation Charge - Section 10	$0.0029	$0.0029	
24	Interruptible Transportation - Section 11	$0.0000	$0.0000	
25	Customer Choice - Section 12	$0.0000	$0.0000	
26	**DAF Rate per Therm (Lines 23 thru 25)**	$0.0029	$0.0029	
27				
28	**Total Off Peak Adj. per Therm (Line 20 plus 26)**	$0.8860	$0.9147	
29				
30				
31	Peak Demand Costs - Section 3	$2,206,928	$51,951,992	$54,158,921
32	Peak Commodity Costs - Section 3	$16,856,783	$223,629,123	$240,485,906
33				
34	Total Demand Costs (Lines 31 and 1)	$3,046,475	$56,983,488	$60,029,963
35	Total Commodity Costs (Lines 32 and 9)	$26,267,289	$266,220,430	$292,487,719
36	Total Gas Costs	$29,313,764	$323,203,917	$352,517,682
37				
38	**Tot Direct Off Pk Gas Costs per Therm - (Lines 3 & 10 /10)**	$0.7619	$0.7906	

BAY STATE GAS COMPANY
Annual Summary of Sendout and Gas Costs
Normal Weather November 2004 through April 2005
Effective November 2004

Line No.	Supply Source	Sendout Volumes	Commodity & Transport Costs
1	**Pipeline**		
2	GSGT PNGTS Deliveries	3,976,727	
3	GSGT TGP Deliveries	6,229,561	
4	AGT FT Deliveries	14,595,912	
5	Total GSGT & AGT	24,802,200	$212,811,251
6	Progas	499,008	$3,621,618
7	Berkshire	6,049,292	$44,536,810
8	Tennesee @ Dracut	0	$0
9	Other	0	$0
10	Other	0	$0
11	**Total Pipeline**	31,350,500	$260,969,679
12	**Storage**		
13	TGP FS Stg	1,130,580	$14,298,687
14	CNG GSS TGP Stg	997,520	$0
15	CNG GSS TETCO Stg	1,352,285	$9,341,301
16	TETCO Stg (SS1, FSS)	1,474,519	$9,156,350
17	MCN	2,224,521	$14,121,473
18	Other	0	$0
19	Other	0	$0
20	**Total Storage**	7,179,425	$46,917,811
21	**Peaking**		
22	Mass Power	247,750	$1,734,250
23	DOMAC LNG	24,683	$215,112
24	Local LNG	1,593,799	$10,359,308
25	Propane	48,201	$494,974
26	Other	0	$0
27	Other	0	$0
28	**Total Peaking**	1,914,433	$12,803,644
29	**Other - LNG Boiloff**	479,245	$3,634,141
30	**Total Other than Pipeline**	9,573,103	$63,355,596
31	**Total Sendout**	40,923,603	$324,325,275
32	Interruptible (Incl. Above)	727,407	$5,230,834
33	Company Use (Incl. Above)	131,298	$0
34	**Total (without Inter & Co Use)**	40,064,898	$319,094,441
35			
36	**Total Allocated to Sales Off Peak (Page 5, Line 9)**		$52,001,813
37	**Total Allocated to Non-Grndf Trans Off Peak (Page 5, Line 9)**		$6,658,944
38	**Total Allocated to Sales Peak (Page 7, Line 9)**		$240,485,906
39	**Total Allocated to Non-Grndf Trans Peak (Page 7, Line 9)**		$19,947,778

BAY STATE GAS COMPANY
Annual Summary of Sendout and Gas Costs
Normal Weather November 2004 through April 2005
Effective November 2004

Line No.	Supply Source	MDQ, Dt	Product Demand	Pipeline Demand	Storage Demand	Total Demand Cost
1	**Pipeline**					
2	Algonquin		$0	$3,933,439	$0	$3,933,439
3	Tennessee		$2,073,120	$6,123,997	$0	$8,197,117
4	Algonquin (Hubline)		$0	$1,678,992	$0	$1,678,992
5	Texas Eastern		$0	$4,731,752	$0	$4,731,752
6	Tetco		$0	$1,464,956	$0	$1,464,956
7	Transco		$0	$43,737	$0	$43,737
8	Texas Gas		$0	$473,842	$0	$473,842
9	Iroquois		$0	$1,842,552	$0	$1,842,552
10	Transfer: Tennessee		$0	$0	$0	$0
11	Granite		$0	$933,583	$0	$933,583
12	PNGTS		$894,250	$7,807,958	$0	$8,702,208
13	Other		$0	$0	$0	$0
14	Other		$0	$0	$0	$0
15	Other		$0	$0	$0	$0
16	Other		$0	$0	$0	$0
17	**Total Pipeline**	146,964	$2,967,370	$29,034,808	$0	$32,002,178
18	**Storage**					
19	Dominion			$0	$1,669,157	$1,669,157
20	Texas Eastern			$0	$2,079,565	$2,079,565
21	Algonquin			$0	$3,613,661	$3,613,661
22	National Fuel			$0	$828,912	$828,912
23	Tennessee			$0	$3,057,346	$3,057,346
24	MCN			$0	$3,495,680	$3,495,680
25	PNGTS			$0	$3,024,219	$3,024,219
26	Granite			$0	$296,250	$296,250
27	**Total Storage**	82,555		$0	$18,064,790	$18,064,790
28	**Peaking Excluding Local Prod**					
29	Mass Power		$549,000	$0	$0	$549,000
30	DOMAC LNG		$6,918,000	$0	$0	$6,918,000
31	Transfer: Mass Power		$0	$0	$0	$0
32	Other		$0	$0	$0	$0
33	Other		$0	$0	$0	$0
34	**Total Peaking**	49,775	$7,467,000	$0	$0	$7,467,000
35						
36	**Total Capacity Costs**	279,294	$10,434,370	$29,034,808	$18,064,790	$57,533,968
37						
38	**Total Allocated to Sales Off Peak (Page 4, Line 4)**					$5,522,049
39	**Total Allocated to Non-Grndf Trans Off Peak (Page 4, Line 4)**					$644,095
40	**Total Allocated to Sales Peak (Page 6, Line 4)**					$48,028,535
41	**Total Allocated to Non-Grndf Trans Peak (Page 6, Line 4)**					$3,339,290

BAY STATE GAS COMPANY
Annual Summary of Sendout and Gas Costs
Normal Weather November 2004 through April 2005
Effective November 2004

Line No.	Supply Source	Sendout Volumes	Variable Cost	Commodity & Transport Costs	Total Demand Cost	Total Cost	Total Cost Per Unit
1	**Total Pipeline**	31,350,500	$8.3243	$260,969,679	$32,002,178	$292,971,857	$9.3450
2							
3	**Total Storage**	7,179,425	$6.5350	$46,917,811	$18,064,790	$64,982,601	$9.0512
4							
5	**Total Peaking**	1,914,433	$6.6880	$12,803,644	$7,467,000	$20,270,644	$10.5883
6							
7	**Other - LNG Boiloff**	479,245	$7.5831	$3,634,141		$3,634,141	$7.5831
8							
9	**Total Gas Costs**	40,923,603	$7.9251	$324,325,275	$57,533,968	$381,859,243	$9.3310

BAY STATE GAS COMPANY
MBA Load Factor Specific Allocated Costs
Summary of Gas Costs - Off Peak Demand
Effective November 2004

Summary of CGA Off Peak Demand Costs

Line No.	Description of Costs	Off Peak Sales HLF	Off Peak Sales LLF	Total Off Peak Firm Sales	Off Peak Non-Grndf Trans HLF	Off Peak Non-Grndf Trans LLF	Tot Off Peak Non-Grndf Trans
1	Base Demand Costs	$757,478	$2,199,040	$2,956,517	$387,902	$93,127	$481,029
2	Remaining Pipeline & Other Demand Costs	$72,242	$2,493,289	$2,565,531	$34,236	$128,830	$163,065
3							
4	Sub-Total Off Peak Demand Costs	$829,719	$4,692,329	$5,522,049	$422,138	$221,957	$644,095
5							
6	Less: Capacity Release	$961	$33,180	$34,142	$456	$1,714	$2,170
7							
8	Charges Allowable for Working Capital	$828,758	$4,659,149	$5,487,907	$421,682	$220,242	$641,925
9							
10	Less: Interruptible Margins	$2,009	$69,346	$71,355	$952	$3,583	$4,535
11							
12	Production & Storage	$13,019	$449,335	$462,354	$6,170	$23,217	$29,387
13							
14	Stranded Production & Storage	-$221	-$7,643	-$7,864	-$105	-$395	-$500
15							
16	Total Off Peak Demand	$839,547	$5,031,495	$5,871,042	$426,795	$239,482	$666,277
17	(Off Peak Form II, Ln. 1)						

BAY STATE GAS COMPANY
MBA Load Factor Specific Allocated Costs
Summary of Gas Costs - Off Peak Commodity
Effective November 2004

Summary of CGA Off Peak Commodity Costs

Line No.	Description of Costs	Off Peak Sales HLF	Off Peak Sales LLF	Total Off Peak Firm Sales	Off Peak Non-Grndf Trans HLF	Off Peak Non-Grndf Trans LLF	Tot Off Peak Non-Grndf Trans
1	Base Commodity Costs	$9,615,660	$27,910,927	$37,526,587	$4,923,019	$1,181,878	$6,104,897
2	Remaining Pipeline & Other Commodity Costs	$756,231	$17,468,747	$18,224,978	$339,888	$826,459	$1,166,348
3							
4	Sub-Total Off Peak Commodity Costs	$10,371,892	$45,379,674	$55,751,565	$5,262,907	$2,008,337	$7,271,245
5	(Charges Allowable for Working Capital)						
6							
7	Less: Non-Core Commodity Costs	$961,386	$2,788,367	$3,749,753	$494,199	$118,101	$612,301
8							
9	Total Off Peak Commodity Costs	$9,410,506	$42,591,307	$52,001,813	$4,768,708	$1,890,236	$6,658,944
10	(Off Peak Form II, Ln. 8)						

BAY STATE GAS COMPANY
MBA Load Factor Specific Allocated Costs
Summary of Gas Costs - Peak Demand
Effective November 2004

Summary of CGA Peak Demand Costs

Line No.	Description of Costs	Peak Sales HLF	Peak Sales LLF	Total Peak Firm Sales	Peak Non-Grndf Trans HLF	Peak Non-Grndf Trans LLF	Tot Peak Non-Grndf Trans
1	Base Demand Costs	$765,314	$2,197,332	$2,962,646	$382,321	$92,580	$474,901
2	Remaining Pipeline & Other Demand Costs	$1,268,992	$43,796,897	$45,065,889	$601,380	$2,263,009	$2,864,389
3							
4	Sub-Total Peak Demand Costs	$2,034,305	$45,994,229	$48,028,535	$983,701	$2,355,589	$3,339,290
5							
6	Less: Capacity Release	$16,888	$582,842	$599,729	$8,003	$30,116	$38,119
7							
8	Charges Allowable for Working Capital	$2,017,418	$45,411,387	$47,428,805	$975,698	$2,325,474	$3,301,171
9							
10	Less: Interruptible Margins	$35,295	$1,218,129	$1,253,424	$16,726	$62,941	$79,668
11							
12	Production & Storage	$228,695	$7,892,981	$8,121,676	$108,379	$407,835	$516,214
13							
14	Stranded Production & Storage	-$3,890	-$134,247	-$138,137	-$1,843	-$6,937	-$8,780
15							
16	Total Peak Demand	$2,206,928	$51,951,992	$54,158,921	$1,065,507	$2,663,430	$3,728,938
17	(Peak Form II, Ln. 1)						

BAY STATE GAS COMPANY
MBA Load Factor Specific Allocated Costs
Summary of Gas Costs - Peak Commodity
Effective November 2004

Summary of CGA Peak Commodity Costs

Line No.	Description of Costs	Peak Sales HLF	Peak Sales LLF	Total Peak Firm Sales	Peak Non-Grndf Trans HLF	Peak Non-Grndf Trans LLF	Tot Peak Non-Grndf Trans
1	Base Commodity Costs	$11,182,587	$32,106,904	$43,289,491	$5,586,378	$1,352,760	$6,939,138
2	Remaining Pipeline & Other Commodity Costs	$5,696,870	$192,315,279	$198,012,150	$3,012,964	$10,048,723	$13,061,686
3							
4	Sub-Total Peak Commodity Costs	$16,879,457	$224,422,184	$241,301,641	$8,599,342	$11,401,483	$20,000,824
5	(Charges Allowable for Working Capital)						
6							
7	Less: Non-Core Commodity Costs	$22,673	$793,061	$815,734	$13,215	$39,831	$53,046
8							
9	Total Peak Commodity Costs	$16,856,783	$223,629,123	$240,485,906	$8,586,127	$11,361,652	$19,947,778
10	(Peak Form II, Ln. 8)						

BAY STATE GAS COMPANY
Forecasted Sales and Transportation (Volumes in MMBtu)
Normal Weather November 2004 through April 2005
Effective November 2004

Line No.	Firm Sales	Nov-04	Dec-04	Jan-05	Feb-05	Mar-05	Apr-05	May-05	Jun-05	Jul-05	Aug-05	Sep-05	Oct-05	TOTAL	Winter	Summer
1	Resid Space Heating (R-3) & (R-4)	2,528,293	3,840,264	4,470,945	3,840,264	3,182,332	1,948,223	990,397	623,049	576,153	489,276	666,555	1,553,142	24,708,893	19,810,321	4,898,572
2	Resid Non-Space Heating (R-1) & (R-2)	55,844	64,222	68,248	64,221	59,996	52,143	46,180	43,833	43,533	39,091	38,494	48,548	624,351	364,673	259,678
3	Outdoor Lighting	25	25	25	25	25	25	25	25	25	25	25	25	302	151	151
4	HLF Small Rate Q - G-50	40,086	49,147	50,661	49,147	41,880	38,220	32,990	30,856	30,583	38,552	22,790	36,238	461,150	269,141	192,009
5	LLF Small Rate R - G-40	253,171	412,677	489,353	412,677	332,687	182,647	66,391	21,459	15,723	23,869	32,849	135,223	2,378,726	2,083,212	295,514
6	HLF Medium Rate S - G-51	120,404	145,212	157,138	145,212	132,771	109,435	92,156	85,168	84,276	77,153	79,844	102,862	1,331,631	810,172	521,459
7	LLF Medium Rate T - G-41	405,838	657,058	777,823	657,058	531,075	294,764	111,731	40,963	31,929	40,384	46,701	220,142	3,815,466	3,323,616	491,850
8	HLF Large Rate U & Y - G-52 & G-53	66,906	87,915	99,997	93,890	88,410	71,416	69,410	54,863	66,051	52,251	59,022	70,391	880,522	508,534	371,988
9	LLF Large Rate V & Z - G-42 & G-43	226,968	353,076	413,698	353,076	289,834	171,211	79,563	30,101	40,587	20,953	40,194	126,018	2,145,279	1,807,863	337,416
10	Non-Grandfathered Trans Q - T-50	3,265	4,116	5,668	4,798	3,963	3,682	2,369	2,165	2,096	1,982	2,080	3,270	39,454	25,492	13,962
11	Non-Grandfathered Trans R - T-40	7,965	12,067	13,671	13,406	9,928	6,758	3,079	2,117	2,377	1,805	2,701	5,429	81,303	63,795	17,508
12	Non-Grandfathered Trans S - T-51	33,754	42,639	46,349	44,362	41,590	37,711	27,308	25,236	25,944	26,824	26,880	32,386	410,983	246,405	164,578
13	Non-Grandfathered Trans T - T-41	54,948	92,573	108,011	96,361	79,281	46,505	14,375	9,021	9,065	7,530	12,867	32,800	563,337	477,679	85,658
14	Non-Grndfthrd Trans U&Y-T-52 & 53	102,483	128,363	131,726	125,509	129,780	106,681	88,072	84,790	80,924	77,786	82,080	91,438	1,229,632	724,542	505,090
15	Non-Grndfthrd Trans V&Z-T-42 & 43	94,837	165,542	190,277	166,828	137,922	77,695	33,711	18,592	16,484	14,937	22,074	58,318	997,217	833,101	164,116
16	**Total Firm Sales**	3,994,787	6,054,896	7,023,590	6,066,834	5,061,474	3,147,116	1,657,757	1,072,238	1,025,750	912,418	1,135,156	2,516,230	39,668,246	31,348,697	8,319,549
17																
18	SALES HLF CLASSES	283,265	346,521	376,069	352,495	323,082	271,239	240,761	214,745	224,468	207,072	200,175	258,064	3,297,956	1,952,671	1,345,285
19	SALES LLF CLASSES	3,414,270	5,263,075	6,151,819	5,263,075	4,335,928	2,596,845	1,248,082	715,572	664,392	574,482	786,299	2,034,525	33,048,364	27,025,012	6,023,352
20	Non-Grandfathered HLF CLASSES	139,502	175,118	183,743	174,669	175,333	148,074	117,749	112,191	108,964	106,592	111,040	127,094	1,680,069	996,439	683,630
21	Non-Grandfathered LLF CLASSES	157,750	270,182	311,959	276,595	227,131	130,958	51,165	29,730	27,926	24,272	37,642	96,547	1,641,857	1,374,575	267,282
22																
23																
24	**Transportation**															
25	Resid Space Heating (T-3) & (T-4)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
26	Resid Non-Space Heating (T-1) & (T-2)	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
27	HLF Small Rate Q - T-50	4,283	5,752	5,869	5,878	5,380	4,105	4,012	3,652	3,650	3,811	3,489	3,962	53,843	31,267	22,576
28	LLF Small Rate R - T-40	14,216	21,072	24,736	19,733	17,716	10,578	6,318	3,767	3,538	2,328	3,300	8,696	135,998	108,051	27,947
29	HLF Medium Rate S - T-51	34,466	39,218	41,699	39,655	37,933	31,819	39,116	38,825	37,814	38,469	33,906	35,209	448,129	224,790	223,339
30	LLF Medium Rate T - T-41	115,591	172,650	202,728	168,862	138,460	82,171	45,493	24,175	20,726	18,444	27,577	67,926	1,084,803	880,462	204,341
31	HLF Large Rate U & Y - T-52 & T-53	509,370	575,682	616,636	578,536	528,032	464,412	420,441	397,753	398,304	360,695	395,697	443,288	5,688,846	3,272,668	2,416,178
32	LLF Large Rate V & Z - T-42 & T-43	235,231	353,838	420,107	352,553	286,522	168,672	74,968	36,758	32,060	33,403	44,209	129,458	2,167,779	1,816,923	350,856
33																
34																
35	**Total Transportation**	913,157	1,168,212	1,311,775	1,165,217	1,014,043	761,757	590,348	504,930	496,092	457,150	508,178	688,539	9,579,398	6,334,161	3,245,237
36																
37	ALL HLF CLASSES	548,119	620,652	664,204	624,069	571,345	500,336	463,569	440,230	439,768	402,975	433,092	482,459	6,190,818	3,528,725	2,662,093
38	ALL LLF CLASSES	365,038	547,560	647,571	541,148	442,698	261,421	126,779	64,700	56,324	54,175	75,086	206,080	3,388,580	2,805,436	583,144
39																
40																
41	**Total Firm Sales and Transportation**															
42	Resid Space Heating	2,528,293	3,840,264	4,470,945	3,840,264	3,182,332	1,948,223	990,397	623,049	576,153	489,276	666,555	1,553,142	24,708,893	19,810,321	4,898,572
43	Resid Non-Space Heating	55,844	64,222	68,248	64,221	59,996	52,143	46,180	43,833	43,533	39,091	38,494	48,548	624,351	364,673	259,678
44	Outdoor Lighting	25	25	25	25	25	25	25	25	25	25	25	25	302	151	151
45	HLF Small Rate Q - 50	44,369	54,899	56,530	55,025	47,260	42,325	37,002	34,508	34,233	42,363	26,279	40,200	514,993	300,408	214,585
46	LLF Small Rate R - 40	267,387	433,749	514,089	432,410	350,403	193,225	72,709	25,226	19,261	26,197	36,149	143,919	2,514,724	2,191,263	323,461
47	HLF Medium Rate S - 51	154,870	184,430	198,837	184,867	170,704	141,254	131,272	123,993	122,090	115,622	113,750	138,071	1,779,760	1,034,962	744,798
48	LLF Medium Rate T - 41	521,429	829,708	980,551	825,920	669,535	376,935	157,224	65,138	52,655	58,828	74,278	288,068	4,900,269	4,204,078	696,191
49	HLF Large Rate U & Y - 52 & 53	576,276	663,597	716,633	672,426	616,442	535,828	489,851	452,616	464,355	412,946	454,719	513,679	6,569,368	3,781,202	2,788,166
50	LLF Large Rate V & Z - 42 & 43	462,199	706,914	833,805	705,629	576,356	339,883	154,531	66,859	72,647	54,356	84,403	255,476	4,313,058	3,624,786	688,272
51	Non-Grandfathered Trans Q - T-50	3,265	4,116	5,668	4,798	3,963	3,682	2,369	2,165	2,096	1,982	2,080	3,270	39,454	25,492	13,962
52	Non-Grandfathered Trans R - T-40	7,965	12,067	13,671	13,406	9,928	6,758	3,079	2,117	2,377	1,805	2,701	5,429	81,303	63,795	17,508
53	Non-Grandfathered Trans S - T-51	33,754	42,639	46,349	44,362	41,590	37,711	27,308	25,236	25,944	26,824	26,880	32,386	410,983	246,405	164,578
54	Non-Grandfathered Trans T - T-41	54,948	92,573	108,011	96,361	79,281	46,505	14,375	9,021	9,065	7,530	12,867	32,800	563,337	477,679	85,658
55	Non-Grndfthrd Trans U&Y-T-52 & 53	102,483	128,363	131,726	125,509	129,780	106,681	88,072	84,790	80,924	77,786	82,080	91,438	1,229,632	724,542	505,090
56	Non-Grndfthrd Trans V&Z-T-42 & 43	94,837	165,542	190,277	166,828	137,922	77,695	33,711	18,592	16,484	14,937	22,074	58,318	997,217	833,101	164,116
57	**Total Firm Sales and Transportation**	4,907,944	7,223,108	8,335,365	7,232,051	6,075,517	3,908,873	2,248,105	1,577,168	1,521,842	1,369,568	1,643,334	3,204,769	49,247,644	37,682,858	11,564,786
58																
59	ALL HLF CLASSES Excl Non-Grnf	831,384	967,173	1,040,273	976,564	894,427	771,575	704,330	654,975	664,236	610,047	633,267	740,523	9,488,774	5,481,396	4,007,378
60	ALL LLF CLASSES Excl Non-Grnf	3,779,308	5,810,635	6,799,390	5,804,223	4,778,626	2,858,266	1,374,861	780,272	720,716	628,657	861,385	2,240,605	36,436,944	29,830,448	6,606,496
61	ALL Non-Grandf HLF CLASSES	139,502	175,118	183,743	174,669	175,333	148,074	117,749	112,191	108,964	106,592	111,040	127,094	1,680,069	996,439	683,630
62	ALL Non-Grandf LLF CLASSES	157,750	270,182	311,959	276,595	227,131	130,958	51,165	29,730	27,926	24,272	37,642	96,547	1,641,857	1,374,575	267,282

BAY STATE GAS COMPANY M.D.T.E. No. 36
Cancels M.D.T.E. No. 3, ~~Sheet No. 1~~
~~BAY STATE GAS COMPANY~~
Page 1 of 36

COST OF GAS ADJUSTMENT CLAUSE

Index

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.0 Bad Debt Expense and Bad Debt Working Capital

~~6.01~~1.0 Purpose

The purpose of this clause is to establish procedures that allow Bay State Gas Company ("Bay State" or the "Company"), subject to the jurisdiction of the Department of ~~Public Utilities~~Telecommunications and Energy ("Department") to adjust, on a semiannual basis, its rates for firm gas sales ~~and standby gas supply~~ service in order to recover the costs of gas supplies, along with any taxes applicable to those supplies, pipeline and storage capacity, production capacity and storage, bad debt expense associated with purchase gas costs, and the costs of purchased gas working capital, to reflect the seasonal variation in the cost of gas, and to credit all supplier refunds and the margins above the Annual Threshold associated with capacity credits from non-core sales and transportation, interruptible sales and transportation and capacity release sales to firm ratepayers.

~~Issued: October 23, 2000~~

Issued by: Stephen H. Bryant
President

Issued On: April 27, 2005
Effective: ~~November~~June 1, ~~2000~~2005

~~MDTE No. 03~~

COST OF GAS ADJUSTMENT CLAUSE

~~6.02~~2.0 Applicability

This Cost of Gas Adjustment ("CGAC") shall be applicable to Bay State and all firm gas sales made by Bay State, unless otherwise designated. The application to the clause may, for good cause shown, be modified by the Department. See Section ~~6.~~13.0, "Other Rules."

~~6.03~~3.0 Cost of Firm Gas Allowable for CGAC

All costs of firm gas including, but not limited to, commodity costs, taxes on commodity, demand charges, local production and storage costs, other gas supply expense incurred to procure and transport supplies and bad debt percent (from the last general rate case) applied to allowable CGAC costs for the forecast period, ~~the gas used in company operations,~~ transportation fees, costs associated with buyouts of existing contracts, and purchased gas working capital may be included in the CGAC. Any costs recovered through application of the CGAC shall be identified and explained fully in the semi-annual ~~filing~~ filings outlined in Section ~~6.~~12.0.

~~6.04~~4.0 Effective Date of Gas Adjustment Factor

The date on which the seasonal Gas Adjustment Factors ("GAF") become effective shall be the fist day of the first ~~billing cycle~~month of each season as designated by the Company. Unless otherwise notified by the Department, the Company shall submit GAF filings as outlined in Section ~~6.11~~12.0 of this clause at least 45 days before they are to take effect.

~~6.05~~5.0 Definitions

The following terms shall be defined in this section, unless the context requires otherwise.

COST OF GAS ADJUSTMENT CLAUSE

(1) **Annual Threshhold** - A threshold level of margins, established annually and separately for Capacity Release, Interruptible Sales and ~~Non-Traditional~~ Off-System Sales, based on the twelve months ended April 30 each year, the level above which the Company retains 25% of such margins.

(2) **Bad Debt Expense** - is the uncollectable expense attributed to the Company's gas costs plus allowable working capital derived from the gas cost portion of bad debt.

(3) **Base Load Requirements** - The annual quantity of gas supply needed to satisfy the lowest level of firm demand ~~plus storage injections over a period of 60 consecutive days~~based on the average July and August loads.

(4) **Capacity Release Revenues** - The economic benefit derived from the sale of upstream capacity.

(5) **Carrying Charges** - Interest expense calculated on the average monthly balance using ~~Bank Boston~~the consensus prime ~~lending~~ rate as reported in the *Wall Street Journal*.

(6) **Economic Benefit** - The difference between the revenues received and the marginal cost determined to serve non-core customers.

(7) **Interruptible Sales Margins** - The economic benefit derived from the interruptible sale of gas downstream of the Company's distribution system.

(8) **Inventory Finance Charges** - As incurred or billed ~~in~~ each ~~peak season~~month for ~~annual charges.~~the carrying costs on the value of the balance of inventory gas for the respective month. The total charges shall represent an accumulation of the projected monthly charges as calculated using the monthly average of financed inventory at the existing (or anticipated) financing rate of the Company or through a trust or other financing vehicle.

(9) **Local Production Capacity and Storage Costs** ~~include~~ Include the ancillary supply costs of providing ~~storage service from the Company's storage facilities (*i.e.*, LNG~~local manufactured gas, gas dispatching, gas acquisition, and ~~LPG)~~miscellaneous A&G costs as determined in the Company's most recent rate proceeding. Per this proceeding, $7,401,961 shall be allocated to the peak period and $325,300 shall be allocated to the off-peak period.

(10) ~~MBA~~ **SMBA** – Simplified Market Based ~~Allocator~~Allocation Method - Used in determining the allocation of gas costs among ~~customer~~ High and Low Load Factor classes.

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COST OF GAS ADJUSTMENT CLAUSE

(11) **Non-Core Commodity Costs** - The commodity cost of gas assigned to non-core sales to which the GAF is not applied. Non-core sales include sales made under interruptible contracts, non-core contracts and ~~non-traditional~~ off-system sales.

(12) **Non-Core Sales Margins** - The economic benefit derived from non-core transactions to which the GAF is not applied, including interruptible sales and other non-core sales generated from the use of -the Company's Gas Supply ~~Resource~~resource portfolio.

(13) ~~Non-Traditional~~ **Off-System Sales Margin** - The economic benefit derived from the non-firm sales of natural gas supplies upstream of Company's distribution system.

(14) **Number of Days Lag** ~~is the~~- The number of days lag to calculate the purchased gas working capital requirement as approved by the Department.

(15) **Off-Peak Commodity** ~~is, unless~~- Unless otherwise approved by the Department, the gas supplies ~~procured~~ assigned by the Company to serve firm load in the off-peak season.

(16) **Off-Peak Demand** ~~is, unless~~- Unless otherwise approved by the Department, the gas supply demand and transmission capacity ~~procured~~assigned by the Company to serve firm load in the off-peak season.

(17) **Off-Peak Period** ~~for Bay State Gas Company is~~- May through October.

(18) **Peak Commodity** ~~is, unless~~- Unless otherwise approved by the Department, the gas supplies ~~procured~~assigned by the Company to serve firm load in the peak season.

(19) **Peak Demand** ~~is, unless~~- Unless otherwise approved by the Department, gas supply demand, peaking demands, storage and transmission capacity ~~procured~~assigned by the Company to service firm load in the peak season.

(20) **Peak Period** ~~for Bay State Gas Company is~~- November through April.

(21) **PR Allocator** - The percentage allocated for the portion of annual capacity charges assigned to the ~~peak period~~seasons calculated in each CGA filing.

(22) **Pretax Weighted Cost of Capital** ~~is the~~- The result of the calculation of the weighted cost of capital minus the weighted cost of debt, divided by one, minus the currently effective combined tax rate, plus the weighted cost of debt.

(23) **Purchased Gas Working Capital** ~~is the~~- The allowable working capital derived from peak and off-peak, demand and commodity related costs.

(24) ~~Stand-By Sales Revenues are the demand and commodity revenues received from transportation customers who elect stand-by sales service.~~**Tax Rate** is the combined State and Federal income tax rate.

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President

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Effective: ~~November~~June 1, ~~2000~~2005

~~MDTE No. 03~~

COST OF GAS ADJUSTMENT CLAUSE

~~(25)~~ ~~Tax Rate is the combined State and Federal income tax rate.~~

~~(26)~~25) ~~Traditional Off-System Sales for Resale - Peak season firm gas sales to other utilities in accordance with long-term contracts.~~ **Weighted Cost of Capital** is the weighted cost of capital as set in the Company's most recent base rate case.

~~(27)~~26) **Weighted Cost of ~~Capital~~Debt** is the weighted cost of ~~capital~~debt as set in the Company's most recent base rate case.

~~(28)~~ ~~Weighted Cost of Debt is the weighted cost of debt as set in the Company's most recent base rate case.~~

6.0~~6~~ Gas Adjustment Factor (GAF) Formula

The Gas Adjustment Factor (GAF) Formula shall be computed on a semiannual basis using forecasts of seasonal gas costs, carrying charges, sendout volumes, and sales volumes. Forecasts may be based on either historical data or Company projections, but must be weather-normalized. Any projections must be documented in full with each filing.

A separate seasonal GAF will be computed for the combined Low Load Factor classes namely Rates R-3, R-4, G-40, G-41, G-42 and G-43; and for the combined High Load Factor classes namely Rates R-1, R-2, OL, G-50, G-51, G-52 and G-53. The calculation of each seasonal GAF utilizes information periodically established by the DTE. The table below lists the following approved cost factors:

Local Production & Storage Cost	$7,727,261
LNG/LPG Production Cost included above	$5,258,855
Bad Debt Expense Percentage	2.184%

Peak GAF Formula

The Peak GAF shall be comprised of a peak demand factor (DFp), a peak commodity factor ~~and~~ (CFp), a peak production and storage demand factor (PSp), gas suppliers' refund factors (R1 and

COST OF GAS ADJUSTMENT CLAUSE

R2) defined in Section 8.00 and a bad debt factor (BDFp) defined in Section 15.00, for ~~each of~~ the Company's ~~firm sales customer~~High and Low Load Factor classes and calculated at the beginning of the peak season according to the following formula:

$$GAFp^x = DFp^x \cancel{\pm PSpx} + CFp^x + \cancel{BDFp}BDF - R1 - R2$$

Peak Demand Factor (DFp) Formula

$$DFp^x = \frac{Dp^x - NCSMp^x - STRANDp^x}{P : Sales^x} + RFpd + WCFpd \cancel{- R1d - R2d}$$

and:

$$\cancel{Dp^* = Sum:PD^* + Sum:BLDp^* + Sum:BLDXp^* + (Sum:BLDXop^* \times PR \times 50\%) + PS^* - Sum : SBpd^*}$$

$$Dp^x = BASEDp^x + REMAINDp^x + PSp^x - SBDp^x$$

and:

$$NCSMp^x = CRR^x + ISM^x + NTSM^x$$

and:

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~~$PS_s^* = (PS \times PS\%) \times MBA^*$~~

~~and:~~

RFpd = Rpd/P:Sales

and:

$$WCFpd = \frac{[(WCApd \times CC) - (WCApd \times CD)]+(WCApd \times CD)+ WCRpd}{(1 - TR)}$$

P : Sales

and:

WCApd = Dp x (DL/365)

Where:

~~BLDp~~	~~Demand charges billed to the Company during the peak period for the portion of base demand associated with serving base load requirements as defined in Section 6.05.~~
~~BLDXp~~	~~Base demand costs in excess of demand costs associated with base load level billed to the Company during the peak period.~~
~~BLDXop~~	~~Base demand costs in excess of demand costs associated with base load level billed to the Company during the off-peak period.~~
BASEDp	Peak period base use demand charges assigned on the basis of base use entitlements to low cost pipeline supplies using the average of July and August's daily loads.
CC	Weighted cost of capital as defined in Section ~~6.05~~500.
CD	Weighted cost of debt as defined in Section ~~6.05~~5.00.
CRR	The returnable Capacity Release Revenues allocated to the peak period. See Section ~~6.07~~7.00.
DL	Number of days lag from the purchase of gas from suppliers to the payment by customers.
Dp	Demand Charges allocated to the peak period as defined in Section

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~~6.05~~5.00.

~~MBA Market Based Allocator - Customer Class specific allocator as defined in Section 6.05.~~

NCSMp^X The sum of the returnable Interruptible Non-Core Sales Margins, the returnable Capacity Release Revenues and the ~~Non-Traditional~~ Off-System margins.

ISM The returnable Interruptible Sales Margins allocated to the peak period. See Section ~~6.07~~7.00.

NTSM The returnable ~~Non-Traditional~~ Off-System Sales Margins allocated to the peak period. See Section ~~6.07~~7.00.

P:Sales Forecasted sales volumes associated with the peak period.

~~PD Demand charges billed to the Company for peak period capacity as defined in Section 6.05.~~

~~PR Proportional Responsibility Allocator - The percentage of a portion of annual capacity/product charges assigned to the peak period calculated in each CGA filing as defined in Section 6.05.~~

~~PS Total Test year local production capacity and storage costs as defined in Section 6.05.~~

~~PS% Percent of downstream production and storage costs not used for distribution system deliverability, as defined in Section 6.05.~~

~~PS_s Portion of production capacity and storage costs allocated to firm sales through the CGAC.~~

~~R1d,R2d Per unit supplier refunds from pipeline demand charges - The per unit supplier refunds associated with refund program credits derived from Account 242.1, "Undistributed Gas Suppliers' Refunds." See Section 6.08.~~

REMAINDp Peak period remaining use demand charges assigned to classes on the basis of their load's contribution to the design day load less their base use entitlements to pipeline supplies. This remaining capacity cost is allocated to seasons using the Proportional Responsibility (PR) allocator.

RFpd Peak demand charge reconciliation adjustment factor per billed peak sales volume associated with demand charges related to the peak period.

Rpd Reconciliation Costs - Peak demand deferred gas costs, Account 175.21 balance,

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	inclusive of the associated Account 175.21 interest, as outlined in Section ~~6.09~~9.00.
~~SBpd*~~	~~Peak Period demand revenues received from Stand-By sales customers.~~
STRANDp	Stranded production and Storage costs assigned to the peak period and classes in the same manner as remaining use demand charges.
TR	Combined Tax Rate as defined in Section ~~6.05~~5.00
WCApd	Demand charges allowable for working capital application as defined in Section ~~6.~~10.00.
WCFpd	Working Capital allowable factor per billed peak sales volume associated with demand charges allocated to the peak period as defined in Section ~~6.~~10.00.
WCRpd	Working Capital reconciliation adjustment associated with peak demand charges - Account ~~142.1~~176.24 balance as outlined in Section ~~6.~~10.00.
x	Designates ~~Customer Class~~ Load Factor Specific allocation of costs, based on Simplified Market Based Allocation factors as determined in the Company's most recent rate proceeding.

PSpx Portion of test year Local Production Capacity and Storage Costs, as defined in Section 5.00, allocated to peak period firm sales through the CGAC as determined in the Company's most recent rate proceeding.

Peak Commodity Factor (CFp) Formula

$$CFp^x = \left[\frac{Cp^x - NCCCp^x + FC^x}{P : Sales^x} \right] + RFpc + WCFpc \cancel{- R1c - R2c}$$

and:

~~$Cp^x = Sum{:}PC^x + BOao^x - INJp^x - LIQp^x - SBpc^x$~~

~~and:~~

~~$PC^x = PP^x + SUM{:}(SUP^x)$~~

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~~and:~~

~~$BOao^{*} = [(BOop - (BOvol \times (TPop/TPvolop))) MBA^{*}]$~~

$Cp^{x} = BASECp^{x} + REMAINCpx - SBCp^{x}$

and:

RFpc = Rpc / P:Sales

and:

$$WCFpc = \frac{[(WCApc \times CC) - (WCApc \times CD)]}{(1 - TR)} + (WCApc \times CD) + WCRpc$$

P: Sales

and:

WCApc = Cp x (DL/365)

Where:

~~BOao~~	~~LNG Boil-off allocation as defined in Section 6.09.~~
BASECp	Peak period base use commodity charges assigned on the basis of base use entitlements to low cost pipeline supplies using the average of July and August daily loads.
CC	Weighted costs of capital as defined in Section ~~6.05~~5.00
CD	Weighted costs of debt as defined in Section ~~6.05~~5.00.
Cp	Commodity Charges allocated to the peak period as defined in Section ~~6.05~~5.00.
DL	Number of days lag from the purchase of gas from suppliers to the payment by customers.
FC	Inventory finance charges as defined in Section ~~6.05~~5.00.
~~INJp~~	~~Injections into storage during the peak period.~~
~~LIQp~~	~~Liquefactions into storage during the peak period.~~

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~~MBA~~	~~Market based allocator - Customer class specific allocator as defined in Section 6.05.~~
NCCCp	Non-Core Commodity Costs allocated to the peak period as defined in Section ~~6.05~~5.00.
P:Sales	Forecasted sales volumes associated with the peak period.
~~PC~~	~~Commodity charges associated with gas supply sent out in peak season as defined in Section 6.05.~~
~~PP~~	~~Commodity charges associated with pipeline supplies.~~
~~R1c, R2c~~	~~Per unit supplier refunds from pipeline commodity charges - The per unit supplier refunds associated with refund program credits derived from Account 242.2, "Undistributed Gas Suppliers' Refunds". See Section 6.08.~~
REMAINCp	Peak period remaining use commodity charges computed as dispatched commodity costs less base use commodity costs.
RFpc	Peak commodity charge reconciliation adjustment factor per billed peak sales volume associated with commodity charges related to the peak period.
Rpc	Reconciliation Adjustment Costs - Account 175.~~2~~23 balance, inclusive of the associated Account 175.~~2~~23 interest, as outlined in Section ~~6.09~~9.00.
~~SBpc*~~	~~Peak Period commodity revenues received from Stand-By sales customers.~~
~~SUP~~	~~Commodity charges associated with supplemental gas supply; *i.e.*, Liquefied Natural Gas, Storage Withdrawals, Liquid Propane, Bellingham Peaking Supply, MassPower Peaking Supply, and Domac.~~
~~TPop~~	~~Total pipeline commodity charges for the off-peak period.~~
~~TPvolop~~	~~Total pipeline commodity volumes for the off-peak period.~~
TR	Combined Tax rate as defined in Section ~~6.05~~5.00.
WCApc	Commodity charges allowable for working capital application as defined in Section ~~6.~~10.00.
WCFpc	Working Capital allowable factor per peak sales volume associated with commodity charges allocated to the peak period as defined in Section ~~6.~~10.00.
WCRpc	Working Capital reconciliation adjustment associated with peak commodity charges Account 175.24 balance as outlined in Section ~~6.~~10.00.
x	Designates ~~customer~~Load Factor class specific allocation of costs, based on Simplified

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Market Based Allocation factors~~:~~

~~Peak Bad Debt (BDp) Formula~~

$$\cancel{BDFp = \frac{BDp + RApbd + WCFpbd}{P{:}Sales}}$$

~~and:~~

$$\cancel{WCFpbd = \frac{(WCApbd * CC) - (WCApbd * CD)}{(1 - TR) + (WCApbd * CD) + WCRpbd}}$$

$$\cancel{P{:}Sales}$$

~~and:~~

$$\cancel{WCApbd = BDp * (DL/365)}$$

~~Where:~~

~~BDp~~ ~~Peak Bad Debt Expense~~, as ~~defined~~determined in ~~Section 6.05.~~
~~CC:~~ ~~Weighted cost of capital as defined in Section 6.05.~~
~~CD:~~ ~~Weighted cost of debt as defined in Section 6.05.~~
~~DL~~ ~~Number of days lag from the purchase of gas from suppliers to the payment by customers.~~
~~P:Sales~~ ~~Forecasted sales volumes associated with the peak period.~~
~~RApbd~~ ~~Peak Bad Debt Expense reconciliation adjustment - Account 175.21 balance.~~
~~TR:~~ ~~Combined Tax~~the Company's most recent rate ~~as defined in Section 6.05~~proceeding.

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~~WCApbd Bad Debt allowable for working capital application as defined in Section 6.10.~~
~~WCFpbd Working Capital Allowable factor per peak sales volume associated with bad debt allocated to the peak period as defined in Section 6.10~~
~~WCRpbd Working Capital reconciliation adjustment associated with peak bad debt - Account 176.12 balance as outlined in Section 6.10.~~

Off-Peak GAF Formula

The Off-Peak GAF shall be comprised of an off-peak demand factor (Dfop) an off-peak production and storage demand factor (PSop), an off-peak commodity factor ~~for each of the Company's customer classes, plus an off-peak bad debt factor; all~~(Cfop), gas suppliers' refund factors (R1 and R2) defined in Section 8.00 and a bad debt factor (BDF), defined in Section 16.00 for the Company's High and Low Load Factor classes, and calculated at the beginning of the off-peak season according to the following formula.

$GAFop^X = DFop^X + CFop^X$ ~~+ BDFop~~ $+ PSopx + BDF - R1 \text{ and } R2$

Off-Peak Demand Factor (DFop) Formula

$$DFop^x = \frac{Dop^x}{OP{:}Sales^x} + RFopd + WCFopd \cancel{- R1d - R2d}$$

and:

$Dop^X = Sum{:}BLDop^X + (Sum{:}BLDXop^X \times (1 - PR))$

and:

$RFopd = Ropd / OP{:}Sales$

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and:

$$WCFopd = \frac{[(WCAopd \times CC) - (WCAopd \times CD)]}{(1 - TR)} \cdot \frac{}{(OP{:}Sales)} + (WCAopd \times CD) + WCRopd$$

and:

WCAopd = Dop (DL/365)

Where:

BLDop	Demand charges billed to the Company during the off peak period for the portion of base demand associated with serving base load requirements as defined in Section ~~6.05~~5.00.
BLDXop	Base demand costs in excess of demand costs associated with base load level billed to the Company during the off-peak period.
CC	Weighted cost of capital as defined in Section ~~6.05~~5.00.
CD	Weighted cost of debt as defined in Section ~~6.05~~5.00
DL	Number of days lag from the purchase of gas from suppliers to the payment by customers.
Dop	Demand charges allocated to the off-peak period as defined in Section ~~6.05~~5.00.
LBop	Portion of Upstream Pipeline Reservation Charges assigned to Load Balancing.
~~MBA~~	~~Market Based Allocator - Customer Class specific allocator as defined in Section 6.05~~
OP:Sales	Forecasted sales volumes associated with the off-peak period.
PR	Proportional Responsibility Allocator - A percentage representing a portion of capacity/product charges incurred in the off-peak season and assigned to the peak period calculated in each CGA filing as defined in Section ~~6.05~~5.0.
~~R1d, R2d~~	~~Per unit supplier refunds from pipeline demand charges - The per unit supplier refunds associated with refund program credits derived from Account 242.1, "Undistributed Gas Suppliers' Refunds." See Section 6.08.~~
RFopd	Off-peak demand charge reconciliation adjustment factor per billed off peak throughput

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	volume associated with demand charges related to the off peak period.
Ropd	Reconciliation Costs - Account 175.~~3~~11 balance, inclusive of the associated Account 175.~~3~~11 interest, as outlined in Section ~~6.09~~9.00.
SMBA	Simplified Market Based Allocator – Load Factor specific allocator as defined in Section 5.00
TR	Combined Tax rate as defined in Section ~~6.05~~5.0
WCAopd	Demand charges allowable for working capital application as defined in Section 6.1~~0~~.
WCFopd	Working Capital factor allowable per billed off-peak sales associated with demand charges allocated to the off-peak period as defined in Section ~~6.~~10.0
WCRopd	Working Capital reconciliation adjustment associated with off-peak demand charges balance account 175.14 balance as outlined in Section ~~6.1~~10.0.
x	Designates ~~customer class~~Load Factor specific allocation of costs based on Simplified Market Based Allocation factors, as determined in the Company's most recent rate proceeding.
PS_{op}^{x}	Portion of test year Local Production Capacity and Storage Costs, as defined in Section 5.00, allocated to off-peak period firm sales through the CGAC as determined in the Company's most recent rate proceeding.

Off-Peak Commodity Factor (CFop) Formula

$$CFop^{x} = \frac{Cop^{x} - NCCCop^{x}}{OP : Sales^{x}} + RFopc + WCFopc \cancel{- R1c - R2c}$$

and:

$$Cop^{X} = Sum{:}OPC^{X} - BOao^{X} - INJop^{X} - LIQop^{X}$$

and:

$$BOao^{X} = [(BOop - (BOvol \times (TPop/TPvolop))) \; MBA^{X}]$$

and:

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RFopc = Ropc/OP:Sales

and:

$$WCFopc = \frac{\frac{[(WCAopc \times CC)-(WCAopc \times CD)]}{(1 - TR)} + (WCAopc \times CD) + WCRopc}{OP : Sales}$$

and:

WCAopc = Cop (DL/365)

Where:

BOao	LNG Boil-off allocation as defined in Section ~~6.09~~9.00.
CC	Weighted cost of capital as defined in Section ~~6.05.~~5.00.
CD	Weighted cost of debt as defined in Section ~~6.05~~5.00.
Cop	Commodity Charges billed to the off-peak period as defined in Section ~~6.05~~5.00
DL	Number of days lag from the purchase of gas from suppliers to the payment by customers. See Section ~~6.~~10.00.
INJop	Injections into underground storage during the off-peak period.
LIQop	Liquefactions into storage during the off-peak period.
NCCCop	Non-core commodity costs allocated to the off-peak period as defined in Section 6.05.
OP:Sales	Forecasted sales volumes associated with the off-peak period.
OPC	Commodity charges associated with gas supply sent out in the off-peak season as defined in Section ~~6.05~~5.00.
~~R1c, R2c~~	~~Per unit supplier refunds from pipeline commodity charges - The per unit supplier refunds associated with refund program credits derived from Account 242.2, "Undistributed Gas Suppliers' Refunds."~~
RFopc	Off peak commodity charge reconciliation adjustment factor per billed off peak sales volume associated with commodity charges related to the off-peak period.
Ropc	Reconciliation Adjustment Cost - Account 175.~~4~~13 balance, inclusive of the associated Account 175.~~4~~13 interest, as outlined in Section ~~6.09~~9.00.
TPop	Total pipeline commodity purchase charges for the off-peak period.

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TPvolop	Total pipeline purchase volumes for the off-peak period.
TR	Combined Tax rate as defined in Section ~~6.05~~5.00.
WCAopc	Commodity charges allowable for working capital application as defined in Section ~~6.~~10.00.
WCFopc	Working Capital allowable per off-peak sales volume associated with commodity charges allocated to the off-peak period as defined in Section ~~6.~~10.00.
WCRopc	Working Capital reconciliation adjustment associated with off-peak commodity charges - Account ~~142.2~~176.14 balance, as outlined in Section ~~6.~~10.00.
x	Designates ~~customer class~~Load Factor specific allocation of costs, based on Simplified Market Based Allocation factors.

~~Off Peak Bad Debt (BDop)Formula~~

$$\cancel{BDFop = \frac{BDop + RAopbd + WCFopbd}{OP{:}Sales}}$$

~~and:~~

$$\cancel{WCFopdb = \frac{(WCAopbd * CC) - (WCAopc * CD)}{(1 - TR) + (WCAopbd * CD) + WCRopbd}}$$

$$\cancel{OP{:}Sales}$$

~~and:~~

$$\cancel{WCAopbd = BDop * (DL/365)}$$

~~Where:~~

~~BDop~~	~~Off Peak Bad Expense as defined in Section 6.05.~~
~~CC:~~	~~Weighted cost of capital as defined in Section 6.05.~~
~~CD:~~	~~Weighted cost of debt as defined in Section 6.05.~~
~~DL~~	~~Number of days lag from the purchase of gas from suppliers to the~~

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~~payment by customers.~~

~~OP:Sales Forecasted sales volumes associated with the off-peak period.~~

~~RAopbd Off Peak Bad Debt Expense reconciliation adjustment - Account 175.11 balance.~~

~~TR: Combined Tax rate as defined in Section 6.05.~~

~~WCAopbd Bad Debt allowable for working capital application as defined in Section 6.10.~~

~~WCFopbd Working Capital allowable factor per Off Peak sales volume associated with bad debt allocated to the Off Peak period as defined in Section 6.10.~~

~~WCRopbd Working Capital reconciliation adjustment associated with Off Peak Bad Debt - Account 176.22 balance as outlined in Section 6.10.~~

~~6.07~~7.0 Interruptible Sales, ~~Non-Traditional~~ Off-System Sales and Capacity Release Revenues

A threshold level of margins will be established annually and separately for Interruptible Sales, ~~Non-Traditional~~ Off-System Sales and Capacity Release Revenues. Any margins earned in excess of the predetermined level shall be divided between the Company and its firm sales customers under a 25/75 sharing arrangement. The threshold level of margins shall be adjusted to reflect additions or losses from Customers who switch from FT, FS or Interruptible Transportation ("IT") to IS and conversely, from IS to FT, FS or IT. The Company shall adjust the threshold level annually to reflect Interruptible Sales, ~~Non-Traditional~~ Off-System sales, and capacity release revenues for the twelve-month period ending April 30 of each year.

Margins from Interruptible Sales, ~~Non-Traditional~~ Off-System Sales and Capacity Release will be reflected as separate credits in the peak season GAF and shall be calculated as the sum of the following:

(1) 100% of the margins earned up to the predetermined threshold level.
(2) 75% of the margins earned in excess of the predetermined threshold level.

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~~6.08~~8.0 **Gas Suppliers' Refunds** - Accounts ~~242.1~~265.85 and ~~242.2~~265.86

Refunds from upstream capacity suppliers and suppliers of ~~product demand~~gas are credited to Account ~~242.1, "Undistributed Purchased Capacity/Product Demand Refunds." Refunds from suppliers~~265.85, "Refund-November" if received during the months of ~~gas are credited to account 242.2, "Commodity Undistributed Gas Suppliers' Refunds." Transfers from these accounts will reflect as a credit in the semiannual calculation of~~ March through August, and to Account 265.86 "Refund-May", if received during the ~~GAF to be calculated as follows:~~months of September through February.

~~Refund programs~~ A refund program shall be initiated with each semiannual GAF filing and shall remain in effect for a period of one year. The balance in Account 265.85 shall be placed into a refund program with each November filing. The balance in Account 265.86 shall be placed into a refund program with each May filing. The total dollars to be placed into a given refund program shall be net of over/under-returns from expired programs plus refunds received from suppliers since the previous program was initiated. ~~Refunds shall be segregated by demand and commodity charges and distributed volumetrically, producing per unit refund factors that will return the principal amount with interest as calculated using the Fleet's prime lending rate.~~ The Company shall track and report on all Account ~~242.1~~265.85 and Account ~~242.2~~265.86 activities~~ as specified in Section 6.10~~. If during any twelve-month period commencing with the billing month of November for Account 265.85 and May for Account 265.86, the projected supplier refund factor is less than one-hundredth of a cent per therm ($0.0001), the respective supplier refund account balance shall be transferred into Account 175.26 or Account 175.16 for the November and May filings respectively.

Gas Supplier's Refund Factors

~~6.09 Reconciliation Adjustments - Account 175~~

R1 The per unit supplier refund associated with the Refund – May program. The following formula shall be used to calculate the R1 factor.

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$$R1 = \frac{R1\$ + I}{A{:}Sales}$$

Where:

R1$	Ending balance in Account 265.86 "Refund – May"
I	Total forecasted interest calculated on the R1$ balance computed at the consensus prime rate as reported in the *Wall Street Journal* based on a 365 day year.
A:Sales	Forecasted annual firm sales volumes.

R2 The per unit supplier refund associated with the Refund – November program. The following formula shall be used to calculate the R2 factor.

$$R2 = \frac{R2\$ + I}{A{:}Sales}$$

Where:

R2$	Ending balance in Account 265.85 "Refund – November"
I	Total forecasted interest calculated on the R2$ balance computed at the Federal Reserve Prime Rate based on a 365 day year.
A:Sales	Forecasted annual firm sales volumes.

9.0 Reconciliation Adjustments – Other than Working Capital

(1) The following definitions pertain to reconciliation adjustment calculations:

(a) Capacity Costs Allowable per Peak Demand Formula shall be:

i. Charges associated with upstream storage and transmission capacity procured by the Company to serve firm load in the peak season.

ii. Charges associated with transmission capacity procured by the Company to serve base load requirements in the peak season.

iii. Charges associated with upstream storage and transmission capacity procured by the Company to serve firm load in excess of base load requirements

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in the peak period, plus a reallocation of a portion of such charges incurred in the off-peak season to serve firm load.

iv. Charges associated with peaking, production and storage capacity to serve firm load in the peak season ~~from~~ as determined in the test year of the Company's most recent ~~test year~~ rate proceeding and allocated to firm sales storage service.

v. Credits associated with Non-Core Sales Margins or economic benefits ~~associated with~~ from capacity release, ~~non-traditional~~ off-system sales for resale and interruptible sales margins allocated to the firm sales service.

vi. Credits associated with daily imbalance charges billed transportation customers in the peak period.

vii. Peak demand ~~carrying charges~~Carrying Charges as defined in Section 5.00.

(b) Gas Costs Allowable Per Peak Commodity Formula shall be:

i. Charges associated with gas supplies, including any applicable taxes, purchased by the Company to serve firm load in the peak season, plus a reallocation of LNG boiloff costs from the off-peak season, determined by the product of the difference in the average cost of pipeline purchases during the off-peak period and the average cost of LNG boiloff in the off-peak period times the LNG boiloff volumes purchased in the off-peak period, less the cost of injections and liquefaction into storage.

ii. Credit non-core commodity costs assigned to non-core customers to which the CGAC does not apply, as defined in Section 6.06 (NCCCp).

iii. Inventory finance charges (FC).

iv. ~~iv.~~ Peak commodity ~~carrying charges~~Carrying Charges as defined in Section 5.00.

(c) Capacity Costs Allowable Per Off-Peak Demand Formula shall be:

i. Charges associated with transmission capacity and product demand procured by the Company to serve base load requirements in the off peak season.

ii. Charges associated with transmission capacity and product demand procured by the Company to serve firm load in excess of base load requirements in the off-peak period

iii. Credits associated with daily imbalance charges billed transportation

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customers in the off peak period.

iv. ~~iv.~~ Off-peak demand ~~carrying charges~~Carrying Charges as defined in Section 5.00.

v. Other A & G and Acct. 851 charges associated with peaking production and storage capacity to serve firm load in the off-peak season as determined in the test year of the Company's most recent rate proceeding and allocated to firm sales storage service

(d) Gas Costs Allowable Per Off-Peak Commodity Formula shall be:

i. Charges associated with gas supplies, including any applicable taxes, procured by the Company to serve firm load in the off-peak season, less the reallocation of LNG boiloff costs determined by the product of the difference in the average cost of pipeline purchases during the off-peak period and the average cost of LNG boiloff in the off-peak period times the LNG boiloff volumes purchases in the off-peak period, less the cost of injections and liquefactions into storage.

ii. Credits associated with Non-core commodity costs ~~associated with~~ from non-core sales to which the GAF is not applied, as defined in Section ~~6.05.~~5.00.

iii. Off-peak commodity ~~carrying charges.~~

~~(e) Costs Allowable Per Peak Bad Debt Formula shall be:~~

~~i. Costs associated with uncollected gas costs, including any applicable taxes, incurred by the Company to serve firm load~~Carrying Charges as defined in ~~the peak season~~Section 5.00.

~~ii. Account 175.11 - Peak Bad Debt, carrying charges.~~

~~(f) Costs Allowable Per Off-Peak Bad Debt Formula shall be:~~

~~i. Costs associated with uncollected gas costs, including any applicable taxes, incurred by the Company to serve firm load in the off-peak season.~~

~~ii. Account 175.21 - Off-Peak Bad Debt, carrying charges.~~

(2) Calculation of the Reconciliation Adjustments

Account 175 contains the accumulated difference between gas cost revenues and the actual monthly gas costs incurred by the Company. The Company shall separate Account 175 into Peak

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Demand (Account 175.~~20~~21), Peak Production and Storage Demand (175.22) ,Peak Commodity (Account 175.~~19~~23), Off-Peak Demand (Account 175.~~10),~~11), Off-Peak Production and Storage Demand (175.12) and Off-Peak Commodity (Account 175.~~09~~13). Account 175.~~20~~21 shall contain the accumulated difference between revenues toward capacity costs calculated by multiplying the Peak Demand Factor for ~~each customer class, (~~the High and Low Load Factor classes, (DFp^X) times monthly firm sales volumes ~~for each customer class~~forHigh and Low Load Factor classes, and the total capacity costs allowable per the peak demand formula. Account 175.~~19~~22 shall contain the accumulated difference between revenues toward gas costs as calculated by multiplying the Peak Commodity Factor for ~~each customer class~~ the High and Low Load Factorclasses, (CFp^X) times monthly firm sales volumes for ~~each customer class~~High and Low Load Factor classes, and the total commodity costs allowable per the peak commodity formula. Account 175.~~10~~22 shall contain the accumulated difference between revenues as calculated by multiplying the Peak Production and Storage Demand Factor for the High and Low Load Factor class, (PS_p^x) times monthly firm sales volumes forthe High and Low Load Factor classes, and the total production and storage costs allowable per the peak production and storage demand formula. Account 175.11 shall contain the accumulated difference between revenues toward capacity costs calculated by multiplying the Off-Peak Demand Factor for ~~each customer class~~the High and Low Load Factor classes, ($DFop^X$) times monthly firm sales volumes for ~~each customer class~~the High and Low Load Factor classes, and the total capacity costs allowable per the off-peak demand formula. Account 175.~~09~~13 shall contain the accumulated difference between revenues toward gas costs as calculated by multiplying the Off-Peak Commodity Factor for ~~each customer class~~the High and Low Load Factor classes, ($CFop^X$) times monthly firm sales volumes for ~~each customer class~~the High and Low Load Factor classes, and the total commodity costs allowable per the off-peak commodity formula. Account 175.12 shall contain the accumulated difference between revenues as calculated by multiplying the Off-Peak Production and Storage Demand Factor for the High and Low Load Factor classes, (PS_{op}^x) times monthly firm sales volumes for the High and Low Load Factorclasses, and the total production and storage costs allowable per the off-peak production and storage demand formula.

Carrying Charges as defined in Section 5.00 shall be ~~calculated on the average monthly balance of each subaccount using the Fleet's prime lending rate, then~~ added to each end-of-the-month balance._ The peak demand reconciliation adjustment factor (RFpd) shall be determined for use in the peak GAF calculation by dividing the peak demand account

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(175.~~20~~21) balance as of the peak reconciliation date, by the forecasted sales volume associated with the peak period. The peak production & storage demand reconciliation adjustment factor (RFppsd) shall be determined for use in the peak GAF calculation by dividing the peak production and storage demand account (175.22) balance as of the peak reconciliation date, by the forecasted sales volume associated with the peak period. The peak commodity reconciliation adjustment factor (RFpc) shall be determined for use in the peak GAF calculation by dividing the peak commodity account (175.~~19~~23) balance as of the peak reconciliation date, by the forecasted sales volume associated with the peak period. The off-peak demand reconciliation adjustment factor (RFopd) shall be determined for use in the off peak GAF calculation by dividing the off-peak demand account (175.~~10~~11) balance as of the off-peak reconciliation date, by the forecasted sales volume associated with the off-peak period. The off-peak production and storage demand reconciliation adjustment factor (RFoppsd) shall be determined for use in the off-peak GAF calculation by dividing the off-peak production and storage demand account (175.12) balance as of the off-peak reconciliation date, by the forecasted sales volume associated with the off-peak period. The off-peak commodity reconciliation adjustment factor (RFopc) shall be determined for use in the off-peak GAF calculation by dividing the off-peak commodity account (175.~~09~~13) balance as of the off-peak reconciliation date, by the forecasted sales volume associated with the off-peak period.

~~The peak bad debt reconciliation adjustment (RApbd - as defined in Section 6.06) shall be determined for use in the peak GAF calculations incorporating the peak bad debt Account 175.11 balance as of the peak reconciliation date as designated by the Company. The off-peak bad debt reconciliation adjustment (RAopbd - as defined in Section 6.06) shall be determined for use in the off-peak GAF calculations incorporating the off-peak bad debt Account 175.21 balance of the off-peak reconciliation date as designated by the Company.~~

The peak period reconciliation ~~filing date shall coincide with the next~~will be filed thirty (30) days prior to the peak period GAF filing ~~on September 15 of each year~~, which is seventy-five (75) days prior to the effective date.

The off-peak period reconciliation ~~filing date shall coincide with the next~~shall be filed thirty (30) days prior to the off-peak period GAF filing ~~on March 15 of each year~~, which is

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seventy-five (75) days prior to the effective date.

~~6.1~~10.0Working Capital Reconciliation Adjustments ~~- Account 176~~

(1) The following definitions pertain to reconciliation adjustment calculations:

(a) Working Capital Gas Costs Allowable Per Peak Demand Formula shall be:

i. Charges associated with upstream storage, transmission capacity, and product demand procured by the Company to serve firm load in the peak season.

ii. Charges associated with transmission capacity procured by the Company to serve base load requirements in the peak season.

iii. Charges associated with upstream storage and transmission capacity procured by the Company to serve firm load in excess of base load requirements in the peak period, plus a reallocation of a portion of such charges incurred in the off-peak season to serve firm load.

iv. Carrying Charges

(b) Working Capital Gas Costs Allowable Per Peak Commodity Formula shall be:

i. Charges associated with gas supplies, including any applicable taxes, purchased by the Company to serve firm load in the peak season, plus a reallocation of LNG boiloff costs from the off-peak season, determined by the product of the difference in the average costs of pipeline purchases during the off-peak period and the average cost of LNG boiloff in the off-peak period times the LNG boiloff volumes purchased in the off-peak period, less the cost of injections and liquefactions into storage.

ii. Non-Core Commodity Costs associated with non-core sales to which the GAF is not applied.

iii. Carrying charges.

(c) Working Capital Gas Costs Allowable Per Off-Peak Demand Formula shall be:

i. Charges associated with transmission capacity procured by the Company to serve base load requirements in the off peak season.

ii. Charges associated with upstream storage and transmission capacity procured by the Company to serve firm load in excess of base load requirements in the off-peak period.

iii. Carrying charges.

(d) Working Capital Gas Costs Allowable Per Off-Peak Commodity Formula shall be:

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i. Charges associated with gas supplies, including any applicable taxes, procured by the company to serve firm load in the off-peak season, less the reallocation of LNG boiloff costs determined by the product of the difference in the average cost of pipeline purchases during the off-peak period and the average cost of LNG boiloff in the off-peak period times the LNG boiloff volumes purchases in the off-peak period, less the cost of injections and liquefactions into storage.

ii. Non-core commodity costs associated with non-core sales to which the GAF is not applied, as defined in section 6.05.

iii. Carrying charges.

~~(e) Working Capital Gas Costs Allowable Per Peak Bad Debt Formula shall be:~~

~~i. Charges associated with bad debt incurred by the Company to serve firm load in the peak period.~~

~~ii. Carrying charges.~~

~~(f) Working Capital Gas Costs Allowable Per Off-Peak Bad Debt Formula shall be:~~

~~i. Charges associated with bad debt incurred by the Company to serve firm load in the off-peak period.~~

~~ii. Carrying charges.~~

(2) The peak and off-peak, demand, and commodity ~~and bad debt~~ working capital requirements shall be calculated by applying the Company's days lag divided by 365 days to the working capital costs allowable per each formula.

(3) The peak and off-peak, demand, and commodity ~~and bad debt~~ working capital allowances shall each be calculated by applying the Company's weighted cost of capital to each working capital requirement to calculate the respective returns on working capital. The interest portion of each working capital allowance is calculated by multiplying each working capital requirement by the weighted cost of debt. This portion is tax deductible. The return on each working capital less the interest portion of each working capital is then divided by one minus the tax rate. This figure plus the interest calculated above equals

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the working capital allowance for each.

(4) Calculation of the Reconciliation Adjustments

Accounts ~~176.10, 176.11, 176.12, 176.20, 176.21~~175.14, 175.13, 175.24, and ~~176.22~~175.23 contain the accumulated difference between working capital allowance revenues and the actual monthly working capital allowance costs as calculated from actual monthly costs for the Company~~.~~

~~Account 175.11 shall contain the accumulated difference between revenues toward bad debt as calculated by multiplying the peak bad debt factor times monthly firm sales volumes and bad debt allowed per peak bad debt formula. Account 175.21 shall contain the accumulated difference between revenues toward bad debt as calculated by multiplying the off-peak bad debt factor times monthly firm sales volumes and bad debt allowed per off-peak bad debt formula.~~ plus Carrying Charges as defined in Section 5.00.

The components of the Company's purchased gas days lag shall be recalculated each season based upon actual CGAC seasonal data. This recalculated days lag will be used in the calculation of the working capital allowance revenues. Each Account ~~176~~175 shall contain the accumulated difference between revenues toward the working capital allowance and the working capital allowance.

The peak demand working capital reconciliation adjustment shall be determined for use in the peak demand factor calculations incorporating the peak demand working capital account ~~176.10~~175.14 balance as of the peak reconciliation date designated by the Company. A peak commodity working capital reconciliation adjustment shall be determined for use in the peak commodity factor calculations incorporating the peak commodity working capital account ~~176.11~~175.13 balance as of the peak reconciliation date designated by the Company. An off-peak working capital reconciliation adjustment (WCRopd) shall be determined for use in the off -peak demand factor calculations incorporating the off-peak

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demand working capital account (~~176.20~~175.24) balance as of the off-peak reconciliation date designated by the Company. An off-peak commodity working capital reconciliation adjustment (WCRopc) shall be determined for use in the off-peak commodity working capital account (~~176.21~~175.23) balance as of the off-peak reconciliation date designated by the Company.

~~A peak bad debt working capital reconciliation adjustment (WCRpbd - as defined in Section 6.06) shall be determined for use in the peak bad debt factor calculations incorporating the peak bad debt working capital account (176.12) balance as of the peak reconciliation date designated by the Company. An Off-Peak demand working capital reconciliation adjustment (WCRopbd - as defined in Section 6.06) shall be determined for use in the Off-Peak bad debt factor calculations incorporating the Off-Peak demand working capital account (176.22) balance as of the Off-Peak reconciliation date designated by the Company.~~

~~6.~~11.0 Application of GAF to Bills

The Company will employ the GAFs as follows: The peak season rates to each Load Factor class ~~of customers~~ shall be calculated by adding the respective peak demand factor and the peak commodity factor. The off-peak season rates to each Load Factor class ~~of customers~~ shall be calculated by adding the respective off-peak demand factor and the off-peak commodity factor. The GAFs ($/therm) for each ~~customer~~Load Factor class for each season shall be calculated to the nearest one-hundredth of a cent per ~~unit~~therm ($0.0001) and will be applied to each customer's monthly sales volume within the corresponding ~~customer~~Load Factor class.

~~6.~~12.0 Information Required to be Filed with the Department

Information pertaining to the cost of gas adjustment shall be filed with the Department in accordance with the Company's standardized forms approved by the Department. Required

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filings include a ~~monthly report which shall be submitted to the Department on the twentieth of each month, and a~~ semiannual GAF filing which shall be submitted to the Department at least 45 days before the date on which a new GAF is to be effective.

Additionally the Company shall file with the Department a complete list ~~by (sub)account~~ of all gas costs claimed as recoverable through the CGAC over the previous season, as included in the seasonal reconciliation. This information shall be submitted with each seasonal GAF filing, along with complete documentation of the reconciliation adjustment calculations.

~~6.~~
13.0 Other Rules

(1) The Department may, where appropriate, on petition or on its own motion, grant an exception from the provisions of these regulations, upon such terms that it may determine to be in the public interest.
(2) The Company may, at any time, file with the Department an amended GAF. An amended GAF filing must be submitted 10 days before the first billing cycle of the month in which it is proposed to take effect.
(3) The Department may, at any time, require the Company to file an amended GAF.
(4) The operation of the cost of gas adjustment clause is subject to all powers of suspension and investigation vested in the Department by G.L. c.164.

~~6.~~
14.0 Customer Notification

The Company will design a notice, which explains in simple terms to customers the GAF, the nature of any change in the GAF and the manner in which the GAF is applied to the bill. The Company will submit this notice for approval at the time of each GAF filing.

Upon approval by the Department, the Company must immediately distribute these notices to all of its customers either through direct mail or with its bills.

~~Gas Supply Service~~

~~(1) Peaking Gas Supply Service~~

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~~Firm Transportation Customers who have elected Peaking Gas Supply Service shall be charged a commodity charge for all gas usage at the variable CGA-includable cost of liquid propane (LP) air. Such costs shall reflect the inventory cost of LP plus any associated variable costs related to the sendout in the month in which Peaking Gas Supply Service was provided. The calculation of the Peaking Gas Supply Service rate shall be included in the peak period GAF filing. Any revenues billed from this service shall be credited to the total firm class commodity cost component of the peak period gas costs. The revenues billed shall be filed with the Department in the Company's peak period reconciliation.~~

~~(2) Supplemental Gas Supply Service~~

~~Firm Transportation Customers who have elected Supplemental Gas Supply Service shall be charged the respective class allocated seasonal average cost of gas supply sendout above the Company's base load requirements as defined in Section 6.05 for all gas usage pertaining to this service. The calculation of the supplemental Gas Supply Service rate shall be included in each period's GAF filing. Any revenues billed from this service shall be credited to the respective period's total firm class gas costs, by commodity and demand component. The revenues billed shall be filed with the Department in the respective period's reconciliation.~~

~~AMENDMENTS TO~~
~~UNIFORM SYSTEM OF ACCOUNTS FOR GAS COMPANIES~~

~~175.09 Off-Peak Commodity Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between~~

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~~off-peak commodity gas revenues and off-peak commodity gas costs. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08~~

~~175.10~~ ~~Off-Peak Demand Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between off-peak demand gas revenues and off-peak demand gas costs. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~175.11~~ ~~Peak Bad Debt Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between peak bad debt revenues and peak bad debt costs. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~175.19~~ ~~Peak Commodity Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between peak commodity gas revenues and peak commodity gas costs. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~175.20~~ ~~Peak Demand Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between peak demand gas revenues and peak demand gas costs. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08~~

~~175.21~~ ~~Off-Peak Bad Debt Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between off-peak bad debt revenues and off -peak bad debt costs. Entries in this~~

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~~account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~176.10~~ ~~Peak Demand Gas Working Capital Allowance Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between peak demand gas working capital allowance revenues and peak demand gas working capital allowance. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~176.11~~ ~~Peak Commodity Gas Working Capital Allowance Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between peak commodity gas working capital allowance revenues and peak commodity gas working capital allowance. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~176.12~~ ~~Peak Bad Debt Gas Working Capital Allowance Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between peak bad debt working capital allowance revenues and peak bad debt working capital allowance. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~176.20~~ ~~Off-Peak Demand Gas Working Capital Allowance Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between off-peak demand gas working capital allowance revenues and off-peak demand gas working capital allowance. Entries to this account shall be~~

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~~determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~176.21~~ ~~Off-Peak Commodity Gas Working Capital Allowance Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between off-peak commodity gas working capital allowance revenues and off-peak commodity gas working capital allowance. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~176.22~~ ~~Off-Peak Bad Debt Gas Working Capital Allowance Reconciliation Adjustment for CGAC~~

~~This account shall be used to record the cumulative difference between off-peak bad debt working capital allowance revenues and off-peak bad debt working capital allowance. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.08.~~

~~242.10~~ ~~Undistributed Capacity/Product Suppliers' Refunds~~

~~This account will be used to record the refunds of costs from suppliers of pipeline capacity or product demand. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.07.~~

~~242.20~~ ~~Undistributed Commodity/Product Suppliers' Refunds~~

~~This account will be used to record the refunds of costs from suppliers of pipeline commodity or product deommodity. Entries to this account shall be determined as outlined in the Cost of Gas Adjustment Clause, 220 C.M.R. 6.07.~~

~~Issued: October 23, 2000~~