

STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS
PUBLIC UTILITIES COMMISSION

NEW ENGLAND GAS COMPANY
DOCKET NO. 3548

RESPONSIVE TESTIMONY

OF

ROBERT J. RICCITELLI

October 24, 2003

1 **Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2 A. My name is Robert J. Riccitelli. My business address is 100 Weybosset Street,
3 Providence, RI 02903.

4 **Q. HAVE YOU PREVIOUSLY SUBMITTED TESTIMONY IN THIS**
5 **PROCEEDING?**

6 A. Yes. On September 2, 2003, I submitted direct testimony to provide the calculation of
7 earnings under the Earnings Sharing Mechanism ("ESM") approved as part of the
8 Company's base-rate plan and rate settlement in Docket 3401.

9 **Q. WHAT IS THE PURPOSE OF YOUR RESPONSIVE TESTIMONY?**

10 A. On October 7, 2003, the Division of Public Utilities and Carriers (the "Division") filed
11 the direct testimony of David J. Effron addressing the Company's ESM calculation.
12 On October 20, 2003, the Division filed the supplemental testimony of Mr. Effron.
13 The purpose of my responsive testimony is to provide comment and analysis in
14 relation to certain points raised in the Division's testimony.

15 **Q. DO YOU HAVE ANY ATTACHMENTS TO YOUR RESPONSIVE**
16 **TESTIMONY?**

17 A. Yes. I am sponsoring the following Attachments:

18 RJR-3 Copy of DIV 4-01 from Docket 3401
19 RJR-4 Sample of RDW Group Assisted Communications
20 RJR-5 Revised ESM Calculation

1 **Q. PLEASE PROVIDE AN OVERVIEW OF ISSUES THAT THE RESPONSIVE**
2 **TESTIMONY WILL ADDRESS.**

3 A. My testimony will address the following issues discussed by the Division:
4 (1) communications expenses for services provided by the RDW Group; (2) incentive
5 compensation payments for non-union personnel, directors and officers; (3)
6 miscellaneous interest expenses; (4) accumulated deferred income taxes; and
7 (5) revised non-firm margins and environmental amortization expenses identified in
8 responses to Division Data Request DIV 2-10 and DIV 2-16, respectively.

9 **Q. DO YOU HAVE ANY INITIAL COMMENTS ON THE DIVISION'S**
10 **PROPOSED ADJUSTMENT TO THE COMPANY'S CALCULATION OF THE**
11 **ESM?**

12 A. Yes, I do. The Division proposes two adjustments that the Company agrees are
13 appropriate to make. First, the Division proposed in its direct testimony to reduce the
14 balance of prepayments in rate base by \$1,227,000 to correct an overstatement in the
15 Company's initial calculation (Division Direct Testimony at 7). Second, the Division
16 proposed in its supplemental testimony to eliminate carrying costs on stored gas
17 inventory from revenue (reducing revenue by \$1,588,000) and stored gas inventory
18 from rate base (reducing rate base by \$15,296,000) (Division Supp. Testimony at 2).
19 The Company agrees with both of these adjustments.

1 **Q. WOULD YOU PLEASE COMMENT ON THE DIVISION'S**
2 **RECOMMENDATION REGARDING THE EXPENSES FOR SERVICES**
3 **RENDERED BY THE RDW GROUP?**

4 A. The Division asserts that the Company's payment of \$106,337 to RDW Group in
5 FY2003 is for "advertising and public relations," and therefore, should be excluded
6 from the calculation because advertising expenses are not allowed in the cost of
7 service. The Division states that "until the Company can demonstrate that the
8 payments to RDW Group should be treated as utility operating expenses for the
9 purpose of calculating the earned return," operations and maintenance ("O&M")
10 expense should be reduced by \$106,000.

11 On this matter, the Division has expressed a reasonable concern regarding the
12 Company's documentation to support the inclusion of this cost as a utility operating
13 expense. The Division's concern is driven by R.I.G.L. sec. 39-2-1.2, providing that
14 "any expense for advertising, either direct or indirect, which promotes the use of its
15 product or service, or is designed to promote the public image of the industry" should
16 not be included in the cost of service. However, both the Division's concerns and
17 recommendations focus on the label that RDW Group assigned to generally describe
18 the services it performed for the Company (because RDW Group is not concerned
19 with ratemaking issues), rather than on the specific nature of the services provided by
20 RDW Group to the Company. The services that RDW Group provides to the
21 Company involves customer-communication efforts rather than general promotional

1 or image advertising. Specifically, RDW performed work on notification to customers
2 of safety and rate change issues, legislative initiatives, and general regulatory
3 consulting. This work benefits customers because it involves preparation of materials
4 for various customer communications on utility operations, as well as the Company's
5 obligations as a regulated entity. These types of communications are not the
6 "advertising and public relations" category of expenses contemplated by the statute,
7 which is aimed at ensuring that customers are not paying for general service or image
8 advertising. For the Commission's consideration, copies of samples of the RDW
9 assisted communications are provided as Attachment RJR-4. Because these costs
10 were not incurred as a result of general promotional or image advertising, the expense
11 incurred for services provided by RDW Group is properly included in operating
12 expenses for the calculation of the regulatory earnings.

13 **Q. HAVE YOU REVIEWED THE DIVISION'S RECOMMENDATIONS**
14 **REGARDING INCENTIVE COMPENSATION PAYMENTS?**

15 **A.** Yes. The Division recommends two adjustments relating to the inclusion of incentive
16 compensation in the ESM calculation. First, the Division proposes to exclude 50
17 percent, or \$186,000, of the total incentive compensation payments (\$372,000) made
18 to Rhode Island employees during FY2003 (Division Supp. Testimony at 3). Second,
19 the Division proposes to exclude \$244,000 for the officer and director incentive plan
20 payments included in the corporate allocation from Southern Union (*id.* at 4). The

1 Division states that its adjustments are based on a finding of the Commission in
2 Docket 2286, which was a ProvGas base-rate proceeding concluded in 1995 (id. at 3).

3 With respect to the Southern Union allocation, the Division states that, “unless the
4 Company can establish that the Southern Union officer and director incentive plan
5 reflects ratepayer goals, the cost of the plan should be eliminated from operating
6 expenses for the purpose of calculating the earned return” (id. at 4).

7 **Q. WOULD YOU PLEASE COMMENT ON THE DIVISION’S CONCERNS**
8 **REGARDING THE INCLUSION OF INCENTIVE PAYMENTS IN THE ESM**
9 **CALCULATION?**

10 A. Yes. As noted above, the Division is recommending two adjustments relating to
11 incentive compensation that total \$430,000. For the following reasons, the Company
12 disagrees that this amount should be removed from the ESM calculation.

13 First, as a basis for this exclusion, the Division cites to Docket 2286, wherein the
14 Commission disallowed 60 percent of the Company’s proposed executive incentive
15 compensation expense finding that the two of the four performance objectives of the
16 plan included criteria that benefited shareholders. Docket 2286, Order No. 14859, at
17 45. The Commission noted that the shareholder objectives were “net income” and
18 “rate of return.” Id.

1 The Company recognizes that the Commission excluded a portion of the Company's
2 incentive compensation payments from the cost of service in Docket 2286. However,
3 in Docket 2286, the Commission was engaged in a traditional ratesetting process that
4 did not involve the establishment of an earnings-sharing mechanism that is designed to
5 funnel excess earnings to customers. The Commission's stated rationale for excluding
6 the costs was that the performance objectives of increasing net income and the rate of
7 return provided a benefit to shareholders, but not to customers. With the
8 establishment of the ESM, increases to net income and the rate of return provide a
9 direct benefit to customers.

10 In that regard, incentive compensation is an important tool that the Company uses in
11 achieving increased earnings. The Company's management, directors and officers are
12 charged with the responsibility of identifying cost savings opportunities, controlling
13 existing costs and improving customers sales and sales service. In fact, in recent
14 years, most utilities (including Southern Union and New England Gas) have modified
15 their compensation structures to incorporate a greater amount of incentive
16 compensation in order to more closely tie employee efforts to the financial and
17 customer-service goals of the overall corporation. This is generally accomplished by
18 slowing the rate of general wage increases and substituting an incentive compensation
19 program, which is the approach that the Company has implemented since the
20 conclusion of Docket 3401. The incentive compensation plan adopted by New
21 England Gas is designed to encourage employees to seek out and institute cost-

1 reduction measures (and customer-service improvements), which (1) were
2 incorporated as projections in the base rates set in Docket 3401; and (2) will have the
3 effect of increasing earnings during the three-year rate freeze.

4 In approving the ESM as part of the Rate Settlement Agreement in Docket 3401, the
5 Commission stated that:

6 In the area of ESM, it is apparent that the Final Amended Settlement for
7 NEGas is in the best interest of ratepayers. Earnings sharing on a 50/50 basis
8 begins when NEGas' ROE is 11.25 percent. Also, a 75/25 split in favor of
9 ratepayers for earnings sharing occurs when NEGas' ROE is 12.25 percent.

10 Docket 3401, Order No.17381, at 64. Therefore, as recognized by the Commission
11 customers now directly benefit from increased earnings and rate of return with the
12 ESM in place. Unlike the situation in Docket 2286, all of the goals of the Company's
13 incentive compensation plan have a benefit for customers, and therefore, the full cost
14 of the incentive compensation plan should be included in the ESM calculation.

15 In that regard, for purposes of the ESM, incentive compensation costs are no different
16 from the costs to achieve merger synergies and should be treated in the same manner.

17 For example, the rates set in Docket 3401 included savings that were projected to be
18 achieved through the Company's post-rate case integration and consolidation efforts.

19 The costs to achieve these savings were deducted from the total projected savings with
20 the net savings allocated 50/50 between customers and shareholders. Similarly, the
21 costs to achieve increased earnings and an improved rate of return should be deducted

1 as an expense with the excess earnings allocated by the ESM between customers and
2 shareholders in accordance with the sharing formula.

3 Lastly, it should be noted that the rates set in Docket 3401 included the incentive
4 compensation costs associated with Southern Union's plan for directors and officers.
5 To demonstrate this point, I have provided a copy of the Company's response to DIV
6 4-01 from Docket 3401, which shows the breakdown of corporate payroll costs by
7 employee title and department, including the same category of incentive compensation
8 costs that the Division proposes to exclude from the ESM calculation in this
9 proceeding.

10 **Q. DO YOU HAVE ANY COMMENT ON THE DIVISION'S**
11 **RECOMMENDATIONS FOR MISCELLANEOUS INTEREST EXPENSES?**

12 A. Yes. The Division recommends that certain interest expenses be excluded from the
13 ESM calculations (Division Supp. Testimony at 4). These expenses include interest
14 on late payments of Rhode Island Sales Tax and property taxes. The Division's basis
15 for excluding these costs is that they are not included in the cost of service used to
16 calculate base rates. These items total \$69,000.

17 The Company agrees with the Division that these costs were not explicitly included in
18 the cost of service used to calculate base rates in Docket 3401. However, the reason
19 that these interest expenses were not included is because these costs are non-recurring
20 or non-periodic costs. Under traditional ratemaking principles, the Company's

1 revenue requirement is set in a base-rate proceeding to recover expenses that are
2 recurring or periodic in nature. The traditional ratesetting process does not generally
3 recognize non-periodic utility costs in the calculation of the revenue requirement.

4 However, this ratemaking treatment should not make the costs ineligible for inclusion
5 in the ESM calculation. These costs were legitimately incurred in the course of
6 conducting utility operations, are appropriately charged against operating income
7 pursuant to NARUC accounting guidelines, and have the real effect of reducing the
8 Company's operating revenues. The Division is not claiming that the costs are
9 unreasonable, inappropriate or unrelated to utility operations. The Division is
10 claiming only that these costs were not included in the Docket 3401 revenue
11 requirement. Because these costs would be recognized in the ratesetting process if
12 they were recurring or periodic in nature, they should not be excluded from the
13 calculation of annual operating earnings through the ESM.

14 **Q. DO YOU HAVE ANY COMMENT ON THE DIVISION'S**
15 **RECOMMENDATIONS FOR ACCUMULATED DEFERRED INCOME**
16 **TAXES?**

17 **A.** Yes. The Division states that a methodology should be devised to account for changes
18 in Accumulated Deferred Income Taxes ("ADIT") (Division Supp. Testimony at 5-6).
19 The Company agrees with the Division that (1) the balance of ADIT used in the ESM
20 calculation should not include amounts booked pursuant to SFAS 109; and

1 (2) changes to the balance of ADIT must be accounted for in the ESM calculation.

2 The Division does not agree with the Company's proposed calculations of the ADIT
3 balance. However, the Division is correct in noting that changes in the ADIT balance
4 will affect the earnings calculation and may offset at least a portion of the change in
5 earnings that would result from the exclusion of SFAS 109 amounts from the
6 Company's original calculation of earnings.

7 Because this issue is complicated by the fact that taxes are calculated and paid at the
8 Southern Union level, and there is not currently a methodology in place to isolate or
9 approximate changes in ADIT for the Rhode Island operations, the Company agrees
10 that no adjustment to the earnings calculation should be made in this docket to account
11 for the Company's calculations in DIV 4-08 until a reasonable and appropriate
12 methodology is developed. The Company proposes to work with the Division to
13 devise this methodology and to report back to the Commission when it is completed.

14 **Q. DO YOU HAVE ANY OTHER COMMENT ON THE ESM CALCULATION?**

15 **A.** Yes. In response to DIV 2-10, the Company recognized that the amount of forecasted
16 environmental cost collections included in the base-rate case was \$1,309,081, as
17 shown on Attachment PCC-8. To match FY2003 revenues with the environmental
18 amortization expenses incurred in FY2003 of \$1,251,025, it is necessary to increase
19 operating revenues by \$58,056. The Division did not comment on this correction.

1 Also, in response to DIV 2-16, the Company recognized that the Company's On-
2 System margins for the month of February 2003 were understated, the correct margin
3 for the 12 months ended June 30, 2003 should be \$2,192,365. This adjustment yielded
4 \$592,365 of On-System Margin revenue in excess of the established \$1.6 million
5 threshold. The adjustment to nonfirm margins is included on Exhibit BRO-1 and is
6 included in Revised Attachment PCC-5. This results in a decrease in the operating
7 margin for purposes of the ESM of \$27,214. The Company's shared portion or 25% of
8 the total non-firm margin was increased by \$6,803 to account for this adjustment.

9 **Q. WITH THE ABOVE CHANGES TO NET INCOME AVAILABLE FOR**
10 **COMMON EQUITY, WHAT RETURN AND EXCESS REVENUE HAVE YOU**
11 **CALCULATED FOR FY2003?**

12 A. With the modifications described above, I have calculated an earned return on equity
13 of 15.48% for FY2003 operations in Rhode Island. This results in excess revenue of
14 \$4,671,314, which is \$189,531 more than the Company's original filing. I have
15 provided Attachment RJR-5 detailing the revised ESM calculation.

16 **Q. DOES THIS CONCLUDE YOUR TESTIMONY?**

17 A. Yes.

New England Gas Company
RJR-3
Copy of DIV 4-01 from Docket 3401
October 24, 2003

New England Gas Company
Docket No. 3401

Data Request and Response

Requestor: Division of Public Utilities

Respondent: Sharon Partridge

Date: January 18, 2002

Q. DIV 4-01 With reference to Exhibit SP-1, Schedule 6, please provide a detailed breakdown, in as much detail as possible, of the expense categories and amounts contained within the Net Corporate Allocations.

A. DIV 4-01 The attached files include all corporate and payroll related costs by employee title and by corporate department, the detail of insurance premiums and all other corporate costs. These schedules also show the cost pool and the capital versus operating expense allocators for each cost center. Company's response to data request DIV 4-02 details the "cost pools" used for allocation purposes.

The attached files should be treated as privileged and confidential.

Southern Union Company
Proforma Insurance Premium Cost

Policy	Premium	Cost Allocator	CAP v. EXP Allocator
Property	123,679	Insured Property Values Pool 200701	C13 - Capital Only
Knowles - Property (PA)	113,000	PA Property Insurance Pool 200704	C02 - Wages
Boiler & Machinery	17,295	Insured Property Values Pool 200701	C13 - Capital Only
Wausau - General Liability (Corporate)	44,680	Corporate Functions Pool 200809	C01 - Total Expenditures
AIG - General Liability (New England)	298,362	Corporate Functions Pool 200810	C01 - Total Expenditures
AIG - Contractor's Pollution Liab. (Prov)	92,693	Direct Assignment to Providence	C12 - Expense Only
Zurich - U.S.T. Pollution (Prov)	1,217	Direct Assignment to Providence	C12 - Expense Only
Wausau - Auto (SUPro)	8,157	Direct Assignment to SUPro	C02 - Wages
Wausau - Auto (Atlantic Gas Corp)	5,257	Direct Assignment to Atlantic Propane	C02 - Wages
Mexico Tourist Auto (SUG)	1,453	Direct Assignment to SUG	C12 - Expense Only
Automobile (PA - all but Keystone)	100,705	Direct to PG Energy	C02 - Wages
AIG - Auto (New England)	249,175	Employees Pool 200204	C02 - Wages
Garage Keepers (Prov)	2,500	Direct Assignment to Providence	C02 - Wages
Travelers - Workers Compensation	249,982	Employees Pool 200201	C02 - Wages
Excess Workers Compensation (PG Energy)	16,628	Corporate Functions Pool 200807	C02 - Wages
Beacon - Worker's Compensation (RI)	479,829	Employees Pool 200204	C02 - Wages
Fairfield - Worker's Compensation (MA)	113,673	Direct Assignment to Fall River	C02 - Wages
AEGLIS - Excess Liability	812,338	Corporate Functions Pool 200801	C01 - Total Expenditures
EIM - Excess Liability	351,271	Corporate Functions Pool 200801	C01 - Total Expenditures
Lloyd's - Excess Liability	123,608	Corporate Functions Pool 200801	C01 - Total Expenditures
AEGLIS - Punitive Damages	5,000	Corporate Functions Pool 200801	C01 - Total Expenditures
AEGLIS - Directors & Officers Liability	-	Corporate Functions Pool 200801	C01 - Total Expenditures
EIM - Directors & Officers Liability	162,440	Corporate Functions Pool 200801	C01 - Total Expenditures
Greenwich - Directors & Officers Liability	37,125	Corporate Functions Pool 200801	C01 - Total Expenditures
AEGLIS - D&O Run-off (Prov)	35,000	Direct Assignment to Providence	C01 - Total Expenditures
AEGLIS - D&O Run-off (Valley)	67,500	Direct Assignment to Valley	C01 - Total Expenditures
AEGLIS - D&O Run-off (Fall River)	82,092	Direct Assignment to Fall River	C01 - Total Expenditures
AEGLIS - Fiduciary	34,020	Corporate Functions Pool 200801	C01 - Total Expenditures
AEGLIS - Fiduciary Run-off (Prov)	9,406	Direct Assignment to Providence	C01 - Total Expenditures
Travelers - Fiduciary Run-off (Valley)	1,923	Direct Assignment to Valley	C01 - Total Expenditures
AEGLIS - Fiduciary Run-off (Valley)	10,067	Direct Assignment to Valley	C01 - Total Expenditures
Combination Crime	35,625	Corporate Functions Pool 200801	C01 - Total Expenditures
Aviation	36,245	Direct Assignment to SUGAir	C01 - Total Expenditures
Nonadmitted Insured Taxes	22,199	Corporate Functions Pool 200801	C01 - Total Expenditures
Bonds - Texas	34,791	Direct Assignment to SUG	C12 - Expense Only
Bonds - Missouri	475	Direct Assignment to MGE	C12 - Expense Only
Bonds - PA	18,627	Direct to PG Energy	C02 - Wages
Bonds - Prov	6,912	Direct Assignment to Providence	C12 - Expense Only
Broker Fee	170,000	Weighted Avg Insurance	Weighted Avg Insurance
	<u>\$ 3,974,950</u>		

Summary by Cost Pool and Cap/Exp Allocator:

Direct Assign to Atlantic Propane	\$ 5,257	C02 - Wages
Direct Assign to SUGAir	36,245	C01 - Total Expenditures
Direct Assign to SUG	36,244	C12 - Expense Only
Direct Assign to SUPro	8,157	C02 - Wages
Direct Assignment to MGE	475	C12 - Expense Only
Direct Assign to PG Energy	119,333	C02 - Wages
Direct Assignment to Providence	100,822	C12 - Expense Only
Direct Assignment to Providence	2,500	C02 - Wages
Direct Assignment to Providence	44,406	C01 - Total Expenditures
Direct Assignment to Valley	79,490	C01 - Total Expenditures
Direct Assignment to Fall River	113,673	C02 - Wages
Direct Assignment to Fall River	82,092	C01 - Total Expenditures
Employees Pool 200201	249,982	C02 - Wages
Employees Pool 200204	729,004	C02 - Wages
Corporate Functions Pool 200801	1,583,626	C01 - Total Expenditures
Corporate Functions Pool 200807	16,628	C02 - Wages
Corporate Functions Pool 200809	44,680	C01 - Total Expenditures
Corporate Functions Pool 200810	298,362	C01 - Total Expenditures
Insured Property Values Pool 200701	140,974	C13 - Capital Only
PA Property Insurance Pool 200704	113,000	C02 - Wages
Weighted Average Insurance Pool 200702	170,000	Weighted Avg insurance
Grand Total!	<u>3,974,950</u>	

Co	B/A	Main	Sub	Type Description	Allocators	Cap vs Exp	Cost	% to Valley	% to Prov	Adjust TY	Move	Reclass	Adjust	Retain	Total
020	200111	9210	0000	490 Communications	200205	C02	193.93			193.93					193.93
020	200111	9210	0000	490 Communications	200205	C02	66.45			66.45					66.45
020	200111	9210	2100	490 Communications	200205	C02	49.02			49.02					49.02
020	200929	9050	4000	490 Communications	200205	C02	670.58			670.58					670.58
020	200929	9210	0000	490 Communications	200205	C02	(6,075.10)			(6,075.10)					(6,075.10)
020	200929	9210	1100	490 Communications	200205	C02	1,762.57			1,762.57					1,762.57
020	200929	9210	0000	490 Communications	200205	C02	36,343.00			36,343.00					36,343.00
020	200929	9210	2100	490 Communications	200205	C02	93,336.08			93,336.08					93,336.08
020	200929	9210	3100	490 Communications	200205	C02	79,787.25			79,787.25					79,787.25
020	200929	9210	4100	490 Communications	200205	C02	112,408.81			112,408.81					112,408.81
020	200929	9210	7100	490 Communications	200205	C02	1,519.82			1,519.82					1,519.82
020	200929	9210	8100	490 Communications	200205	C02	785.24			785.24					785.24
020	200929	9210	9100	490 Communications	200205	C02	3,002.51			3,002.51					3,002.51
020	200929	9230	0000	490 Communications	200205	C02	0.00			0.00			(218,000.00)		218,000.00
020	200111	9210	0000	522 Office Supplies	200205	C02	16,966.36			16,966.36					16,966.36
020	200111	9210	0000	522 Office Supplies	200205	C02	1,646.31			1,646.31					1,646.31
020	200111	9210	0000	528 Printing & Reproduction	200205	C02	133.36			133.36					133.36
020	200111	9210	0000	528 Printing & Reproduction	200205	C02	20,188.49			20,188.49					20,188.49
020	200111	9210	0000	700 Miscellaneous	200205	C02	3,507.30			3,507.30					3,507.30
020	200111	9210	0000	700 Miscellaneous	200205	C02	1,759,920.42			1,759,920.42					1,759,920.42
020	200216	9310	2000	570 Rents & Leases	200205	C20	24,318.41			24,318.41					24,318.41
020	200216	9030	5000	630 Postage	200205	C20	46,473.51			46,473.51					46,473.51
020	200216	9210	0000	060 TVE Load	200205	C20	1,012.72			1,012.72					1,012.72
020	200216	9210	0000	522 Office Supplies	200205	C20	1,724.10			1,724.10					1,724.10
020	200216	9210	0000	650 Postage	200205	C20	75,454.52			75,454.52					75,454.52
020	200216	9210	0000	650 Postage	200205	C20	148,983.26			148,983.26					148,983.26
020	200314	9260	4300	390 Oth Empl Related	200401	C20	1,909,334.68	6.27%	2.66%	1,909,334.68	0.00	187,170.55	(626,158.40)	0.00	2,348,322.53
020	200314	9260	6000	390 Oth Empl Related	200401	C20	5,598.15			5,598.15					5,598.15
020	200314	9260	4300	390 Oth Empl Related	200401	C20	3,301.36			3,301.36					3,301.36
020	200314	9210	0000	446	200401	C20	100.00			100.00					100.00
020	200314	9210	0000	448	200401	C20	(0.00)			(0.00)					(0.00)
020	200314	9210	0000	450 Hardware for PC repair and DTS tools	200401	C20	0.00			0.00					0.00
020	200314	9210	0000	452 WRQ Reflections Maint, PC Image Software Maint	200401	C20	12,692.11			12,692.11					12,692.11
020	200314	9210	0000	452 Network Office Maintenance	200401	C20	32,377.69			32,377.69					32,377.69
020	200314	9310	0000	446 PC Leases	200401	C20	855,264.94			855,264.94					855,264.94
020	200314	9320	0000	446 zero	200401	C20	0.00			0.00					0.00
020	200314	9210	0000	450 Basic Network Hardware Maint	200401	C20	163.19			163.19					163.19
020	200314	9210	0000	452 McAfee Maintenance - paid biannually. Reduce by 50%	200401	C20	0.00			0.00					0.00
020	200314	9210	0000	452 Network Office Maintenance	200401	C20	17,584.51			17,584.51					17,584.51
020	200314	9210	0000	455 Network Backup Tapes	200401	C20	17,135.00			17,135.00					17,135.00
020	200314	9210	0000	444 Austin data center maintenance, router maintenance	200401	C20	86,181.28			86,181.28					86,181.28
020	200314	9210	0000	446 Telecom Lease	200401	C20	4,633.34			4,633.34					4,633.34
020	200314	9230	0000	436 Prof fees - Other	200401	C20	353,810.17			353,810.17					353,810.17
020	200314	9210	0000	439 Subcontract Labor/Oth Out Svc	200401	C20	24,467.89			24,467.89					24,467.89
020	200314	9210	0000	438 Subcontract Labor/Oth Out Svc	200401	C20	1,462.41			1,462.41					1,462.41
020	200314	9230	0000	436 Prof fees - Other	200401	C20	276.59			276.59					276.59
020	200314	9210	0000	439 Subcontract Labor/Oth Out Svc	200401	C20	5,650.61			5,650.61					5,650.61
020	200314	9230	0000	436 Prof fees - Other	200401	C20	21,602.17			21,602.17					21,602.17
020	200314	9210	0000	439 Subcontract Labor/Oth Out Svc	200401	C20	0.00			0.00					0.00
020	200314	9210	0000	410 Dues & Memberships	200401	C20	729.25			729.25					729.25
020	200314	9210	0000	490 Communications	200401	C20	47,565.43			47,565.43					47,565.43
020	200314	9210	0000	490 Communications	200401	C20	3,858.54			3,858.54					3,858.54
020	200314	9210	0000	522 Office Supplies	200401	C20	0.00			0.00					0.00
020	200314	9210	0000	522 Office Supplies	200401	C20	70.95			70.95					70.95
020	200314	9210	0000	522 Office Supplies	200401	C20	0.00			0.00					0.00
020	200314	9210	0000	522 Office Supplies	200401	C20	524.56			524.56					524.56
															(50,321.84)
															9,192.72
															524.56

Summary by allocation factor = Nonpayroll costs

Co	B/A	Main	Sub	Type Description	%	Prov	Valley	Allocators		Adjust TV	Move	Reclass	Adjust	Retain	Total
								Cost	Cap vs Exp						
020	200314	9210	0000	650 Postage				200401	C20	1,142.93					1,142.93
020	200314	9210	0000	522 Office Supplies				200401	C20	9.53					9.53
020	200714	9210	0000	650 Postage				200401	C20	1,405.49					1,405.49
020	200914	9210	0000	522 Office Supplies				200401	C20	44.21					44.21
					0.80%	0.00%		200401 Total		1,477,652.30	0.00	34,749.12	(81,402.00)	0.00	1,524,305.18
020	200514	9260	3000	390 Oth Empl Related				200404	C04	500.00					500.00
020	200514	9260	4390	390 Oth Empl Related				200404	C04	346.22					346.22
020	200514	9210	0000	440 zero				200404	C04	0.00					0.00
020	200514	9210	0000	410 Dues & Memberships				200404	C04	350.00					350.00
020	200514	9210	0000	490 Communications				200404	C04	0.00					0.00
020	200514	9210	0000	650 Postage				200404	C04	3,485.09					3,485.09
					0.80%	0.00%		200404 Total		4,681.31	0.00	0.00	0.00	0.00	4,681.31
020	200814	9260	4390	390 Oth Empl Related				200406	C05	5,289.12					5,289.12
020	200814	8940	5000	444 Mainframe DASD Maint (should be Main 9320)				200406	C05	0.00					0.00
020	200814	9210	0000	440 Mainframe Operating Software Less Net decrease based on FY02 budget				200406	C05	594,985.02		(11,524.53)	(50,000.00)		11,524.53
020	200814	9210	0000	442 Foundation One Maintenance - from type code 442				200406	C05	49,606.00					49,606.00
020	200814	9210	0000	442 Inflation Software Maintenance				200406	C05	67,723.46		(79,524.00)			0.00
020	200814	9210	0000	442 Bill Print Software Maintenance				200406	C05	30,318.00					30,318.00
020	200814	9210	0000	442 Foundation One Maintenance - reclass to type 440				200406	C05	0.00					0.00
020	200814	9210	0000	444 Mainframe Hardware Maint should be 9320				200406	C05	0.00					0.00
020	200814	9210	0000	455 K/C Data Center Tapes				200406	C05	0.00					0.00
020	200814	9210	0000	455 Printer Supplies				200406	C05	63,074.69		44,747.00	(44,747.00)		63,074.69
020	200814	9210	0000	446 Mainframe and AS-000 Lease				200406	C05	318,449.93		(41,848.63)			104,923.32
020	200814	9320	0000	444 Mainframe Hardware Maint should be 9321				200406	C05	204,837.50		8,710.32			318,449.93
020	200814	9320	0000	446 zero				200406	C05	0.00					0.00
020	200814	9230	0000	439 Subcontract Labor/Oth Out Svc				200406	C05	77,952.42			(6,664.58)		84,617.00
020	200814	9210	0000	410 Dues & Memberships				200406	C05	450.90					450.90
020	200814	9030	0000	520 Business Forms				200406	C05	207,821.89					207,821.89
020	200814	9210	0000	520 Business Forms				200406	C05	514.72					514.72
020	200814	9210	0000	650 Postage				200406	C05	1,377.43					1,377.43
					0.00%	0.00%		200406 Total		1,622,401.08	0.00	2,898.37	(101,411.58)	0.00	1,720,914.29
020	200118	9210	0000	450				200503	C12	114.26					114.26
020	200118	9210	0000	452 Robotrip Software				200503	C12	2,943.50					2,943.50
020	200118	9210	0000	439 Subcontract Labor/Oth Out Svc				200503	C12	(23,000.00)					(23,000.00)
020	200118	9210	1000	439 Subcontract Labor/Oth Out Svc				200503	C12	60,216.53					60,216.53
020	200118	9230	7000	439 Subcontract Labor/Oth Out Svc				200503	C12	11,500.00					11,500.00
					0.00%	0.00%		200503 Total		51,774.29	0.00	0.00	0.00	0.00	51,774.29
020	200105	9210	0000	432 Prof fees - Accounting				200504	C21	(35,000.00)					(35,000.00)
020	200105	9210	0000	436 Prof fees - Other				200504	C21	70,000.00					70,000.00
					0.00%	0.00%		200504 Total		35,000.00	0.00	0.00	0.00	0.00	35,000.00
020	200111	9230	0000	436 Prof fees - Other				200510	C02	87,557.74					87,557.74
					0.75%	0.10%		200510 Total		87,557.74	0.00	87,557.74	0.00	0.00	175,115.48
020	200214	9210	0000	390 Oth Empl Related				200602	C14	(0.00)					(0.00)
020	200214	9260	3000	390 Oth Empl Related				200602	C14	105,160.93					105,160.93
020	200214	9260	6000	390 Oth Empl Related				200602	C14	3,194.10					3,194.10
020	200214	9230	0000	436 Prof fees - Other				200602	C14	0.00					0.00
020	200214	9210	0000	522 Office Supplies				200602	C14	12,472.31					12,472.31
020	200214	9210	0000	650 Postage				200602	C14	3,742.74					3,742.74
020	200214	9210	0000	700 Miscellaneous				200602	C14	527.85					527.85
					0.00%	0.00%		200602 Total		125,097.93	0.00	0.00	0.00	0.00	125,097.93
020	200112	9260	6000	390 Oth Empl Related				200604	C10	505.37					505.37
020	200112	9230	6000	432 Prof fees - Accounting				200604	C10	0.00					0.00
020	200112	9230	0000	436 Prof fees - Other				200604	C10	1,954.98					1,954.98
020	200112	9210	0000	490 Communications				200604	C10	565.07					565.07
020	200112	9210	0000	522 Office Supplies				200604	C10	21,785.87					21,785.87
020	200112	9210	0000	522 Office Supplies				200604	C10	0.00					0.00
020	200112	9210	0000	650 Postage				200604	C10	50.47					50.47
020	200112	9210	0000	760 Female Licenses & Fees				200604	C10	9,833.00					9,833.00

Summary by allocation factor = Nonpayroll costs

Co	B/A	Main	Sub	Type	Description	% to Prov	% to Valley	Allocators	Cap vs Exp	Adjust TY	Move	Reclass	Adjust	Retain	Total
620	200112	9210	6000	760	Permits, Licenses & Fees	17.87%	4.70%	200604	C10	0.00	0.00	0.00	0.00	0.00	0.00
620	200110	9210	0000	390	Oth Empl Related			200604 Total		34,694.76					34,694.76
620	200110	9260	3000	390	Oth Empl Related			200605	C01	250.00					250.00
620	200110	9260	6000	390	Oth Empl Related			200605	C01	25.00					25.00
620	200110	9260	3000	390	Oth Empl Related			200605	C01	1,456.63					1,456.63
620	200110	9230	3000	436	Prof fees - Other			200605	C01	21,490.93					21,490.93
620	200110	9210	6000	410	Dues & Memberships			200605	C01	238.00					238.00
620	200110	9210	6000	522	Office Supplies			200605	C01	2,243.41					2,243.41
620	200214	9210	6000	410	Dues & Memberships	1.75%	0.33%	200606 Total	C14	25,613.97	0.00	0.00	0.00	0.00	25,613.97
620	200225	9260	6000	390	Oth Empl Related	0.00%	0.00%	200609 Total	C12	2,121.62	0.00	2,121.62	0.00	0.00	0.00
620	200225	9230	7000	431	Subcontract			200609	C12	5,525.54					5,525.54
620	200225	9230	6000	439	Subcontract Labor/Oth Out Svc			200609	C12	745.00					745.00
620	200225	9230	7000	439	Subcontract Labor/Oth Out Svc			200609	C12	12.50					12.50
620	200225	9230	7000	439	Subcontract Labor/Oth Out Svc			200609	C12	8,066.56					8,066.56
620	200225	9210	6000	490	Communications			200609	C12	525.29		(45,787.97)			525.29
620	200225	9210	2000	490	Communications			200609	C12	3,658.04					3,658.04
620	200225	9210	6000	522	Office Supplies			200609	C12	7,224.13					7,224.13
620	200225	9210	2000	522	Office Supplies			200609	C12	19,942.89					19,942.89
620	200225	9210	0000	760	Permits, Licenses & Fees			200609	C12	21.00					21.00
620	200314	9210	8100	490	Communications			200609	C12	45,720.95	0.00	(45,787.97)	0.00	0.00	91,508.92
620	200217	9260	6000	390	Oth Empl Related	2.49%	0.72%	200610 Total	C22	419.03					419.03
620	200112	9230	6000	433	Prof fees - Legal	0.00%	0.00%	200611 Total	C11	419.00	0.00	0.00	0.00	0.00	419.00
620	200108	9210	6000	439	Subcontract Labor/Oth Out Svc			200703	C11	18,396.34					18,396.34
620	200108	9230	7000	439	Subcontract Labor/Oth Out Svc			200703	C11	5,131.87					5,131.87
620	200108	9210	6000	410	Dues & Memberships			200703	C11	5,066.25					5,066.25
620	200108	9210	6000	490	Communications			200703	C11	2,719.74					2,719.74
620	200108	9210	3100	490	Communications			200703	C11	0.00					0.00
620	200108	9210	6100	490	Communications			200703	C11	14.68					14.68
620	200108	9210	0000	522	Office Supplies			200703	C11	7,875.74					7,875.74
620	200108	9210	0000	528	Printing & Reproduction			200703	C11	300.43					300.43
620	200108	9210	0000	760	Permits, Licenses & Fees			200703	C11	50.00					50.00
620	200102	9210	0000	390	Oth Empl Related	19.53%	5.76%	200703 Total	C11	41,607.96	0.00	18,396.34	0.00	0.00	23,211.62
620	200102	9210	0000	390	Oth Empl Related			200801	C01	420.67					420.67
620	200107	9210	0000	390	Oth Empl Related			200801	C01	1,251.00					1,251.00
620	200107	9260	4390	390	Oth Empl Related			200801	C01	1,949.63					1,949.63
620	200107	9260	6000	390	Oth Empl Related			200801	C01	7,779.74					7,779.74
620	200413	9260	6000	390	Oth Empl Related			200801	C01	19,518.83					19,518.83
620	200302	9260	6000	390	Oth Empl Related			200801	C01	64.00					64.00
620	200302	9210	1030	340	Oth Empl Related			200801	C01	92,912.46			(2,874,687.54)		92,912.46
620	200309	9260	3000	390	Oth Empl Related			200801	C01	131.50					131.50
620	200309	9260	3001	390	Oth Empl Related			200801	C01	(1,460.27)					(1,460.27)
620	200309	9260	6000	390	Oth Empl Related			200801	C01	30.00					30.00
620	200309	9260	6000	390	Oth Empl Related			200801	C01	(21.99)					(21.99)
620	200401	9210	6000	570	Rents & Leases			200801	C01	361,369.96					361,369.96
620	200402	9210	6000	570	Rents & Leases			200801	C01	712.94			(18,639.36)		712.94
620	200402	9210	0000	432	Prof fees - Accounting			200801	C01	2,000.00					2,000.00
620	200402	9210	0000	456	Prof fees - Other			200801	C01	51,700.00					51,700.00
620	200407	9230	1000	432	Prof fees - Accounting			200801	C01	529,398.74					529,398.74
620	200413	9230	7000	434	Prof fees - Audit			200801	C01	8,441.22					8,441.22
620	200207	9230	1000	432	Prof fees - Accounting			200801	C01	5,531.25					5,531.25
620	200309	9230	6000	436	Prof fees - Other			200801	C01	182,812.61					182,812.61
620	200401	9210	6000	439	Subcontract Labor/Oth Out Svc			200801	C01	21,342.08					21,342.08
620	200302	9210	6000	439	Subcontract Labor/Oth Out Svc			200801	C01	7,117.06					7,117.06
620	200302	9210	7000	439	Subcontract Labor/Oth Out Svc			200801	C01	523.50					523.50

Summary by allocator factor = Support/roll costs

Co	B/A	Main	sub	Type Description	Prov	% to	Allocators		Cap vs Exp	Adjust TY	Move	Reclass	Adjust	Retain	Total
							Valley	Cost							
020	200107	9210	7000	439 Subcontract Labor/Oth Out Svc	000	0.00	200801	0.00	2,536.78						2,536.78
020	200107	9210	0000	439 Subcontract Labor/Oth Out Svc	000	0.00	200801	0.00	0.00						0.00
020	200107	9210	0000	439 Subcontract Labor/Oth Out Svc	000	10,881.87	200801	10,881.87	10,881.87						10,881.87
020	200302	9210	0000	439 Subcontract Labor/Oth Out Svc	000	38,561.19	200801	38,561.19	38,561.19						38,561.19
020	200302	9302	0000	439 Subcontract Labor/Oth Out Svc	000	12,483.33	200801	12,483.33	12,483.33						12,483.33
020	200929	9030	7000	439 Subcontract Labor/Oth Out Svc	000	0.00	200801	0.00	0.00						0.00
020	200929	9230	7000	439 Subcontract Labor/Oth Out Svc	000	0.00	200801	0.00	0.00						0.00
020	200101	9210	0000	410 Dues & Memberships	000	1,487.40	200801	1,487.40	1,487.40						1,487.40
020	200102	9210	0000	410 Dues & Memberships	000	1,216.08	200801	1,216.08	1,216.08						1,216.08
020	200102	9210	7000	410 Dues & Memberships	000	53.46	200801	53.46	53.46						53.46
020	200107	9210	0000	410 Dues & Memberships	000	4,460.22	200801	4,460.22	4,460.22						4,460.22
020	200113	9210	0000	410 Dues & Memberships	000	796.90	200801	796.90	796.90						796.90
020	200302	9210	0000	410 Dues & Memberships	000	10,281.16	200801	10,281.16	10,281.16						10,281.16
020	200401	9210	0000	960 Dir & Officer Costs	000	21,572.75	200801	21,572.75	21,572.75						21,572.75
020	200401	9210	0000	960 Dir & Officer Costs	000	625.37	200801	625.37	625.37						625.37
020	200401	9230	0000	960 Dir & Officer Costs	000	175,000.00	200801	175,000.00	175,000.00						175,000.00
020	200401	9300	0000	960 Dir & Officer Costs	000	128.82	200801	128.82	128.82						128.82
020	200107	9302	1100	870 Fin Reptg Expenses	000	223,572.94	200801	223,572.94	223,572.94						223,572.94
020	200302	9210	0000	870 Fin Reptg Expenses	000	46,325.32	200801	46,325.32	46,325.32						46,325.32
020	200401	9210	0000	490 Communications	000	4,570.26	200801	4,570.26	4,570.26						4,570.26
020	200401	9210	0000	490 Communications	000	773.69	200801	773.69	773.69						773.69
020	200401	9210	0000	490 Communications	000	3,693.29	200801	3,693.29	3,693.29						3,693.29
020	200101	9210	0000	490 Communications	000	47.83	200801	47.83	47.83						47.83
020	200102	9210	0000	490 Communications	000	302.81	200801	302.81	302.81						302.81
020	200101	9210	0000	528 Printing & Reproduction	000	2,813.42	200801	2,813.42	2,813.42						2,813.42
020	200101	9210	0000	700 Miscellaneous	000	1,505.08	200801	1,505.08	1,505.08						1,505.08
020	200101	9210	0000	522 Office Supplies	000	24.86	200801	24.86	24.86						24.86
020	200101	9230	0000	522 Office Supplies	000	165.00	200801	165.00	165.00						165.00
020	200101	9230	0000	700 Miscellaneous	000	27,027.99	200801	27,027.99	27,027.99						27,027.99
020	200102	9210	0000	060 TVE Load	000	12,512.39	200801	12,512.39	12,512.39						12,512.39
020	200102	9210	0000	522 Office Supplies	000	114.75	200801	114.75	114.75						114.75
020	200102	9210	0000	522 Office Supplies	000	1,112.25	200801	1,112.25	1,112.25						1,112.25
020	200102	9210	2000	522 Office Supplies	000	1,411.23	200801	1,411.23	1,411.23						1,411.23
020	200102	9210	0000	528 Printing & Reproduction	000	963.58	200801	963.58	963.58						963.58
020	200102	9210	0000	700 Miscellaneous	000	3,030.24	200801	3,030.24	3,030.24						3,030.24
020	200102	9210	0000	700 Permits, Licenses & Fees	000	3,058.20	200801	3,058.20	3,058.20						3,058.20
020	200102	9210	0000	700 Miscellaneous	000	124.55	200801	124.55	124.55						124.55
020	200107	9210	0000	520 Business Forms	000	41,209.13	200801	41,209.13	41,209.13						41,209.13
020	200107	9210	0000	522 Office Supplies	000	(1,671.45)	200801	(1,671.45)	(1,671.45)						(1,671.45)
020	200107	9210	0000	700 Miscellaneous	000	56.78	200801	56.78	56.78						56.78
020	200107	9210	0000	700 Miscellaneous	000	5,241.09	200801	5,241.09	5,241.09						5,241.09
020	200113	9210	0000	650 Postage	000	11.34	200801	11.34	11.34						11.34
020	200302	9210	0000	522 Office Supplies	000	2,094.12	200801	2,094.12	2,094.12						2,094.12
020	200302	9210	0000	522 Office Supplies	000	0.00	200801	0.00	0.00						0.00
020	200302	9210	0000	522 Office Supplies	000	(342.19)	200801	(342.19)	(342.19)						(342.19)
020	200302	9210	0000	528 Printing & Reproduction	000	7,336.86	200801	7,336.86	7,336.86						7,336.86
020	200302	9210	0000	650 Postage	000	0.00	200801	0.00	0.00						0.00
020	200302	9210	0000	700 Miscellaneous	000	565.75	200801	565.75	565.75						565.75
020	200702	9210	0000	522 Office Supplies	000	26.52	200801	26.52	26.52						26.52
020	200702	9210	0000	528 Printing & Reproduction	000	12,953.88	200801	12,953.88	12,953.88						12,953.88
020	200929	9210	0000	522 Office Supplies	000	7,475.00	200801	7,475.00	7,475.00						7,475.00
020	200929	9210	0000	700 Miscellaneous	000	0.00	200801	0.00	0.00						0.00
020	200929	9210	0100	700 Miscellaneous	000	1,881,716.77	200801	1,881,716.77	1,881,716.77						1,881,716.77
020	200112	9230	0000	433 Prof fees - Legal	000	(255,205.81)	200801	(255,205.81)	(255,205.81)						(255,205.81)
020	200103	9302	0000	439 Subcontract Labor/Oth Out Svc	000	384,870.06	200801	384,870.06	384,870.06						384,870.06
020	200103	9302	0000	410 Dues & Memberships	000	156,189.48	200801	156,189.48	156,189.48						156,189.48
020	200112	9210	0000	410 Dues & Memberships	000	131,399.32	200801	131,399.32	131,399.32						131,399.32
020	200112	9210	0000	410 Dues & Memberships	000	3,789.00	200801	3,789.00	3,789.00						3,789.00
020	200103	9302	0000	815 Wire Transfer fees	000	281,975.07	200801	281,975.07	281,975.07						281,975.07
020	200103	9302	0000	815 Wire Transfer fees	000	958,222.93	200801	958,222.93	958,222.93						958,222.93
020	200112	9230	0000	433 Prof fees - Legal	000	0.00	200801	0.00	0.00						0.00
020	200103	9302	0000	439 Subcontract Labor/Oth Out Svc	000	(8,590.88)	200801	(8,590.88)	(8,590.88)						(8,590.88)
020	200103	9302	0000	410 Dues & Memberships	000	2,845,913.30	200801	2,845,913.30	2,845,913.30						2,845,913.30
020	200103	9302	0000	410 Dues & Memberships	000	(290,152.54)	200801	(290,152.54)	(290,152.54)						(290,152.54)
020	200112	9210	0000	410 Dues & Memberships	000	0.00	200801	0.00	0.00						0.00
020	200103	9302	0000	815 Wire Transfer fees	000	(8,590.88)	200801	(8,590.88)	(8,590.88)						(8,590.88)

Summary by allocation factor = Nonpayroll costs

Co	B/A	Main	Sub	Type Description	%	Allocators		Move	Reclass	Adjust	Res/In	Total
						Prov	Valley					
020	200208	9230	6000	433 Prof fees - Legal			200801	4,965.72				4,965.72
020	200208	9210	0000	410 Dues & Memberships			200801	100.00				100.00
020	200999	9302	0000	410 Dues & Memberships			200801	385,642.00	(13,500.00)	117,962.00		281,184.00
020	200102	9210	0000	610 Advertising			200801	132.92				132.92
020	200392	9210	0000	610 Advertising			200801	575.00				575.00
020	200398	9210	0000	490 Communications			200801	376.42				376.42
020	200208	9210	0000	522 Office Supplies			200801	710.55				710.55
020	200299	4081	6400	754 Rev Related Taxes			200801	150,000.00				150,000.00
020	200299	4081	8200	754 Rev Related Taxes			200801	(25.00)				(25.00)
020	200399	4081	5999	754 Rev Related Taxes			200801	11,194.13				11,194.13
020	200374	9320	0000	444 Video conference Bridge Maintenance			200801	553,671.74	(13,500.00)	117,962.00	0.00	449,209.74
020	200999	9302	0000	410 Dues & Memberships	21.19%	3.93%	200802	6,380.00	6,380.00	0.00	0.00	0.00
020	200295	9210	0000	490 Communications			200804	6,380.00	6,380.00	0.00	0.00	0.00
020	200295	9210	0000	060 TVE Lead			200804	7,090.36	(2,461,170.34)	0.00	0.00	3,367,726.83
020	200295	9210	0000	522 Office Supplies			200804	95.77	13,500.00	5,000.00	0.00	0.00
020	200692	9230	6000	433 Prof fees - Legal	0.00%	0.00%	200806	18,500.00	13,500.00	5,000.00	0.00	0.00
020	200692	9230	6000	433 Prof fees - Legal			200806	164.62				164.62
020	200697	9210	0000	760 Permits, Licenses & Fees			200806	7,350.75	0.00	0.00	0.00	7,350.75
020	200692	9210	0000	760 Permits, Licenses & Fees			200806	22,395.47	0.00	0.00	0.00	22,395.47
020	200112	9230	6000	433 Prof fees - Legal	0.00%	0.00%	200807	(20,454.29)	5,011.99	0.00	0.00	(20,454.29)
020	200116	9310	0000	570 Rents & Leases			200813	9,374.40	5,011.99	0.00	0.00	9,374.40
020	200116	9210	0000	570 Business Forms			200813	59,207.90				59,207.90
020	200116	9210	0000	522 Office Supplies			200813	33,854.08				33,854.08
020	200116	9210	0000	410 Dues & Memberships			200813	102,436.38	0.00	0.00	0.00	102,436.38
020	200118	9210	6000	436 Prof fees - Other	10.60%	1.97%	200999	270.00	0.00	0.00	0.00	270.00
020	200102	4265	0000	390 Oth Empl Related			200999	102,706.38	0.00	0.00	0.00	102,706.38
020	200103	9260	0000	390 Oth Empl Related			200999	0.00	0.00	0.00	0.00	0.00
020	200105	9210	0000	390 Oth Empl Related			200999	0.00	0.00	0.00	0.00	0.00
020	200111	9260	0000	390 Oth Empl Related			200999	0.00	0.00	0.00	0.00	0.00
020	200118	9210	0000	390 Oth Empl Related			200999	0.00	12,203.12	0.00	0.00	12,203.12
020	200119	9210	0000	390 Oth Empl Related			200999	0.00	0.00	0.00	0.00	0.00
020	200119	9260	4390	390 Oth Empl Related			200999	0.00	0.00	0.00	0.00	0.00
020	200102	9210	0000	341 Oth Empl Related			200999	13,654.57	13,654.57	0.00	0.00	0.00
020	200105	9210	0000	570 Rents & Leases			200999	0.00	0.00	0.00	0.00	0.00
020	200110	9210	0000	439 Subcontract Labor/Oth Out Svc			200999	0.00	0.00	0.00	0.00	0.00
020	200112	9230	0000	439 Subcontract Labor/Oth Out Svc			200999	0.00	0.00	0.00	0.00	0.00
020	200104	4261	0000	410 Dues & Memberships			200999	0.00	0.00	0.00	0.00	0.00
020	200102	4261	0000	410 Dues & Memberships			200999	0.00	0.00	0.00	0.00	0.00
020	200105	9210	0000	410 Dues & Memberships			200999	0.00	0.00	0.00	0.00	0.00
020	200107	9210	0000	410 Dues & Memberships			200999	0.00	0.00	0.00	0.00	0.00
020	200110	4261	0000	410 Dues & Memberships			200999	0.00	0.00	0.00	0.00	0.00
020	200111	4261	0000	410 Dues & Memberships			200999	0.00	0.00	0.00	0.00	0.00
020	200113	4261	0000	410 Dues & Memberships			200999	0.00	0.00	0.00	0.00	0.00
020	200113	4261	0000	410 Dues & Memberships			200999	0.00	0.00	0.00	0.00	0.00
020	200113	4261	0000	410 Dues & Memberships			200999	0.00	0.00	0.00	0.00	0.00

Summary by allocation factor = Nonpayroll costs

Co	B/A	Main	Sub	Type Description	Allocators		Cap vs Exp	Move	Reclass	Adjust	Retain	Total
					% 10	% 10						
020	200118	9210	0000	410 Dues & Memberships	0.00							
020	200214	4261	0000	410 Dues & Memberships	C99						(895.00)	895.00
020	200214	9210	0000	410 Dues & Memberships	C99						0.00	0.00
020	200225	4261	0000	410 Dues & Memberships	C99			(2,121.62)			(540.00)	2,661.62
020	200225	9210	0000	410 Dues & Memberships	C99						(4,888.62)	4,888.62
020	200295	4261	0000	410 Dues & Memberships	C99						(2,427.70)	2,427.70
020	200295	9210	0000	410 Dues & Memberships	C99						(55.00)	55.00
020	200302	4261	0000	630 Charitable Contributions	C99						(42,600.00)	42,600.00
020	200302	9210	0000	630 Charitable Contributions	C99						0.00	0.00
020	200101	9210	0000	630 Charitable Contributions	C99						(14,795.00)	14,795.00
020	200102	4261	0000	630 Charitable Contributions	C99						1,750.00	(1,750.00)
020	200102	9210	0000	630 Charitable Contributions	C99						(1,750.00)	1,750.00
020	200112	4261	0000	630 Charitable Contributions	C99						(2,000.00)	2,000.00
020	200112	9210	0000	630 Charitable Contributions	C99						(56,999.56)	66,999.56
020	200099	4261	0000	490 Communications	C99						(24.23)	24.23
020	200118	9210	0000	490 Communications	C99						(27.63)	27.63
020	200118	9210	0000	490 Communications	C99						(23.82)	23.82
020	200105	9100	0000	522 Office Supplies	C99						(1,704.20)	1,704.20
020	200105	9210	0000	522 Office Supplies	C99						(2,413.18)	2,413.18
020	200105	9210	0000	528 Printing & Reproduction	C99						(341.11)	341.11
020	200105	9210	0000	650 Postage	C99						(640.08)	640.08
020	200118	9210	0000	522 Office Supplies	C99						(310.92)	310.92
020	200118	9210	0000	650 Postage	C99						(541.54)	541.54
020	200118	9210	0000	700 Miscellaneous	C99						(22.86)	22.86
020	200119	9210	0000	522 Office Supplies	C99						(437.54)	437.54
020	200119	9210	0000	528 Printing & Reproduction	C99						(27.19)	27.19
020	200119	9210	0000	650 Postage	C99						(61.94)	61.94
020	200119	9310	0000	700 Miscellaneous	C99						(131.73)	131.73
				209999 Total				16,267.35	0.00	0.00	(578,891.92)	576,279.14
				211099				13,654.57				0.00
020	200110	9230	0000	433 Prof fees - Legal	C01						0.00	0.00
020	200110	9230	3000	436 Prof fees - Other	C01						3,171.85	3,171.85
020	200110	9230	6000	436 Prof fees - Other	C01						38,336.66	38,336.66
020	200112	9230	0000	436 Prof fees - Other	C01						375.00	375.00
020	200112	9230	7000	434 Prof fees - Audit	C01			82,762.00				0.00
020	200113	9230	7000	434 Prof fees - Audit	C01			1,361.42				9,007.68
020	200107	9210	0000	410 Dues & Memberships	C01			84,123.42	0.00	0.00		0.00
				211099 Total				125,521.98			0.00	0.00
020	200112	9230	0000	433 Prof fees - Legal	C10						2,084,085.77	2,084,085.77
020	200112	9230	0000	433 Prof fees - Legal	C10						0.00	0.00
020	200112	9230	6000	433 Prof fees - Legal	C10						3,986.62	3,986.62
020	200112	9230	6000	433 Prof fees - Legal	C10						1,493.18	1,493.18
020	200112	9230	6000	433 Prof fees - Legal	C10						250,588.13	250,588.13
020	200112	9230	6000	433 Prof fees - Legal	C10						14,447.65	14,447.65
020	200112	9230	6000	433 Prof fees - Legal	C10						4,981.10	4,981.10
020	200112	9230	6000	433 Prof fees - Legal	C10						9,466.47	9,466.47
020	200112	9230	6000	433 Prof fees - Legal	C10						0.00	0.00
020	200112	9230	6000	433 Prof fees - Legal	C10						2,464,570.90	2,464,570.90
020	200108	9210	0000	390 Oth Empl Related	C11						49,614.48	49,614.48
020	200225	9210	8000	410 Dues & Memberships	C11						0.00	0.00
020	200225	9210	8000	410 Dues & Memberships	C12						320.00	320.00
020	200314	9210	8100	490 Communications	C12						320.00	320.00
020	200111	9210	2100	490 Communications	C20						2,963.59	2,963.59
020	200118	9210	3100	490 Communications	C20						0.00	0.00
020	200118	9210	4100	490 Communications	C20						1,776.29	1,776.29
020	523030	9210	2100	490 Communications	C20						0.00	0.00
020	523030	9210	2100	490 Communications	C20						88.22	88.22
020	523030	9210	3100	490 Communications	C20						671.99	671.99
020	523030	9210	3100	490 Communications	C20						0.00	0.00
020	523030	9210	1100	490 Communications	C20						0.00	0.00

Summary by allocation factor = Nonpayroll costs

Co	B/A	Main	Sub	Type	Description	%	%	Allocators		Adjust TY	Move	Reclass	Adjust	Retain	Total
								Cost	Cap vs Exp						
020	524029	9210	2100	490	Communications			211099	C20	90.23					90.23
020	524029	9210	3100	490	Communications			211099	C20	41.47					41.47
020	524029	9210	4100	490	Communications			211099	C20	2,760.70					2,760.70
020	524029	9210	5100	490	Communications			211099	C20	1,165.77					1,165.77
020	524029	9210	7100	490	Communications			211099	C20	143.08					143.08
020	530200	9210	2100	490	Communications			211099	C20	38.80					38.80
020	530200	9210	3100	490	Communications			211099	C20	38.05					38.05
020	530800	9210	2100	490	Communications			211099	C20	138.36					138.36
020	530800	9210	3100	490	Communications			211099	C20	45.06					45.06
020	530800	9210	9100	490	Communications			211099	C20	34.99					34.99
020	532200	9210	3100	490	Communications			211099	C20	0.00					0.00
020	536099	9210	2100	490	Communications			211099	C20	234.92					234.92
020	536099	9210	3100	490	Communications			211099	C20	0.00					0.00
020	536099	9210	4100	490	Communications			211099	C20	4,902.51					4,902.51
020	546070	9210	3100	490	Communications			211099	C20	0.00					0.00
020	547070	9210	5100	490	Communications			211099	C20	28.69					28.69
020	547070	9210	7100	490	Communications			211099	C20	300.89					300.89
020	547070	9210	3100	490	Communications			211099	C20	0.00					0.00
020	547170	9210	2100	490	Communications			211099	C20	111.57					111.57
020	560800	9210	2100	490	Communications			211099	C20	160.25					160.25
020	560800	9210	3100	490	Communications			211099	C20	161.68					161.68
020	560900	9210	3100	490	Communications			211099	C20	934.82					934.82
020	570370	9210	4100	490	Communications			211099	C20	161.57					161.57
020	570400	9210	2100	490	Communications			211099	C20	211.57					211.57
020	584200	9210	2100	490	Communications			211099	C20	293.31					293.31
020	584200	9210	4100	490	Communications			211099	C20	17,498.38					17,498.38
020	200113	9230	7000	434	Prof fees - Audit	0.00%	0.00%	231099 Total		2,697,018.37	0.00	2,863.59	0.00	0.00	14,534.79
020	200112	9230	6000	436	Prof fees - Other	0.00%	0.00%	231099 Total		116,244.03	0.00	116,244.03	0.00	0.00	2,484,089.38
020	200402	9230	6000	433	Subcontract Labor/Oth Out Svc	0.00%	0.00%	441099 Total		42,580.00	0.00	44,601.00	0.00	0.00	2,808.36
020	200402	9230	6000	446	recls to zero	0.00%	0.00%	441099 Total		5,130.11	0.00	5,130.11	0.00	0.00	42,580.00
020	200402	9230	6000	446	recls to zero	0.00%	0.00%	521099 Total		1,258.53	0.00	1,258.53	0.00	0.00	5,130.11
020	200113	9230	7000	434	Prof fees - Audit	0.00%	0.00%	521099 Total		44,601.00	44,601.00	44,601.00	0.00	0.00	47,710.11
020	200402	9230	6000	433	Prof fees - Legal	0.00%	0.00%	521099 Total		1,976.25	0.00	1,976.25	0.00	0.00	1,258.53
020	200402	9230	6000	433	Prof fees - Legal	0.00%	0.00%	521099 Total		(1,976.25)	0.00	(1,976.25)	0.00	0.00	(1,258.53)
020	200402	9230	6000	436	Prof fees - Other	0.00%	0.00%	521099 Total		752.33	0.00	752.33	0.00	0.00	752.33
020	200402	9230	6000	436	Prof fees - Other	0.00%	0.00%	521099 Total		(752.33)	0.00	(752.33)	0.00	0.00	(752.33)
020	200914	9210	8100	490	Communications	0.00%	0.00%	611099 Total		44,601.00	0.00	44,601.00	0.00	0.00	0.00
020	200914	9210	8100	490	Communications	0.00%	0.00%	611099 Total		18,495.51	0.00	18,495.51	(25,169.08)	0.00	0.00
020	200111	9230	6000	436	Prof fees - Other	0.00%	0.00%	701099 Total		63,096.51	0.00	63,096.51	(25,169.08)	0.00	0.00
020	200914	9210	8100	490	Communications	100.00%	100.00%	701099 Total		59,889.86	0.00	57,807.17	2,082.69	0.00	0.00
020	200914	9210	8100	490	Communications	100.00%	100.00%	Grand Total		12,992,994.93	(265,205.81)	3,132,651.12	(3,483,610.43)	(582,004.42)	14,181,164.37

Internal Audit
Payroll Related - Accumulated Costs
Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7	Position 8
	VP - Audit	Mgr - Audit	Sr. Auditor	Sr Auditor				
Payroll								
Payroll	\$ 127,493	\$ 80,325	\$ 47,189	\$ 45,184	\$ -	\$ -	\$ -	\$ -
Merit Increase	-	364	357	207	-	-	-	-
Non-Officer or Director Incentive Plan	928	-	-	-	-	-	-	-
Officer & Director Incentive Plan	22,826	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-
Flex Credits	1,092	1,092	-	-	-	-	-	-
Total Payroll	150,319	81,781	47,546	45,391				
Payroll Taxes								
Medicare	4,713	1,186	689	658	-	-	-	-
Social Security	15,732	4,985	2,948	2,814	-	-	-	-
Federal Unemployment	224	56	56	56	-	-	-	-
State Unemployment	139	-	-	-	-	-	-	-
Total Payroll Taxes	20,807	6,227	3,693	3,528				
Benefits								
Medical Benefits	22,049	5,512	5,512	5,512	-	-	-	-
FAS 106	2,608	652	652	652	-	-	-	-
Pension Plan (retirees and vested terms)	(866)	(232)	(136)	(130)	-	-	-	-
Retirement Power Contribution	6,764	-	-	-	-	-	-	-
Cash Balance Contribution	-	-	-	-	-	-	-	-
Supplemental Pension Plan	9,582	5,111	713	-	-	-	-	-
401K Match - Contributions	976	521	73	-	-	-	-	-
401K Match - Plan Expenses	-	-	-	-	-	-	-	-
401K Shadow Match - Contributions	-	-	-	-	-	-	-	-
401K Shadow Match - Plan Expenses	-	-	-	-	-	-	-	-
Life	659	280	104	99	-	-	-	-
AD&D	99	26	24	23	-	-	-	-
LTD	13,329	5,661	2,095	2,006	-	-	-	-
Total Benefits	55,201	22,658	15,333	8,163				
Employee Related	29,827	7,457	7,457	7,457				
Total to be Allocated	\$ 430,873	\$ 187,803	\$ 110,798	\$ 67,733	\$ 64,539	\$ -	\$ -	\$ -
Allocation Basis								
	200801	200801	200801	200801	200801			

Corporate Accounting
 Payroll Related - Accumulated Costs
 Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7	Position 8	Position 9	Position 10	Position 11	Position 12	Position 13	Position 14	Position 15
	Sr. VP. Corp.	Admin Asst.	Dir. Fin. Rpt.	Spvsr. Gl.	Accountant	Sr. Accountant	Dir. Tax	Coord. Tax	Tax Projects	Inv. Rel. Rep.	Sr. Analyst	Analyst	Analyst	Analyst	Corp. Comm.
Payroll	\$ 250,957	\$ 36,644	\$ 115,446	\$ 57,211	\$ 40,192	\$ 66,484	\$ -	\$ 122,962	\$ 64,749	\$ 71,284	\$ 200,761	\$ 75,198	\$ 52,200	\$ 41,760	\$ 68,779
Ment. Incentive	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Non-Officer or Director Incentive Plan	-	329	-	387	341	-	-	-	-	-	-	-	-	-	-
Officer & Director Incentive Plan	113,971	55,853	10,292	-	-	-	-	27,959	-	-	19,867	-	-	348	439
Overtime	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Flex Credits	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total Payroll	1,376,464	306,810	126,738	57,909	40,483	66,866	-	150,922	65,171	71,729	220,628	75,625	52,581	42,106	69,215
Payroll Taxes															
Medicare	19,930	4,449	1,823	835	587	864	-	2,188	945	1,040	3,199	1,097	762	611	1,004
Social Security	55,392	4,956	2,392	3,572	2,511	3,650	-	4,952	4,041	4,447	4,995	4,399	3,260	2,611	4,291
Federal Unemployment	784	56	56	56	56	56	-	56	56	56	56	56	56	56	56
State Unemployment	5,692	221	221	221	221	221	-	221	221	221	221	221	221	221	221
Total Payroll Taxes	78,108	9,710	3,105	4,884	3,375	4,780	-	7,460	5,282	5,764	9,401	6,662	4,259	3,498	6,572
Benefits															
Medical Benefits	99,809	7,129	7,129	7,129	7,129	7,129	-	7,129	7,129	7,129	7,129	7,129	7,129	7,129	7,129
FAS US	12,013	652	652	652	652	652	-	652	652	652	652	652	652	652	652
Pension Plan (retirees and vested terms)	7,018	(1,061)	(333)	(1,051)	(1,116)	(1,189)	-	(955)	(1,871)	(2,068)	(5,857)	(2,117)	(1,511)	(1,201)	(2,774)
Retirement Power Contribution	28,646	18,409	-	4,401	-	-	-	6,937	-	-	-	-	-	-	-
Cash Balance Contribution	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Supplemental Pension Plan	30,407	7,676	739	3,143	1,152	1,171	-	3,773	1,303	1,435	4,413	1,513	1,052	842	1,384
401K Match - Contributions	5,097	781	75	320	117	120	-	384	133	146	449	154	107	85	141
401K Match - Plan Expenses	65,318	30,881	12,674	-	-	-	-	-	-	-	22,063	-	-	-	-
401K Shadow Match - Contributions	27,604	12,916	5,295	-	-	-	-	-	-	-	9,230	-	-	-	-
401K Shadow Match - Plan Expenses	2,714	542	249	124	87	126	-	265	140	154	434	192	113	90	149
Life	693	120	15	27	19	28	-	69	31	34	96	36	23	20	33
AD&D	37,690	6,240	1,143	3,602	1,785	1,824	-	3,636	2,020	2,224	6,240	2,345	1,629	1,363	2,145
LTD	156,102	84,664	9,740	37,068	10,922	9,916	-	21,782	11,222	11,669	59,066	11,775	10,556	10,002	15,851
Total Benefits	76,301	5,450	5,450	5,450	5,450	5,450	-	5,450	5,450	5,450	5,450	5,450	5,450	5,450	5,450
Employees Related															
Total to be Allocated	\$ 1,844,792	\$ 406,624	\$ 55,259	\$ 175,360	\$ 78,564	\$ 69,234	\$ 79,884	\$ 185,604	\$ 67,106	\$ 94,511	\$ 293,605	\$ 99,412	\$ 74,959	\$ 61,065	\$ 96,089
Allocation Basis															
Percent Allocable to Prov	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%	21.1930%
Percent Allocable to Valley	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%	3.9344%
Total Cost Allocated	102,174	13,685	44,063	19,741	14,884	20,098	0	46,637	21,887	23,748	73,775	24,854	18,314	15,342	24,144

Disbursement Accounting
Payroll Related - Accumulated Costs
Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7	Position 8	Position 9
	AP - Crdnt	AP Clerk	AP Processor	PY - Crdnt	PY Analyst	Sr PY Analyst	Mgr - PY & AP	Acct - Bank Rec.	Receivable
Payroll									
Payroll	\$ 40,152	\$ 29,357	\$ 25,098	\$ 47,189	\$ 34,139	\$ 38,148	\$ 68,257	\$ 40,653	\$ 38,148
Merit Increase	-	-	-	-	-	-	-	-	-
Non-Officer or Director Incentive Plan	305	280	364	320	334	434	342	317	347
Officer & Director Incentive Plan	-	-	-	-	-	-	-	-	-
Overtime	-	602	602	-	602	602	-	-	472
Flex Credits	-	-	1,092	-	-	1,092	-	-	1,092
Total Payroll	40,457	30,250	27,156	47,509	35,075	40,276	68,599	40,970	36,117
Payroll Taxes									
Medicare	587	439	394	689	509	584	995	594	508
Social Security	2,508	1,875	1,684	2,946	2,175	2,497	4,253	2,540	2,172
Federal Unemployment	56	56	56	56	56	56	56	56	56
State Unemployment	139	139	139	139	139	139	139	139	139
Total Payroll Taxes	3,290	2,509	2,272	3,829	2,878	3,276	5,442	3,329	2,875
Benefits									
Medical Benefits	5,512	5,512	5,512	5,512	5,512	5,512	5,512	5,512	5,512
FAS 105	652	652	652	652	652	652	652	652	652
Pension Plan (retirees and vested terms)	(116)	(85)	(72)	(136)	(98)	(110)	(197)	(117)	(96)
Retirement Power Contribution	2,832	1,059	-	2,138	2,104	-	5,831	2,049	2,578
Cash Balance Contribution	-	-	-	-	-	-	-	-	-
Supplemental Pension Plan	1,922	-	-	238	351	-	3,430	1,639	2,190
401K Match - Contributions	196	-	-	24	36	-	349	167	323
401K Shadow Match - Contributions	-	-	-	-	-	-	-	-	-
401K Shadow Match - Plan Expenses	88	64	55	104	75	84	150	89	73
Life	21	15	13	24	18	20	26	21	17
AD&D	1,783	1,303	1,114	2,095	1,516	1,694	3,031	1,805	1,471
LTD	12,889	8,521	7,274	10,651	10,165	7,851	18,784	11,817	12,419
Total Benefits	16,826	1,870	1,870	1,870	1,870	1,870	1,870	1,870	1,870
Employee Related									
Total to be Allocated	\$ 58,505	\$ 43,149	\$ 38,572	\$ 63,859	\$ 49,987	\$ 53,273	\$ 94,695	\$ 57,985	\$ 52,201
Allocation Basis	200814	200814	200814	200205	200205	231099	200608	200608	200608

Chairman
Payroll Related - Accumulated Costs
Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7	Position 8	Position 9
	Vice Chairman	Chairman & CEO	Chairman's Asst.						
Payroll									
Payroll	\$ 276,075	\$ 311,613	\$ 51,031	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Merit Increase	-	-	-	-	-	-	-	-	-
Non-Officer or Director Incentive Plan	-	-	377	-	-	-	-	-	-
Officer & Director Incentive Plan	-	-	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-	-
Flex Credits	-	-	-	-	-	-	-	-	-
Total Payroll	276,075	311,613	51,407	-	-	-	-	-	-
Payroll Taxes									
Medicare	4,003	4,518	745	-	-	-	-	-	-
Social Security	4,985	4,985	3,187	-	-	-	-	-	-
Federal Unemployment	56	56	56	-	-	-	-	-	-
State Unemployment	53	53	53	-	-	-	-	-	-
Total Payroll Taxes	9,097	9,612	4,042	-	-	-	-	-	-
Benefits									
Medical Benefits	5,512	5,512	5,512	-	-	-	-	-	-
FAS 106	652	652	652	-	-	-	-	-	-
Pension Plan (retirees and vested terms)	(490)	(490)	(147)	-	-	-	-	-	-
Retirement Power Contribution	22,086	26,487	3,856	-	-	-	-	-	-
Cash Balance Contribution	-	4,674	-	-	-	-	-	-	-
Supplemental Pension Plan	-	-	-	-	-	-	-	-	-
401K Match - Contributions	6,902	7,790	-	-	-	-	-	-	-
401K Match - Plan Expenses	703	793	-	-	-	-	-	-	-
401K Shadow Match - Contributions	27,608	31,161	-	-	-	-	-	-	-
401K Shadow Match - Plan Expenses	11,625	13,122	-	-	-	-	-	-	-
Life	606	684	112	-	-	-	-	-	-
AD&D	26	26	26	-	-	-	-	-	-
LTD	8,880	8,880	2,266	-	-	-	-	-	-
Total Benefits	84,110	99,292	12,276	-	-	-	-	-	-
Employee Related	17,700	17,700	17,700	-	-	-	-	-	-
Total to be Allocated	\$ 386,982	\$ 438,218	\$ 85,426	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allocation Basis	200801	200801	200801						

CFO & President
Payroll Related - Accumulated Costs
Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7	Position 8	Position 9
	CFO	Exec VP Ops	Asst to Exec VP	Consultant	President	Assist to Pres			
Payroll									
Payroll	\$ 1,886,450	\$ 389,516	\$ 43,368	\$ 629,407	\$ 426,635	\$ 46,177	\$ -	\$ -	\$ -
Merit Increase	-	-	-	-	-	-	-	-	-
Non-Officer or Director Incentive Plan	712	-	351	-	-	361	-	-	-
Officer & Director Incentive Plan	848,112	100,195	69,250	-	678,667	-	-	-	-
Overtime	2,792	-	2,792	-	-	-	-	-	-
Flex Credits	-	-	-	-	-	-	-	-	-
Total Payroll	2,738,066	489,711	420,598	629,407	1,105,301	46,538	-	-	-
Payroll Taxes									
Medicare	39,702	7,101	6,099	674	9,126	16,027	675	-	-
Social Security	25,708	4,985	4,985	2,884	4,985	4,985	2,885	-	-
Federal Unemployment	336	56	56	56	56	56	56	-	-
State Unemployment	996	139	139	139	139	221	221	-	-
Total Payroll Taxes	66,742	12,280	11,278	3,753	14,306	21,289	3,837	-	-
Benefits									
Medical Benefits	36,308	5,512	5,512	5,512	7,129	7,129	7,129	-	-
FAS 106	6,798	652	652	652	2,095	2,095	2,095	-	-
Pension Plan (retirees and vested terms)	7,123	(490)	(490)	(490)	6,857	1,892	-	-	-
Retirement Power Contribution	122,573	41,625	27,339	3,256	50,353	-	-	-	-
Cash Balance Contribution	17,140	17,140	-	-	-	-	-	-	-
Supplemental Pension Plan	509,807	55,956	55,956	453,851	-	-	-	-	-
401K Match - Contributions	78,341	12,243	10,515	1,163	15,735	38,686	-	-	-
401K Match - Plan Expenses	7,979	1,247	1,071	118	1,503	3,940	-	-	-
401K Shadow Match - Contributions	264,502	48,971	42,060	-	62,941	110,530	-	-	-
401K Shadow Match - Plan Expenses	111,378	20,621	17,711	-	26,504	46,543	-	-	-
Life	3,841	855	772	95	1,098	922	100	-	-
AD&D	327	26	26	22	26	205	22	-	-
LTD	36,246	8,880	8,880	1,926	8,880	6,240	1,441	-	-
Total Benefits	1,202,364	157,282	170,003	12,619	626,664	223,146	12,650	-	-
Employee Related	161,685	26,948	26,948	26,948	26,948	26,948	26,948	-	-
Total to be Allocated	\$ 4,168,857	\$ 686,221	\$ 628,826	\$ 89,831	\$ 1,297,324	\$ 1,376,683	\$ 89,972	\$ -	\$ -
Allocation Basis									
	200801	200801	200801	200801	200801	200801	200801	200801	200801

Legal
Payroll Related - Accumulated Costs
Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7	Position 8	Position 9	Position 10
Payroll										
Total										
VP - SUEI	112,940	76,892	106,404	276,054	48,024	105,402	81,307	38,983		
Mgr - Env Svc	-	462	-	-	367	-	478	337		
VP - Env Svc	9,892	-	13,125	58,824	-	19,864	-	-		
Legal Asst. Exc. VP - Lawca	-	-	-	-	-	-	-	-		
Legal Admin Rgr	-	-	-	-	-	-	-	-		
Attorney	-	-	-	-	-	-	-	-		
Legal	-	-	-	-	-	-	-	-		
VP - SUEI	122,832	79,079	119,529	334,679	48,391	125,257	81,784	38,320		
VP - Env Svc	-	-	-	-	-	-	-	-		
Mgr - Env Svc	-	-	-	-	-	-	-	-		
VP - Env Svc	1,781	1,147	1,733	4,963	702	1,816	1,186	570		
Social Security	4,985	4,903	4,985	4,985	3,900	4,985	4,985	2,498		
Federal Unemployment	56	56	56	56	56	56	56	56		
State Unemployment	139	139	139	139	139	139	139	139		
Total Payroll Taxes	6,960	6,244	6,913	10,032	3,898	6,998	6,365	3,203		
Benefits										
Medical Benefits	5,512	5,512	5,512	5,512	5,512	5,512	5,512	5,512		
FAS 106	552	652	652	652	652	652	652	652		
Pension Plan (retires and vested terms)	(326)	(221)	(307)	(490)	(138)	(304)	(234)	(112)		
Retirement Plan Contribution	4,289	3,858	5,379	28,448	4,113	7,515	-	1,376		
Cash Balance Contribution	-	-	-	-	-	-	-	-		
Supplemental Pension Plan	197,451	-	-	197,451	-	-	-	-		
401K Match - Contributions	21,982	4,942	2,988	8,367	3,024	3,131	-	-		
401K Match - Plan Expenses	2,860	503	304	852	308	319	-	2,457		
401K Shadow Match - Contributions	70,280	-	11,953	33,468	-	12,529	-	250		
401K Shadow Match - Plan Expenses	29,573	-	5,033	14,893	-	5,274	-	-		
Life	1,857	168	234	606	105	231	-	-		
AD&D	200	25	25	25	25	25	-	-		
LTD	34,177	3,405	4,724	8,880	2,132	4,690	-	-		
Total Benefits	466,468	18,846	36,489	297,865	18,734	39,563	9,744	11,972		
Employee Related										
Total to be Allocated	173,149	111,260	170,033	649,668	75,113	178,907	104,988	61,586		
Allocation Basis	time study	lime study	time study	200801	200801	lime study	lime study	200804		

Human Resources
Payroll Related - Accumulated Costs
Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7
	Mgr - Compen	Admin Asst	HR Specialist				
Total							
Payroll							
Payroll	\$ 155,243	\$ 80,304	\$ 33,408	\$ 41,530	\$ -	\$ -	\$ -
Merit Increase	-	-	-	-	-	-	-
Non-Officer or Director Incentive Plan	1,137	474	318	345	-	-	-
Officer & Director Incentive Plan	8,667	8,667	-	-	-	-	-
Overtime	2,249	2,249	-	-	-	-	-
Flex Credits	504	-	-	504	-	-	-
Total Payroll	187,800	89,445	35,975	42,379	-	-	-
Payroll Taxes							
Medicare	2,433	1,297	522	615	-	-	-
Social Security	9,843	4,985	2,230	2,628	-	-	-
Federal Unemployment	168	56	56	56	-	-	-
State Unemployment	416	139	139	139	-	-	-
Total Payroll Taxes	12,860	6,476	2,947	3,437	-	-	-
Benefits							
Medical Benefits	16,537	5,512	5,512	5,512	-	-	-
FAS 106	1,956	652	652	652	-	-	-
Pension Plan (retirees and vested terms)	(448)	(232)	(96)	(120)	-	-	-
Retirement Power Contribution	6,832	5,367	-	1,466	-	-	-
Cash Balance Contribution	-	-	-	-	-	-	-
Supplemental Pension Plan	-	Expense	-	-	-	-	-
401K Match - Contributions	6,650	5,590	-	1,059	-	-	-
401K Match - Plan Expenses	677	569	-	108	-	-	-
401K Shadow Match - Contributions	-	-	-	-	-	-	-
401K Shadow Match - Plan Expenses	-	-	-	-	-	-	-
Life	341	176	73	91	-	-	-
AD&D	64	26	17	21	-	-	-
LTD	6,893	3,566	1,483	1,844	-	-	-
Total Benefits	39,503	21,227	7,642	10,634	-	-	-
Employee Related							
	12,139	4,046	4,046	4,046	-	-	-
Total to be Allocated	\$ 232,302	\$ 121,195	\$ 50,610	\$ 60,496	\$ -	\$ -	\$ -
Allocation Basis							
	200205	200205	200205	200205			
Percent Allocable to Prov	6.3914%	6.3914%	6.3914%	6.3914%			
Percent Allocable to Valley	2.7123%	2.7123%	2.7123%	2.7123%			

Purchasing
Payroll Related - Accumulated Costs
Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7	Position 8
	Dir - Purchasing	Purch Specialist						
Payroll								
Payroll	\$ 131,502	\$ 89,346	\$ 42,157	\$ -	\$ -	\$ -	\$ -	\$ -
Merit Increase	-	-	-	-	-	-	-	-
Non-Officer or Director Incentive Plan	347	347	-	-	-	-	-	-
Officer & Director Incentive Plan	8,667	-	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-
Flex Credits	-	-	-	-	-	-	-	-
Total Payroll	140,516	98,012	42,504					
Payroll Taxes								
Medicare	2,037	1,421	616	-	-	-	-	-
Social Security	7,620	4,985	2,635	-	-	-	-	-
Federal Unemployment	112	56	58	-	-	-	-	-
State Unemployment	277	139	139	-	-	-	-	-
Total Payroll Taxes	10,047	6,601	3,446					
Benefits								
Medical Benefits	11,025	5,512	5,512	-	-	-	-	-
FAS 106	1,304	652	652	-	-	-	-	-
Pension Plan (retirees and vested terms)	(379)	(258)	(122)	-	-	-	-	-
Retirement Power Contribution	2,763	-	2,763	-	-	-	-	-
Cash Balance Contribution	-	-	-	-	-	-	-	-
Supplemental Pension Plan	5,107	2,450	2,650	-	-	-	-	-
401K Match - Contributions	520	250	271	-	-	-	-	-
401K Match - Plan Expenses	-	-	-	-	-	-	-	-
401K Shadow Match - Contributions	-	-	-	-	-	-	-	-
401K Shadow Match - Plan Expenses	-	-	-	-	-	-	-	-
Life	289	196	93	-	-	-	-	-
AD&D	48	26	22	-	-	-	-	-
LTD	5,839	3,937	1,872	-	-	-	-	-
Total Benefits	26,514	12,795	13,719					
Employee Related	8,017	4,009	4,009					
Total to be Allocated	\$ 185,094	\$ 121,417	\$ 63,677	\$ -	\$ -	\$ -	\$ -	\$ -
Allocation Basis								
	200813	200813	200813					

Risk & Safety
Payroll Related - Accumulated Costs
Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7	Position 8
Payroll								
Payroll	\$ 105,444	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Merit Increase	-	-	-	-	-	-	-	-
Non-Officer or Director Incentive Plan	-	-	-	-	-	-	-	-
Officer & Director Incentive Plan	22,313	22,313	-	-	-	-	-	-
Overtime	-	-	-	-	-	-	-	-
Flex Credits	-	-	-	-	-	-	-	-
Total Payroll	127,757	127,757						
Payroll Taxes								
Medicare	1,852	-	-	-	-	-	-	-
Social Security	4,985	-	-	-	-	-	-	-
Federal Unemployment	56	-	-	-	-	-	-	-
State Unemployment	139	-	-	-	-	-	-	-
Total Payroll Taxes	7,032							
Benefits								
Medical Benefits	5,512	-	-	-	-	-	-	-
FAS 106	652	-	-	-	-	-	-	-
Pension Plan (retirees and vested terms)	(304)	-	-	-	-	-	-	-
Retirement Power Contribution	10,859	-	-	-	-	-	-	-
Cash Balance Contribution	3,833	-	-	-	-	-	-	-
Supplemental Pension Plan	-	-	-	-	-	-	-	-
401K Match - Contributions	3,194	-	-	-	-	-	-	-
401K Match - Plan Expenses	325	-	-	-	-	-	-	-
401K Shadow Match - Contributions	12,776	-	-	-	-	-	-	-
401K Shadow Match - Plan Expenses	5,380	-	-	-	-	-	-	-
Life	232	-	-	-	-	-	-	-
AD&D	26	-	-	-	-	-	-	-
LTD	4,682	-	-	-	-	-	-	-
Total Benefits	47,166							
Employee Related	31,846							
Total to be Allocated	\$ 213,800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Allocation Basis								
								200703

**Gas Supply
Payroll Related - Accumulated Costs
Year Ending June 30, 2001**

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6	Position 7	Position 8	Position 9	Position 10	Position 11
Payroll											
Payroll	86,302	72,788	50,571	36,164	169,462	66,919	45,560	50,892	50,196	56,208	38,111
Merit Increase	501	449	375	327	396	396	359	375	374	394	-
Non-Officer or Director Incentive Plan	-	-	-	-	35,594	-	-	-	-	-	-
Officer & Director Incentive Plan	-	-	-	-	-	-	-	-	-	-	-
Overtime	-	-	1,092	1,924	-	-	1,092	-	-	-	-
Flex Credits	-	-	52,039	38,415	205,356	57,315	47,011	50,968	50,570	56,603	38,111
Total Payroll	88,803	73,237	103,610	75,806	410,808	124,234	95,762	102,866	101,766	113,205	76,222
Payroll Taxes											
Medicare	1,288	1,062	755	567	2,378	831	682	739	733	821	673
Social Security	4,985	4,541	3,226	2,382	4,985	3,654	2,915	3,150	3,135	3,505	2,898
Federal Unemployment	56	56	56	56	56	56	56	56	56	56	56
State Unemployment	139	139	139	139	139	139	139	139	139	139	139
Total Payroll Taxes	6,467	5,797	4,176	3,133	8,157	4,579	3,781	4,094	4,063	4,525	3,715
Benefits											
Medical Benefits	5,512	5,512	5,512	5,512	5,512	5,512	5,512	5,512	5,512	5,512	5,512
FAS 106	652	652	652	652	652	652	652	652	652	652	652
Pension Plan (retirees and vested terms)	(2,062)	(210)	(146)	(104)	(489)	(164)	(131)	(146)	(145)	(162)	(110)
Retirement Power Contribution	5,328	2,929	-	-	15,402	4,012	3,903	2,803	4,288	-	1,639
Cash Balance Contribution	712	-	-	-	-	-	459	-	253	-	-
Supplemental Pension Plan	733,363	-	-	-	733,363	-	-	-	-	-	-
401K Match - Contributions	31,291	4,577	-	2,401	5,134	3,562	2,938	3,185	-	3,538	395
401K Shadow Match - Plan Expenses	3,187	466	-	245	523	365	299	324	-	360	39
Life	1,570	194	111	79	372	125	100	111	110	122	54
AD&D	268	26	26	19	26	26	24	26	26	26	26
LTD	31,742	3,232	3,245	1,608	7,924	2,527	2,023	2,246	2,229	2,496	1,334
Total Benefits	908,093	17,345	8,401	10,409	768,019	16,537	15,779	14,715	12,835	12,545	5,815
Employee Related	7,715	7,715	7,715	7,715	7,715	7,715	7,715	7,715	7,715	7,715	7,715
Total to be Allocated	\$ 1,803,680	\$ 124,478	\$ 72,330	\$ 59,673	\$ 989,247	\$ 86,247	\$ 74,296	\$ 77,481	\$ 75,283	\$ 81,388	\$ 59,150
Allocation Basis											
200107	231099	200108 follows ML	200108 follows ML	Time Study	211099	200102	200108	200107	200107	200107	200107

Pricing
Payroll Related - Accumulated Costs
Year Ended June 30, 2001

	Position 1	Position 2	Position 3	Position 4	Position 5	Position 6
	Direct	Req& Fin	Analyst - Pricing	Analyst - Pricing	Analyst - Pricing	Vacant
	Total					
Payroll						
Payroll	\$ 216,839	\$ 78,300	\$ 52,200	\$ 46,187	\$ 40,152	\$ -
Merit Increase	-	-	-	-	-	-
Non-Officer or Director Incentive Plan	1,082	-	301	381	341	-
Officer & Director Incentive Plan	8,667	8,667	-	-	-	-
Overtime	-	-	-	-	-	-
Flex Credits	1,924	-	1,924	-	-	-
Total Payroll	228,511	86,967	54,505	46,547	40,493	-
Payroll Taxes						
Medicare	3,313	1,261	790	675	587	-
Social Security	13,761	4,985	3,379	2,886	2,511	-
Federal Unemployment	224	56	56	56	56	-
State Unemployment	554	139	139	139	139	-
Total Payroll Taxes	17,852	6,440	4,364	3,755	3,292	-
Benefits						
Medical Benefits	22,049	5,512	5,512	5,512	5,512	-
FAS 106	2,608	652	652	652	652	-
Pension Plan (retirees and vested terms)	(625)	(226)	(151)	(133)	(116)	-
Retirement Power Contribution	5,410	3,044	2,366	-	-	-
Cash Balance Contribution	-	-	-	-	-	-
Supplemental Pension Plan	3,946	2,174	1,771	-	-	-
401K Match - Contributions	402	221	180	-	-	-
401K Match - Plan Expenses	8,697	8,697	-	-	-	-
401K Shadow Match - Contributions	3,662	3,662	-	-	-	-
401K Shadow Match - Plan Expenses	476	172	115	101	88	-
Life	96	26	26	24	21	-
AD&D	9,628	3,477	2,318	2,051	1,783	-
LTD	56,348	27,411	12,790	8,207	7,940	-
Total Benefits	6,036	1,509	1,509	1,509	1,509	-
Employee Related						
Total to be Allocated	\$ 308,748	\$ 122,327	\$ 73,168	\$ 60,019	\$ 53,234	\$ -
Allocation Basis						
		200812	200812	200812	211099	

New England Gas Company
RJR-4
Sample RDW Assisted Communications
October 24, 2003

NO EXCAVE MAS DE LO QUE PUEDE CONTROLAR.

En la New England Gas Company, la seguridad es nuestra preocupación primordial. Por eso queremos que todos los que están planificando obras de excavación, ya sean profesionales o aficionados, tengan particular cuidado con importantes instalaciones de servicios públicos localizadas bajo tierra. Todas estas instalaciones son vulnerables a daños por obras de excavación, lo cual puede dar paso a una situación potencialmente peligrosa o causar considerables interrupciones de servicio. Por favor llame a Dig Safe® si está planificando obras de excavación. En Rhode Island, usted debe llamar con un mínimo de 48 horas de antelación (sin incluir fines de semana o

feriados) antes de que empiece cualquier proyecto de construcción o mejoras a su hogar. En Massachusetts, el plazo es de 72 horas. No existen cargos y las horas de oficina de Dig Safe® son de 6 am a 6 pm, de lunes a viernes. Dig Safe® alertará a las compañías de servicios públicos que son miembros, quien a su vez le notificarán a usted sobre la localización de sus líneas bajo tierra. La Ley Dig Safe® prohíbe el movimiento de tierra con equipo mecánico sin notificar a Dig Safe®. Llame a Dig Safe® al 1-888-DIG-SAFE (344-7233). Para conocer más, visite www.digsafe.com. Es inteligente. Es responsable y es la ley. Excave con Seguridad

New England Gas Company 



DIG SAFE 1-888-344-7233

...el para el concurso de Ilustración 2003

*Providence
4-25-03*

Accommodations for up to
250 People
* Weddings * Showers
* Dances and more!
**CALL US TO RESERVE A DATE
FOR YOUR SPECIAL DAY!**
401-725-8530
Easy Access To Rt. 95
www.LeFoyer.com



 **credit union
Central Falls**
www.cuof.org 401-725-1535

Rate: 3.20%
\$500.00 Minimum
balance required.
Rates accurate as
of 2/28/03.
Early withdrawal
penalties apply.

Member of the
New England Credit Union Association
since its formation in 1979.
NCUA

DON'T DIG INTO MORE THAN YOU CAN HANDLE.

At New England Gas Company, safety is our primary concern. That's why we want everyone planning excavation work, whether you are a professional or a do-it-yourselfer, to be particularly careful of important underground utility facilities. All of these facilities are vulnerable to damage from excavation work, which can lead to a potentially dangerous situation or cause considerable service disruption.

Please call Dig Safe® if you're planning excavation work. In Rhode Island, you must call at least 48 hours (not including weekends and holidays)

before you begin any outdoor construction or home improvement project. In Massachusetts, the deadline is 72 hours. It's toll free, and Dig Safe® is open for business from 6am to 6pm, Monday through Friday. Dig Safe® will alert the member utility companies, who will then notify you of the location of their underground lines.

The Dig Safe® Law prohibits the movement of earth with mechanical equipment without notifying Dig Safe®. Call Dig Safe® at 1-888-DIG-SAFE (344-7233). To learn more, visit www.digsafe.com. It's smart. It's responsible. And it's the law.

She Lines
4-12-03

New England Gas Company®



DIG SAFE 1-888-344-7233

SE
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 HG
 Saturda

Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

SAFETY

Don't Dig into More than You Can Handle

Planting a tree? Digging a posthole for a fence or deck? You must call 1-888-DIG-SAFE to get utility locations marked. Remember, call before you dig. It's the law!

Prior to beginning any outdoor construction or home improvement project that involves digging, excavating, trenching or grading, remember to call Dig Safe® 1-888-DIG-SAFE (1-888-344-7233). State law requires advance notice of at least 48 hours in Rhode Island and 72 hours in Massachusetts (excluding weekends and holidays) before you begin your outdoor project. One call to Dig Safe® is all it takes to notify all member utility companies of your excavation

project. In turn, these utilities respond to the work area and mark the location of its underground facilities. Callers are given a permit number as confirmation.

Dig Safe® is a free service funded entirely by member utility companies. The program is designed to promote public safety, protect vital utility underground facilities and avoid costly damage.

Call Dig Safe® before you dig into your next outdoor project. It's smart. It's responsible. And, it's the law. To learn more, visit: www.digsafe.com

Community Connections Fund Kicks Off

On Thursday, April 17, 2003, the Community Connections Fund, an Employee Directed Charity of New England Gas Company, held its first annual meeting and elected its board of directors. The Community Connections Fund is an employee-managed 501(c)3 non-profit organization, designed to enable employees to make charitable contributions. Every dollar collected is distributed directly to the selected charities.

The Community Connections Fund provides funding for the arts and humanities, community services, health and human services, and educational activities to 501(c)3 non-profit organizations within the New England Gas Company service territory. Funding is not allowed for: individuals; churches or religious education programs; political causes, candidates' organizations or campaigns; endowment funds; special occasion or good-will advertising; beauty contests, talent contests or sports team sponsorships.

For more information, please contact:
Marisa Albanese
Executive Director of the Community Connections Fund
malbanese@negasco.com
 (401) 272-5040



Rebuilding Together Employee Volunteer Event

New England Gas Company

Safe. Reliable. Efficient.

IN THE COMMUNITY

NEGC Sponsors Fall River Bicentennial Celebration

2003 is a special year for the City of Fall River, Massachusetts. It marks the 200th birthday and Fall River is planning a fantastic series of events to celebrate this milestone. New England Gas Company is proud to join Mayor Edward M. Lambert, Jr. and the members of the Bicentennial Commission to salute Fall River's rich cultural heritage.

Look for more information in the coming weeks about all of the activities that will take place later this year such as:

- a bicentennial gala
- a parade
- a fireworks display at Heritage State Park
- a Victorian Christmas celebration

Happy Birthday Fall River!

Check Plastic Pipe Venting Systems

Homeowners should be aware that plastic pipe venting systems connected to some natural gas and propane furnaces, boilers and water heaters need to be inspected periodically in order to avoid potential safety hazards. In certain situations, pipes may crack or separate at the fittings, causing harmful fumes to enter the home. Please pay attention to the following details, which may affect you:

- If the vent on your furnace, boiler or water heater is plastic and was installed after 1987.
- If one of these product names appears on plastic vent pipe: Ultravent, Plex-Vent or Sel-Vent.

- If the plastic vent pipe says "HTPV" or "High-Temperature Plastic Vent Pipe."

If you suspect that your plastic pipe venting system may need to be inspected or replaced, contact a licensed heating contractor. Additional information regarding potential hazards associated with these systems is available by contacting the contractor who installed your system or the following manufacturers' help lines:

Ultravent	(800) 758-3688
Plex-Vent	(800) 758-3688
Sel-Vent	(800) 848-2149

DID YOU KNOW?



Don't Get In Hot Water

Did you know that every day in America,

eight people suffer serious burns from hot water? These accidents can often be prevented. If your water is above 125 degrees, it's too hot! Consider lowering your water heater thermostat setting to 120 degrees or less. If your water heater has a "Low-Medium-High" setting, just adjust the dial to "Medium" or lower. You'll not only prevent injuries from scalding, you'll save money.

CUSTOMER SERVICE

Service Regions

Providence (401) 831-8800

Cumberland (401) 333-1595

Fall River (508) 675-7811

North Attleboro (508) 699-7563

Hearing & Speech Impaired: Dial 711

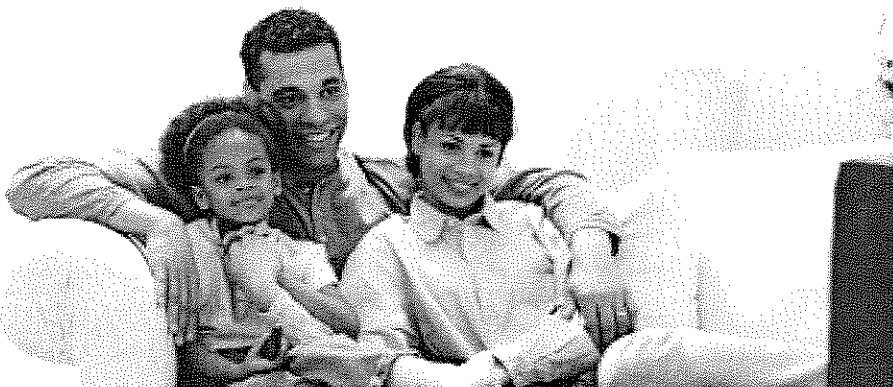
www.negasco.com

HOURS

In Rhode Island, New England Gas Company's customer service telephone hours are 7:00 AM to 7:00 PM, Monday through Friday. Beginning the weekend after Labor Day through the weekend preceding the Memorial Day holiday weekend, our Customer Contact Center will also be open on Saturdays from 7:00 AM to 3:30 PM.

In the Fall River area, our customer service telephone hours are 8:00 AM to 4:30 PM, Monday through Friday.

In the North Attleboro area, our customer service telephone hours are 7:30 AM to 4:30 PM, Monday through Friday.



New England Gas Company

Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

IN THE COMMUNITY

New England Gas Partners with Consumer Credit Counseling Service to Offer Seminars

Consumer Credit Counseling Service (CCCS) of Southern New England is an extremely valuable resource for people having financial difficulties. New England Gas Company is proud to sponsor the following financial wellness seminars by CCCS. Customers are invited to attend any of the sessions listed below. For more information contact Ann Walter at CCCS at 1-800-208-2227, ext. 7203.

www.creditcounseling.org

Living on Less: *How to handle a financial emergency, such as a job loss, or a decrease in income.*

Thursday, April 10, 2003 | 6:30 p.m. - 8:00 p.m.
Bristol Community College, Faculty/Staff Lounge, 777 Elsbree Street, Fall River, MA 02720

Saturday, April 12, 2003 | 10:30 a.m. - 12:00 p.m.
Warwick Office of CCCS, 501 Centerville Road 2 Floor, Warwick, RI 02886

Wednesday, April 16, 2003 | 6:30 p.m. - 8:00 p.m.
Pawtucket Family YMCA, 20 Summer Street, Pawtucket, RI 02860

Tuesday, April 22, 2003 | 6:30 p.m. - 8:00 p.m.
New England Gas Company, 1595 Mendon Road, Cumberland, RI 02864

Environmental Scholarships Available

New England Gas Company provides three environmental scholarships totaling \$6,000 to students planning a career in environmental management or research. Eligible college students must live in a residence or dormitory served by New England Gas Company. Visit our web site at www.negasco.com to review eligibility requirements or to download an application. The deadline for applications is May 31, 2003. For more information, contact Marisa Albanese, Manager of Community Relations & Consumer Affairs at (401) 574-2062 or via e-mail at malbanese@negasco.com.

PAYMENT OPTIONS

Direct Payment Service

Direct Payment Service is the most efficient and convenient way to pay your New England Gas Company bill, and, it's free to New England Gas Company customers. Each month your gas bill amount will be automatically taken out of your checking or savings account at the financial institution of your choice. You will still receive your New England Gas Company bill and will have approximately fifteen (15) days to review the actual bill amount. This service will be available in the Fall River service area in the near future.

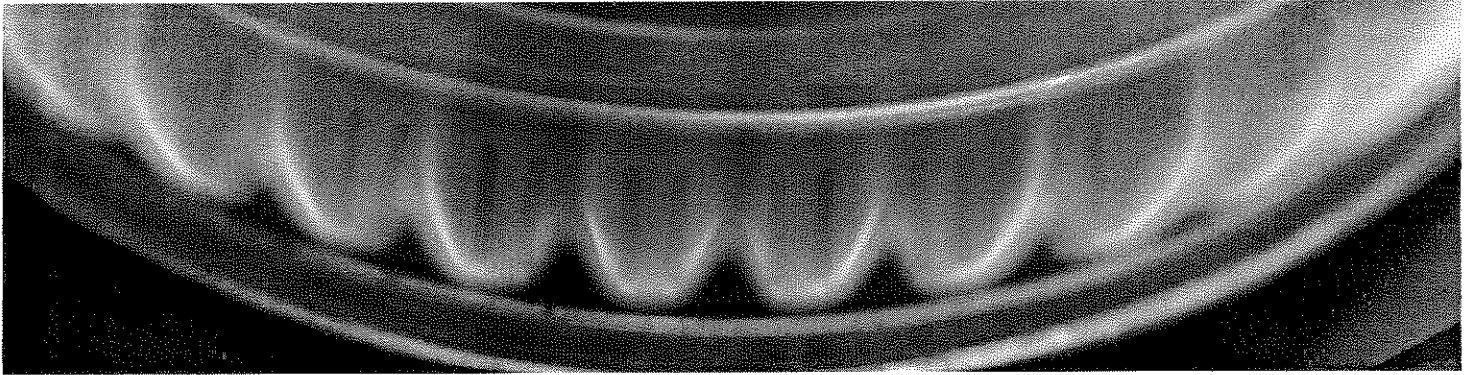
Budget Billing Plan

Budget Billing is a monthly payment plan that spreads your annual gas costs more evenly throughout the year. This free program is available to all residential customers.

To request an application for either Direct Payment Service or the Budget Billing Plan, please call or e-mail Customer Service for your area.

Pay Stations – Find One Near You

Many of our customers prefer to pay their New England Gas Company bills in person. Our web site always has a current listing of convenient payment stations near you. View this list at www.negasco.com/home/stations.pnp or call Customer Service for your area. *(continued on back page)*



RHODE ISLAND TERMINATION OF UTILITY SERVICE REGULATIONS

The Rhode Island Public Utilities Commission and Division of Public Utilities and Carriers regulate rules relating to the termination of residential gas service. These rules provide options for customers with an outstanding balance and for customers whose service has already been terminated. There are two sets of payment plans available to customers, based on class: "standard customer class" and "protected customer class." A "standard" customer is a customer not categorized in one of the protected classes. A "protected" customer is a residential customer about whom the utility has evidence of one or more of the following:

- Unemployed/receiving unemployment compensation;
- Elderly (all members of household must be 62 or older) or disabled (an affidavit stating one disability – verified by a physician – is required);
- Receiving assistance via LIHEAP (Low Income Home Energy Assistance Program);
- Seriously ill – illness that is life threatening or may become life threatening, or a disability – verified by a physician.

These regulations prevent gas utilities from terminating residential service during the utility termination moratorium period (November 1st through April 15th) for nonpayment of a delinquent account if the customer is a "protected class" customer (see above).

Specific steps guide the payment plan process for each customer class, as indicated on the following charts:

The terms of each Step of the **Standard Customer Payment Plans** are as follows:

Step 1A		Step 1B	
Standard Customer Payment Plan Pre-Termination	<ul style="list-style-type: none"> • No down payment required. • Must pay each month the sum of (1/12 of the estimated prospective annual utility cost) + (1/6 of the customer's unpaid balance for the first six months of the plan). • Not available to customers after termination of service. 	Standard Customer Payment Plan Pre-Termination Six Month Option	<ul style="list-style-type: none"> • No down payment required. • Must pay each month the sum of (1/6 of the unpaid balance plus the amount due for current usage). • Not available to customers after termination of service.
Step 2			
Standard Customer Payment Plan Pre-Termination Re-negotiation	<ul style="list-style-type: none"> • No down payment required. • Must pay each month the sum of (1/12 of the estimated prospective average annual utility cost) + (1/6 of the customer's unpaid balance for the first six months of the plan). • Not available to customers after termination of service. 		
Step 3			
Standard Customer Payment Plan Post-Termination	<ul style="list-style-type: none"> • Initial down payment of 60% of the customer's unpaid balance required. • Must pay each month the sum of (1/12 of the estimated prospective annual utility cost) + (1/3 of the customer's unpaid balance for the first three months of the plan). 		
Step 4			
Post-Termination 100% may be required	<ul style="list-style-type: none"> • A customer may be required to pay up to 100% of the customer's unpaid balance to restore service. 		

The terms of each Step of the **Protected Customer Payment Plans** are as follows:

Step 1A	Step 1B	Step 1C
Protected Customer Payment Plan Pre-termination	Protected Customer Payment Plan Post-Termination	Protected Customer Payment Plan Six Month Option
<ul style="list-style-type: none"> No down payment required. Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance plus 1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised). Only available prior to termination of service. 	<ul style="list-style-type: none"> Initial down payment of 25% required. Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance plus 1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised). Not available to a customer who has become disenrolled from a Step 1A Payment Plan. 	<ul style="list-style-type: none"> Pre-Termination No down payment required. Must pay each month for six months the sum of (1/6 of the unpaid balance plus the amount due for current usage). Post-Termination 25% down payment required. Must pay each month for six months the sum of (1/6 of the unpaid balance plus the amount due for current usage).
Step 2		
Protected Customer Payment Plan Pre-termination Re-negotiation	<ul style="list-style-type: none"> No down payment required. Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance) + (1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised). LIHEAP recipients may renegotiate one additional time upon receipt of a LIHEAP promissory note or at the time when the utility receives the LIHEAP grant, whichever is first. Customer must pay each month for 12 months the sum of (1/12 of the unpaid balance) + (1/12 of the prospective use after reducing the amount due by the amount of the LIHEAP grant/promise). Only available prior to termination of service. 	
Step 3		
Protected Customer Payment Plan	<ul style="list-style-type: none"> Initial down payment of 25% of the customer's unpaid balance required. Must pay each month for 12 months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance). 	
Step 4		
Protected Customer Payment Plan	<ul style="list-style-type: none"> Initial down payment of 35% of the customer's unpaid balance required. Must pay each month for twelve months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance). 	
Step 5		
Protected Customer Payment Plan	<ul style="list-style-type: none"> Initial down payment of 50% of the customer's unpaid balance required. Must pay each month for 12 months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance). 	
Reasonable Payment Plan Based on Individual Case-By-Case Analysis	<ul style="list-style-type: none"> Customer and company may establish a reasonable payment plan with a negotiated down payment of at least 50%. When establishing a reasonable payment plan, the company shall consider the income schedule of the customer, if offered by the customer, the customer's payment history, the size of the unpaid balance and current bill, the amount of time and reason for the outstanding bill and whether the delinquency was caused by unforeseen circumstances. 	

For Rhode Island customers, additional information regarding service termination regulations is available on the web site of the Rhode Island Public Utilities Commission/Division of Public Utilities and Carriers, at www.ripuc.org.

MASSACHUSETTS TERMINATION OF UTILITY SERVICE REGULATIONS

Age 65 and Older Protection

In Massachusetts, if you and everyone living in your home are 65 years old or older, you may be eligible for special protection from gas shut-offs resulting from overdue bills.

Other Protections

Your natural gas service cannot be shut off, or will be restored, if you provide certification to New England Gas Company that you are unable to pay any overdue bill because of financial hardship, and;

- Someone living in your home is seriously ill; or
- A child under 12 months old lives in your home; or
- Between November 15th and March 15th natural gas is used as your primary heating fuel and your service was not shut off for nonpayment before November 15th. For 2003, the moratorium period has been extended to May 1st.

(continued from front page)

Need Assistance? Get The Help You Need

In Rhode Island and Massachusetts, there are resources available to customers who need help paying their energy bills.

If you or someone you know is without needed gas service, or behind on payments, call us. We work with our customers individually to establish payment plans, and can also provide customers with a list of energy assistance sources. After an acceptable customer payment is made, we will establish a payment plan and gas service can be restored.

You may be eligible for "Special Protection" status. Eligibility enrollment forms for Rhode Island and Massachusetts residents are sent to customers once a year, but you may request one by contacting Customer Service for your area.

RHODE ISLAND

Visit the Rhode Island State Energy Office web site for information about the energy assistance programs available in Rhode Island. www.riseo.state.ri.us/programs/liheap.html

A list of affiliated agencies is also available on the Rhode Island Public Utilities web site, www.ripuc.org/contips/heating.pdf

Rhode Island Good Neighbor Energy Fund

Since 1986, the Rhode Island Good Neighbor Energy Fund has provided energy assistance to Rhode Islanders in temporary crisis who cannot pay their energy bills and do not qualify for federal or state funds. You can give warmth to a family in need. New England Gas Company will donate an additional dollar for every two dollars that our customers give to the Good Neighbor Energy Fund. So, "Warm Thy Neighbor" by including your tax-deductible gift in the donation envelope enclosed with your bill. Or, simply send your check payable to "Good Neighbor" to The Salvation Army at 756 Eddy Street, Providence, RI 02903, (401) 421-0956.

www.rigoodneighbor.org

MASSACHUSETTS

If you are a Massachusetts resident whose household income falls within certain guidelines, you may qualify for energy assistance and conservation services.

Fall River area residents should call Citizens for Citizens (CFC) at (508) 679-0041 for more information. In the North Attleboro area contact Self Help at (508) 226-4192.

Massachusetts Good Neighbor Energy Fund

Administered by the Salvation Army, the fund helps customers pay their energy bill, especially those in financial crisis who may not qualify for other means of fuel assistance. The Massachusetts Good Neighbor Energy Fund is funded by utilities and utility customers across Massachusetts including New England Gas Company and its customers. If you would like to know how to apply for this program, or wish to donate, please call the Massachusetts Salvation Army at 1-800-334-3047.

www.salvationarmy-ma.org/help/good_neighbor.htm

Positive Changes for Customers in Bristol & Warren, Cumberland and Fall River Service Areas

In the next several weeks, customers in the Bristol & Warren, Cumberland and Fall River service areas will notice the following changes:

- Bills will have a new and improved format, with clear, easy-to-read information about the charges appearing on the bill.
- Bills will continue to indicate the next reading date, and some readings may continue to be estimated for various reasons such as inability to gain access to the meter, etc.

Look for more information in your bill.

DID YOU KNOW?

If You Smell Gas . . .

1. Leave the building (home or business) immediately, taking everyone with you (including pets), and leave all doors and windows open behind you. Don't re-enter the home to open doors and windows.

2. Do Not:

- use phones, computers, appliances, elevators or garage door openers
- touch electrical outlets, switches or doorbells
- smoke or use a lighter, match or other open flame
- position or operate vehicles or powered equipment where leaking gas may be present

3. From a neighbor's home or nearby business, you can call New England Gas Company, 24 hours a day, 7 days a week. You can also call your local fire department who will in turn notify New England Gas Company to respond and investigate.

View Back Issues of CONNECTIONS

Our customer newsletter is published six times per year and is enclosed along with customers' bills. You may access back issues and the current issue of Connections from our web site: www.negasco.com/home/connections.php

CUSTOMER SERVICE

Providence (401) 831-8800
Cumberland (401) 333-1595
Fall River (508) 675-7811
North Attleboro (508) 699-7563
Hearing and Speech Impaired: Dial 711
www.negasco.com

HOURS

In Rhode Island, New England Gas Company's customer service telephone hours are 7:00 AM to 7:00 PM, Monday through Friday. Beginning the weekend after Labor Day through the weekend preceding the Memorial Day holiday weekend our Customer Contact Center will also be open on Saturdays from 7:00 AM to 3:30 PM.

In the Fall River area, our customer service telephone hours are 8:00 AM to 4:30 PM, Monday through Friday.

In the North Attleboro area, our customer service telephone hours are 7:30 AM to 4:30 PM, Monday through Friday.

New England Gas Company

Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

IN THE COMMUNITY

Announcing Community Connections!

New England Gas Company is proud to announce *Community Connections*, a comprehensive community leadership initiative developed by the Company which will bundle all of our community service activities, Company contributions and employee volunteerism programs. According to New England Gas Company President and Chief Operating Officer Thomas C. Robillard, "For more than 150 years, New England Gas Company has made an impact in the communities that we serve. *Community Connections* symbolizes the strength of our commitment to the communities in which we live and work."



Happy New Year!

All of us at New England Gas Company wish to thank you, our loyal customers, for letting us provide you with safe, reliable, and efficient natural gas. It has been our pleasure to serve you in 2002, and we look forward to providing you with outstanding service in 2003 and beyond. We wish you the best for a happy and safe New Year.



Very Truly Yours,

Thomas C. Robillard
President and Chief Operating Officer

New England Gas Company Gives Rhode Island Community Food Bank A Helping Hand



A team of New England Gas Company employees turned out to give the Rhode Island Community Food Bank a hand... by donating, collecting, and preparing food for delivery to area families.

Support the Rhode Island and Massachusetts Good Neighbor Energy Funds

This year's fundraising campaigns for the Rhode Island and Massachusetts Good Neighbor Energy Funds have begun; and, with the slow economy and a colder than average winter predicted, the need is greater than ever. These funds help folks who are in temporary financial crisis due to loss of a job, an illness, or family health crisis, by helping them pay their energy bills during a difficult time.

Since 1986, the Rhode Island Good Neighbor Energy Fund has raised over \$4 million, and assisted over 24,000 local families; likewise, since 1985, the Massachusetts Good Neighbor Energy Fund has raised more than \$8.8 million and assisted over 46,000 local families. In Rhode Island, for every two dollars you donate to the Fund, New England Gas Company and other sponsoring energy companies donate one dollar. In Massachusetts, participating energy companies also generously support the Fund.

Donating is easy! Look for the Good Neighbor Energy Fund envelopes in your gas, electric and other energy bills. Simply mail the envelope with your check enclosed. The Salvation Army ensures that your tax-deductible donation goes straight to a family in need. It's that simple.

Thank you for your past support and your future generosity.

CONSERVATION

Will my energy bills be higher this winter than last?

- Winter weather patterns are highly unpredictable, so it's always safe to say that the colder it is, the more gas you'll use to keep your home warm.
- As a rule, the colder it gets, the harder your heating system has to work to keep your home at the temperature you set on your thermostat.
- Last winter was exceptionally warm, so if we have normal winter weather this year, your bills will be higher in comparison.
- Thus far, the heating season is shaping up to be much colder than last year.

What can I do to help manage my energy bills?

- Enroll in Direct Payment Service, the most efficient and convenient way to pay your New England Gas Company bill. Each month your gas bill amount will be automatically taken out of your checking or savings account at the financial institution of your choice. You will still receive your New England Gas Company bill and will have approximately 15 days to review the actual bill amount.
- Enroll in the Budget Billing Plan, a monthly payment plan that spreads your annual gas costs more evenly throughout the year. It helps you even out your monthly gas bills, so you don't get big bills over the winter and small ones in the summer. These services are free to all customers. To request an enrollment brochure for Direct Payment Service and/or the Budget Billing Plan, please visit our web site at www.negasco.com.
- Consider having a home energy audit done to ensure that all appliances and space-heating equipment are running efficiently. Refer to your local Yellow Pages under "energy" and "energy contractors."
- Ensure that your home and water heater are properly insulated.
- Reduce the temperature setting on your thermostats, especially when you are not at home.

SAFETY

Carbon monoxide (CO) is called the "silent killer." Colorless, odorless and tasteless, it can invade your home without warning. As you breathe it in, the CO displaces the oxygen you need to survive. It quickly accumulates in your bloodstream, forming a toxic compound called carboxyhemoglobin. Even in small quantities, it can cause headaches, nausea, dizziness, irregular breathing, sleepiness and confusion. In larger concentrations, it leads to unconsciousness and death. Here are some important things to keep in mind about carbon monoxide safety:

- Whether you heat your home with natural gas, oil, propane, coal or wood, your heating system can produce toxic carbon monoxide if it is not working properly or not vented correctly.
- Signs of carbon monoxide include stuffy, stale or smelly air, very high humidity or soot coming from a fireplace or heating system.
- Reduce the risk of carbon monoxide poisoning by having your heating system tuned up regularly to make sure it is working properly. Have your chimney or vent pipes checked for blockage at the same time. Also make sure your home has enough ventilation, particularly if you have insulated your home, have had major renovations done, or have enclosed your heating system to increase living space.
- Symptoms of carbon monoxide poisoning are often confused with flu symptoms and the number of poisoning cases often increases at the start of the flu season.
- If you suspect the presence of carbon monoxide in your home, open windows and doors and arrange an inspection of your home by a licensed heating contractor.
- Seek medical attention immediately for any carbon monoxide exposure.

Carbon Monoxide Detectors Can Save Lives

A properly installed and maintained CO detector can alert you to the presence of carbon monoxide. If the alarm sounds, GET OUT OF THE HOME QUICKLY. Call the fire department from another location and ask them to check your home for the presence of carbon monoxide. Carbon monoxide detectors are available at many home centers, hardware and electrical supply stores.

DID YOU KNOW?

Never Hang Anything On Gas Piping

You should never hang clothing (or, anything else) from gas pipes, because the added weight of clothing (especially wet clothing being hung to air dry) can weaken or break joints or fittings, resulting in a gas leak.

Maintain Chimneys and Flues

New England Gas Company urges customers to have a licensed heating contractor periodically inspect their chimneys and flue pipes for safe operation. Chimneys and flue pipes should be checked for soot, residue or any other obstructions that could disrupt the flow of escaping gases and cause improper venting of carbon monoxide.

Keep Your Meter Accessible

New England Gas Company needs to access your meter year-round. We would appreciate it if you would keep walkways, driveways and the area around your gas meter clear of snow and ice during the winter months. Please keep shrubbery near the meter well trimmed so we can access it during the milder months as well.

CUSTOMER SERVICE

Service Regions

Providence (401) 831-8800
Bristol & Warren (401) 253-6700
Cumberland (401) 333-1595
Fall River (508) 675-7811
North Attleboro (508) 699-7563
Hearing and Speech Impaired Dial 711
www.negasco.com

HOURS

In Rhode Island, New England Gas Company's customer service telephone hours are 7:00 AM to 7:00 PM, Monday through Friday. During the heating season (beginning the weekend after Labor Day through the weekend preceding Memorial Day), our Customer Contact Center will also be open on Saturdays from 7:00 AM to 3:30 PM (through the weekend preceding the Memorial Day Holiday Weekend).

In the Fall River area, our customer service telephone hours are 8:00 AM to 4:30 PM, Monday through Friday.

In the North Attleboro area, our customer service telephone hours are 7:30 AM to 4:30 PM, Monday through Friday.

October/November 2002

Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

IN THE COMMUNITY

New England Gas Company Celebrates Fall River

Recently, New England Gas Company sponsored two important community activities in greater Fall River:

The Company is a sponsor of the **Battleship Massachusetts Community Boating Program**, which provides safe, affordable sailing instructions to youths ages 10-16. This is the first time that the Company has sponsored this important community program. Participants from the Fall River Boys & Girls Club and the Fall River YMCA have a unique chance to learn basic sailing skills and the value of teamwork from certified instructors. Since its inception in 2001, more than 300 students successfully complete the instructional classes each summer.

The annual **Fall River Celebrates America Waterfront Festival** was held August 8 – 11 at Fall River's Battleship Cove and Heritage State Park. The four-day celebration featured a wide variety of family-oriented events, including musical entertainment, an international food fair, amusement rides and fireworks. More than 20 New England Gas Company employees (and their families) generously volunteered their time to work at this year's festival.

October is National Domestic Violence Awareness Month

New England Gas Company is pleased to be partnering again with the Rhode Island Coalition Against Domestic Violence to launch a public awareness campaign aimed at encouraging all Rhode Islanders to make domestic violence prevention their business. A promotional effort will raise consciousness about this important issue and will offer ways for victims of domestic violence to get much needed help.

Carbon Monoxide - The "Silent Killer"

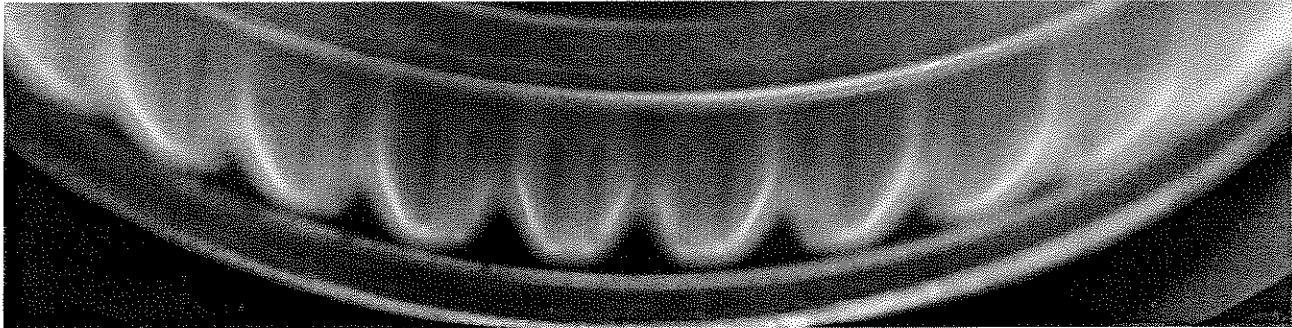
Carbon monoxide (CO) is called the "silent killer." Colorless, odorless and tasteless, it can invade your home without warning. As you breathe it in, the CO displaces the oxygen you need to survive. It quickly accumulates in your bloodstream, forming a toxic compound called carboxyhemoglobin (car-box-see-HEE-muh-glow-bin). Even in small quantities it can cause headaches, nausea, dizziness, irregular breathing, sleepiness and confusion. In larger concentrations it leads to unconsciousness and death. Here are some important things to keep in mind about carbon monoxide safety:

- Whether you heat your home with natural gas, oil, propane, coal or wood, your heating system can produce toxic carbon monoxide if it is not working properly or not vented correctly.
- Signs of carbon monoxide include stuffy, stale or smelly air, very high humidity or soot coming from a fireplace or heating system.
- Reduce the risk of carbon monoxide poisoning by having your heating system tuned up regularly to make sure it is working properly. Have your chimney or vent pipes checked for blockage at the same time. Also make sure your home has enough ventilation, particularly if you have insulated your home, have had major renovations done or have enclosed your heating system to increase living space.
- Symptoms of carbon monoxide poisoning are often confused with flu symptoms and the number of poisoning cases often increases at the start of the flu season.
- If you suspect the presence of carbon monoxide in your home, open windows and doors and arrange an inspection of your home by a licensed heating contractor.
- Seek medical attention immediately for any carbon monoxide exposure.

Carbon Monoxide Detectors Can Save Lives

A properly installed CO detector can alert you to the presence of carbon monoxide. If the alarm sounds, **GET OUT OF THE HOME QUICKLY**. Call the fire department from another location and ask them to check your home for the presence of carbon monoxide.

New England Gas Company
Safe. Reliable. Efficient.



IMPORTANT CHANGES REGARDING TERMINATION OF UTILITY SERVICE IN RHODE ISLAND

Recently, the Rhode Island Public Utilities Commission and Division of Public Utilities and Carriers implemented new rules relating to the termination of residential gas service. These new rules, the first change since 1985, provide options for customers with an outstanding balance and for customers whose service has already been terminated. There are two sets of payment plans available to customers, based on class: "standard customer class" and "protected customer class." A "standard" customer is a customer not categorized in one of the protected classes. A "protected" customer is a residential customer about whom the utility has evidence of one or more of the following:

- Unemployed/receiving unemployment compensation;
- Elderly (all members of household must be 62 or older) or disabled (an affidavit stating one disability – verified by a physician – is required);
- Receiving assistance via LIHEAP (Low Income Home Energy Assistance Program);
- Seriously ill – illness that is life threatening or may become life threatening, or a disability – verified by a physician.

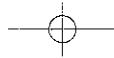
These new regulations prevent gas utilities from terminating residential service during the utility termination moratorium period (November 1st through April 15th) for nonpayment of a delinquent account if the customer is a "protected class" customer (see above).

Specific steps guide the payment plan process for each customer class, as indicated on the following charts:

The terms of each Step of the **Standard Customer Payment Plans** are as follows:

Step 1A	Step 1B
<p>Standard Customer Payment Plan Pre-Termination</p> <ul style="list-style-type: none"> • No down payment required. • Must pay each month the sum of (1/12 of the estimated prospective annual utility cost) + (1/6 of the customer's unpaid balance for the first six months of the plan). • Not available to customers after termination of service. 	<p>Standard Customer Payment Plan Pre-Termination Six Month Option</p> <ul style="list-style-type: none"> • No down payment required. • Must pay each month the sum of (1/6 of the unpaid balance plus the amount due for current usage). • Not available to customers after termination of service.
Step 2	
<p>Standard Customer Payment Plan Pre-Termination Re-negotiation</p> <ul style="list-style-type: none"> • No down payment required. • Must pay each month the sum of (1/12 of the estimated prospective average annual utility cost) + (1/6 of the customer's unpaid balance for the first six months of the plan). • Not available to customers after termination of service. 	
Step 3	
<p>Standard Customer Payment Plan Post-Termination</p> <ul style="list-style-type: none"> • Initial down payment of 60% of the customer's unpaid balance required. • Must pay each month the sum of (1/12 of the estimated prospective annual utility cost) + (1/3 of the customer's unpaid balance for the first three months of the plan). 	
Step 4	
<p>Post-Termination 100% may be required</p> <ul style="list-style-type: none"> • A customer may be required to pay up to 100% of the customer's unpaid balance to restore service. 	





The terms of each Step of the **Protected Customer Payment Plans** are as follows:

Step 1A	Step 1B	Step 1C
<p>Protected Customer Payment Plan Pre-termination</p> <ul style="list-style-type: none"> No down payment required. Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance plus 1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised). Only available prior to termination of service. 	<p>Protected Customer Payment Plan Post-Termination</p> <ul style="list-style-type: none"> Initial down payment of 25% required. Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance plus 1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised). Not available to a customer who has become disenrolled from a Step 1A Payment Plan. 	<p>Protected Customer Payment Plan Six Month Option</p> <p>Pre-Termination</p> <ul style="list-style-type: none"> No down payment required. Must pay each month for six months the sum of (1/6 of the unpaid balance plus the amount due for current usage). <p>Post-Termination</p> <ul style="list-style-type: none"> 25% down payment required. Must pay each month for six months the sum of (1/6 of the unpaid balance plus the amount due for current usage).
<p>Step 2</p> <p>Protected Customer Payment Plan Pre-termination Re-negotiation</p> <ul style="list-style-type: none"> No down payment required. Must pay each month for 12 months the sum of (1/12 of the unpaid balance plus the balance due for current usage) or (1/12 of the unpaid balance) + (1/12 of the prospective usage after reducing the amount due by any public energy assistance funds received or promised). LIHEAP recipients may renegotiate one additional time upon receipt of a LIHEAP promissory note or at the time when the utility receives the LIHEAP grant, whichever is first. Customer must pay each month for 12 months the sum of (1/12 of the unpaid balance) + (1/12 of the prospective use after reducing the amount due by the amount of the LIHEAP grant/promise). Only available prior to termination of service. 		
<p>Step 3</p> <p>Protected Customer Payment Plan</p> <ul style="list-style-type: none"> Initial down payment of 25% of the customer's unpaid balance required. Must pay each month for 12 months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance). 		
<p>Step 4</p> <p>Protected Customer Payment Plan</p> <ul style="list-style-type: none"> Initial down payment of 35% of the customer's unpaid balance required. Must pay each month for twelve months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance). 		
<p>Step 5</p> <p>Protected Customer Payment Plan</p> <ul style="list-style-type: none"> Initial down payment of 50% of the customer's unpaid balance required. Must pay each month for 12 months the sum of (1/12 of the estimated prospective average annual utility cost less the estimated annual payment from the public energy assistance programs) + (1/12 of the customer's unpaid balance). <p>Reasonable Payment Plan Based on Individual Case-By-Case Analysis</p> <ul style="list-style-type: none"> Customer and company may establish a reasonable payment plan with a negotiated down payment of at least 50%. When establishing a reasonable payment plan, the company shall consider the income schedule of the customer, if offered by the customer, the customer's payment history, the size of the unpaid balance and current bill, the amount of time and reason for the outstanding bill and whether the delinquency was caused by unforeseen circumstances. 		

For Rhode Island customers, additional information regarding service termination regulations is available on the web site of the Rhode Island Public Utilities Commission/Division of Public Utilities and Carriers, at www.ripuc.org.

Avoid Service Disconnection

If you or someone you know is without electric or gas service, or behind on payments, call us. We work with customers individually to establish payment plans, and can also provide a list of energy assistance sources. After a mutually acceptable customer payment is made, a payment plan can often be established and utility service can often be restored.

MASSACHUSETTS TERMINATION OF UTILITY SERVICE REGULATIONS

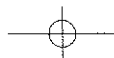
Age 65 and Older Protection

In Massachusetts, if you and everyone living in your home are 65 years old or older, you may be eligible for special protection from gas shut-offs resulting from overdue bills.

Other Protections

Your natural gas service cannot be shut off, or will be restored, if you provide certification to New England Gas Company that you are unable to pay any overdue bill because of financial hardship, and;

- Someone living in your home is seriously ill; or
- A child under 12 months old lives in your home; or
- Between November 15th and March 15th natural gas is used as your primary heating fuel and your service was not shut off for nonpayment before November 15th.



New England Gas Company

Give the gift of energy! There are two ways to give the gift of energy:

GIFT ACKNOWLEDGMENT

Make a gift payment directly to the recipient's account.

To order a gift acknowledgment, simply complete the form below and mail it back to us with your check (minimum \$25). We'll confirm that the recipient is a gas customer and credit their account. You'll be sent a gift acknowledgment card which you can present to the recipient.

GIFT CERTIFICATE

Request a gift certificate which can be used to pay a gas bill.

This option allows you to give a gift certificate which the recipient can apply to their New England Gas Company account. Gift certificates must be used within two years from the date of issue and are redeemable only at the Company walk-in centers (see list below).

To order either a gift acknowledgment or a gift certificate, complete the form below, clip it out, and mail it to the appropriate office location along with your check (minimum \$25) to:

Providence (401) 831-8800
New England Gas Company Gift Program
100 Weybosset Street
Providence, RI 02903

Cumberland/Bristol & Warren (401) 333-1595
North Attleboro (508) 699-7563
New England Gas Company Gift Program
1595 Mendon Road
Cumberland, RI 02864

Fall River (508) 689-1198
New England Gas Company Gift Program
155 North Main Street
Fall River, MA 02722

Please do not return this form with your gas bill payment.

New England Gas Company Gift Acknowledgment / Certificate Form

I wish to order a Gift Acknowledgment Gift Certificate in the following amount \$ _____ (minimum \$25)

RECIPIENTS NAME _____

ADDRESS _____ APT _____

CITY _____ STATE _____ ZIP _____

NEW ENGLAND GAS COMPANY ACCOUNT NUMBER (IF AVAILABLE) _____

GIVEN BY _____

ADDRESS _____ APT _____

CITY _____ STATE _____ ZIP _____

DAYTIME TELEPHONE NUMBER _____

DID YOU KNOW?

Pay Your Bill in Person

You can pay your bill in person at one of our convenient payment stations located in communities across Rhode Island and nearby Massachusetts. For a current list of payment stations, check out the New England Gas Company web site, at:

www.negasco.com/home/stations.php

View Back Issues of CONNECTIONS

Our customer newsletter is published six times per year and is enclosed along with customers' bills. You may access back issues and the current issue of Connections from our web site:

www.negasco.com/home/connections.php

October is Energy Awareness Month

And, it's also a great time to go to the special conservation section on our web site which gives valuable energy saving tips, conservation links, and other important and useful information to help you save money:

www.negasco.com/neg/content.php/main/50

CUSTOMER SERVICE

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Valley (401) 333-1595

Fall River (508) 675-7811

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Hearing and Speech Impaired: Dial 711

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HOURS

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Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

IN THE COMMUNITY

Environmental Scholarship Winners Announced

For the thirteenth consecutive year, New England Gas Company has awarded two environmental scholarships to students who plan careers in environmental management or research. Candidates must be full-time students and full-time residents of a Rhode Island or Massachusetts home served by New England Gas Company. The winners are chosen by a panel of experts from Save the Bay, Audubon Society, the Rhode Island Department of Environmental Management and the Rhode Island Department of Education.

Sushil C. Jacob, Saunderstown, RI

The son of James and Ninni Jacob, Sushil is a sophomore at Brown University, majoring in Global Environmental studies. Sushil has volunteered at the Genesis Center in Providence, and he recently returned from Bangalore, India where he spent his summer working with a YMCA children's literacy program.

Michelle Sullivan, Cumberland, RI

The daughter of Peter and Susan Sullivan, Michelle is beginning her junior year at the University of North Carolina at Chapel Hill. Michelle is a Public Health-Environmental Science major, a member of the National Honor Society, the National Society of College Scholars and a member of the Dean's List.

Congratulations to both Sushil and Michelle!

New England Gas Company Names Marisa Albanese to Head Community Relations & Consumer Affairs



Marisa Albanese

Marisa A. Albanese has been named Manager, Community Relations and Consumer Affairs by New England Gas Company.

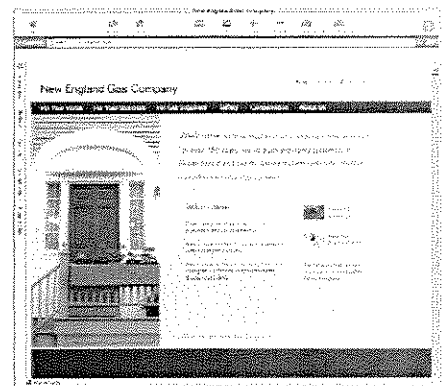
"This position is critically important to New England Gas Company," said New England Gas Company President and Chief Operating Officer Thomas C. Robillard. "It represents our commitment to our customers and our community."

Ms. Albanese has more than fifteen years experience in the natural gas industry, serving in customer relations, communications, human resources and marketing capacities for New England Gas Company.

In her new role, Ms. Albanese will manage the Company's community relations efforts in Rhode Island and Massachusetts, coordinating corporate philanthropy, employee volunteer projects as well as scholarship and public education programs. Additionally, Marisa will be responsible for communicating with consumer advocacy groups and managing the Company's involvement with federal, state and low-income assistance programs.

Helen Toohey, Director of Community Relations for New England Gas Company, recently retired after 36 years of distinguished service to the Company, to the community and to customers. We wish her the best in her retirement.

New Web Site Launched



Recently, New England Gas Company launched a new web site. The site includes important information for our residential and business customers and gas suppliers, focusing on safety, conservation, payment options and our commitment to the communities that we serve. We hope you will find our new site helpful and easy to use. Look for additional updates about our web site in *Connections* or by visiting us at www.negasco.com.

PAYMENT OPTIONS

Budget Billing Plan

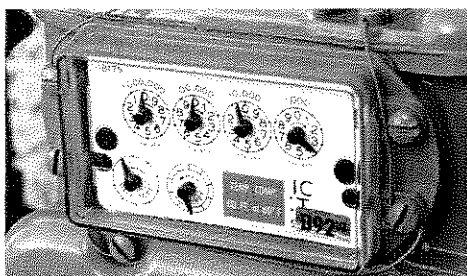
Budget Billing is a monthly payment plan that spreads your annual gas costs more evenly throughout the year. This program is free to all residential customers. To request an enrollment brochure for Direct Payment Service and/or the Budget Billing Plan, please visit our web site at www.negasco.com.

ABOUT YOUR GAS METER

Your gas meter measures how much gas you've used. Your meter is read either by a meter reader via visual inspection, or with a technology known as "AMR," or automated meter reading. AMR meters are read by a vehicle with a special receiver driving through your neighborhood. The readings are automatically registered and your bill is calculated and mailed to your home.

How To Read Your Meter

There are two types of gas meters, clock and digital.



Clock: Read the four dials from left to right. Look at the dial on the far left and write down the lower number near the dial hand (0). The next dial shows the dial hand at "0." Write down the lower number (0). The third dial shows the dial hand between "0" and "1." Write down the lower number (0). The last dial shows the dial between "3" and "4." Write down "3." The reading for this meter is 0003.

Digital: With a digital meter, the numbers are read from left to right, such as 9 - 3 - 7 - 1.

For Customers With Meters Read Manually

If you live in the communities formerly served by Valley Gas and Bristol & Warren Gas, you probably have a meter which is read manually, rather than automatically. Our meter readers read gas meters on or around the same date every month, or every other month, depending on your account. In the future, New England Gas Company will begin retrofitting meters in the former Bristol & Warren Gas communities with AMR technology. If you live in the communities formerly served by Fall River Gas and North Attleboro Gas, your meter will continue to be read manually.

Calling In Your Reading

This direct dial service lets you avoid receiving an estimated bill. Look on your bill for the date of your next actual reading and call to record your meter reading before that date. Call us at one of these numbers to phone in your meter reading:

- (401) 333-6383 (Former Valley Gas area)
- (401) 253-6700 (Bristol & Warren area)
- (508) 675-7811 (Fall River area)
- (508) 699-7563 (North Attleboro area)

WHAT TO DO IF YOU SMELL GAS

For your safety, we add "mercaptan," so that you will recognize it immediately, should there ever be a leak. Mercaptan makes natural gas smell like sulphur, or rotten eggs.

If you smell gas, remember:

- Extinguish any open flames or sources of ignition right away.
- Take action. If you smell gas outside on the street, call New England Gas Company immediately.
- **CALL US at the customer service number for your area.**
- If you smell it in your home, leave doors and windows open and call us from a neighbor's home; don't re-enter the house until a qualified technician inspects your home.
- Don't strike a match; don't turn on or off any lights or appliances.
- Don't do anything that might create a spark.
- Remember, **CALL US!** Never send us an e-mail if you smell gas.

DID YOU KNOW?

Time For A Heating System Check?

The weather may be summerlike, but it's the time to think about whether your heating system is ready for cool fall weather. We recommend that you turn your thermostat to start your heating system before the cold weather hits, so if there's a problem, you can have it resolved.

Periodic Meter Changes

State law requires us to remove and replace gas meters every 15 years in Rhode Island and 7 years in Massachusetts. New England Gas Company is responsible for maintaining and repairing its meters, to ensure accuracy and safe operation.

For Your Protection – It's OK To Ask

Our meter readers and service employees wear company uniforms and carry identification to show you upon request. If you have any doubts about someone who claims to be a New England Gas Company meter reader or service employee, obtain the employee's number from his or her badge and call us for verification.

CUSTOMER SERVICE

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Bristol & Warren (401) 253-6700
Valley (401) 333-1595
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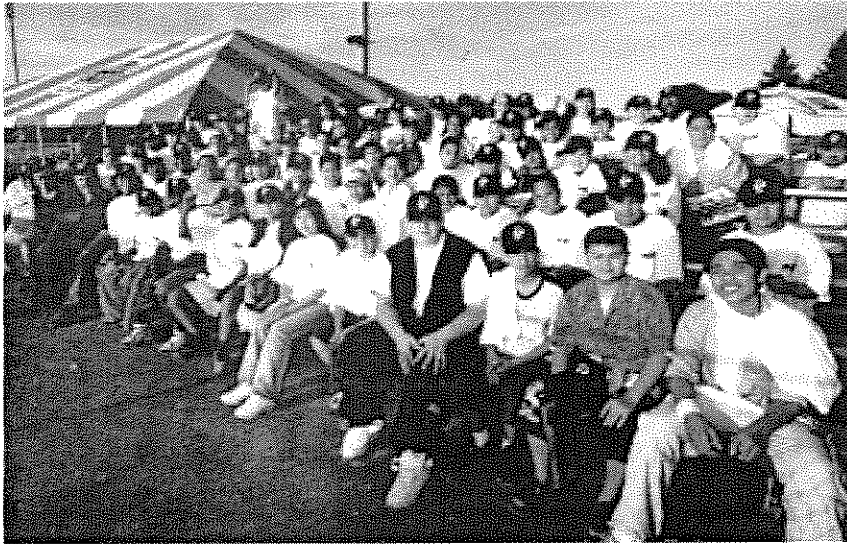
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Connections

A PUBLICATION OF NEW ENGLAND GAS COMPANY

IN THE COMMUNITY



PawSox Event a Home Run

On May 30, 2002, students and faculty members from our partner school, Gilbert Stuart Middle School in Providence, joined New England Gas Company employees for an exciting Pawtucket Red Sox baseball game at McCoy Stadium. Wearing their PawSox baseball caps and special New England Gas Company team shirts, the students, teachers and Company employees enjoyed a pre-game barbecue and received autographs from their hometown heroes. One of Gilbert Stuart's academic all-stars, Alexi Almonte, threw out the first pitch.

New England Gas Company Recognizes Academic Achievement in Metro Fall River Area

At a June 17, 2002 awards ceremony, New England Gas Company awarded scholarships totaling \$1,000 to Durfee High School graduates Sarah Tetreault (\$250), Alysia Imbriglio (\$250) and Sorath Proeun (\$500). Previously, in 1998, New England Gas Company, through its Adopt-A-School program, recognized these former Henry Lord Middle School students for their academic achievement. This year, New England Gas Company presented scholastic awards to Henry Lord Middle School eighth graders Korey Mendes (\$250), Sandra Davin (\$250) and Brittany Dias (\$500). These students will receive their scholarship money in 2006 when they graduate from high school and pursue post-secondary education. The New England Gas Company Scholarship Program, begun more than 12 years ago, recognizes academic achievement and provides award recipients with financial assistance for their education beyond high school.

DID YOU KNOW?

Business Hours Expanded

To best serve our customers, beginning July 15, 2002, New England Gas Company will expand our customer service telephone hours from 7 AM to 7 PM, Monday through Friday. Additionally, during the heating season (beginning the weekend after Labor Day through Memorial Day) our center will also be open on Saturdays from 7AM to 3:30 PM (through the Saturday preceding the Memorial Day Holiday Weekend).

Maintain Your Gas Line

New England Gas Company is required under federal and state regulations to maintain natural gas service lines up to and including the gas meter. Beyond the meter, the maintenance of any piping is the responsibility of the customer or property owner. Sometimes, a customer's piping may be underground. If customers do not maintain their underground gas lines, the piping may corrode and leak, causing a potential safety hazard. This gas piping should be periodically inspected for leaks, and if metal, the pipes should also be inspected for corrosion.

RATES AND BILLING

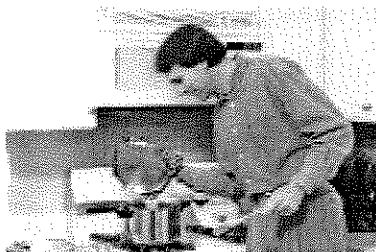
NEW RATES AND BILLING CHANGES FOR RHODE ISLAND CUSTOMERS EFFECTIVE JULY 1, 2002

On May 23, 2002, the Rhode Island Public Utilities Commission approved a settlement agreement based on New England Gas Company's November, 2001 rate filing, resulting in a \$3.9 million reduction in distribution rates. In addition, the Company has made a filing to update natural gas costs as well. As a result of these filings, Rhode Island residents and business owners will see rate and billing changes in their July bills.

One State, One Rate

Effective July 1, 2002, New England Gas Company will move to a "One State, One Rate" rate structure for all Rhode Island customers. Although prices for customers of the former ProvGas, Valley Gas and Bristol & Warren Gas vary right now, all Rhode Island customers will be paying the same prices for distribution services starting July 1, 2004.

As part of the "One State, One Rate" plan, New England Gas Company has simplified rates and reduced the number of rates offered. For example, air conditioning rates are no longer available, so those customers have been switched to the corresponding year-round rate (Residential air conditioning customers will be classified as residential heating customers). Customers formerly classified as "commercial small low-load" or "small high-load" will be classified simply as "commercial small."



Therm Billing

In the last issue of *Connections*, the Company explained that natural gas can be measured by volume or by heat content. Your gas meter measures the volume of gas used in Ccf, or, hundred cubic foot units. Previously, the Company billed in Ccf, but beginning with bills issued on July 1, 2002, the Company will bill customers in therms, a measure of heat content. The Company will apply a seasonal therm factor which changes twice annually (November - April; May - October), to the volume of gas consumed. The therm factor effective July 1, 2002 is 1.030.

Nationally, many gas utilities are changing to therm billing because it is more accurate and best represents the energy value of the natural gas you use. Your bill will continue to feature actual meter readings and volumes in Ccf. You will see a therm factor and a conversion from Ccf to Therms as shown in the following example:

Billing Period:	06/07/02	to	07/07/02
Meter Readings:	Present:		5875
	Previous:		5775
Gas Used:			100 Ccf
Therm Factor:	1.030		
Total Consumption:			100 X 1.030 = 103 Therms

Other Billing Changes

Your revised bill will distinguish between delivery charges and gas charges. Delivery charges, or, "local distribution charges" include the following:

Customer Charge: covers a portion of the Company's cost to serve you with items such as mailing, system maintenance and record keeping. This cost is not related to the quantity of gas used.

Usage Step Charge: covers costs associated with local delivery of gas. In each season, residential heating and small commercial rates are calculated using two consumption "steps." You are charged one rate for the first step (Usage Step 1) and a lower rate for any usage greater than that (Usage Step 2).

Distribution Adjustment Charge (DAC): covers costs and/or shares savings related to various services and customer programs. For example, system pressure balancing, earnings sharing, etc.

The rates for the customer charge and usage step charges are frozen for three years until June 30, 2005. The distribution adjustment charge (DAC) will be updated periodically to reflect changes.

Gas charges are costs associated with the purchase of natural gas and its transportation to Rhode Island. New England Gas Company passes through the cost of gas directly to the customer and earns no profit on the natural gas itself.

Impact On Residential Customers

Here's what the new rates will mean for average heating (you use gas as your heating fuel) or average non-heating (you use gas for water heating, cooking or drying, but not for heating) customers in the former ProvGas, Valley Gas and Bristol & Warren Gas service areas:

Former ProvGas Heating Customers

Average annual usage	1,000 ccf (1,030 therms)
Annual bill at current rate	\$1,177
Annual bill at new rate	\$1,146
Savings in dollars	\$ 31
Savings (percentage)	-2.6%

Former ProvGas Non-Heating Customers

Average annual usage	150 ccf (154.5 therms)
Annual bill at current rate	\$270
Annual bill at new rate	\$264
Savings in dollars	\$ 6
Savings (percentage)	-2.3%

Former Valley Gas and Bristol & Warren Gas Heating Customers

Average annual usage	1,000 ccf (1,030 therms)
Annual bill at current rate	\$1,028
Annual bill at new rate	\$1,028
Savings in dollars	\$ 0
Savings (percentage)	0.0%

Former Valley Gas and Bristol & Warren Gas Non-Heating Customers

Average annual usage	150 ccf (154.5 therms)
Annual bill at current rate	\$212
Annual bill at new rate	\$211
Savings in dollars	(\$1)
Savings (percentage)	-0.3%

Impact On Small Commercial and Industrial Customers

Below is a summary of what the new rates will mean for small commercial and industrial customers in the former ProvGas, Valley Gas and Bristol & Warren Gas service areas.

Former ProvGas Area

Small Low-Load Factor

Average annual usage	1,200 ccf (1,406 therms)
Annual bill at current rate	\$1,476
Annual bill at new rate	\$1,412
Savings in dollars	\$ (64)
Savings (percentage)	-4.3%

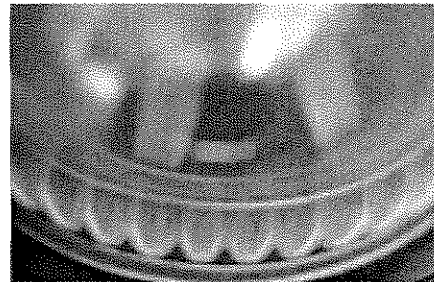
Small High-Load Factor

Average annual usage	1,200 ccf (1,406 therms)
Annual bill at current rate	\$1,427
Annual bill at new rate	\$1,412
Savings in dollars	\$ (15)
Savings (percentage)	-1.0%

Former Valley Gas and Bristol & Warren Gas Area

Small Commercial and Industrial (RATE 80) Customers

Average annual usage	1,200 ccf (1,406 therms)
Annual bill at current rate	\$1,247
Annual bill at new rate	\$1,248
Increase in dollars	\$ 1
Increase (percentage)	+0.1%



RATES AND BILLING

continued from page 3

Other Changes

In addition to billing changes, the settlement agreement also funds several customer programs. New England Gas Company provides matching grants for low-income heating assistance customers. In conjunction with the Governor's Energy Office, a low-income weatherization program will also be offered. Additionally, the Company's Demand Side Management program provides rebates for customers who install high-efficiency heating equipment.

In the future, customers in the former Valley Gas and Bristol & Warren Gas area can look forward to the installation of automated meter reading (AMR) equipment. Our AMR program uses a van to remotely read meters every month, thus eliminating estimated bills.

Changes to Rules for Terminating Service

Recently, the Rhode Island Public Utilities Commission and Division of Public Utilities and Carriers implemented new rules relating to the termination of residential gas and electric service. The previous version of the rules dated back to 1985. The new rules add flexibility and a series of options for customers with an outstanding balance and for customers whose service has already been terminated. Representatives of the Commission, the Division, Narragansett Electric and New England Gas Company worked together to develop these rules, which took effect May 1, 2002.

There are two sets of payment plans which will be offered to customers, based on class: "standard customer class" and "protected customer class." A "standard" customer is a customer not categorized in one of the protected classes. A "protected" customer is a residential customer about whom the utility has evidence of one or more of the following:

- Unemployed/receiving unemployment compensation;
- Elderly (all members of household must be 62 or older) or disabled (an affidavit stating one disability - verified by a physician - is required);
- Receiving assistance via the LIHEAP program;
- Seriously ill - illness that is life threatening or may become life threatening, or a disability.

Avoid Service Disconnection

If you or someone you know is without needed gas service, or behind on payments, call us. We work with our customers individually to establish payment plans, and can also provide customers with a list of energy assistance sources. After a mutually acceptable customer payment is made, we will establish a payment plan and gas service can be restored.

Please Don't Tamper With Gas Equipment

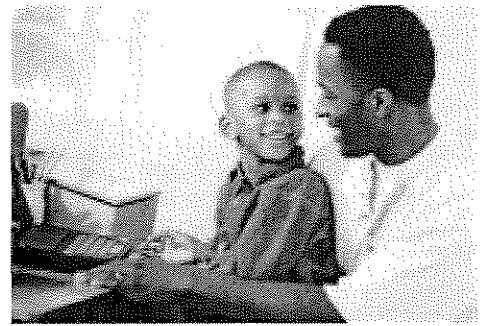
If you tamper with natural gas meters or piping assemblies, you endanger lives and property. If you alter the natural gas equipment so that you can use gas without paying for it, you are subject to shutoff of service, legal prosecution, or both. People who do this are also raising the rates for other customers. If you suspect someone is tampering with natural gas, call us immediately. Your call will be confidential.

CUSTOMER SERVICE

Providence (401) 831-8800
Bristol & Warren (401) 253-6700
Valley (401) 333-1595
Fall River (508) 675-7811
North Attleboro (508) 699-7563

Hearing & Speech Impaired: Dial 711
Español TTY: 1(800) 855-2884

www.negasco.com



CONNECTIONS UPDATE

PAYMENT OPTIONS

Direct Payment

Direct Payment Service is the most efficient and convenient way to pay your New England Gas Company bill. Each month your gas bill amount will be automatically taken out of your checking or savings account at the financial institution of your choice.

You will still receive your New England Gas Company bill and will have approximately 15 days to review the actual bill amount.

Budget Billing Plan

Budget Billing is a monthly payment plan that spreads your annual gas costs more evenly throughout the year. This program is free to all customers. To request an enrollment brochure for Direct Payment Service and/or the Budget Billing Plan, please visit our web site at www.negasco.com.

New England Gas Company

HOW TO CONTACT US

Customer Service Telephone Hours

In Rhode Island, New England Gas Company's Customer Service telephone hours are 7:00 AM to 7:00 PM, Monday through Friday. During the heating season (beginning the weekend after Labor Day through Memorial Day), Customer Service will also be open on Saturdays from 7:00 AM to 3:30 PM (through the weekend preceding the Memorial Day Holiday Weekend).

In the North Attleboro Area

Our Customer Service telephone hours are 7:30 AM to 4:30 PM, Monday through Friday.

In the Fall River Area

Our Customer Service telephone hours are 8:00 AM to 4:30 PM, Monday through Friday.

Customer Service Phone Numbers

Service Areas
 Providence (401) 831-8800
 Cumberland (401) 333-1595
 Fall River (508) 675-7811
 North Attleboro (508) 699-7563

Hearing & Speech Impaired

Dial 711

Administrative Offices

Rhode Island (401) 272-5040
 Massachusetts (508) 675-7811

Mail

Customer Service
 New England Gas Company
 100 Weybosset Street
 Providence, Rhode Island 02903

E-mail

Service Areas
 Providence csprovidence@negasco.com
 Cumberland csumberland@negasco.com
 Fall River csfallriver@negasco.com
 North Attleboro csnorthattleboromag@negasco.com

Web Site

www.negasco.com

Bill
 Here's a sample New England Gas Company bill. There are also helpful definitions of key terms and abbreviations.

New England Gas Company
 270 Weybosset Street
 Providence, RI 02903

JOHN SMITH
 123 MAIN STREET
 PROVIDENCE, RI 02905

BILL DATE: 24-JUL-2002
DUPLICATE: 19-JUL-2002
CUSTOMER NO.: 455789
READING NO.: 12345678

ACCOUNT NO.: 12345678912345678

BILL DATA:
 Bill No. 24-JUL-2002
 Due Date 19-JUL-2002
 Customer No. 455789
 Meter No. 12345678

ACCOUNT INFORMATION:
 Service Name/Address JOHN SMITH, 12345678, 123 MAIN STREET, PROVIDENCE, RI 02905
 Billing Period 07/01/2002 - 07/31/2002
 Meter Reading Present 6515
 Meter Reading Previous 6478
 Account No. 12345678912345678
 City State 02905 RI

MONTHLY CHARGES:

Usage Charge Step 1	30,000 Therms @ \$ 0.3800	\$ 11.40
Usage Charge Step 2	7,000 Therms @ 0.2000	\$ 1.40
Total Delivery Charges	37,000 Therms @ 0.3020	\$ 11.18
CCF Charge	37,962 Therms @ 0.2951	\$ 11.20
Total Gas Charges		\$ 24.18

OTHER CHARGES:

Cost of Gas	\$ 12.45
Gross Earnings Tax	\$ 1.45
Total Other Charges	\$ 14.90
Total Current Charges	\$ 49.08

Billing Summary

Previous Estimate	\$78.72	Payments	\$21.00	Current Charges	\$49.08	Total	\$148.80
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PLEASE MAIL PAYMENT TO: PO BOX 9681 MANCHESTER, NH 03109-9681
 TO BRING PROCEEDING OF YOUR PAYMENT, PLEASE PRINT YOUR ACCOUNT NUMBER ON YOUR CHECK.
 This bill reflects a change in rate as approved by the Rhode Island Public Utilities Commission.

1 Total Due
 The total amount that you are required to pay. This total contains current charges plus any previous balance.

2 Account Number
 Include this number on your check for payment.

3 Thermi Factor
 Converts your usage from CCF into therms which is a measure of the heating value of the gas you used.

4 Customer Charge
 A portion of the company's cost to serve you with such items as mailing, system maintenance and record keeping which is not related to the quantity of gas used.

5 Usage Step Charge
 In each season, residential and small business rates are calculated using two consumption "steps." Step 1 is the initial rate you are billed. This includes recovery of fixed costs. Step 2 is the rate for any gas used over Step 1 and will be billed at a lower rate.

6 Distribution Adjustment Charge (DAC)
 Is adjusted annually and is used to recover costs and/or share savings related to various services and customer programs. For example, system pressure balancing, earnings sharing, etc.

7 Therm
 To calculate therms, multiply CCF by the Therm Factor.

8 GET
 Stands for State of Rhode Island Gross Earnings Tax.

Important Information Regarding Your Bill
 CUMBERLAND



New England Gas Company
 Safe. Reliable. Efficient.

CHANGES IN YOUR BILL

New Bill Format

Effective April, 2003, customers in our Cumberland service area (including Bristol & Warren) will notice a change in the format of the bill. See the sample bill and the corresponding explanation of terms.

Account Number

There will be a change in your account number. You will be assigned a sixteen digit account number, which will appear on the front of the bill.

Meter Reading

Your bill will continue to indicate the next reading date. Your bill will no longer indicate the reason we have estimated your monthly usage.

Billing Date

Your bill date will now be a few days earlier than before. Our monthly billing cycle has changed slightly; you may notice that your readings are being done a few days earlier.

Delinquency Notice

All notices of delinquency will appear on your bill.

- During the winter moratorium period (November 1 - April 15), you will receive a delinquency notice if:
- you are a residential heating customer and your bill reaches \$500 and is at least 30 days past due; or
 - you are a residential non-heating customer and your bill is \$200 and is at least 30 days past due.

During the non-moratorium period (April 16 - October 31), you will receive a delinquency notice if:

- you are a residential heating customer and your bill reaches \$100 and is at least 30 days past due; or
- you are a residential non-heating customer and your bill is \$50 and is at least 30 days past due.

The following is a sample of the delinquency notice that will appear on your bill:

TO AVOID TERMINATION OF SERVICE, SEND IN YOUR PAYMENT BY (DATE). PLEASE SEE REVERSE SIDE OF BILL.

How To Read Your Meter

There are two types of gas meters, clock and digital.

Clock (see picture at right)

Read the four dials from left to right. Look at the dial on the far left and write down the lower number near the dial hand (0). The next dial shows the dial hand at "0". Write down the lower number (0). The third dial shows the dial hand between "0" and "1." Write down the lower number (0). The last dial shows the dial between "3" and "4." Write down "3." The reading for this meter is 0003.

Digital

With a digital meter, the numbers are read from left to right, such as 9 - 3 - 7 - 1.

If the balance on your account is not brought up to date during the next billing period and your service remains subject to termination, the following notice will appear on your bill:

FINAL NOTICE: YOUR ACCOUNT IS SUBJECT TO IMMEDIATE TERMINATION. PLEASE SEE REVERSE SIDE OF BILL.

If you are a commercial customer and your account becomes delinquent (at least 30 days past due) for any amount, the following notice will appear on your bill:

FINAL NOTICE: YOUR ACCOUNT IS SUBJECT TO IMMEDIATE TERMINATION. PLEASE SEE REVERSE SIDE OF BILL.

Final Bills

Effective immediately, as soon as a shut off order has been completed, a final bill can be rendered to you.

PAYMENT OPTIONS

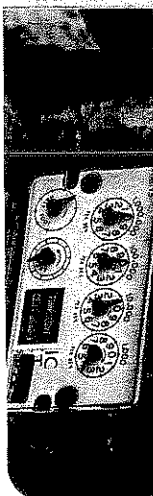
Direct Payment Service

Direct Payment Service is the most efficient and convenient way to pay your New England Gas Company bill and, it's free to New England Gas Company customers. Each month your gas bill amount will be automatically taken out of your checking or savings account at the financial institution of your choice.

Calling In Your Reading

This direct dial service lets you avoid receiving an estimated bill. Look on your bill for the date of your next actual reading and call to record your meter reading before that date. Call us at one of these numbers to phone in your meter reading:

Cumberland/Bristol & Warren Service Area:
(401) 333-6383
Fall River Service Area: (508) 675-7811
North Attleboro Service Area: (508) 699-7563



You will still receive your New England Gas Company bill and will have approximately fifteen (15) days to review the actual bill amount.

Budget Billing Plan

Budget Billing is a monthly payment plan that spreads your annual gas costs more evenly throughout the year. This free program is available to all residential customers.

To request an application for either Direct Payment Service or the Budget Billing Plan, please call or e-mail Customer Service for your area (see "How to Contact Us").

Pay Stations - Find One Near You

Many of our customers prefer to pay their New England Gas Company bills in person. Our web site always has a current listing of convenient payment stations near you. View this list at www.negasco.com/home/stations.php or call Customer Service for your area.

Need Assistance?

Get The Help You Need

In Rhode Island, there are resources available to customers needing help paying their energy bills. If you or someone you know is without needed gas service, or behind on payments, call us. We work with our customers individually to establish payment plans.

and can also provide customers with a list of energy assistance sources. After a mutually acceptable customer payment is made, we will establish a payment plan and gas service can be restored.

You may be eligible for "Special Protection" from termination of service. In Rhode Island, your natural gas service cannot be shut off if you meet certain eligibility requirements. Eligibility enrollment forms for "Special Protections" are sent to customers once a year, but you may request one by contacting Customer Service for your area.

Visit the Rhode Island State Energy Office web site for more information about the energy assistance programs available:
www.riseo.state.ri.us/programs/itheap.html

Rhode Island Good Neighbor Energy Fund
Since 1986, the Rhode Island Good Neighbor Energy Fund has provided energy assistance to Rhode Island residents in temporary crisis who cannot pay their energy bills and do not qualify for federal or state funds. You can give warmth to a family in need. New England Gas Company will donate an additional dollar for every two dollars that our customers give to the Good Neighbor Energy Fund. So, "Warm Thy Neighbor" by including your tax-deductible gift in the donation envelope enclosed with your bill. Or, simply send you check payable to "Good Neighbor" to The Salvation Army at 756 Eddy Street, Providence, RI 02903. (401) 421-0956 | www.rigoodneighbor.org

Other Resources

National Energy Affordability and Accessibility Project Sites
1-800-253-4328 or (401) 222-6920
www.neatl.org/neaap/programs/lowincome/ri-hl.htm

Consumer Credit Counseling Service
CCC is not a source of energy assistance, but can be an extremely valuable resource for people having financial difficulties, and difficulty managing credit.
1-800-208-2227 | www.creditcounseling.org

Consumer Information Page (RIPUC)
www.ripuc.org/contips/index.html

New England Gas Company
RJR-5
Revised ESM Calculation
October 24, 2003

NEW ENGLAND GAS COMPANY
 EARNINGS SHARING CALCULATION
 FOR THE TWELVE MONTHS ENDED JUNE 2003

1	Average Rate Base	Rate Base L25	238,564,838	1
2	Equity Component of Rate Base	Capital Structure L8	43.60%	2
3	Average Common Equity	(L1 * L2)	<u>104,014,269</u>	3
4				4
5	Net Income Available for Common Stock	Income Statement L62	16,096,792	5
6	Return on Common Equity	(L3 / L5)	15.48%	6
7				7
8	Return on Equity > 11.25% and <12.25%	(Lesser of 1% or L6 - 11.25%)	1.00%	8
9	Earnings to be Shared	(L3 * L8)	1,040,143	9
10	Earnings to Customers - 50%	(L9 * 50%)	520,071	10
11				11
12	Return on Equity >12.25 %	(If L6 >12.25%, L6 - 12.25%)	3.23%	12
13	Earnings to be Shared	(L3 * L12)	3,355,044	13
14	Earnings to Customers - 75%	(L13 * 75%)	2,516,283	14
15				15
16	Total After tax Earnings Credited to Customers	(L10 + L14)	<u>3,036,354</u>	16
17				17
18	Total Earnings Credited to DAC	(L16 / 65%)	<u>4,671,314</u>	18

NEW ENGLAND GAS COMPANY
 INCOME STATEMENT
 FOR THE TWELVE MONTHS ENDED JUNE 2003

	12 MONTHS ENDED JUNE 2003	
1 OPERATING REVENUES		1
2		2
3 TOTAL FIRM GAS	\$ 324,323,353	3
4 TRANSPORTATION	13,153,793	4
5 OTHER	1,617,396	5
6 COMPANY PORTION NON-FIRM MARGIN	(148,091)	6
7 INCREASE CUST NON-FIRM MARGIN	(20,411)	7
8 TOTAL OPERATING REVENUES	<u>338,926,040</u>	8
9		9
10 ADJUSTMENTS TO OPERATING REVENUES		10
11		11
12 ERI - 2	5,227,000	12
13 UNBILLED REVENUES	(746,741)	13
14 INVENTOR Y FINANCING	(1,587,967)	14
15 TOTAL ADJUSTED OPERATING REVENUES	<u>341,818,332</u>	15
16		16
17		17
18 OPERATING EXPENSES		18
19		19
20 PRODUCTION (GAS COSTS)	194,534,846	20
21 STORAGE	1,059,213	21
22 DISTRIBUTION	18,092,224	22
23 CUSTOMER ACCOUNTS	14,993,350	23
24 SALES	229,308	24
25 ADMIN & GEN	31,997,422	25
26 CORPORATE ALLOCATION	3,751,079	26
27		27
28 TOTAL OPERATING EXPENSES	<u>264,657,442</u>	28
29		29
30 ADJUSTMENTS TO OPERATING EXPENSES		30
31		31
32 UNBILLED GAS COSTS	(434,938)	32
33 SAVINGS IMPUTED IN BASE RATES	2,049,000	33
34		34
35 TOTAL FUNCTIONAL EXP	<u>266,271,504</u>	35
36		36
37 OTHER EXPENSES		37
38 ENVIRONMENTAL AMORT ADJ	58,056	38
39 DEPRECIATION & AMORT.	20,165,405	39
40 LOCAL AND OTHER TAXES	9,727,673	40
41 REVENUE RELATED TAXES (GET)	10,746,928	41
42 FEDERAL INCOME TAXES @ 35%	8,941,126	42
43		43
44 TOTAL OTHER EXPENSES	<u>49,639,188</u>	44
45		45
46 INCOME BEFORE INT EXP	<u>25,907,640</u>	46
47		47
48		48
49 INTEREST EXPENSE		49
50		50
51 SHORT-TERM DEBT	514,115	51
52 LONG-TERM DEBT	8,514,785	52
53 OTHER	503,744	53
54 AFDUC	(171,896)	54
55 TOTAL INTEREST EXPENSE	<u>9,360,747</u>	55
56		56
57		57
58 NET INCOME (LOSS)	<u>16,546,892</u>	58
59		59
60 PREFERRED DIVIDENDS	450,100	60
61		61
62 NET INC (LOSS) APPL TO CMN STK	<u>\$ 16,096,792</u>	62

NEW ENGLAND GAS COMPANY
FEDERAL INCOME TAX CALCULATION
FOR THE TWELVE MONTHS ENDED JUNE 2003

1 OPERATING REVENUES	341,818,332	1
2		2
3 LESS :		3
4		4
5 OPERATING EXPENSES	266,271,504	5
6 DEPRECIATION & AMORT.	20,165,405	6
7 LOCAL AND OTHER TAXES	9,727,673	7
8 REVENUE RELATED TAXES (GET)	10,746,928	8
9 SHORT-TERM DEBT	514,115	9
10 LONG-TERM DEBT	8,514,785	10
11 OTHER	503,744	11
12 AFDUC	<u>(171,896)</u>	12
13		13
14 TOTAL DEDUCTIONS	316,272,257	14
15		15
16 TAXABLE INCOME	25,546,075	16
17		17
18 FEDERAL INCOME TAX RATE @35%	<u>35%</u>	18
19		19
20 FEDERAL INCOME TAX EXPENSE	<u><u>8,941,126</u></u>	20

NEW ENGLAND GAS COMPANY
 APPLICABLE CAPITOL STRUCTURE, INTEREST EXP & PREFERRED DIVIDEND
 JUNE 2003

	%	\$	
1 RATE BASE		<u>238,564,838</u>	1
2			2
3 CAPITAL STRUCTURE			3
4			4
5 SHORT TERM DEBT	8.8%	20,993,706	5
6 LONG TERM DEBT	45.7%	109,024,131	6
7 PREFERRED STOCK	1.9%	4,532,732	7
8 COMMON EQUITY	<u>43.6%</u>	<u>104,014,269</u>	8
9	<u>100.0%</u>	<u>238,564,838</u>	9
10 INTEREST EXPENSE			10
11			11
12			12
13 LONG TERM DEBT PORTION	45.7%	109,024,131	13
14			14
15 COST OF LONG TERM DEBT JUNE 2003		7.81%	15
16			16
17 PROFORMA INTEREST FOR 12 MONTHS ENDED JUNE 2003		<u>8,514,785</u>	17
18			18
19			19
20			20
21 SHORT TERM DEBT PORTION	8.8%	20,993,706	21
22			22
23 COST OF SHORT TERM DEBT JUNE 2003		2.4489%	23
24			24
25 PROFORMA INTEREST FOR 12 MONTHS ENDED JUNE 2003		<u>514,115</u>	25
26			26
27 PREFERRED STOCK			27
28			28
29			29
30 PREFERRED STOCK PORTION	1.9%	4,532,732	30
31			31
32 COST OF LONG TERM DEBT JUNE 2003		9.93%	32
33			33
34 PROFORMA INTEREST FOR 12 MONTHS ENDED JUNE 2003		<u>450,100</u>	34

NEW ENGLAND GAS COMPANY
 RATE BASE
 FIVE QUARTER AVERAGE JUNE 2003

	JUNE 2002	SEPTEMBER 2002	DECEMBER 2002	MARCH 2003	JUNE 2003	AVERAGE JUNE 2003	
1 GAS PLANT IN SERVICE	\$ 454,500,899	\$ 460,596,583	\$ 466,271,489	\$ 469,743,269	\$ 475,656,701	\$ 465,353,788	1
2 ACCUMULATED DEPRECIATION	177,640,648	182,439,668	192,492,419	197,338,479	201,677,093	190,317,661	2
3 LESS : ENVIRONMENTAL EXPENDITURES	16,735,489	16,415,158	10,825,926	10,544,365	10,832,263	13,070,640	3
4							4
5 NET PLANT	260,124,762	261,741,757	262,953,144	261,860,425	263,147,345	261,965,487	5
6							6
7 MATERIALS AND SUPPLIES	1,529,660	1,457,645	1,555,736	1,507,380	1,437,970	1,497,678	7
8 PREPAID EXPENSES EXCLUDING TAXES	2,292,738	1,762,017	2,355,835	1,872,832	1,537,127	1,964,110	8
9 DEFERRED DEBITS	3,060,000	3,000,000	2,940,000	2,880,000	2,820,000	2,940,000	9
10 GAS INVENTORIES	-	-	-	-	-	0	10
11 CASH WORKING CAPITAL	7,315,596	7,315,596	7,315,596	7,315,596	9,536,771	7,759,831	11
12							12
13	14,197,994	13,535,258	14,167,167	13,575,808	15,331,868	14,161,619	13
14							14
15							15
16 ACCUMULATED DEFERRED FIT	32,316,489	32,316,489	32,316,489	32,316,489	32,316,489	32,316,489	16
17 ACCUMULATED DEFERRED ITC	2,053,526	2,065,448	2,029,682	1,900,100	1,848,958	1,979,543	17
18 CUSTOMER DEPOSITS	2,978,768	2,692,623	2,663,923	2,696,384	2,681,730	2,742,686	18
19 INJURY AND DAMAGE RESERVE	423,191	332,174	480,620	721,942	659,824	523,550	19
20							20
21	37,771,974	37,406,734	37,490,714	37,634,915	37,507,001	37,562,268	21
22							22
23							23
24							24
25 RATE BASE	\$ 236,550,782	\$ 237,870,081	\$ 239,629,597	\$ 237,801,318	\$ 240,972,212	\$ 238,564,838	25

NEW ENGLAND GAS COMPANY
 CASH WORKING CAPITAL CALCULATION
 FOR THE TWELVE MONTHS ENDED

	JUNE 2002	JUNE 2003	
1 GAS COSTS	135,647,076	194,099,908	1
2 OPERATING EXP LESS CORPORATE OH'S	63,344,834	66,371,517	2
3 PAYROLL TAXES	2,689,391	2,815,328	3
4 PROPERTY TAXES	5,986,542	6,463,011	4
5 STATE TAXES OTHER	123,766	449,334	5
6 RI GROSS EARNINGS TAX	7,720,299	10,746,928	6
7 FEDERAL TAXES			7
8 TOTAL	<u>215,511,908</u>	<u>280,946,026</u>	8
9			9
10 DAILY CASH REQUIREMENT	590,444	769,715	10
11			11
12 NET LAG	12.39	12.39	12
13			13
14 TOTAL WORKING CAPITAL	<u><u>7,315,596</u></u>	<u><u>9,536,771</u></u>	14

NEW ENGLAND GAS COMPANY
 CHANGE SUMMARY RJR-4

	ORIGINALLY FILED RJR-1	CORRECTED RJR-4	CHANGE	
1 CHANGES TO RATE BASE				1
2				2
3 PREPAID EXPENSES	3,191,622	1,964,110	(1,227,512)	3
4 GAS INVENTORY	15,296,433	0	(15,296,433)	4
5 TOTAL	<u>18,488,055</u>	<u>1,964,110</u>	<u>(16,523,945)</u>	5
6				6
7 CHANGES TO NET INCOME				7
8				8
9 INVENTORY COSTS	0	1,587,967	(1,587,967)	9
10 ENVIRONMENTAL AMORT	1,251,025	1,309,081	(58,056)	10
11 NON-FIRM MARGIN CUST	423,863	444,274	(20,411)	11
12 NON-FIRM MARGIN CO	141,288	148,091	(6,803)	12
13 TOTAL	<u>1,816,176</u>	<u>3,489,413</u>	<u>(1,673,237)</u>	13

New England Gas Company
Revised Attachment PCC-1,2,5 & 7
October 24, 2003

Summary of Distribution Adjustment Charge

(\$ Per Therm)

Description	reference	Residential Heating	Residential Non-Heating	Small C&I	Med, Large, and X-Large C&I
1 System Pressure	Attach. PCC3	\$0.0050	\$0.0050	\$0.0050	\$0.0050
2 Demand Side Management (DSM)	PCC Testimony	\$0.0000	\$0.0000	\$0.0000	\$0.0000
3 Low Income Assistance Programs (LIAP)	PCC Testimony	\$0.0000	\$0.0000	\$0.0000	\$0.0000
4 Environmental Response Cost (ERC)	Attach. PCC-4	(\$0.0019)	(\$0.0019)	(\$0.0019)	(\$0.0019)
5 On-System Margin Credits (MC)	Attach. PCC-5	(\$0.0013)	(\$0.0013)	(\$0.0013)	(\$0.0013)
6 Weather Normalization (WN)	Attach. PCC-6	(\$0.0123)	(\$0.0123)	(\$0.0123)	(\$0.0123)
7 Earnings Sharing Mechanism (ESM)	Attach. PCC-7	(\$0.0134)	(\$0.0134)	(\$0.0134)	(\$0.0134)
8 Reconciliation Factor (R)	Attach. PCC-8	\$0.0011	\$0.0011	\$0.0011	\$0.0011
9 Subtotal	sum ([1]:[8])	(\$0.0228)	(\$0.0228)	(\$0.0228)	(\$0.0228)
10 Uncollectible Percentage	Dkt 3401	2.10%	2.10%	2.10%	2.10%
11 DAC adjusted for uncollectible	[9] * (1 + [10])	(\$0.0233)	(\$0.0233)	(\$0.0233)	(\$0.0233)
12 Consolidation Mitigation Adjustment					
13 Former Valley customers	Dkt 3401	(\$0.0424)	(\$0.1350)	(\$0.0476)	\$0.0000
14 Former ProvGas customers	Dkt 3401	\$0.0145	\$0.0337	\$0.0174	\$0.0000
15 ERI-2 Adjustment (Applies to ProvGas Only)	Dkt 3459	(\$0.0037)	(\$0.0037)	(\$0.0037)	(\$0.0037)
16 DAC with Mitigation & ERI-2 Adjustments					
17 Former Valley customers	[11] + [13]	(\$0.0657)	(\$0.1583)	(\$0.0709)	(\$0.0233)
18 Former ProvGas customers	[11] + [14] + [15]	(\$0.0125)	\$0.0067	(\$0.0096)	(\$0.0270)

Summary of Typical Sales Service Bill Impacts

	Annual Consumption (Therms)	Current Charges	Proposed Charges	Difference	Percent
<u>Valley Customers</u>					
Residential Non-heating	153	\$243	\$239	(\$4)	-1.7%
Residential Heating	1,038	\$1,164	\$1,137	(\$27)	-2.4%
Small C&I	1,241	\$1,413	\$1,380	(\$33)	-2.3%
Medium C&I	10,000	\$9,948	\$9,684	(\$264)	-2.7%
Large C&I - Low Load	67,275	\$64,320	\$62,546	(\$1,774)	-2.8%
Large C&I - High Load	67,275	\$52,593	\$50,819	(\$1,774)	-3.4%
<u>ProvGas Customers</u>					
Residential Non-heating	153	\$269	\$265	(\$4)	-1.5%
Residential Heating	1,035	\$1,217	\$1,189	(\$27)	-2.2%
Small C&I	1,242	\$1,493	\$1,460	(\$33)	-2.2%
Medium C&I	10,348	\$10,113	\$9,840	(\$273)	-2.7%
Large C&I - Low Load	67,275	\$63,933	\$62,159	(\$1,774)	-2.8%
Large C&I - High Load	67,275	\$52,344	\$50,570	(\$1,774)	-3.4%

Typical Customer Bill Impacts

Residential Heating - ProvGas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			30					
2	Peak Blk. Brk.			125					
3	Rate		\$9.00	\$ 0.3600	\$ 0.2800	\$ 0.0139		\$0.7120	
4	July	38	\$9.00	\$10.80	\$2.24	\$0.53	\$22.57	\$27.06	\$49.62
5	August	29	\$9.00	\$10.44	\$0.00	\$0.40	\$19.84	\$20.65	\$40.49
6	September	32	\$9.00	\$10.80	\$0.56	\$0.44	\$20.80	\$22.78	\$43.59
7	October	34	\$9.00	\$10.80	\$1.12	\$0.47	\$21.39	\$24.21	\$45.60
8	November	68	\$9.00	\$24.48	\$0.00	\$0.95	\$34.43	\$48.42	\$82.84
9	December	107	\$9.00	\$38.52	\$0.00	\$1.49	\$49.01	\$76.18	\$125.19
10	January	165	\$9.00	\$45.00	\$11.20	\$2.29	\$67.49	\$117.48	\$184.97
11	February	178	\$9.00	\$45.00	\$14.84	\$2.47	\$71.31	\$126.74	\$198.05
12	March	164	\$9.00	\$45.00	\$10.92	\$2.28	\$67.20	\$116.77	\$183.97
13	April	114	\$9.00	\$41.04	\$0.00	\$1.58	\$51.62	\$81.17	\$132.79
14	May	68	\$9.00	\$10.80	\$10.64	\$0.95	\$31.39	\$48.42	\$79.80
15	June	38	\$9.00	\$10.80	\$2.24	\$0.53	\$22.57	\$27.06	\$49.62
16	Total	1,035	\$108.00	\$303.48	\$53.76	\$14.39	\$479.63	\$736.92	\$1,216.55

Residential Heating - ProvGas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			30					
2	Peak Blk. Brk.			125					
3	Rate		\$9.00	\$ 0.3600	\$ 0.2800	\$ (0.0125)		\$0.7120	
4	July	38	\$9.00	\$10.80	\$2.24	(\$0.47)	\$21.57	\$27.06	\$48.62
5	August	29	\$9.00	\$10.44	\$0.00	(\$0.36)	\$19.08	\$20.65	\$39.73
6	September	32	\$9.00	\$10.80	\$0.56	(\$0.40)	\$19.96	\$22.78	\$42.74
7	October	34	\$9.00	\$10.80	\$1.12	(\$0.42)	\$20.50	\$24.21	\$44.70
8	November	68	\$9.00	\$24.48	\$0.00	(\$0.85)	\$32.63	\$48.42	\$81.05
9	December	107	\$9.00	\$38.52	\$0.00	(\$1.33)	\$46.19	\$76.18	\$122.37
10	January	165	\$9.00	\$45.00	\$11.20	(\$2.06)	\$63.14	\$117.48	\$180.62
11	February	178	\$9.00	\$45.00	\$14.84	(\$2.22)	\$66.62	\$126.74	\$193.36
12	March	164	\$9.00	\$45.00	\$10.92	(\$2.05)	\$62.87	\$116.77	\$179.64
13	April	114	\$9.00	\$41.04	\$0.00	(\$1.42)	\$48.62	\$81.17	\$129.79
14	May	68	\$9.00	\$10.80	\$10.64	(\$0.85)	\$29.59	\$48.42	\$78.01
15	June	38	\$9.00	\$10.80	\$2.24	(\$0.47)	\$21.57	\$27.06	\$48.62
16	Total	1,035	\$108.00	\$303.48	\$53.76	(\$12.91)	\$452.33	\$736.92	\$1,189.25
17	Difference		\$0.00	\$0.00	\$0.00	(\$27.30)	(\$27.30)	\$0.00	(\$27.30)
18	Percent Change		0.00%	0.00%	0.00%		-5.69%	0.00%	-2.24%

Typical Customer Bill Impacts

Residential Heating - Valley Gas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			30					
2	Peak Blk. Brk.			125					
3	Rate		\$9.00	\$0.3600	\$0.2800	(\$0.0393)		\$0.7120	
4	July	32	\$9.00	\$10.80	\$0.56	(\$1.26)	\$19.10	\$22.78	\$41.89
5	August	27	\$9.00	\$9.72	\$0.00	(\$1.06)	\$17.66	\$19.22	\$36.88
6	September	26	\$9.00	\$9.36	\$0.00	(\$1.02)	\$17.34	\$18.51	\$35.85
7	October	39	\$9.00	\$10.80	\$2.52	(\$1.53)	\$20.79	\$27.77	\$48.56
8	November	76	\$9.00	\$27.36	\$0.00	(\$2.99)	\$33.37	\$54.11	\$87.49
9	December	108	\$9.00	\$38.88	\$0.00	(\$4.24)	\$43.64	\$76.90	\$120.53
10	January	165	\$9.00	\$45.00	\$11.20	(\$6.48)	\$58.72	\$117.48	\$176.20
11	February	194	\$9.00	\$45.00	\$19.32	(\$7.62)	\$65.70	\$138.13	\$203.82
12	March	143	\$9.00	\$45.00	\$5.04	(\$5.62)	\$53.42	\$101.82	\$155.24
13	April	107	\$9.00	\$38.52	\$0.00	(\$4.21)	\$43.31	\$76.18	\$119.50
14	May	76	\$9.00	\$10.80	\$12.88	(\$2.99)	\$29.69	\$54.11	\$83.81
15	June	45	\$9.00	\$10.80	\$4.20	(\$1.77)	\$22.23	\$32.04	\$54.27
16	Total	1,038	\$108.00	\$302.04	\$55.72	(\$40.79)	\$424.97	\$739.06	\$1,164.02

Residential Heating - Valley Gas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			30					
2	Peak Blk. Brk.			125					
3	Rate		\$9.00	\$ 0.3600	\$ 0.2800	\$ (0.0657)		\$ 0.7120	
4	July	32	\$9.00	\$10.80	\$0.56	(\$2.10)	\$18.26	\$22.78	\$41.04
5	August	27	\$9.00	\$9.72	\$0.00	(\$1.77)	\$16.95	\$19.22	\$36.17
6	September	26	\$9.00	\$9.36	\$0.00	(\$1.71)	\$16.65	\$18.51	\$35.16
7	October	39	\$9.00	\$10.80	\$2.52	(\$2.56)	\$19.76	\$27.77	\$47.53
8	November	76	\$9.00	\$27.36	\$0.00	(\$4.99)	\$31.37	\$54.11	\$85.48
9	December	108	\$9.00	\$38.88	\$0.00	(\$7.09)	\$40.79	\$76.90	\$117.68
10	January	165	\$9.00	\$45.00	\$11.20	(\$10.84)	\$54.36	\$117.48	\$171.84
11	February	194	\$9.00	\$45.00	\$19.32	(\$12.74)	\$60.58	\$138.13	\$198.71
12	March	143	\$9.00	\$45.00	\$5.04	(\$9.39)	\$49.65	\$101.82	\$151.46
13	April	107	\$9.00	\$38.52	\$0.00	(\$7.03)	\$40.49	\$76.18	\$116.68
14	May	76	\$9.00	\$10.80	\$12.88	(\$4.99)	\$27.69	\$54.11	\$81.80
15	June	45	\$9.00	\$10.80	\$4.20	(\$2.96)	\$21.04	\$32.04	\$53.08
16	Total	1,038	\$108.00	\$302.04	\$55.72	(\$68.17)	\$397.59	\$739.06	\$1,136.65
17	Difference		\$0.00	\$0.00	\$0.00	(\$27.38)	(\$27.38)	\$0.00	(\$27.38)
18	Percent Change		0.00%	0.00%	0.00%		-6.44%	0.00%	-2.35%

Typical Customer Bill Impacts

Residential Non-Heating - ProvGas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			N/A					
2	Peak Blk. Brk.			N/A					
3	Rate		\$ 7.500	\$ 0.4226	\$ 0.4226	\$ 0.0331		\$0.7120	
4	July	13	\$7.50	\$5.49	\$0.00	\$0.43	\$13.42	\$9.26	\$22.68
5	August	9	\$7.50	\$3.80	\$0.00	\$0.30	\$11.60	\$6.41	\$18.01
6	September	10	\$7.50	\$4.23	\$0.00	\$0.33	\$12.06	\$7.12	\$19.18
7	October	10	\$7.50	\$4.23	\$0.00	\$0.33	\$12.06	\$7.12	\$19.18
8	November	13	\$7.50	\$5.49	\$0.00	\$0.43	\$13.42	\$9.26	\$22.68
9	December	14	\$7.50	\$5.92	\$0.00	\$0.46	\$13.88	\$9.97	\$23.85
10	January	16	\$7.50	\$6.76	\$0.00	\$0.53	\$14.79	\$11.39	\$26.18
11	February	16	\$7.50	\$6.76	\$0.00	\$0.53	\$14.79	\$11.39	\$26.18
12	March	17	\$7.50	\$7.18	\$0.00	\$0.56	\$15.25	\$12.10	\$27.35
13	April	14	\$7.50	\$5.92	\$0.00	\$0.46	\$13.88	\$9.97	\$23.85
14	May	11	\$7.50	\$4.65	\$0.00	\$0.36	\$12.51	\$7.83	\$20.34
15	June	10	\$7.50	\$4.23	\$0.00	\$0.33	\$12.06	\$7.12	\$19.18
16	Total	153	\$90.00	\$64.66	\$0.00	\$5.06	\$159.72	\$108.94	\$268.66

Residential Non-Heating - ProvGas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			N/A					
2	Peak Blk. Brk.			N/A					
3	Rate		\$7.50	\$ 0.4226	\$ 0.4226	\$ 0.0067		\$0.7120	
4	July	13	\$7.50	\$5.49	\$0.00	\$0.09	\$13.08	\$9.26	\$22.34
5	August	9	\$7.50	\$3.80	\$0.00	\$0.06	\$11.36	\$6.41	\$17.77
6	September	10	\$7.50	\$4.23	\$0.00	\$0.07	\$11.79	\$7.12	\$18.91
7	October	10	\$7.50	\$4.23	\$0.00	\$0.07	\$11.79	\$7.12	\$18.91
8	November	13	\$7.50	\$5.49	\$0.00	\$0.09	\$13.08	\$9.26	\$22.34
9	December	14	\$7.50	\$5.92	\$0.00	\$0.09	\$13.51	\$9.97	\$23.48
10	January	16	\$7.50	\$6.76	\$0.00	\$0.11	\$14.37	\$11.39	\$25.76
11	February	16	\$7.50	\$6.76	\$0.00	\$0.11	\$14.37	\$11.39	\$25.76
12	March	17	\$7.50	\$7.18	\$0.00	\$0.11	\$14.80	\$12.10	\$26.90
13	April	14	\$7.50	\$5.92	\$0.00	\$0.09	\$13.51	\$9.97	\$23.48
14	May	11	\$7.50	\$4.65	\$0.00	\$0.07	\$12.22	\$7.83	\$20.05
15	June	10	\$7.50	\$4.23	\$0.00	\$0.07	\$11.79	\$7.12	\$18.91
16	Total	153	\$90.00	\$64.66	\$0.00	\$1.03	\$155.69	\$108.94	\$264.62
17	Difference		\$0.00	\$0.00	\$0.00	(\$4.04)	(\$4.04)	\$0.00	(\$4.04)
18	Percent Change		0.00%	0.00%			-2.53%	0.00%	-1.50%

Typical Customer Bill Impacts

Residential Non-Heating - Valley Gas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	LISUP (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			N/A					
2	Peak Blk. Brk.			N/A					
3	Rate		\$ 7.500	\$ 0.4226	\$ 0.4226	\$ (0.1319)		\$0.7120	
4	July	10	\$7.50	\$4.23	\$0.00	(\$1.32)	\$10.41	\$7.12	\$17.53
5	August	9	\$7.50	\$3.80	\$0.00	(\$1.19)	\$10.12	\$6.41	\$16.52
6	September	9	\$7.50	\$3.80	\$0.00	(\$1.19)	\$10.12	\$6.41	\$16.52
7	October	10	\$7.50	\$4.23	\$0.00	(\$1.32)	\$10.41	\$7.12	\$17.53
8	November	12	\$7.50	\$5.07	\$0.00	(\$1.58)	\$10.99	\$8.54	\$19.53
9	December	13	\$7.50	\$5.49	\$0.00	(\$1.71)	\$11.28	\$9.26	\$20.54
10	January	17	\$7.50	\$7.18	\$0.00	(\$2.24)	\$12.44	\$12.10	\$24.55
11	February	17	\$7.50	\$7.18	\$0.00	(\$2.24)	\$12.44	\$12.10	\$24.55
12	March	17	\$7.50	\$7.18	\$0.00	(\$2.24)	\$12.44	\$12.10	\$24.55
13	April	14	\$7.50	\$5.92	\$0.00	(\$1.85)	\$11.57	\$9.97	\$21.54
14	May	13	\$7.50	\$5.49	\$0.00	(\$1.71)	\$11.28	\$9.26	\$20.54
15	June	12	\$7.50	\$5.07	\$0.00	(\$1.58)	\$10.99	\$8.54	\$19.53
16	Total	153	\$90.00	\$64.66	\$0.00	(\$20.18)	\$134.48	\$108.94	\$243.41

Residential Non-Heating - Valley Gas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			N/A					
2	Peak Blk. Brk.			N/A					
3	Rate		\$7.50	\$ 0.4226	\$ 0.4226	\$ (0.1583)		\$ 0.7120	
4	July	10	\$7.50	\$4.23	\$0.00	(\$1.58)	\$10.14	\$7.12	\$17.26
5	August	9	\$7.50	\$3.80	\$0.00	(\$1.42)	\$9.88	\$6.41	\$16.29
6	September	9	\$7.50	\$3.80	\$0.00	(\$1.42)	\$9.88	\$6.41	\$16.29
7	October	10	\$7.50	\$4.23	\$0.00	(\$1.58)	\$10.14	\$7.12	\$17.26
8	November	12	\$7.50	\$5.07	\$0.00	(\$1.90)	\$10.67	\$8.54	\$19.22
9	December	13	\$7.50	\$5.49	\$0.00	(\$2.06)	\$10.94	\$9.26	\$20.19
10	January	17	\$7.50	\$7.18	\$0.00	(\$2.69)	\$11.99	\$12.10	\$24.10
11	February	17	\$7.50	\$7.18	\$0.00	(\$2.69)	\$11.99	\$12.10	\$24.10
12	March	17	\$7.50	\$7.18	\$0.00	(\$2.69)	\$11.99	\$12.10	\$24.10
13	April	14	\$7.50	\$5.92	\$0.00	(\$2.22)	\$11.20	\$9.97	\$21.17
14	May	13	\$7.50	\$5.49	\$0.00	(\$2.06)	\$10.94	\$9.26	\$20.19
15	June	12	\$7.50	\$5.07	\$0.00	(\$1.90)	\$10.67	\$8.54	\$19.22
16	Total	153	\$90.00	\$64.66	\$0.00	(\$24.22)	\$130.44	\$108.94	\$239.38
17	Difference		\$0.00	\$0.00	\$0.00	(\$4.04)	(\$4.04)	\$0.00	(\$4.04)
18	Percent Change		0.00%	0.00%			-3.00%	0.00%	-1.66%

Typical Customer Bill Impacts

Small C&I - ProvGas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			20					
2	Peak Blk. Brk.			135					
3	Rate		\$ 14.000	\$ 0.3721	\$ 0.2600	\$ 0.0168		\$0.7120	
4	July	22	\$14.00	\$7.44	\$0.52	\$0.37	\$22.33	\$15.66	\$38.00
5	August	21	\$14.00	\$7.44	\$0.26	\$0.35	\$22.05	\$14.95	\$37.01
6	September	21	\$14.00	\$7.44	\$0.26	\$0.35	\$22.05	\$14.95	\$37.01
7	October	40	\$14.00	\$7.44	\$5.20	\$0.67	\$27.31	\$28.48	\$55.79
8	November	72	\$14.00	\$26.79	\$0.00	\$1.21	\$42.00	\$51.26	\$93.26
9	December	157	\$14.00	\$50.23	\$5.72	\$2.64	\$72.59	\$111.78	\$184.38
10	January	208	\$14.00	\$50.23	\$18.98	\$3.49	\$86.71	\$148.10	\$234.80
11	February	265	\$14.00	\$50.23	\$33.80	\$4.45	\$102.49	\$188.68	\$291.17
12	March	198	\$14.00	\$50.23	\$16.38	\$3.33	\$83.94	\$140.98	\$224.92
13	April	132	\$14.00	\$49.12	\$0.00	\$2.22	\$65.33	\$93.98	\$159.32
14	May	77	\$14.00	\$7.44	\$14.82	\$1.29	\$37.56	\$54.82	\$92.38
15	June	29	\$14.00	\$7.44	\$2.34	\$0.49	\$24.27	\$20.65	\$44.92
16	Total	1,242	\$168.00	\$321.49	\$98.28	\$20.87	\$608.64	\$884.30	\$1,492.94

Small C&I - ProvGas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			20					
2	Peak Blk. Brk.			135					
3	Rate		\$14.00	\$ 0.3721	\$ 0.2600	\$ (0.0096)		\$0.7120	
4	July	22	\$14.00	\$7.44	\$0.52	(\$0.21)	\$21.75	\$15.66	\$37.42
5	August	21	\$14.00	\$7.44	\$0.26	(\$0.20)	\$21.50	\$14.95	\$36.45
6	September	21	\$14.00	\$7.44	\$0.26	(\$0.20)	\$21.50	\$14.95	\$36.45
7	October	40	\$14.00	\$7.44	\$5.20	(\$0.38)	\$26.26	\$28.48	\$54.74
8	November	72	\$14.00	\$26.79	\$0.00	(\$0.69)	\$40.10	\$51.26	\$91.37
9	December	157	\$14.00	\$50.23	\$5.72	(\$1.50)	\$68.45	\$111.78	\$180.23
10	January	208	\$14.00	\$50.23	\$18.98	(\$1.99)	\$81.22	\$148.10	\$229.32
11	February	265	\$14.00	\$50.23	\$33.80	(\$2.54)	\$95.50	\$188.68	\$284.18
12	March	198	\$14.00	\$50.23	\$16.38	(\$1.90)	\$78.72	\$140.98	\$219.69
13	April	132	\$14.00	\$49.12	\$0.00	(\$1.26)	\$61.85	\$93.98	\$155.84
14	May	77	\$14.00	\$7.44	\$14.82	(\$0.74)	\$35.52	\$54.82	\$90.35
15	June	29	\$14.00	\$7.44	\$2.34	(\$0.28)	\$23.50	\$20.65	\$44.15
16	Total	1,242	\$168.00	\$321.49	\$98.28	(\$11.89)	\$575.88	\$884.30	\$1,460.19
17	Difference		\$0.00	\$0.00	\$0.00	(\$32.76)	(\$32.76)	\$0.00	(\$32.76)
18	Percent Change		0.00%	0.00%	0.00%		-5.38%	0.00%	-2.19%

Typical Customer Bill Impacts

Small C&I - Valley Gas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			20					
2	Peak Blk. Brk.			135					
3	Rate		\$14.00	\$ 0.3721	\$ 0.2600	\$ (0.0445)		\$0.7120	
4	July	36	\$14.00	\$7.44	\$4.16	(\$1.60)	\$24.00	\$25.63	\$49.63
5	August	37	\$14.00	\$7.44	\$4.42	(\$1.65)	\$24.22	\$26.34	\$50.56
6	September	33	\$14.00	\$7.44	\$3.38	(\$1.47)	\$23.35	\$23.50	\$46.85
7	October	40	\$14.00	\$7.44	\$5.20	(\$1.78)	\$24.86	\$28.48	\$53.34
8	November	81	\$14.00	\$30.14	\$0.00	(\$3.60)	\$40.54	\$57.67	\$98.21
9	December	121	\$14.00	\$45.02	\$0.00	(\$5.38)	\$53.64	\$86.15	\$139.79
10	January	204	\$14.00	\$50.23	\$17.94	(\$9.08)	\$73.10	\$145.25	\$218.34
11	February	263	\$14.00	\$50.23	\$33.28	(\$11.70)	\$85.81	\$187.26	\$273.07
12	March	178	\$14.00	\$50.23	\$11.18	(\$7.92)	\$67.49	\$126.74	\$194.23
13	April	113	\$14.00	\$42.05	\$0.00	(\$5.03)	\$51.02	\$80.46	\$131.47
14	May	95	\$14.00	\$7.44	\$19.50	(\$4.23)	\$36.71	\$67.64	\$104.35
15	June	40	\$14.00	\$7.44	\$5.20	(\$1.78)	\$24.86	\$28.48	\$53.34
16	Total	1,241	\$168.00	\$312.56	\$104.26	(\$55.22)	\$529.60	\$883.59	\$1,413.19

Small C&I - Valley Gas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Head Block (d)	Tail Block (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	Off-Peak Blk. Brk.			20					
2	Peak Blk. Brk.			135					
3	Rate		\$14.00	\$0.3721	\$0.2600	\$ (0.0709)		\$0.7120	
4	July	36	\$14.00	\$7.44	\$4.16	(\$2.55)	\$23.05	\$25.63	\$48.68
5	August	37	\$14.00	\$7.44	\$4.42	(\$2.62)	\$23.24	\$26.34	\$49.58
6	September	33	\$14.00	\$7.44	\$3.38	(\$2.34)	\$22.48	\$23.50	\$45.98
7	October	40	\$14.00	\$7.44	\$5.20	(\$2.83)	\$23.81	\$28.48	\$52.29
8	November	81	\$14.00	\$30.14	\$0.00	(\$5.74)	\$38.40	\$57.67	\$96.07
9	December	121	\$14.00	\$45.02	\$0.00	(\$8.58)	\$50.45	\$86.15	\$136.60
10	January	204	\$14.00	\$50.23	\$17.94	(\$14.46)	\$67.72	\$145.25	\$212.96
11	February	263	\$14.00	\$50.23	\$33.28	(\$18.64)	\$78.87	\$187.26	\$266.13
12	March	178	\$14.00	\$50.23	\$11.18	(\$12.62)	\$62.80	\$126.74	\$189.53
13	April	113	\$14.00	\$42.05	\$0.00	(\$8.01)	\$48.04	\$80.46	\$128.49
14	May	95	\$14.00	\$7.44	\$19.50	(\$6.73)	\$34.21	\$67.64	\$101.85
15	June	40	\$14.00	\$7.44	\$5.20	(\$2.83)	\$23.81	\$28.48	\$52.29
16	Total	1,241	\$168.00	\$312.56	\$104.26	(\$87.95)	\$496.87	\$883.59	\$1,380.46
17	Difference		\$0.00	\$0.00	\$0.00	(\$32.73)	(\$32.73)	\$0.00	(\$32.73)
18	Percent Change		0.00%	0.00%	0.00%		-6.18%	0.00%	-2.32%

Typical Customer Bill Impacts

Medium C&I - ProvGas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			53.09					
2	N/A								
3	Rate		\$ 45.000	\$ 0.9000	\$ 0.1715	\$ (0.0006)		\$0.6988	
4	July	363	\$45.00	\$47.78	\$62.25	(\$0.22)	\$154.82	\$253.66	\$408.48
5	August	335	\$45.00	\$47.78	\$57.45	(\$0.20)	\$150.03	\$234.10	\$384.13
6	September	361	\$45.00	\$47.78	\$61.91	(\$0.22)	\$154.48	\$252.27	\$406.74
7	October	543	\$45.00	\$47.78	\$93.12	(\$0.33)	\$185.58	\$379.45	\$565.03
8	November	761	\$45.00	\$47.78	\$130.51	(\$0.46)	\$222.84	\$531.79	\$754.62
9	December	1,240	\$45.00	\$47.78	\$212.66	(\$0.74)	\$304.70	\$866.51	\$1,171.21
10	January	1,581	\$45.00	\$47.78	\$271.14	(\$0.95)	\$362.97	\$1,104.80	\$1,467.78
11	February	1,623	\$45.00	\$47.78	\$278.34	(\$0.97)	\$370.15	\$1,134.15	\$1,504.30
12	March	1,396	\$45.00	\$47.78	\$239.41	(\$0.84)	\$331.36	\$975.52	\$1,306.88
13	April	1,102	\$45.00	\$47.78	\$188.99	(\$0.66)	\$281.11	\$770.08	\$1,051.19
14	May	593	\$45.00	\$47.78	\$101.70	(\$0.36)	\$194.12	\$414.39	\$608.51
15	June	450	\$45.00	\$47.78	\$77.18	(\$0.27)	\$169.69	\$314.46	\$484.15
16	Total	10,348	\$540.00	\$573.37	\$1,774.68	(\$6.21)	\$2,881.85	\$7,231.18	\$10,113.03

Medium C&I - ProvGas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			53.09					
2	N/A								
3	Rate		\$45.00	\$ 0.9000	\$ 0.1715	\$ (0.0270)		\$0.6988	
4	July	363	\$45.00	\$47.78	\$62.25	(\$9.79)	\$145.24	\$253.66	\$398.91
5	August	335	\$45.00	\$47.78	\$57.45	(\$9.04)	\$141.20	\$234.10	\$375.30
6	September	361	\$45.00	\$47.78	\$61.91	(\$9.74)	\$144.96	\$252.27	\$397.22
7	October	543	\$45.00	\$47.78	\$93.12	(\$14.65)	\$171.26	\$379.45	\$550.71
8	November	761	\$45.00	\$47.78	\$130.51	(\$20.53)	\$202.77	\$531.79	\$734.55
9	December	1,240	\$45.00	\$47.78	\$212.66	(\$33.45)	\$271.99	\$866.51	\$1,138.51
10	January	1,581	\$45.00	\$47.78	\$271.14	(\$42.65)	\$321.28	\$1,104.80	\$1,426.08
11	February	1,623	\$45.00	\$47.78	\$278.34	(\$43.78)	\$327.35	\$1,134.15	\$1,461.50
12	March	1,396	\$45.00	\$47.78	\$239.41	(\$37.65)	\$294.54	\$975.52	\$1,270.06
13	April	1,102	\$45.00	\$47.78	\$188.99	(\$29.72)	\$252.05	\$770.08	\$1,022.13
14	May	593	\$45.00	\$47.78	\$101.70	(\$16.00)	\$178.49	\$414.39	\$592.87
15	June	450	\$45.00	\$47.78	\$77.18	(\$12.14)	\$157.82	\$314.46	\$472.28
16	Total	10,348	\$540.00	\$573.37	\$1,774.68	(\$279.12)	\$2,608.93	\$7,231.18	\$9,840.11
17	Difference		\$0.00	\$0.00	\$0.00	(\$272.91)	(\$272.91)	\$0.00	(\$272.91)
18	Percent Change		0.00%	0.00%	0.00%		-9.47%	0.00%	-2.70%

Typical Customer Bill Impacts

Medium C&I - Valley Gas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			62.42					
2	N/A								
3	Rate		\$ 45.000	\$ 0.9000	\$ 0.1715	\$ 0.0031		\$0.6988	
4	July	345	\$45.00	\$56.18	\$59.17	\$1.07	\$161.42	\$241.09	\$402.50
5	August	365	\$45.00	\$56.18	\$62.60	\$1.13	\$164.91	\$255.06	\$419.97
6	September	340	\$45.00	\$56.18	\$58.31	\$1.05	\$160.54	\$237.59	\$398.13
7	October	418	\$45.00	\$56.18	\$71.69	\$1.30	\$174.16	\$292.10	\$466.26
8	November	760	\$45.00	\$56.18	\$130.34	\$2.36	\$233.87	\$531.09	\$764.96
9	December	1,037	\$45.00	\$56.18	\$177.85	\$3.21	\$282.24	\$724.66	\$1,006.89
10	January	1,520	\$45.00	\$56.18	\$260.68	\$4.71	\$366.57	\$1,062.18	\$1,428.75
11	February	1,824	\$45.00	\$56.18	\$312.82	\$5.65	\$419.65	\$1,274.61	\$1,694.26
12	March	1,324	\$45.00	\$56.18	\$227.07	\$4.10	\$332.35	\$925.21	\$1,257.56
13	April	908	\$45.00	\$56.18	\$155.72	\$2.81	\$259.71	\$634.51	\$894.23
14	May	750	\$45.00	\$56.18	\$128.63	\$2.33	\$232.13	\$524.10	\$756.23
15	June	409	\$45.00	\$56.18	\$70.14	\$1.27	\$172.59	\$285.81	\$458.40
16	Total	10,000	\$540.00	\$674.14	\$1,715.00	\$31.00	\$2,960.14	\$6,988.00	\$9,948.14

Medium C&I - Valley Gas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			62.42					
2	N/A								
3	Rate		\$45.00	\$0.9000	\$0.1715	(\$0.0233)		\$0.6988	
4	July	345	\$45.00	\$56.18	\$59.17	(\$8.03)	\$152.32	\$241.09	\$393.40
5	August	365	\$45.00	\$56.18	\$62.60	(\$8.49)	\$155.28	\$255.06	\$410.34
6	September	340	\$45.00	\$56.18	\$58.31	(\$7.91)	\$151.58	\$237.59	\$389.17
7	October	418	\$45.00	\$56.18	\$71.69	(\$9.73)	\$163.14	\$292.10	\$455.24
8	November	760	\$45.00	\$56.18	\$130.34	(\$17.69)	\$213.83	\$531.09	\$744.92
9	December	1,037	\$45.00	\$56.18	\$177.85	(\$24.13)	\$254.89	\$724.66	\$979.54
10	January	1,520	\$45.00	\$56.18	\$260.68	(\$35.38)	\$326.48	\$1,062.18	\$1,388.66
11	February	1,824	\$45.00	\$56.18	\$312.82	(\$42.45)	\$371.54	\$1,274.61	\$1,646.15
12	March	1,324	\$45.00	\$56.18	\$227.07	(\$30.81)	\$297.43	\$925.21	\$1,222.64
13	April	908	\$45.00	\$56.18	\$155.72	(\$21.13)	\$235.77	\$634.51	\$870.28
14	May	750	\$45.00	\$56.18	\$128.63	(\$17.46)	\$212.35	\$524.10	\$736.45
15	June	409	\$45.00	\$56.18	\$70.14	(\$9.52)	\$161.80	\$285.81	\$447.61
16	Total	10,000	\$540.00	\$674.14	\$1,715.00	(\$232.73)	\$2,696.40	\$6,988.00	\$9,684.40
17	Difference		\$0.00	\$0.00	\$0.00	(\$263.73)	(\$263.73)	\$0.00	(\$263.73)
18	Percent Change		0.00%	0.00%	0.00%		-8.91%	0.00%	-2.65%

Typical Customer Bill Impacts

Large C&I (LLF) - ProvGas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			364.30					
2	N/A								
3	Rate		\$ 90.000	\$ 0.9000	\$ 0.1695	\$ (0.0006)		\$0.7069	
4	July	1,597	\$90.00	\$327.87	\$270.69	(\$0.96)	\$687.60	\$1,128.92	\$1,816.52
5	August	1,360	\$90.00	\$327.87	\$230.52	(\$0.82)	\$647.57	\$961.38	\$1,608.96
6	September	1,283	\$90.00	\$327.87	\$217.47	(\$0.77)	\$634.57	\$906.95	\$1,541.52
7	October	3,449	\$90.00	\$327.87	\$584.61	(\$2.07)	\$1,000.41	\$2,438.10	\$3,438.50
8	November	5,269	\$90.00	\$327.87	\$893.10	(\$3.16)	\$1,307.80	\$3,724.66	\$5,032.46
9	December	9,942	\$90.00	\$327.87	\$1,685.17	(\$5.97)	\$2,097.07	\$7,028.00	\$9,125.07
10	January	11,710	\$90.00	\$327.87	\$1,984.85	(\$7.03)	\$2,395.69	\$8,277.80	\$10,673.49
11	February	10,820	\$90.00	\$327.87	\$1,833.99	(\$6.49)	\$2,245.37	\$7,648.66	\$9,894.03
12	March	9,358	\$90.00	\$327.87	\$1,586.18	(\$5.61)	\$1,998.44	\$6,615.17	\$8,613.61
13	April	7,301	\$90.00	\$327.87	\$1,237.52	(\$4.38)	\$1,651.01	\$5,161.08	\$6,812.09
14	May	3,680	\$90.00	\$327.87	\$623.76	(\$2.21)	\$1,039.42	\$2,601.39	\$3,640.81
15	June	1,505	\$90.00	\$327.87	\$255.10	(\$0.90)	\$672.06	\$1,063.88	\$1,735.95
16	Total	67,274	\$1,080.00	\$3,934.43	\$11,402.94	(\$40.36)	\$16,377.01	\$47,555.99	\$63,933.00

Large C&I (LLF) - ProvGas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			364.30					
2	N/A								
3	Rate		\$90.00	\$ 0.9000	\$ 0.1695	\$ (0.0270)		\$0.7069	
4	July	1,597	\$90.00	\$327.87	\$270.69	(\$43.08)	\$645.48	\$1,128.92	\$1,774.40
5	August	1,360	\$90.00	\$327.87	\$230.52	(\$36.68)	\$611.71	\$961.38	\$1,573.09
6	September	1,283	\$90.00	\$327.87	\$217.47	(\$34.61)	\$600.73	\$906.95	\$1,507.68
7	October	3,449	\$90.00	\$327.87	\$584.61	(\$93.03)	\$909.44	\$2,438.10	\$3,347.54
8	November	5,269	\$90.00	\$327.87	\$893.10	(\$142.12)	\$1,168.84	\$3,724.66	\$4,893.50
9	December	9,942	\$90.00	\$327.87	\$1,685.17	(\$268.17)	\$1,834.87	\$7,028.00	\$8,862.87
10	January	11,710	\$90.00	\$327.87	\$1,984.85	(\$315.86)	\$2,086.86	\$8,277.80	\$10,364.65
11	February	10,820	\$90.00	\$327.87	\$1,833.99	(\$291.85)	\$1,960.01	\$7,648.66	\$9,608.66
12	March	9,358	\$90.00	\$327.87	\$1,586.18	(\$252.42)	\$1,751.63	\$6,615.17	\$8,366.80
13	April	7,301	\$90.00	\$327.87	\$1,237.52	(\$196.93)	\$1,458.46	\$5,161.08	\$6,619.53
14	May	3,680	\$90.00	\$327.87	\$623.76	(\$99.26)	\$942.37	\$2,601.39	\$3,543.76
15	June	1,505	\$90.00	\$327.87	\$255.10	(\$40.60)	\$632.37	\$1,063.88	\$1,696.26
16	Total	67,274	\$1,080.00	\$3,934.43	\$11,402.94	(\$1,814.61)	\$14,602.76	\$47,555.99	\$62,158.75
17	Difference		\$0.00	\$0.00	\$0.00	(\$1,774.25)	(\$1,774.25)	\$0.00	(\$1,774.25)
18	Percent Change		0.00%	0.00%	0.00%		-10.83%	0.00%	-2.78%

Typical Customer Bill Impacts

Large C&I (LLF) - Valley Gas Customer (Rate 82) at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			377.02					
2	N/A								
3	Rate		\$ 90.000	\$ 0.9000	\$ 0.1695	\$ 0.0031		\$0.7069	
4	July	2,507	\$90.00	\$339.32	\$424.94	\$7.77	\$862.03	\$1,772.20	\$2,634.22
5	August	2,212	\$90.00	\$339.32	\$374.93	\$6.86	\$811.11	\$1,563.66	\$2,374.77
6	September	3,204	\$90.00	\$339.32	\$543.08	\$9.93	\$982.33	\$2,264.91	\$3,247.24
7	October	5,603	\$90.00	\$339.32	\$949.71	\$17.37	\$1,396.40	\$3,960.76	\$5,357.16
8	November	6,886	\$90.00	\$339.32	\$1,167.18	\$21.35	\$1,617.84	\$4,867.71	\$6,485.56
9	December	10,013	\$90.00	\$339.32	\$1,697.20	\$31.04	\$2,157.56	\$7,078.19	\$9,235.75
10	January	11,674	\$90.00	\$339.32	\$1,978.74	\$36.19	\$2,444.25	\$8,252.35	\$10,696.60
11	February	9,070	\$90.00	\$339.32	\$1,537.37	\$28.12	\$1,994.80	\$6,411.58	\$8,406.38
12	March	5,835	\$90.00	\$339.32	\$989.03	\$18.09	\$1,436.44	\$4,124.76	\$5,561.20
13	April	5,260	\$90.00	\$339.32	\$891.57	\$16.31	\$1,337.19	\$3,718.29	\$5,055.49
14	May	3,026	\$90.00	\$339.32	\$512.91	\$9.38	\$951.61	\$2,139.08	\$3,090.69
15	June	1,985	\$90.00	\$339.32	\$336.46	\$6.15	\$771.93	\$1,403.20	\$2,175.13
16	Total	67,275	\$1,080.00	\$4,071.82	\$11,403.11	\$208.55	\$16,763.48	\$47,556.70	\$64,320.18

Large C&I (LLF) - Valley Gas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			377.02					
2	N/A								
3	Rate		\$90.00	\$0.9000	\$0.1695	\$ (0.0233)		\$0.7069	
4	July	2,507	\$90.00	\$339.32	\$424.94	(\$58.35)	\$795.91	\$1,772.20	\$2,568.11
5	August	2,212	\$90.00	\$339.32	\$374.93	(\$51.48)	\$752.77	\$1,563.66	\$2,316.43
6	September	3,204	\$90.00	\$339.32	\$543.08	(\$74.57)	\$897.83	\$2,264.91	\$3,162.74
7	October	5,603	\$90.00	\$339.32	\$949.71	(\$130.40)	\$1,248.63	\$3,960.76	\$5,209.39
8	November	6,886	\$90.00	\$339.32	\$1,167.18	(\$160.26)	\$1,436.23	\$4,867.71	\$6,303.95
9	December	10,013	\$90.00	\$339.32	\$1,697.20	(\$233.04)	\$1,893.48	\$7,078.19	\$8,971.67
10	January	11,674	\$90.00	\$339.32	\$1,978.74	(\$271.69)	\$2,136.37	\$8,252.35	\$10,388.72
11	February	9,070	\$90.00	\$339.32	\$1,537.37	(\$211.09)	\$1,755.59	\$6,411.58	\$8,167.18
12	March	5,835	\$90.00	\$339.32	\$989.03	(\$135.80)	\$1,282.55	\$4,124.76	\$5,407.31
13	April	5,260	\$90.00	\$339.32	\$891.57	(\$122.42)	\$1,198.47	\$3,718.29	\$4,916.76
14	May	3,026	\$90.00	\$339.32	\$512.91	(\$70.43)	\$871.80	\$2,139.08	\$3,010.88
15	June	1,985	\$90.00	\$339.32	\$336.46	(\$46.20)	\$719.58	\$1,403.20	\$2,122.77
16	Total	67,275	\$1,080.00	\$4,071.82	\$11,403.11	(\$1,565.72)	\$14,989.21	\$47,556.70	\$62,545.90
17	Difference		\$0.00	\$0.00	\$0.00	(\$1,774.28)	(\$1,774.28)	\$0.00	(\$1,774.28)
18	Percent Change		0.00%	0.00%	0.00%		-10.58%	0.00%	-2.76%

Typical Customer Bill Impacts

Large C&I (HLF) - ProvGas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			26.05					
2	N/A								
3	Rate		\$ 90.000	\$ 1.2500	\$ 0.0964	\$ (0.0006)		\$0.6604	
4	July	3,310	\$90.00	\$32.56	\$319.08	(\$1.99)	\$439.66	\$2,185.92	\$2,625.58
5	August	4,928	\$90.00	\$32.56	\$475.06	(\$2.96)	\$594.66	\$3,254.45	\$3,849.12
6	September	5,158	\$90.00	\$32.56	\$497.23	(\$3.09)	\$616.70	\$3,406.34	\$4,023.04
7	October	5,147	\$90.00	\$32.56	\$496.17	(\$3.09)	\$615.65	\$3,399.08	\$4,014.72
8	November	5,267	\$90.00	\$32.56	\$507.74	(\$3.16)	\$627.14	\$3,478.33	\$4,105.47
9	December	6,977	\$90.00	\$32.56	\$672.58	(\$4.19)	\$790.96	\$4,607.61	\$5,398.57
10	January	8,359	\$90.00	\$32.56	\$805.81	(\$5.02)	\$923.35	\$5,520.28	\$6,443.64
11	February	7,119	\$90.00	\$32.56	\$686.27	(\$4.27)	\$804.56	\$4,701.39	\$5,505.95
12	March	6,843	\$90.00	\$32.56	\$659.67	(\$4.11)	\$778.12	\$4,519.12	\$5,297.24
13	April	6,144	\$90.00	\$32.56	\$592.28	(\$3.69)	\$711.16	\$4,057.50	\$4,768.66
14	May	4,439	\$90.00	\$32.56	\$427.92	(\$2.66)	\$547.82	\$2,931.52	\$3,479.33
15	June	3,584	\$90.00	\$32.56	\$345.50	(\$2.15)	\$465.91	\$2,366.87	\$2,832.78
16	Total	67,275	\$1,080.00	\$390.75	\$6,485.31	(\$40.37)	\$7,915.70	\$44,428.41	\$52,344.11

Large C&I (HLF) - ProvGas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			26.05					
2	N/A								
3	Rate		\$90.00	\$ 1.2500	\$ 0.0964	\$ (0.0270)		\$0.6604	
4	July	3,310	\$90.00	\$32.56	\$319.08	(\$89.28)	\$352.36	\$2,185.92	\$2,538.29
5	August	4,928	\$90.00	\$32.56	\$475.06	(\$132.93)	\$464.70	\$3,254.45	\$3,719.15
6	September	5,158	\$90.00	\$32.56	\$497.23	(\$139.13)	\$480.66	\$3,406.34	\$3,887.01
7	October	5,147	\$90.00	\$32.56	\$496.17	(\$138.83)	\$479.90	\$3,399.08	\$3,878.98
8	November	5,267	\$90.00	\$32.56	\$507.74	(\$142.07)	\$488.23	\$3,478.33	\$3,966.56
9	December	6,977	\$90.00	\$32.56	\$672.58	(\$188.19)	\$606.95	\$4,607.61	\$5,214.56
10	January	8,359	\$90.00	\$32.56	\$805.81	(\$225.47)	\$702.90	\$5,520.28	\$6,223.18
11	February	7,119	\$90.00	\$32.56	\$686.27	(\$192.02)	\$616.81	\$4,701.39	\$5,318.20
12	March	6,843	\$90.00	\$32.56	\$659.67	(\$184.58)	\$597.65	\$4,519.12	\$5,116.77
13	April	6,144	\$90.00	\$32.56	\$592.28	(\$165.72)	\$549.12	\$4,057.50	\$4,606.62
14	May	4,439	\$90.00	\$32.56	\$427.92	(\$119.74)	\$430.75	\$2,931.52	\$3,362.26
15	June	3,584	\$90.00	\$32.56	\$345.50	(\$96.67)	\$371.39	\$2,366.87	\$2,738.26
16	Total	67,275	\$1,080.00	\$390.75	\$6,485.31	(\$1,814.64)	\$6,141.42	\$44,428.41	\$50,569.83
17	Difference		\$0.00	\$0.00	\$0.00	(\$1,774.28)	(\$1,774.28)	\$0.00	(\$1,774.28)
18	Percent Change		0.00%	0.00%	0.00%		-22.41%	0.00%	-3.39%

Typical Customer Bill Impacts

Large C&I (HLF) - Valley Gas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			26.05					
2	N/A								
3	Rate		\$ 90.000	\$ 1.2500	\$ 0.0964	\$ 0.0031		\$ 0.6604	
4	July	3,310	\$90.00	\$32.56	\$319.08	\$10.26	\$451.91	\$2,185.92	\$2,637.83
5	August	4,928	\$90.00	\$32.56	\$475.06	\$15.28	\$612.90	\$3,254.45	\$3,867.35
6	September	5,158	\$90.00	\$32.56	\$497.23	\$15.99	\$635.78	\$3,406.34	\$4,042.13
7	October	5,147	\$90.00	\$32.56	\$496.17	\$15.96	\$634.69	\$3,399.08	\$4,033.77
8	November	5,267	\$90.00	\$32.56	\$507.74	\$16.33	\$646.63	\$3,478.33	\$4,124.96
9	December	6,977	\$90.00	\$32.56	\$672.58	\$21.63	\$816.77	\$4,607.61	\$5,424.38
10	January	8,359	\$90.00	\$32.56	\$805.81	\$25.91	\$954.28	\$5,520.28	\$6,474.57
11	February	7,119	\$90.00	\$32.56	\$686.27	\$22.07	\$830.90	\$4,701.39	\$5,532.29
12	March	6,843	\$90.00	\$32.56	\$659.67	\$21.21	\$803.44	\$4,519.12	\$5,322.56
13	April	6,144	\$90.00	\$32.56	\$592.28	\$19.05	\$733.89	\$4,057.50	\$4,791.39
14	May	4,439	\$90.00	\$32.56	\$427.92	\$13.76	\$564.24	\$2,931.52	\$3,495.76
15	June	3,584	\$90.00	\$32.56	\$345.50	\$11.11	\$479.17	\$2,366.87	\$2,846.04
16	Total	67,275	\$1,080.00	\$390.75	\$6,485.31	\$208.55	\$8,164.61	\$44,428.41	\$52,593.02

Large C&I (HLF) - Valley Gas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			26.05					
2	N/A								
3	Rate		\$90.00	\$ 1.2500	\$ 0.0964	\$ (0.0233)		\$ 0.6604	
4	July	3,310	\$90.00	\$32.56	\$319.08	(\$77.04)	\$364.61	\$2,185.92	\$2,550.54
5	August	4,928	\$90.00	\$32.56	\$475.06	(\$114.69)	\$482.93	\$3,254.45	\$3,737.38
6	September	5,158	\$90.00	\$32.56	\$497.23	(\$120.04)	\$499.75	\$3,406.34	\$3,906.09
7	October	5,147	\$90.00	\$32.56	\$496.17	(\$119.79)	\$498.94	\$3,399.08	\$3,898.02
8	November	5,267	\$90.00	\$32.56	\$507.74	(\$122.58)	\$507.72	\$3,478.33	\$3,986.05
9	December	6,977	\$90.00	\$32.56	\$672.58	(\$162.38)	\$632.77	\$4,607.61	\$5,240.38
10	January	8,359	\$90.00	\$32.56	\$805.81	(\$194.54)	\$733.83	\$5,520.28	\$6,254.11
11	February	7,119	\$90.00	\$32.56	\$686.27	(\$165.68)	\$643.15	\$4,701.39	\$5,344.54
12	March	6,843	\$90.00	\$32.56	\$659.67	(\$159.26)	\$622.97	\$4,519.12	\$5,142.08
13	April	6,144	\$90.00	\$32.56	\$592.28	(\$142.99)	\$571.85	\$4,057.50	\$4,629.35
14	May	4,439	\$90.00	\$32.56	\$427.92	(\$103.31)	\$447.17	\$2,931.52	\$3,378.69
15	June	3,584	\$90.00	\$32.56	\$345.50	(\$83.41)	\$384.65	\$2,366.87	\$2,751.52
16	Total	67,275	\$1,080.00	\$390.75	\$6,485.31	(\$1,565.72)	\$6,390.34	\$44,428.41	\$50,818.75
17	Difference		\$0.00	\$0.00	\$0.00	(\$1,774.28)	(\$1,774.28)	\$0.00	(\$1,774.28)
18	Percent Change		0.00%	0.00%	0.00%		-21.73%	0.00%	-3.37%

Typical Customer Bill impacts

Extra Large C&I (LLF) - Valley Gas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			1,434.0					
2	N/A								
3	Rate		\$ 300.000	\$ 0.9000	\$ 0.0348	\$ 0.0031		\$0.6948	
4	July	10,704	\$300.00	\$1,290.60	\$372.50	\$33.18	\$1,996.28	\$7,437.14	\$9,433.42
5	August	10,442	\$300.00	\$1,290.60	\$363.38	\$32.37	\$1,986.35	\$7,255.10	\$9,241.45
6	September	3,762	\$300.00	\$1,290.60	\$130.92	\$11.66	\$1,733.18	\$2,613.84	\$4,347.02
7	October	12,996	\$300.00	\$1,290.60	\$452.26	\$40.29	\$2,083.15	\$9,029.62	\$11,112.77
8	November	26,476	\$300.00	\$1,290.60	\$921.36	\$82.08	\$2,594.04	\$18,395.52	\$20,989.57
9	December	37,319	\$300.00	\$1,290.60	\$1,298.70	\$115.69	\$3,004.99	\$25,929.24	\$28,934.23
10	January	42,558	\$300.00	\$1,290.60	\$1,481.02	\$131.93	\$3,203.55	\$29,569.30	\$32,772.85
11	February	43,839	\$300.00	\$1,290.60	\$1,525.60	\$135.90	\$3,252.10	\$30,459.34	\$33,711.44
12	March	41,137	\$300.00	\$1,290.60	\$1,431.57	\$127.52	\$3,149.69	\$28,581.99	\$31,731.68
13	April	29,294	\$300.00	\$1,290.60	\$1,019.43	\$90.81	\$2,700.84	\$20,353.47	\$23,054.31
14	May	16,698	\$300.00	\$1,290.60	\$581.09	\$51.76	\$2,223.45	\$11,601.77	\$13,825.22
15	June	9,399	\$300.00	\$1,290.60	\$327.09	\$29.14	\$1,946.82	\$6,530.43	\$8,477.25
16	Total	284,624	\$3,600.00	\$15,487.20	\$9,904.92	\$882.33	\$29,874.45	\$197,756.76	\$227,631.20

Extra Large C&I (LLF) - Valley Gas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			1,434.0					
2	N/A								
3	Rate		\$300.00	\$ 0.9000	\$ 0.0348	\$ (0.0233)		\$0.6948	
4	July	10,704	\$300.00	\$1,290.60	\$372.50	(\$249.12)	\$1,713.98	\$7,437.14	\$9,151.12
5	August	10,442	\$300.00	\$1,290.60	\$363.38	(\$243.02)	\$1,710.96	\$7,255.10	\$8,966.06
6	September	3,762	\$300.00	\$1,290.60	\$130.92	(\$87.55)	\$1,633.96	\$2,613.84	\$4,247.80
7	October	12,996	\$300.00	\$1,290.60	\$452.26	(\$302.46)	\$1,740.40	\$9,029.62	\$10,770.02
8	November	26,476	\$300.00	\$1,290.60	\$921.36	(\$616.19)	\$1,895.78	\$18,395.52	\$20,291.30
9	December	37,319	\$300.00	\$1,290.60	\$1,298.70	(\$868.54)	\$2,020.76	\$25,929.24	\$27,950.00
10	January	42,558	\$300.00	\$1,290.60	\$1,481.02	(\$990.47)	\$2,081.15	\$29,569.30	\$31,650.44
11	February	43,839	\$300.00	\$1,290.60	\$1,525.60	(\$1,020.29)	\$2,095.91	\$30,459.34	\$32,555.25
12	March	41,137	\$300.00	\$1,290.60	\$1,431.57	(\$957.40)	\$2,064.77	\$28,581.99	\$30,646.75
13	April	29,294	\$300.00	\$1,290.60	\$1,019.43	(\$681.77)	\$1,928.26	\$20,353.47	\$22,281.73
14	May	16,698	\$300.00	\$1,290.60	\$581.09	(\$388.62)	\$1,783.07	\$11,601.77	\$13,384.84
15	June	9,399	\$300.00	\$1,290.60	\$327.09	(\$218.75)	\$1,698.94	\$6,530.43	\$8,229.36
16	Total	284,624	\$3,600.00	\$15,487.20	\$9,904.92	(\$6,624.19)	\$22,367.93	\$197,756.76	\$220,124.68
17	Difference		\$0.00	\$0.00	\$0.00	(\$7,506.52)	(\$7,506.52)	\$0.00	(\$7,506.52)
18	Percent Change		0.00%	0.00%	0.00%		-25.13%	0.00%	-3.30%

Typical Customer Bill Impacts

Extra Large C&I (HLF) - Valley Gas Customer at Current Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			1,039.9					
2	N/A								
3	Rate		\$ 300.00	\$ 1.2500	\$ 0.0270	\$ 0.0031		\$0.6239	
4	July	19,156	\$300.00	\$1,299.88	\$517.21	\$59.38	\$2,176.47	\$11,951.43	\$14,127.90
5	August	19,599	\$300.00	\$1,299.88	\$529.17	\$60.76	\$2,189.80	\$12,227.82	\$14,417.62
6	September	24,440	\$300.00	\$1,299.88	\$659.88	\$75.76	\$2,335.52	\$15,248.12	\$17,583.64
7	October	20,082	\$300.00	\$1,299.88	\$542.21	\$62.25	\$2,204.34	\$12,529.16	\$14,733.50
8	November	23,799	\$300.00	\$1,299.88	\$642.57	\$73.78	\$2,316.22	\$14,848.20	\$17,164.42
9	December	23,508	\$300.00	\$1,299.88	\$634.72	\$72.87	\$2,307.47	\$14,666.64	\$16,974.11
10	January	33,426	\$300.00	\$1,299.88	\$902.50	\$103.62	\$2,606.00	\$20,854.48	\$23,460.48
11	February	28,625	\$300.00	\$1,299.88	\$772.88	\$88.74	\$2,461.49	\$17,859.14	\$20,320.63
12	March	25,929	\$300.00	\$1,299.88	\$700.08	\$80.38	\$2,380.34	\$16,177.10	\$18,557.44
13	April	23,315	\$300.00	\$1,299.88	\$629.51	\$72.28	\$2,301.66	\$14,546.23	\$16,847.89
14	May	13,183	\$300.00	\$1,299.88	\$355.94	\$40.87	\$1,996.68	\$8,224.87	\$10,221.56
15	June	19,563	\$300.00	\$1,299.88	\$528.20	\$60.65	\$2,188.72	\$12,205.36	\$14,394.08
16	Total	274,625	\$3,600.00	\$15,598.50	\$7,414.88	\$851.34	\$27,464.71	\$171,338.54	\$198,803.25

Extra Large C&I (HLF) - Valley Gas Customer at Proposed Rates (Rates net of GRT)

Line No.	Particular (a)	Throughput (therms) (b)	Cust. Ch. (c)	Demand Charge (d)	Distribution Charge (e)	DAC (f)	Total Non-Gas (g)	GCR (h)	Total (i)
1	MDCQ			1,039.9					
2	N/A								
3	Rate		\$300.00	\$ 1.2500	\$ 0.0270	\$ (0.0233)		\$0.6239	
4	July	19,156	\$300.00	\$1,299.88	\$517.21	(\$445.83)	\$1,671.26	\$11,951.43	\$13,622.69
5	August	19,599	\$300.00	\$1,299.88	\$529.17	(\$456.14)	\$1,672.91	\$12,227.82	\$13,900.73
6	September	24,440	\$300.00	\$1,299.88	\$659.88	(\$568.80)	\$1,690.95	\$15,248.12	\$16,939.07
7	October	20,082	\$300.00	\$1,299.88	\$542.21	(\$467.38)	\$1,674.71	\$12,529.16	\$14,203.87
8	November	23,799	\$300.00	\$1,299.88	\$642.57	(\$553.89)	\$1,688.56	\$14,848.20	\$16,536.76
9	December	23,508	\$300.00	\$1,299.88	\$634.72	(\$547.11)	\$1,687.48	\$14,666.64	\$16,354.12
10	January	33,426	\$300.00	\$1,299.88	\$902.50	(\$777.94)	\$1,724.44	\$20,854.48	\$22,578.92
11	February	28,625	\$300.00	\$1,299.88	\$772.88	(\$666.20)	\$1,706.55	\$17,859.14	\$19,565.68
12	March	25,929	\$300.00	\$1,299.88	\$700.08	(\$603.46)	\$1,696.50	\$16,177.10	\$17,873.60
13	April	23,315	\$300.00	\$1,299.88	\$629.51	(\$542.62)	\$1,686.76	\$14,546.23	\$16,232.99
14	May	13,183	\$300.00	\$1,299.88	\$355.94	(\$306.81)	\$1,649.00	\$8,224.87	\$9,873.88
15	June	19,563	\$300.00	\$1,299.88	\$528.20	(\$455.30)	\$1,672.78	\$12,205.36	\$13,878.13
16	Total	274,625	\$3,600.00	\$15,598.50	\$7,414.88	(\$6,391.48)	\$20,221.90	\$171,338.54	\$191,560.44
17	Difference		\$0.00	\$0.00	\$0.00	(\$7,242.81)	(\$7,242.81)	\$0.00	(\$7,242.81)
18	Percent Change		0.00%	0.00%	0.00%	-26.37%	-26.37%	0.00%	-3.64%

On-System Margin Credit

	Non-Firm Margin
Jul-02	\$204,155
Aug-02	\$164,635
Sep-02	\$155,229
Oct-02	\$77,978
Nov-02	\$162,388
Dec-02	\$192,217
Jan-03	\$43,065
Feb-03	\$97,021
Mar-03	\$361,344
Apr-03	\$509,967
May-03	\$116,761
Jun-03	<u>\$107,605</u>
Total	\$2,192,365
Sharing Threshold	\$1,600,000
Margin in excess of Base Rate threshold	\$592,365
Company @ 25%	\$148,091
Ratepayers @ 75%	\$444,274
Annual Dt Nov 03 - Oct 04	34,892,499
On-System Margin (\$/Dt)	\$0.0127
On-System Margin (\$/Therm)	\$0.0013

Fiscal Year 2003 Earnings Sharing Calculation

	Explanations	Calculation
(1) Total Earnings Credited to DAC	RJR - 1, pg 1, ln 18	\$4,671,314
(2) Firm Thru-put (dth):	Docket 3436	34,892,499
(3) Earnings Sharing Factor (\$/dth)	(18) / (19)	\$0.1339
(4) Earnings Sharing Factor (\$/therm)	(20) / 10	\$0.0134

New England Gas Company
Corrected Attachment PCC-4
October 24, 2003

Environmental Response Cost (ERC) Factor

$$\text{ERCF} = \frac{\frac{\text{ERC 95-02}}{10} + \frac{\sum_{x=n-9}^n \text{ERCyr}}{10} - \text{ERC EMB}}{\text{Dt}}$$

Where:

ERC 95-02

Costs	\$15,570,621	(Dkt 3401; DIV 1-35)
Revenue	\$2,504,368	Revenues
	<u>\$1,700,000</u>	SUG Acquisition Adjustment
	\$4,204,368	
	\$11,366,253	Unamortized Environmental Costs through 2001

FY 2002

Costs	\$2,172,287	Dkt 3459
Revenue	\$678,288	Revenues
	<u>\$350,000</u>	Insurance
	\$1,028,288	
	\$1,143,999	Net Environmental Costs FY2002

$\sum_{x=n-9}^n \text{ERCyr}$

FY 2003

Costs	\$3,431,086	page 2
Insurance sub-total	<u>\$9,443,759</u>	page 2
	\$9,443,759	
	(\$6,012,673)	Net Environmental Costs FY2003

ERC Emb

\$1,310,000 Base Rate Embedded ERC funding

Dt

34,892,499 Annual Dt Nov '03 - Oct '04

$$\begin{aligned} \text{ERCF} &= \frac{\frac{\$12,510,252}{10} + \frac{(\$6,012,673)}{10} - \$1,310,000}{34,892,499} = \frac{(\$660,242)}{34,892,499 \text{ Dt}} \\ &= (\$0.0189) \text{ per Dt} \\ &= \boxed{(\$0.0019) \text{ per therm}} \end{aligned}$$

Environmental Response Cost (ERC) Factor

Environmental Projects A/C # 10860001		Bal @ 6/30/2002	Bal @ 6/30/2003	FY03 Activity
I. Environmental Expenses				
907-1	Blackstone Street	\$0	\$0	\$0
907	Envir Phase II @ Allens Ave	\$1,332,885	\$1,341,302	\$8,417
908	Allens Avenue	\$3,561,600	\$3,340,361	(\$221,239)
908 - 01	Allens Avenue	\$10,278,288	\$13,821,565	\$3,543,276
306	Insur Pol, no Pollution Excl	\$33,047	\$40,002	\$6,955
307	PCB Reg Pipe Abandon.	\$19,679	\$19,679	\$0
309	Manchester Street	\$152,861	\$152,861	\$0
317	Plympton	\$77,333	\$77,333	\$0
379	Petroleum Site	\$530,652	\$524,079	(\$6,573)
700	18 & 21 Holders COR	\$49,974	\$54,746	\$4,772
161	Canal Street, Westerly	\$33,183	\$29,133	(\$4,050)
963	Narr. Electric, South St.	\$2,400	\$2,400	\$0
170	LAG Insurance Investment	\$47,987	\$47,987	\$0
170	General Enviro Issues	\$24,934	\$61,099	\$36,165
178	Site Inv Connell Hwy Newp	\$9,780	\$24,057	\$14,277
144	Westerly Soil Investigation	\$78,134	\$82,184	\$4,050
784	Environmental Study	\$12,511	\$12,511	\$0
781	Mendon Road	\$121,355	\$121,355	\$0
782	Tidewater	\$284,887	\$284,887	\$0
783	Hamlet	\$95,970	\$95,970	\$0
785	Gooding Ave	\$34,079	\$34,079	\$0
786	Plympton	\$23,382	\$23,382	\$0
171	Contaminated Regulators	<u>\$1,076,580</u>	<u>\$1,121,615</u>	<u>\$45,035</u>
	Sub-Total	\$17,881,502	\$21,312,588	\$3,431,086
II. Insurance Recovery/Settlement				
910	Environ Insur Settlement	(\$350,000)	(\$9,793,759)	(\$9,443,759)
III. Environmental Amortization				
	Beginning Balance	(\$4,204,368)	(\$4,882,656)	
	Amortization	<u>(\$678,288)</u>	<u>(\$1,251,025)</u>	
	Ending Balance	(\$4,882,656)	(\$6,133,681)	