

## New England Gas Company

May 19, 2006

Ms. Luly Massaro  
Commission Clerk  
Public Utility Commission  
89 Jefferson Boulevard  
Warwick, RI 02888

Re: Monthly Filing of Gas Cost Recovery ("GCR") Deferred Balances

Dear Ms. Massaro:

Enclosed please find an original and nine copies of New England Gas Company's ("Company") monthly filing of gas costs and gas cost revenue collections data. Based on six months of actual data and six months of forecasted data, the October 31, 2006 deferred gas cost balance is projected to be an over-collection of \$13.3 million (see attached Schedule 1, page 2).

The \$13.3 million over-collection is based on a November 1, 2005 starting balance of \$13.1 million plus actual gas costs and gas cost collections for November 2005 through April 2006 along with projected costs for May through October 2006. These projected gas costs are based on the May 12, 2006 NYMEX strip.

Details by month are provided on the attached schedules. Schedule 1, pages 1 and 2 summarizes the deferred gas cost activity by GCR category and by month. This schedule shows that for the month of April 2006, actual gas costs were \$18.4 million, working capital was \$77 thousand and GCR revenue collections were \$36.4 million for a net over-collection of \$17.9 million. Schedule 2 presents actual gas costs for November through April and forecasted gas costs for May through October 2006. Schedule 3 summarizes gas cost revenue collections. Schedule 4 presents the calculation of inventory finance charges. The calculation of working capital is presented on pages 1 and 2 of Schedule 5. Schedule 6 presents customer class specific throughput.

If you have any questions, please feel free to contact me. I can be reached at (401) 574-2309.

Yours truly,



Peter Czekanski  
Director - Pricing

cc: Stephen Scialabba  
Bruce Oliver

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**5-12-06 NYMEX**

**I. Supply Fixed Cost Deferred**

	Nov-05 30 actual	Dec-05 31 actual	Jan-06 31 actual	Feb-06 28 actual	Mar-06 31 actual	Apr-06 30 actual	May-06 31 forecast	Jun-06 30 forecast	Jul-06 31 forecast	Aug-06 31 forecast	Sep-06 30 forecast	Oct-06 31 forecast	Nov - Oct
Beginning Balance	(\$1,748,842)	(\$1,015,334)	(\$2,147,370)	(\$4,147,587)	(\$5,256,018)	(\$7,218,667)	(\$7,939,594)	(\$7,018,903)	(\$5,263,146)	(\$3,223,979)	(\$1,174,560)	\$904,588	
Supply Fixed Costs (net of cap rel)	\$2,196,146	\$2,173,666	\$2,192,742	\$2,286,086	\$2,125,049	\$2,268,662	\$2,210,152	\$2,209,027	\$2,210,152	\$2,210,152	\$2,209,027	\$2,210,152	\$28,501,013
Capacity Release	\$0	\$0	\$0	\$0	\$0	\$0	\$505,004	\$505,004	\$505,004	\$505,004	\$505,004	\$505,004	\$5,030,025
Working Capital	\$9,500	\$9,507	\$9,488	\$9,471	\$9,458	\$9,453	\$9,396	\$9,391	\$9,396	\$9,396	\$9,391	\$9,396	\$113,241
Total Supply Fixed Costs	\$2,205,646	\$2,183,173	\$2,202,230	\$2,295,557	\$2,134,507	\$2,278,115	\$2,724,562	\$2,723,422	\$2,724,562	\$2,724,562	\$2,723,422	\$2,724,562	\$29,644,279
Supply Fixed - Collections	\$1,487,711	\$3,308,294	\$4,186,417	\$3,384,192	\$4,067,877	\$2,963,307	\$1,767,424	\$938,711	\$664,712	\$664,419	\$643,637	\$984,469	\$25,063,170
Prelim. Ending Balance	(\$1,030,907)	(\$2,140,455)	(\$4,133,556)	(\$5,236,222)	(\$7,189,388)	(\$7,903,859)	(\$6,982,466)	(\$5,234,191)	(\$3,203,306)	(\$1,163,846)	\$905,225	\$2,644,671	
Month's Average Balance	(\$1,389,875)	(\$1,577,895)	(\$3,140,464)	(\$4,691,905)	(\$6,222,703)	(\$7,561,263)	(\$7,461,030)	(\$6,126,547)	(\$4,233,226)	(\$2,193,913)	(\$134,668)	\$1,774,630	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.54%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	
Interest Applied	(\$5,712)	(\$6,915)	(\$14,030)	(\$19,796)	(\$29,279)	(\$35,735)	(\$36,436)	(\$28,954)	(\$20,673)	(\$10,714)	(\$636)	\$8,667	(\$200,214)
Asset Management Incentive	\$21,285												
Supply Fixed Ending Balance	(\$1,015,334)	(\$2,147,370)	(\$4,147,587)	(\$5,256,018)	(\$7,218,667)	(\$7,939,594)	(\$7,018,903)	(\$5,263,146)	(\$3,223,979)	(\$1,174,560)	\$904,588	\$2,653,338	

**II. Storage Fixed Cost Deferred**

Beginning Balance	(\$602,184)	(\$375,590)	(\$759,027)	(\$1,509,143)	(\$1,990,274)	(\$2,682,958)	(\$2,994,513)	(\$2,847,252)	(\$2,352,839)	(\$1,772,498)	(\$1,171,644)	(\$578,535)	
Storage Fixed Costs	\$818,500	\$847,401	\$811,714	\$781,637	\$826,309	\$798,150	\$819,948	\$865,948	\$844,098	\$865,948	\$843,033	\$819,948	\$9,944,633
LNG Demand to DAC	(\$50,764)	(\$56,454)	(\$54,201)	(\$55,115)	(\$55,338)	(\$47,684)	(\$48,411)	(\$57,790)	(\$53,335)	(\$57,790)	(\$53,118)	(\$48,411)	(\$638,412)
Supply Related LNG O & M	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$518,894
Working Capital	\$3,448	\$3,546	\$3,404	\$3,272	\$3,470	\$3,374	\$3,454	\$3,619	\$3,545	\$3,619	\$3,542	\$3,464	\$41,768
Total Storage Fixed Costs	\$814,425	\$837,734	\$804,154	\$773,036	\$819,682	\$797,082	\$818,242	\$855,018	\$837,549	\$855,018	\$836,698	\$818,242	\$9,866,884
TSS Peaking Collections	\$2,734	\$1,845	\$3,857	(\$1)	\$571	\$43							
Storage Fixed - Collections	\$583,091	\$1,216,846	\$1,545,362	\$1,246,801	\$1,500,826	\$1,095,210	\$656,751	\$348,346	\$247,160	\$246,993	\$239,463	\$366,135	\$9,292,984
Prelim. Ending Balance	(\$373,585)	(\$756,546)	(\$1,504,088)	(\$1,982,508)	(\$2,671,989)	(\$2,981,129)	(\$2,833,023)	(\$2,340,580)	(\$1,762,450)	(\$1,164,473)	(\$574,409)	(\$126,428)	
Month's Average Balance	(\$487,865)	(\$566,068)	(\$1,131,558)	(\$1,746,025)	(\$2,331,132)	(\$2,832,044)	(\$2,913,768)	(\$2,593,916)	(\$2,057,644)	(\$1,468,486)	(\$873,027)	(\$352,482)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.54%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	
Interest Applied	(\$2,005)	(\$2,481)	(\$5,055)	(\$7,567)	(\$10,968)	(\$13,384)	(\$14,230)	(\$12,259)	(\$10,049)	(\$7,171)	(\$4,126)	(\$1,721)	(\$90,816)
Storage Fixed Ending Balance	(\$375,590)	(\$759,027)	(\$1,509,143)	(\$1,990,274)	(\$2,682,958)	(\$2,994,513)	(\$2,847,252)	(\$2,352,839)	(\$1,772,498)	(\$1,171,644)	(\$578,535)	(\$128,150)	

**III. Variable Supply Cost Deferred**

Beginning Balance	\$16,218,264	\$20,538,572	\$30,305,194	\$18,063,167	\$15,005,836	\$4,440,256	\$9,450,775	\$14,911,501	\$17,120,791	\$17,226,048	\$17,276,092	\$16,507,386	\$213,891,201
Variable Supply Costs	\$18,411,770	\$41,490,502	\$27,982,570	\$29,635,873	\$28,413,069	\$14,639,218	\$11,714,155	\$7,098,830	\$6,587,466	\$6,646,495	\$7,279,108	\$13,992,144	\$817,056
Variable Delivery Storage	(\$2,682)	(\$21,445)	(\$27,455)	(\$40,469)	(\$21,116)	(\$3,889)	\$0	\$0	\$0	\$0	\$0	\$0	(\$117,066)
Variable Injections Storage	(\$2,804)	(\$628)	(\$432)	(\$58)	(\$450)	(\$3,383)	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$84,596)
Fuel Cost Allocated to Storage	(\$4,924)	(\$234,737)	(\$338,369)	(\$386,445)	(\$153,231)	(\$167,224)	(\$142,287)	(\$145,363)	(\$147,531)	(\$151,449)	(\$152,847)	(\$153,508)	(\$2,227,916)
Working Capital	\$78,014	\$175,290	\$117,401	\$124,171	\$120,045	\$61,470	\$49,143	\$29,509	\$27,326	\$27,560	\$30,244	\$58,779	\$898,953
Total Supply Variable Costs	\$18,429,374	\$41,408,982	\$27,733,715	\$29,333,073	\$28,358,317	\$14,521,191	\$11,609,038	\$6,971,003	\$6,455,288	\$6,510,633	\$7,144,531	\$13,885,441	\$212,360,585
Supply Variable - Collections	\$14,017,516	\$31,753,454	\$40,081,531	\$32,459,945	\$38,969,072	\$28,429,755	\$17,010,421	\$9,104,779	\$6,476,881	\$6,478,631	\$6,294,177	\$9,552,577	\$240,628,739
Deferred Responsibility	\$18,741	\$73	\$2,011	\$73	\$467	(\$29,345)							
Prelim. Ending Balance	\$20,611,381	\$30,194,028	\$17,955,387	\$14,936,221	\$4,394,614	(\$9,438,963)	(\$14,852,158)	(\$17,045,277)	(\$17,142,385)	(\$17,194,047)	(\$16,427,738)	(\$12,174,521)	
Month's Average Balance	\$18,414,822	\$25,366,300	\$24,130,281	\$16,499,694	\$9,700,225	(\$2,499,354)	(\$12,151,467)	(\$15,978,389)	(\$17,131,588)	(\$17,210,047)	(\$16,852,915)	(\$14,340,953)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.54%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	
Interest Applied	\$75,677	\$111,167	\$107,800	\$69,615	(\$11,812)	(\$59,342)	(\$59,342)	(\$75,514)	(\$83,663)	(\$84,046)	(\$79,647)	(\$70,035)	(\$54,160)
Gas Procurement Incentive/penalty	(\$148,486)												
Supply Variable Ending Balance	\$20,538,572	\$30,305,194	\$18,063,167	\$15,005,836	\$4,440,256	(\$9,450,775)	(\$14,911,501)	(\$17,120,791)	(\$17,226,048)	(\$17,276,092)	(\$16,507,386)	(\$12,244,566)	

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**5-12-06 NYMEX**

**IVa. Storage Variable Product Cost Deferred**

	Nov-05 30 actual	Dec-05 31 actual	Jan-06 31 actual	Feb-06 28 actual	Mar-06 31 actual	Apr-06 30 actual	May-06 31 forecast	Jun-06 30 forecast	Jul-06 31 forecast	Aug-06 31 forecast	Sep-06 30 forecast	Oct-06 31 forecast	Nov - Oct
Beginning Balance	(\$716,944)	(\$1,468,934)	(\$634,322)	\$928,712	\$4,831,505	\$3,355,282	\$575,791	(\$1,119,382)	(\$1,826,193)	(\$2,178,557)	(\$2,499,179)	(\$2,767,555)	
Storage Variable Prod. Costs - LNG	\$191,786	\$463,460	\$1,206,460	\$973,815	\$256,032	\$149,871	\$195,151	\$188,614	\$193,586	\$19,196	\$182,792	\$188,065	\$4,380,827
Storage Variable Prod. Costs - LP	\$3,916	\$0	\$6,768	\$0	\$611	\$4,890	\$0	\$0	\$0	\$0	\$0	\$0	\$16,185
Storage Variable Prod. Costs - UG	\$416,975	\$3,866,792	\$5,178,067	\$6,830,331	\$2,851,272	\$335,443	\$0	\$0	\$0	\$0	\$0	\$0	\$19,598,880
Supply Related LNG to DAC	(\$39,105)	(\$94,489)	(\$245,997)	(\$198,561)	(\$52,205)	(\$30,559)	(\$39,791)	(\$38,458)	(\$39,472)	(\$38,985)	(\$37,271)	(\$38,346)	(\$893,251)
Supply Related LNG O & M	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$365,465
Inventory Financing - LNG	\$58,642	\$61,159	\$54,688	\$49,254	\$51,225	\$52,235	\$145,235	\$178,351	\$210,101	\$244,067	\$278,337	\$310,361	\$647,487
Inventory Financing - UG	\$289,793	\$255,209	\$206,947	\$141,566	\$119,410	\$142,108	\$145,919	\$178,351	\$210,101	\$244,067	\$278,337	\$310,361	\$2,522,168
Inventory Financing - LP	\$3,729	\$3,663	\$3,678	\$3,678	\$3,672	\$3,625	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$44,250
Working Capital	\$2,568	\$18,646	\$26,254	\$32,462	\$13,120	\$2,083	\$790	\$1,768	\$785	\$777	\$748	\$766	\$99,766
Total Storage Variable Product Costs	\$958,756	\$4,724,919	\$6,467,306	\$7,863,001	\$3,273,593	\$690,152	\$388,456	\$414,681	\$450,248	\$483,844	\$514,532	\$552,289	\$26,781,778
Storage Variable Product Collections	\$1,706,266	\$3,885,709	\$4,904,928	\$3,972,333	\$4,769,031	\$3,478,910	\$2,082,305	\$1,114,548	\$792,857	\$793,072	\$770,492	\$1,169,364	\$29,439,815
Prelim. Ending Balance	(\$1,464,452)	(\$629,724)	\$928,055	\$4,819,379	\$3,336,067	\$566,524	(\$1,118,058)	(\$1,819,249)	(\$2,168,802)	(\$2,487,785)	(\$2,755,139)	(\$3,384,630)	
Month's Average Balance	(\$1,090,698)	(\$1,049,329)	\$146,867	\$2,874,045	\$4,083,786	\$1,960,903	(\$271,133)	(\$1,469,316)	(\$1,997,498)	(\$2,333,171)	(\$2,627,159)	(\$3,076,093)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.54%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	
Interest Applied	(\$4,482)	(\$4,599)	\$656	\$12,126	\$19,215	\$9,267	(\$1,324)	(\$6,944)	(\$9,755)	(\$11,394)	(\$12,416)	(\$15,022)	(\$24,672)
Storage Variable Product Ending Bal.	(\$1,468,934)	(\$634,322)	\$928,712	\$4,831,505	\$3,355,282	\$575,791	(\$1,119,382)	(\$1,826,193)	(\$2,178,557)	(\$2,499,179)	(\$2,767,555)	(\$3,399,652)	

**IVb. Stor. Var Non-Prod Cost Deferred**

Beginning Balance	(\$93,281)	(\$200,164)	(\$97,636)	(\$38,211)	\$313,544	\$33,529	(\$244,404)	(\$366,286)	(\$357,136)	(\$303,448)	(\$245,558)	(\$183,022)	
Storage Variable Non-Prod. Costs	\$31,724	\$352,408	\$334,677	\$441,410	\$169,228	\$3,889	\$0	\$0	\$0	\$0	\$0	\$0	\$1,329,447
Variable Delivery Storage Costs	\$2,682	\$21,445	\$27,455	\$40,469	\$21,116	\$3,889	\$0	\$0	\$0	\$0	\$0	\$0	\$117,056
Variable Injection Storage Costs	\$2,804	\$628	\$432	\$58	\$450	\$6,383	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$84,596
Fuel Costs Allocated to Storage	\$54,924	\$234,737	\$338,369	\$86,445	\$153,231	\$167,224	\$142,287	\$145,363	\$147,531	\$151,449	\$152,847	\$153,508	\$2,227,916
Working Capital	\$392	\$2,590	\$2,980	\$3,692	\$1,482	\$163	\$656	\$669	\$678	\$695	\$701	\$703	\$15,980
Total Storage Var Non-Product Costs	\$92,526	\$611,808	\$703,913	\$872,073	\$345,488	\$180,260	\$154,916	\$159,006	\$160,182	\$164,117	\$165,522	\$166,185	\$3,774,996
Storage Var Non-Product Collections	\$198,807	\$508,628	\$644,185	\$520,898	\$626,318	\$457,696	\$275,310	\$147,151	\$104,885	\$101,976	\$101,976	\$154,720	\$3,845,463
Prelim. Ending Balance	(\$199,563)	(\$96,985)	(\$37,908)	\$512,965	\$32,714	(\$243,907)	(\$364,798)	(\$355,431)	(\$301,839)	(\$244,220)	(\$182,012)	(\$171,557)	
Month's Average Balance	(\$146,422)	(\$148,575)	(\$67,772)	\$137,377	\$173,129	(\$105,189)	(\$304,601)	(\$360,858)	(\$329,488)	(\$273,834)	(\$213,785)	(\$177,290)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.54%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	
Interest Applied	(\$602)	(\$651)	(\$303)	\$580	\$815	(\$497)	(\$1,488)	(\$1,705)	(\$1,609)	(\$1,337)	(\$1,010)	(\$866)	(\$8,674)
Storage Var Non-Product Ending Bal.	(\$200,164)	(\$97,636)	(\$38,211)	\$313,544	\$33,529	(\$244,404)	(\$366,286)	(\$357,136)	(\$303,448)	(\$245,558)	(\$183,022)	(\$172,423)	

**GCR Deferred Summary**

Beginning Balance	\$13,057,012	\$17,478,550	\$26,666,839	\$13,296,937	\$12,904,593	(\$2,072,559)	(\$20,053,496)	(\$26,263,323)	(\$26,920,106)	(\$24,704,531)	(\$22,369,033)	(\$19,131,910)	
Gas Costs	\$22,398,066	\$49,556,964	\$37,749,784	\$40,963,598	\$34,783,565	\$18,419,001	\$15,631,756	\$11,078,173	\$10,586,089	\$10,696,118	\$11,340,079	\$18,073,601	\$281,266,794
Working Capital	\$93,921	\$209,580	\$159,526	\$173,068	\$147,555	\$77,144	\$63,448	\$43,956	\$41,730	\$42,047	\$44,625	\$73,108	\$1,169,708
Total Costs	\$22,491,987	\$49,766,544	\$37,909,310	\$41,136,666	\$34,931,120	\$18,496,145	\$15,695,203	\$11,112,130	\$10,627,819	\$10,738,165	\$11,384,704	\$18,146,709	\$282,436,501
Collections	\$17,996,125	\$40,674,776	\$51,368,280	\$41,584,168	\$49,933,695	\$36,424,921	\$21,792,211	\$11,653,535	\$8,286,495	\$8,288,004	\$8,049,745	\$12,227,265	\$308,279,220
Prelim. Ending Balance	\$17,542,875	\$26,570,318	\$13,207,869	\$12,849,435	(\$2,097,982)	(\$20,011,355)	(\$26,150,503)	(\$26,794,729)	(\$24,578,782)	(\$22,254,370)	(\$19,034,074)	(\$13,212,466)	
Month's Average Balance	\$15,299,943	\$22,024,434	\$19,837,354	\$13,073,186	\$5,403,306	(\$11,036,947)	(\$23,101,999)	(\$26,529,026)	(\$25,749,450)	(\$23,479,450)	(\$20,701,554)	(\$16,172,188)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.54%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	5.75%	
Interest Applied	\$62,876	\$96,521	\$89,068	\$55,158	\$25,424	(\$2,161)	(\$112,820)	(\$125,377)	(\$125,749)	(\$114,663)	(\$97,836)	(\$78,978)	(\$378,537)
Gas Purchase Plan Incentives/(Penalties)	(\$127,201)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Ending Bal. W/ Interest	\$17,478,550	\$26,666,839	\$13,296,937	\$12,904,593	(\$2,072,559)	(\$20,053,496)	(\$26,263,323)	(\$26,920,106)	(\$24,704,531)	(\$22,369,033)	(\$19,131,910)	(\$13,291,444)	

Under/(Over)-collection

	\$4,485,662	\$9,091,768	(\$13,458,870)	(\$447,502)	(\$15,002,575)	(\$17,928,776)	(\$6,097,008)	(\$531,405)	\$2,341,324	\$2,450,161	\$3,334,959	\$5,919,444	
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**NEW ENGLAND GAS COMPANY**  
**GCR Gas Costs Actual/Estimate**

	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-Oct
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
<b>SUPPLY FIXED COSTS - Pipeline Delivery</b>													
Conoco	\$2,068,532	\$2,145,522	\$2,117,812	\$2,040,853	\$2,108,232	\$1,830,023	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$12,310,974
Algonquin	(\$37,252)	(\$99,311)	(\$62,798)	\$13,795	(\$62,798)	\$220,530	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$3,151,852
Texas Eastern	\$0	\$0	\$0	\$0	\$0	\$0	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$53,896
							\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$565,251
							\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$266,480
							\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$338,552
TEECO	\$0	\$0	\$0	\$0	\$0	\$0	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$105,006
							\$492,734	\$492,734	\$492,734	\$492,734	\$492,734	\$492,734	\$2,956,404
							\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$46,064
							\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$9,326
							\$732	\$732	\$732	\$732	\$732	\$732	\$4,393
							\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$6,743
							\$288	\$288	\$288	\$288	\$288	\$288	\$1,729
							\$9,001	\$9,001	\$9,001	\$9,001	\$9,001	\$9,001	\$54,003
							\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$6,549
							\$939	\$939	\$939	\$939	\$939	\$939	\$5,634
							\$432	\$432	\$432	\$432	\$432	\$432	\$2,594
							\$202	\$202	\$202	\$202	\$202	\$202	\$1,214
							\$4,823	\$4,823	\$4,823	\$4,823	\$4,823	\$4,823	\$28,938
Tennessee	\$0	\$0	\$0	\$0	\$0	\$0	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$938,861
							\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$1,809,183
							\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$284,400
							\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$31,562
NETNE	\$0	\$0	\$0	\$0	\$0	\$0	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$63,660
IROQUOIS	\$0	\$0	\$0	\$0	\$0	\$0	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$42,253
Dominion	\$0	\$0	\$0	\$0	\$0	\$0	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$14,251
Transco	\$0	\$0	\$0	\$0	\$0	\$0	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$9,920
							\$34	\$34	\$34	\$34	\$34	\$34	\$201
							\$3,603	\$3,603	\$3,603	\$3,603	\$3,603	\$3,603	\$21,617
National Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$25,120
Columbia	\$0	\$0	\$0	\$0	\$0	\$0	\$281,930	\$281,930	\$281,930	\$281,930	\$281,930	\$281,930	\$1,691,581
Texas Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
HUBLINE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WESTERLY LATERAL	\$59,862	\$59,862	\$60,096	\$66,830	\$62,956	\$63,718	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$732,493
Less Credits from Mktg Releases	\$271,655	\$283,817	\$291,940	\$200,411	\$351,259	\$210,730	\$0	\$0	\$0	\$0	\$0	\$0	\$1,609,812
<b>TOTAL SUPPLY FIXED COSTS - Pipeline</b>	<b>\$1,819,487</b>	<b>\$1,822,256</b>	<b>\$1,823,170</b>	<b>\$1,921,067</b>	<b>\$1,757,131</b>	<b>\$1,903,541</b>	<b>\$2,347,242</b>	<b>\$2,347,242</b>	<b>\$2,347,242</b>	<b>\$2,347,242</b>	<b>\$2,347,242</b>	<b>\$2,347,242</b>	<b>\$25,130,103</b>
<b>Supply Fixed - Supplier</b>													
ANE	\$31,375	\$31,410	\$32,697	\$31,519	\$31,043	\$29,371	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$31,000	\$373,415
ANE OPS Demand	\$0	\$0	\$0	\$0	\$0	\$0	\$39	\$39	\$39	\$39	\$39	\$39	\$236
BP	\$43,284	\$18,000	\$34,875	\$31,500	\$34,875	\$33,750	\$34,875	\$33,750	\$34,875	\$34,875	\$33,750	\$34,875	\$403,284
LNG vapor	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$3,624,000
Total	\$376,659	\$351,410	\$369,572	\$365,019	\$367,918	\$365,121	\$367,914	\$366,789	\$367,914	\$367,914	\$366,789	\$367,914	\$4,400,935
<b>Total Supply Fixed (Pipeline &amp; Supplier)</b>	<b>\$2,196,146</b>	<b>\$2,173,666</b>	<b>\$2,192,742</b>	<b>\$2,286,086</b>	<b>\$2,125,049</b>	<b>\$2,268,662</b>	<b>\$2,715,156</b>	<b>\$2,714,031</b>	<b>\$2,715,156</b>	<b>\$2,715,156</b>	<b>\$2,714,031</b>	<b>\$2,715,156</b>	<b>\$29,531,038</b>

**NEW ENGLAND GAS COMPANY**  
**GCR Gas Costs Actual/Estimate**

	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-Oct
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
<b>STORAGE FIXED COSTS - Facilities</b>													
CONOCO	\$220,877	\$228,301	\$200,766	\$219,712	\$218,787	\$217,356	\$80,775	\$80,775	\$80,775	\$80,775	\$80,775	\$80,775	\$484,647
TEXAS EASTERN SS-1 DEMAND							\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$80,168
TEXAS EASTERN SS-1 CAPACITY							\$845	\$845	\$845	\$845	\$845	\$845	\$5,069
TEXAS EASTERN FSS-1 DEMAND							\$610	\$610	\$610	\$610	\$610	\$610	\$3,662
TEXAS EASTERN FSS-1 CAPACITY							\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$128,797
DOMINION GSS DEMAND							\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$90,419
DOMINION GSS CAPACITY							\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$161,180
DOMINION GSS-TE DEMAND							\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$119,740
DOMINION GSS-TE CAPACITY							\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$146,066
TENNESSEE FSMA DEMAND							\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$90,503
TENNESSEE FSMA CAPACITY							\$3,818	\$3,818	\$3,818	\$3,818	\$3,818	\$3,818	\$22,905
COLUMBIA FSS DEMAND							\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$35,244
COLUMBIA FSS CAPACITY							\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$1,890,000
ALGONQUIN TANK LEASE PAYMENTS													
<b>TOTAL FIXED STORAGE COSTS</b>	\$378,377	\$385,801	\$358,266	\$377,212	\$376,287	\$374,856	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$3,258,400
<b>STORAGE FIXED COSTS - Delivery</b>													
CONOCO	\$364,568	\$364,179	\$364,151	\$343,161	\$364,131	\$238,799	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$2,038,989
ALGONQUIN FOR TETCO SS-1	(\$14,822)	(\$21,797)	(\$21,797)	(\$872)	(\$21,797)	\$103,475	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$523,606
ALGONQUIN DELIVERY FOR FSS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904	\$33,460
TETCO DELIVERY FOR FSS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$9,425
ALGONQUIN SCT FOR SS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$391,440
ALGONQUIN DELIVERY FOR GSS, GSS-TE,							\$447	\$447	\$447	\$447	\$447	\$447	\$2,683
ALGONQUIN SCT DELIVERY FOR GSS-TE,							\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$119,656
ALGONQUIN DELIVERY FOR GSS CONV	(\$1,089)	(\$153)	\$2,771	(\$50,668)	(\$4,210)	\$4,662	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$183,886
TENNESSEE DELIVERY FOR GSS							\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$150,372
TENNESSEE DELIVERY FOR FSMA							\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$175,876
TETCO DELIVERY FOR GSS							\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$21,227
TETCO DELIVERY FOR GSS-TE							\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$206,373
TETCO DELIVERY FOR GSS CONV							\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$64,044
DOMINION DELIVERY FOR GSS							\$0	\$0	\$0	\$0	\$0	\$0	\$0
DOMINION DELIVERY FOR GSS CONV							\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$54,695
ALGONQUIN DELIVERY FOR FSS							\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$90,230
COLUMBIA DELIVERY FOR FSS							\$7,341	\$7,341	\$7,341	\$7,341	\$7,341	\$7,341	\$44,044
DISTRIGAS FLs	\$91,466	\$119,371	\$108,323	\$112,804	\$113,898	\$76,358	\$79,925	\$125,925	\$104,075	\$125,925	\$103,010	\$79,925	\$1,241,005
<b>STORAGE DELIVERY FIXED COST \$</b>	\$440,123	\$461,600	\$453,448	\$404,425	\$452,022	\$423,294	\$434,381	\$480,381	\$458,531	\$480,381	\$457,466	\$434,381	\$5,380,434
<b>TOTAL STORAGE FIXED</b>	\$818,500	\$847,401	\$811,714	\$781,637	\$828,309	\$798,150	\$819,948	\$865,948	\$844,098	\$865,948	\$843,033	\$819,948	\$8,638,834
<b>TOTAL FIXED COSTS</b>	\$3,014,646	\$3,021,067	\$3,004,456	\$3,067,723	\$2,953,358	\$3,066,812	\$3,535,104	\$3,579,979	\$3,559,254	\$3,581,104	\$3,557,064	\$3,535,104	\$38,169,872

**NEW ENGLAND GAS COMPANY**  
**GCR Gas Costs Actual/Estimate**

**VARIABLE SUPPLY COSTS**

	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-Oct
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Tennessee Zone 0							\$2,503,022	\$2,426,948	\$2,600,417	\$2,619,862	\$2,529,210	\$2,587,698	\$15,267,157
Tennessee Zone 1							\$1,245,104	\$1,214,632	\$1,091,956	\$1,311,185	\$1,265,812	\$1,295,088	\$7,423,777
Tennessee Dracut							\$629,033	\$0	\$0	\$0	\$0	\$0	\$629,033
TETCO STX							\$2,178,356	\$627,956	\$311,374	\$546,736	\$934,242	\$2,511,428	\$7,110,093
TETCO ELA							\$1,990,316	\$648,353	\$1,246,287	\$615,953	\$1,036,926	\$1,188,993	\$6,726,828
TETCO WLA							\$339,572	\$0	\$0	\$0	\$0	\$0	\$339,572
TETCO ETX							\$1,493,153	\$1,751,286	\$875,522	\$1,077,622	\$1,042,950	\$1,594,044	\$7,834,578
TETCO NF							\$0	\$0	\$0	\$0	\$0	\$0	\$0
M3 Delivered	(\$431,489)	\$610,497	(\$642,131)	\$212,246	(\$498,132)	\$125,154	\$0	\$0	\$0	\$0	\$0	\$0	(\$623,855)
Maumee Supplemental							\$740,780	\$0	\$0	\$0	\$0	\$2,549,419	\$3,290,200
Broadrun Col							\$0	\$0	\$0	\$0	\$0	\$1,785,108	\$1,785,108
Columbia AGT							\$0	\$0	\$0	\$0	\$0	\$0	\$0
Trans Wharton							\$0	\$0	\$0	\$0	\$0	\$0	\$0
Texas Gas to Dominion							\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANE to Tennessee							\$0	\$0	\$0	\$0	\$0	\$0	\$0
Niagara to Tennessee							\$252,212	\$172,860	\$186,760	\$197,929	\$202,353	\$225,533	\$2,765,018
TETCO to B & W	\$295,131	\$334,258	\$257,649	\$213,165	\$228,374	\$198,793	\$284,363	\$256,795	\$275,150	\$277,208	\$267,616	\$254,831	\$1,595,963
TETCO to B & W	\$0						\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenn Zone 0 VG							\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenn Zone 1 VG							\$0	\$0	\$0	\$0	\$0	\$0	\$0
LNG FCS							\$0	\$0	\$0	\$0	\$0	\$0	\$0
Hubline							\$78,243	\$0	\$0	\$0	\$0	\$0	\$78,243
Suppliers	\$19,637,351	\$41,274,216	\$28,890,510	\$30,409,515	\$29,790,669	\$15,007,702	\$0	\$0	\$6,587,466	\$6,646,495	\$7,279,108	\$13,992,144	\$54,221,713
Total Pipeline Commodity Changes	\$19,500,993	\$42,218,971	\$27,908,805	\$30,393,516	\$29,351,683	\$15,331,649	\$11,714,155	\$7,099,830	\$6,587,466	\$6,646,495	\$7,279,108	\$13,992,144	\$54,221,713

**NEW ENGLAND GAS COMPANY**  
**GCR Gas Costs Actual/Estimate**

	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Nov-Oct
	Actual	Actual	Actual	Actual	Actual	Actual	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast
<b>VARIABLE STORAGE COSTS</b>													
Underground Storage	\$416,975	\$3,986,792	\$5,178,067	\$6,830,331	\$2,851,272	\$335,443	\$0	\$0	\$0	\$0	\$0	\$0	\$19,598,880
LNG Withdrawals/Westerly Trucking	\$191,786	\$641,431	\$1,028,489	\$973,815	\$256,032	\$149,871	\$195,151	\$188,614	\$193,586	\$191,196	\$182,792	\$188,065	\$4,380,827
LP	\$3,916	\$3,237	\$3,531	\$0	\$611	\$4,890	\$0	\$0	\$0	\$0	\$0	\$0	\$16,185
<b>TOTAL VARIABLE STORAGE COSTS</b>	\$612,677	\$4,631,460	\$6,210,087	\$7,804,146	\$3,107,915	\$490,204	\$195,151	\$188,614	\$193,586	\$191,196	\$182,792	\$188,065	\$23,995,892
<b>TOTAL VARIABLE COSTS</b>	\$20,113,670	\$46,850,431	\$34,118,892	\$38,197,662	\$32,459,598	\$15,821,853	\$11,909,306	\$7,287,444	\$6,781,052	\$6,837,691	\$7,461,900	\$14,180,209	\$242,019,708
<b>TOTAL SUPPLY COSTS</b>	\$23,128,316	\$49,871,498	\$37,123,348	\$41,265,385	\$35,412,956	\$18,888,665	\$15,444,410	\$10,867,423	\$10,340,306	\$10,418,795	\$11,018,964	\$17,715,313	\$280,189,580
<b>TOTAL CAPACITY RELEASE CREDITS</b>	\$0	\$0	\$0	\$0	\$0	\$0	\$505,004	\$505,004	\$505,004	\$505,004	\$505,004	\$505,004	\$3,030,025
<b>TOTAL SUPPLY COSTS AFTER CREDITS</b>	\$23,128,316	\$49,871,498	\$37,123,348	\$41,265,385	\$35,412,956	\$18,888,665	\$14,939,406	\$10,362,419	\$9,835,302	\$9,913,790	\$10,513,960	\$17,210,309	\$277,159,555
<b>Storage Costs for FT-2 Calculation</b>													
Storage Fixed Costs - Facilities	\$378,377	\$385,801	\$358,266	\$377,212	\$376,287	\$374,856	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$4,564,199
Storage Fixed Costs - Deliveries	\$440,123	\$461,600	\$453,448	\$404,425	\$452,022	\$423,294	\$434,381	\$480,381	\$458,531	\$480,381	\$457,466	\$434,381	\$5,380,434
Variable Delivery Costs	\$2,682	\$21,445	\$27,455	\$40,469	\$21,116	\$3,889	\$0	\$0	\$0	\$0	\$0	\$0	\$117,056
Variable Injection Costs	\$2,804	\$628	\$432	\$58	\$450	\$8,383	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$84,596
Fuel Costs Allocated to Storage	\$54,924	\$234,737	\$338,369	\$386,445	\$153,231	\$167,224	\$142,287	\$145,363	\$147,531	\$151,449	\$152,847	\$153,508	\$2,227,916
Total Storage Costs	\$878,910	\$1,104,211	\$1,177,970	\$1,208,609	\$1,003,107	\$977,647	\$974,208	\$1,023,285	\$1,003,602	\$1,029,370	\$1,007,854	\$985,430	\$12,374,202
Pipeline Variable	\$19,500,993	\$42,218,971	\$27,908,805	\$30,393,516	\$29,351,683	\$15,331,649	\$11,714,155	\$7,098,830	\$6,587,466	\$6,646,495	\$7,279,108	\$13,992,144	\$54,221,713
Less Non-firm Gas Costs	\$1,041,674	\$888,586	\$112,869	\$1,001,073	\$1,018,547	\$1,073,041	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Company Use	\$19,890	\$26,860	\$44,281	\$52,525	\$41,585	\$24,717	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Manchester St Balancing	\$9,126	\$2,826	\$4,122	\$2,245	\$4,360	\$7,505	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Cashout	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Mktgr Over-takes	\$165,019	\$38,001	\$5,944	\$12,985	\$31,309	\$5,031	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Mktgr Withdrawals	\$12,299	\$56,153	\$83,875	\$30,035	\$45,569	\$50,305	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Mktgr Undertakes	\$23,060	\$10,536	\$108,662	\$126,906	\$17,983	\$164,680	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Mktgr Injections	\$974	\$0	\$6,694	\$17,392	\$16,899	\$70,873	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage Service Charge	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Pipeline Strchg/Credit	\$134,751	\$273,421	\$209,500	\$196,922	\$167,874	\$232,614	\$0	\$0	\$0	\$0	\$0	\$0	\$0
<b>TOTAL FIRM COMMODITY COSTS</b>	\$18,411,770	\$41,490,502	\$27,982,570	\$29,635,873	\$28,413,069	\$14,639,218	\$11,714,155	\$7,098,830	\$6,587,466	\$6,646,495	\$7,279,108	\$13,992,144	\$54,221,713

	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Total
	actual	actual	actual	actual	actual	actual	fcst	fcst	fcst	fcst	fcst	fcst	Nov-Oct
<b>I. Supply Fixed Cost Collections --</b>													
(a) Resid. & Small C & I dth	1,284,429	2,644,081	3,396,687	2,682,585	3,241,143	2,416,019	1,404,579	724,001	509,028	506,409	487,537	743,578	20,040,075
Supply Fixed Cost Factor	\$0.8678	\$0.9673	\$0.9671	\$0.9679	\$0.9660	\$0.9672	\$0.9676	\$0.9676	\$0.9676	\$0.9676	\$0.9676	\$0.9676	\$0.9676
Res & Small C & I collections	\$1,114,678	\$2,557,640	\$3,284,895	\$2,586,547	\$3,131,049	\$2,336,841	\$1,359,071	\$700,544	\$492,535	\$490,001	\$471,741	\$719,486	\$19,255,028
(b) C & I Medium dth	264,163	504,773	631,499	533,947	626,896	447,425	284,639	168,493	125,207	126,309	120,195	164,159	3,997,704
Supply Fixed Cost Factor	\$0.8345	\$0.9343	\$0.9381	\$0.9327	\$0.9341	\$0.9302	\$0.9232	\$0.9232	\$0.9232	\$0.9232	\$0.9232	\$0.9232	\$0.9232
C & I Medium collections	\$220,443	\$471,607	\$592,379	\$498,020	\$585,608	\$416,175	\$262,778	\$155,552	\$115,592	\$116,608	\$110,964	\$151,551	\$3,697,277
(c) C & I Large LLF dth	98,871	180,342	219,689	206,675	249,213	132,992	92,517	42,246	23,257	23,568	22,757	64,428	1,356,555
Supply Fixed Cost Factor	\$0.9297	\$1.0157	\$1.0144	\$1.0002	\$1.0067	\$1.0068	\$0.9807	\$0.9807	\$0.9807	\$0.9807	\$0.9807	\$0.9807	\$0.9807
C & I Large LLF collections	\$91,923	\$183,177	\$222,847	\$206,725	\$250,879	\$133,891	\$90,731	\$41,431	\$22,808	\$23,114	\$22,318	\$63,185	\$1,353,029
(d) C & I Large HLF dth	38,648	55,552	55,399	44,764	58,528	52,749	46,027	36,304	27,216	28,649	30,769	37,253	511,858
Supply Fixed Cost Factor	\$0.7011	\$0.7073	\$0.7207	\$0.7174	\$0.7283	\$0.7434	\$0.7056	\$0.7056	\$0.7056	\$0.7056	\$0.7056	\$0.7056	\$0.7056
C & I Large HLF collections	\$27,095	\$39,293	\$39,928	\$32,114	\$42,626	\$39,216	\$32,477	\$25,616	\$19,203	\$20,215	\$21,711	\$26,286	\$365,780
(e) C & I Extra Large LLF dth	13,712	31,134	29,003	23,799	34,521	18,412	7,262	2,159	1,412	1,219	2,230	7,973	172,836
Supply Fixed Cost Factor	\$0.9862	\$0.9586	\$0.9598	\$0.9598	\$0.9598	\$0.9598	\$0.9598	\$0.9598	\$0.9598	\$0.9598	\$0.9598	\$0.9598	\$0.9598
C & I XL LLF collections	\$13,523	\$29,844	\$27,837	\$22,842	\$33,133	\$17,672	\$6,970	\$2,072	\$1,355	\$1,170	\$2,141	\$7,652	\$166,211
(f) C & I Extra Large HLF dth	35,348	46,029	34,594	48,358	42,050	33,377	26,338	23,085	22,611	22,769	25,251	27,897	387,708
Supply Fixed Cost Factor	\$0.5672	\$0.5808	\$0.5935	\$0.5779	\$0.5846	\$0.5846	\$0.5846	\$0.5846	\$0.5846	\$0.5846	\$0.5846	\$0.5846	\$0.5846
C & I XL HLF collections	\$20,049	\$26,733	\$20,531	\$27,944	\$24,582	\$19,512	\$15,397	\$13,496	\$13,219	\$13,311	\$14,762	\$16,309	\$225,845
sub-total Dth	1,735,171	3,461,911	4,386,871	3,540,128	4,252,351	3,100,974	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,466,736
sub-total Supply Fixed Collections	\$1,487,711	\$3,308,294	\$4,188,417	\$3,384,192	\$4,067,877	\$2,963,307	\$1,767,424	\$938,711	\$664,712	\$664,419	\$643,637	\$984,469	\$25,063,170
<b>II. Storage Fixed Cost Collections --</b>													
(a) Resid. & Small C & I dth	1,284,429	2,644,081	3,396,687	2,682,585	3,241,143	2,416,019	1,404,579	724,001	509,028	506,409	487,537	743,578	20,040,075
Storage Fixed Cost Factor	\$0.3337	\$0.3507	\$0.3506	\$0.3509	\$0.3502	\$0.3507	\$0.3508	\$0.3508	\$0.3508	\$0.3508	\$0.3508	\$0.3508	\$0.3508
Res & Small C & I collections	\$428,636	\$927,263	\$1,190,927	\$941,370	\$1,135,151	\$847,213	\$492,726	\$253,980	\$178,567	\$177,648	\$171,028	\$260,847	\$7,005,356
(b) C & I Medium dth	264,163	504,773	631,499	533,947	626,896	447,425	284,639	168,493	125,207	126,309	120,195	164,159	3,997,704
Storage Fixed Cost Factor	\$0.3188	\$0.3355	\$0.3368	\$0.3349	\$0.3354	\$0.3340	\$0.3315	\$0.3315	\$0.3315	\$0.3315	\$0.3315	\$0.3315	\$0.3315
C & I Medium collections	\$84,213	\$169,343	\$212,710	\$178,828	\$210,278	\$149,439	\$94,358	\$55,855	\$41,506	\$41,871	\$39,845	\$54,419	\$1,332,665
(c) C & I Large LLF dth	98,871	180,342	219,689	206,675	249,213	132,992	92,517	42,246	23,257	23,568	22,757	64,428	1,356,555
Storage Fixed Cost Factor	\$0.3541	\$0.3681	\$0.3676	\$0.3625	\$0.3648	\$0.3648	\$0.3554	\$0.3554	\$0.3554	\$0.3554	\$0.3554	\$0.3554	\$0.3554
C & I Large LLF collections	\$35,013	\$66,363	\$80,759	\$74,916	\$90,916	\$48,521	\$32,880	\$15,014	\$8,265	\$8,376	\$8,088	\$22,898	\$492,029
(d) C & I Large HLF dth	38,648	55,552	55,399	44,764	58,528	52,749	46,027	36,304	27,216	28,649	30,769	37,253	511,858
Storage Fixed Cost Factor	\$0.2710	\$0.2565	\$0.2614	\$0.2602	\$0.2641	\$0.2696	\$0.2559	\$0.2559	\$0.2559	\$0.2559	\$0.2559	\$0.2559	\$0.2559
C & I Large HLF collections	\$10,474	\$14,250	\$14,481	\$11,647	\$15,459	\$14,222	\$11,778	\$9,290	\$6,965	\$7,331	\$7,874	\$9,533	\$133,304
(e) C & I XL LLF dth	13,712	31,134	29,003	23,799	34,521	18,412	7,262	2,159	1,412	1,219	2,230	7,973	172,836
Storage Fixed Cost Factor	\$0.3813	\$0.3471	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476
C & I XL LLF collections	\$5,229	\$10,808	\$10,081	\$8,272	\$11,999	\$6,400	\$2,524	\$751	\$491	\$424	\$775	\$2,771	\$60,525
(f) C & I XL HLF dth	35,348	46,029	34,594	48,358	42,050	33,377	26,338	23,085	22,611	22,769	25,251	27,897	387,708
Storage Fixed Cost Factor	\$0.2187	\$0.2106	\$0.2152	\$0.2096	\$0.2120	\$0.2120	\$0.2120	\$0.2120	\$0.2120	\$0.2120	\$0.2120	\$0.2120	\$0.2120
C & I XL HLF collections	\$7,729	\$9,695	\$7,445	\$10,134	\$8,914	\$7,076	\$5,584	\$4,894	\$4,794	\$4,827	\$5,353	\$5,914	\$82,359
(g) FT-3 dth	41,049	70,543	89,021	66,504	86,409	68,673	51,956	26,321	20,203	20,032	19,983	29,983	590,677
Storage Fixed Cost Factor	\$0.2874	\$0.2708	\$0.3253	\$0.3253	\$0.3253	\$0.3253	\$0.3253	\$0.3253	\$0.3253	\$0.3253	\$0.3253	\$0.3253	\$0.3253



	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Total
	actual	actual	actual	actual	actual	actual	fcst	fcst	fcst	fcst	fcst	fcst	Nov-Oct
FT-2 collection	\$11,797	\$19,104	\$28,959	\$21,634	\$28,109	\$22,339	\$16,901	\$8,562	\$6,572	\$6,516	\$6,500	\$9,753	\$186,746
sub-total Dth	1,776,220	3,532,454	4,455,892	3,606,632	4,338,760	3,169,647	1,913,317	1,022,609	728,934	728,955	708,721	1,075,271	27,057,413
sub-total Storage Fixed Collections	\$583,091	\$1,216,846	\$1,545,362	\$1,246,801	\$1,500,826	\$1,095,210	\$656,751	\$348,346	\$247,160	\$246,993	\$239,463	\$366,135	\$9,292,984

**III. Variable Supply Cost Collections --**

(a) Firm Sales dth	1,729,275	3,450,106	4,366,871	3,540,128	4,252,351	3,100,974	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,449,035
Variable Supply Cost Factor	\$8,0879	\$9,1892	\$9,1679	\$9,1617	\$9,1615	\$9,1646	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387
Variable Supply collections	\$13,986,278	\$31,703,829	\$40,034,850	\$32,433,729	\$38,957,872	\$28,419,327	\$17,010,421	\$9,104,779	\$6,476,881	\$6,478,631	\$6,294,177	\$9,552,577	\$240,453,351
(b) TSS Sales dth	4,499	10,318	14,139	11,594	15,859	8,479	0	0	0	0	0	0	1,728
TSS Variable Supply Cost F.	\$4,6548	\$3,7474	\$2,3826	\$1,4143	\$0,0323	\$0,0000	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387
TSS surcharge collections	\$20,942	\$38,666	\$33,687	\$16,397	\$513	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(c) NGV Sales dth	1,397	1,487	1,408	1,064	1,158	1,130	0	0	0	0	0	0	1,728
Variable Supply Cost Factor	\$7,3701	\$7,3699	\$9,2287	\$9,2284	\$9,2288	\$9,2283	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387	\$9,1387
Variable Supply collections	\$10,296	\$10,959	\$12,994	\$9,819	\$10,687	\$10,428	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL Variable Supply Collections	\$14,017,516	\$31,753,454	\$40,081,531	\$32,459,945	\$38,969,072	\$28,429,755	\$17,010,421	\$9,104,779	\$6,476,881	\$6,478,631	\$6,294,177	\$9,552,577	\$240,453,351

**IVa. Storage Variable Product Cost Collections --**

(a) Firm Sales dth	1,729,275	3,450,106	4,366,871	3,540,128	4,252,351	3,100,974	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,449,035
Variable Supply Cost Factor	\$0,9867	\$1,1263	\$1,1232	\$1,1221	\$1,1215	\$1,1219	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187	\$1,1187
Stor Var Product collections	\$1,706,266	\$3,885,709	\$4,904,928	\$3,972,333	\$4,769,031	\$3,478,910	\$2,082,305	\$1,114,548	\$792,857	\$793,072	\$770,492	\$1,169,364	\$29,439,815

**IVb. Storage Variable Non-product Cost Collections --**

(a) Firm Sales dth	1,735,171	3,461,911	4,366,871	3,540,128	4,252,351	3,100,974	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,466,736
Variable Supply Cost Factor	\$0,1121	\$0,1445	\$0,1446	\$0,1444	\$0,1444	\$0,1444	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440
Stor Var Non-Product collec	\$194,566	\$500,171	\$631,366	\$511,321	\$613,875	\$447,807	\$268,036	\$143,466	\$102,057	\$102,085	\$99,178	\$150,522	\$3,764,450
(b) FT-2 dth	41,049	70,543	89,021	66,504	86,409	68,673	51,956	26,321	20,203	20,032	19,983	29,983	\$81,013
Variable Supply Cost Factor	\$0,1033	\$0,1199	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1400	\$0,1400	\$0,1400	\$0,1400	\$0,1400	\$0,1400	\$0,1400
Stor Var Non-Product collec	\$4,241	\$8,457	\$12,819	\$9,577	\$12,443	\$9,889	\$7,274	\$3,685	\$2,828	\$2,804	\$2,798	\$4,198	\$81,013
(c) Total Firm Sales/FT-2 dth	1,776,220	3,532,454	4,455,892	3,606,632	4,338,760	3,169,647	1,913,317	1,022,609	728,934	728,955	708,721	1,075,271	\$3,845,463
Stor Var Non-Product collec	\$198,807	\$508,628	\$644,185	\$520,898	\$626,318	\$457,696	\$275,310	\$147,151	\$104,885	\$104,889	\$101,976	\$154,720	\$3,845,463

<b>Total Gas Cost Collections</b>	\$17,993,391	\$40,672,931	\$51,364,423	\$41,584,169	\$49,933,124	\$38,424,878	\$21,792,211	\$11,653,535	\$8,286,495	\$8,288,004	\$8,049,745	\$12,227,265	\$308,094,783
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Line No.	Description (a)	Reference (b)	Nov-05 (c)	Dec-05 (d)	Jan-06 (e)	Feb-06 (f)	Mar-06 (g)	Apr-06 (h)	May-06 (i)	Jun-06 (j)	Jul-06 (k)	Aug-06 (l)	Sep-06 (m)	Oct-06 (n)
1	<b>Storage Inventory Balance</b>		\$30,031,411	\$26,447,451	\$21,446,006	\$14,670,539	\$12,374,528	\$14,726,701	\$15,121,646	\$18,482,592	\$21,772,895	\$25,292,798	\$28,844,242	\$32,162,925
2	Cost of Capital	Rate Case	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%
3	Return on Working Capital Requirement	(1) * (2)	\$2,684,339	\$2,363,989	\$1,916,938	\$1,311,317	\$1,106,090	\$1,316,337	\$1,351,639	\$1,652,055	\$1,946,157	\$2,260,781	\$2,578,225	\$2,874,863
4	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
5	Interest Charges Financed	(1) * (4)	\$1,211,298	\$1,066,742	\$865,011	\$591,727	\$499,119	\$593,992	\$609,922	\$745,484	\$878,196	\$1,020,169	\$1,163,415	\$1,297,272
6	Taxable Income	(3) - (5)	\$1,473,041	\$1,297,247	\$1,051,927	\$719,590	\$606,971	\$722,345	\$741,717	\$906,571	\$1,067,961	\$1,240,612	\$1,414,810	\$1,577,591
7	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
8	Return and Tax Requirement	(6) / (7)	\$2,266,216	\$1,995,765	\$1,618,349	\$1,107,061	\$933,801	\$1,111,300	\$1,141,103	\$1,394,725	\$1,643,016	\$1,908,633	\$2,176,631	\$2,427,064
9	Working Capital Requirement	(5) + (8)	\$3,477,515	\$3,062,507	\$2,483,360	\$1,698,789	\$1,432,920	\$1,705,292	\$1,751,025	\$2,140,209	\$2,521,212	\$2,928,803	\$3,340,046	\$3,724,336
10	Monthly Average	(9) / 12	\$289,793	\$255,209	\$206,947	\$141,566	\$119,410	\$142,108	\$145,919	\$178,351	\$210,101	\$244,067	\$278,337	\$310,361
11	<b>LNG Inventory Balance</b>		\$7,633,531	\$7,961,207	\$7,118,934	\$6,411,551	\$6,668,139	\$6,799,534	\$6,799,534	\$6,671,888	\$6,651,200	\$6,851,951	\$7,260,115	\$7,457,659
12	Cost of Capital	Rate Case	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%
13	Return on Working Capital Requirement	(11) * (12)	\$682,318	\$711,608	\$636,322	\$573,093	\$596,027	\$607,772	\$607,772	\$596,363	\$594,513	\$612,457	\$648,941	\$666,598
14	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
15	Interest Charges Financed	(11) * (14)	\$307,894	\$321,110	\$287,138	\$258,606	\$268,955	\$274,255	\$274,255	\$269,106	\$268,272	\$276,369	\$292,832	\$300,800
16	Taxable Income	(13) - (15)	\$374,425	\$390,497	\$349,184	\$314,487	\$327,072	\$333,517	\$333,517	\$327,256	\$326,241	\$336,088	\$356,109	\$365,798
17	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
18	Return and Tax Requirement	(16) / (17)	\$576,038	\$600,765	\$537,206	\$483,826	\$503,188	\$513,103	\$513,103	\$503,471	\$501,910	\$517,059	\$547,859	\$562,766
19	Working Capital Requirement	(15) + (18)	\$883,932	\$921,875	\$824,344	\$742,431	\$772,143	\$787,358	\$787,358	\$772,577	\$770,182	\$793,428	\$840,692	\$863,566
20	Monthly Average	(19) / 12	\$73,661	\$76,823	\$68,695	\$61,869	\$64,345	\$65,613	\$65,613	\$64,381	\$64,182	\$66,119	\$70,058	\$71,964
21	System Balancing Factor	Rate Case	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%	20.39%
22	Balancing Related Inventory Costs	(20) * (21)	\$15,019	\$15,664	\$14,007	\$12,615	\$13,120	\$13,379	\$13,379	\$13,127	\$13,087	\$13,482	\$14,285	\$14,673
23	Supply Related Inventory Costs	(21) - (22)	\$58,642	\$61,159	\$54,688	\$49,254	\$51,225	\$52,235	\$52,235	\$51,254	\$51,095	\$52,637	\$55,773	\$57,290
24	<b>Propane Inventory Balance</b>		\$386,409	\$383,172	\$379,641	\$381,180	\$380,569	\$375,680	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172
25	Cost of Capital	Rate Case	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%
26	Return on Working Capital Requirement	(24) * (25)	\$34,539	\$34,250	\$33,634	\$34,072	\$34,017	\$33,580	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250
27	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
28	Interest Charges Financed	(24) * (27)	\$15,586	\$15,455	\$15,313	\$15,375	\$15,350	\$15,153	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455
29	Taxable Income	(26) - (28)	\$18,953	\$18,795	\$18,621	\$18,697	\$18,667	\$18,427	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795
30	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
31	Return and Tax Requirement	(29) / (30)	\$29,159	\$28,915	\$28,648	\$28,764	\$28,718	\$28,349	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915
32	Working Capital Requirement	(28) + (31)	\$44,745	\$44,370	\$43,961	\$44,139	\$44,068	\$43,502	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370
33	Monthly Average	(32) / 12	\$3,729	\$3,697	\$3,663	\$3,678	\$3,672	\$3,625	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697

NEW ENGLAND GAS COMPANY  
Gas Cost Recovery Filing  
Costs Working Capital Calculation

Line No.	Description (a)	Reference (b)	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Total
1	<b>Supply Fixed Costs</b>														
2	Capacity Release Revenue		\$2,721,944	\$2,722,105	\$2,722,105	\$2,712,381	\$2,715,166	\$2,714,031	\$2,715,166	\$2,714,031	\$2,715,166	\$2,715,166	\$2,714,031	\$2,715,166	\$2,596,409
3	Allowable Working Capital Costs	(1) - (2)	\$487,328	\$485,747	\$490,345	\$484,507	\$490,345	\$490,345	\$505,004	\$505,004	\$505,004	\$505,004	\$505,004	\$505,004	\$5,958,642
4	Number of Days Lag	Rate Case	\$2,234,616	\$2,236,358	\$2,231,760	\$2,227,874	\$2,224,811	\$2,223,686	\$2,210,152	\$2,209,027	\$2,210,152	\$2,210,152	\$2,209,027	\$2,210,152	\$26,637,767
5	Working Capital Requirement	[(3) * (4)] / 365	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	
6	Cost of Capital	Rate Case	\$82,038	\$82,102	\$81,933	\$81,790	\$81,678	\$81,637	\$81,140	\$81,099	\$81,140	\$81,140	\$81,099	\$81,140	\$81,140
7	Return on Working Capital Requirement	(5) * (6)	\$7,333	\$7,339	\$7,324	\$7,311	\$7,301	\$7,297	\$7,253	\$7,249	\$7,253	\$7,253	\$7,249	\$7,253	\$7,253
8	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
9	Interest Expense	(5) * (6)	\$3,309	\$3,312	\$3,305	\$3,299	\$3,294	\$3,293	\$3,273	\$3,271	\$3,273	\$3,273	\$3,271	\$3,273	\$3,273
10	Taxable Income	(7) - (9)	\$4,024	\$4,027	\$4,019	\$4,012	\$4,006	\$4,004	\$3,980	\$3,978	\$3,980	\$3,980	\$3,978	\$3,980	\$3,980
11	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
12	Return and Tax Requirement	(10) / (11)	\$6,191	\$6,196	\$6,183	\$6,172	\$6,164	\$6,160	\$6,123	\$6,120	\$6,123	\$6,123	\$6,120	\$6,123	\$6,123
13	<b>Supply Fixed Working Capital Requirement</b>	(9) + (12)	\$9,500	\$9,507	\$9,488	\$9,471	\$9,458	\$9,453	\$9,396	\$9,391	\$9,396	\$9,396	\$9,391	\$9,396	\$113,241
14	<b>Storage Fixed Costs</b>														
15	Less: LNG Demand to DAC		\$818,500	\$847,401	\$811,714	\$781,637	\$828,309	\$798,150	\$819,948	\$865,948	\$844,098	\$865,948	\$843,033	\$819,948	\$9,944,633
16	Less: Credits		\$50,764	\$56,454	\$54,201	\$55,115	\$55,338	\$47,684	\$48,411	\$57,790	\$53,335	\$57,790	\$53,118	\$48,411	\$638,412
17	Plus: Supply Related LNG O&M Costs		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
18	Allowable Working Capital Costs	(14) - (15) + (16)	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$518,894
19	Number of Days Lag	Rate Case	\$810,977	\$834,188	\$800,754	\$789,763	\$816,212	\$793,708	\$814,778	\$851,399	\$834,004	\$851,399	\$833,156	\$814,778	\$9,825,116
20	Working Capital Requirement	Rate Case	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	
21	Cost of Capital	[(17) * (18)] / 365	\$29,773	\$30,625	\$29,398	\$28,260	\$29,965	\$29,139	\$29,912	\$31,257	\$30,618	\$31,257	\$30,587	\$29,912	\$29,912
22	Return on Working Capital Requirement	(19) * (20)	\$2,661	\$2,737	\$2,628	\$2,526	\$2,678	\$2,605	\$2,674	\$2,794	\$2,737	\$2,794	\$2,734	\$2,674	\$2,674
23	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
24	Interest Expense	(19) * (22)	\$1,201	\$1,186	\$1,186	\$1,140	\$1,209	\$1,175	\$1,206	\$1,261	\$1,235	\$1,261	\$1,234	\$1,206	\$1,206
25	Taxable Income	(19) - (23)	\$1,460	\$1,502	\$1,442	\$1,386	\$1,470	\$1,429	\$1,467	\$1,533	\$1,502	\$1,533	\$1,500	\$1,467	\$1,467
26	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
27	Return and Tax Requirement	(24) / (25)	\$2,247	\$2,311	\$2,218	\$2,133	\$2,261	\$2,199	\$2,257	\$2,359	\$2,310	\$2,359	\$2,308	\$2,257	\$2,257
28	<b>Storage Fixed Working Capital Requirement</b>	(23) + (26)	\$3,448	\$3,546	\$3,404	\$3,272	\$3,470	\$3,374	\$3,464	\$3,619	\$3,545	\$3,619	\$3,542	\$3,464	\$41,768

NEW ENGLAND GAS COMPANY  
Gas Cost Recovery Filing  
Costs Working Capital Calculation

Line No.	Description (a)	Reference (b)	Nov-05	Dec-05	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Total
1	<b>Supply Variable Costs</b>		\$18,411,770	\$41,490,502	\$27,982,570	\$29,635,873	\$28,413,069	\$14,639,218	\$11,714,155	\$7,098,830	\$6,587,466	\$6,646,495	\$7,279,108	\$13,992,144	\$213,891,201
2a	Less: Non-firm Sales		\$2,662	\$21,445	\$27,455	\$40,469	\$21,116	\$3,889	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2b	Less: Variable Delivery Storage Costs		\$2,804	\$628	\$432	\$58	\$450	\$8,383	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$117,056
2c	Less: Variable Injection Storage Costs		\$54,924	\$234,737	\$338,369	\$386,445	\$153,231	\$167,224	\$142,287	\$145,363	\$147,531	\$151,449	\$152,847	\$153,508	\$84,596
2d	Less: Fuel Costs Allocated to Storage		\$60,410	\$256,810	\$366,256	\$426,972	\$174,798	\$179,497	\$154,260	\$157,337	\$159,504	\$163,422	\$164,821	\$165,482	\$2,227,916
2e	Less: Supply Refunds		\$18,351,360	\$41,233,692	\$27,616,314	\$29,208,902	\$28,238,272	\$14,459,721	\$11,559,895	\$6,941,493	\$6,427,962	\$6,483,073	\$7,114,287	\$13,626,662	\$24,429,569
3	Allowable Working Capital Costs	(1) - (2)													
4	Number of Days Lag	Rate Case	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40
5	Working Capital Requirement	(3) * (4) / 365	\$673,721	\$1,513,785	\$1,013,859	\$1,072,327	\$1,036,693	\$530,850	\$424,391	\$254,638	\$235,985	\$238,009	\$261,182	\$507,609	\$507,609
6	Cost of Capital	Rate Case	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	Return on Working Capital Requirement	(5) * (6)	\$60,220	\$135,309	\$90,623	\$95,849	\$92,664	\$47,450	\$37,934	\$22,779	\$21,093	\$21,274	\$23,346	\$45,372	\$45,372
8	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
9	Interest Expense	(5) * (8)	\$27,174	\$61,058	\$40,893	\$43,252	\$41,814	\$21,412	\$17,118	\$10,279	\$9,518	\$9,600	\$10,535	\$20,474	\$20,474
10	Taxable Income	(7) - (9)	\$33,046	\$74,251	\$49,730	\$52,598	\$50,850	\$26,038	\$20,816	\$12,500	\$11,575	\$11,674	\$12,811	\$24,898	\$24,898
11	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
12	Return and Tax Requirement	(10) / (11)	\$50,840	\$114,233	\$76,507	\$80,919	\$78,230	\$40,059	\$32,025	\$19,230	\$17,808	\$17,961	\$19,709	\$38,305	\$38,305
13	<b>Supply Variable Working Capital Requirement</b>	(9) + (12)	\$78,014	\$175,290	\$117,401	\$124,171	\$120,045	\$61,470	\$49,143	\$29,509	\$27,326	\$27,560	\$30,244	\$58,779	\$898,953
14	<b>Storage Variable Product Costs</b>		\$612,677	\$4,450,252	\$6,391,295	\$7,804,146	\$3,107,915	\$490,204	\$185,151	\$188,614	\$193,586	\$191,196	\$182,792	\$188,065	\$23,995,892
15	Less: Balancing Related LNG Commodity (to DAC)		(\$39,105)	(\$94,499)	(\$245,997)	(\$199,561)	(\$52,205)	(\$30,559)	(\$39,791)	(\$38,458)	(\$39,472)	(\$38,985)	(\$37,271)	(\$38,346)	(\$893,251)
16	Plus: Supply Related LNG O&M Costs		\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$30,455	\$365,465
17	Allowable Working Capital Costs	(14) + (15) + (16)	\$604,027	\$4,386,208	\$6,175,753	\$7,636,041	\$3,086,166	\$490,101	\$185,815	\$180,611	\$184,569	\$182,666	\$175,976	\$180,174	\$23,468,107
18	Number of Days Lag	Rate Case	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40
19	Working Capital Requirement	(17) * (18) / 365	\$22,175	\$161,028	\$226,726	\$280,337	\$113,300	\$17,993	\$6,822	\$6,631	\$6,776	\$6,706	\$6,460	\$6,615	\$6,615
20	Cost of Capital	Rate Case	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
21	Return on Working Capital Requirement	(19) * (20)	\$1,982	\$14,393	\$20,266	\$25,058	\$10,127	\$1,608	\$610	\$593	\$606	\$599	\$577	\$591	\$591
22	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
23	Interest Expense	(19) * (22)	\$894	\$6,495	\$9,145	\$11,307	\$4,570	\$726	\$275	\$267	\$273	\$270	\$261	\$261	\$261
24	Taxable Income	(19) - (23)	\$1,088	\$7,898	\$11,121	\$13,751	\$5,557	\$883	\$335	\$325	\$332	\$329	\$317	\$324	\$324
25	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
26	Return and Tax Requirement	(24) / (25)	\$1,673	\$12,151	\$17,109	\$21,155	\$8,550	\$1,358	\$515	\$500	\$511	\$506	\$488	\$499	\$499
27	<b>Storage Var. Product Working Capital Requirement</b>	(23) + (26)	\$2,568	\$18,646	\$26,254	\$32,462	\$13,120	\$2,083	\$790	\$768	\$785	\$777	\$748	\$766	\$99,766
1	<b>Storage Variable Non-Product Costs</b>		\$92,134	\$609,218	\$700,933	\$868,382	\$344,026	\$179,497	\$154,260	\$157,337	\$159,504	\$163,422	\$164,821	\$165,482	\$3,759,015
2	Credits		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Allowable Working Capital Costs	(1) - (2)	\$92,134	\$609,218	\$700,933	\$868,382	\$344,026	\$179,497	\$154,260	\$157,337	\$159,504	\$163,422	\$164,821	\$165,482	\$3,759,015
4	Number of Days Lag	Rate Case	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40
5	Working Capital Requirement	(3) * (4) / 365	\$3,382	\$22,366	\$25,733	\$31,380	\$12,630	\$6,590	\$5,663	\$5,776	\$5,856	\$6,000	\$6,051	\$6,075	\$6,075
6	Cost of Capital	Rate Case	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	Return on Working Capital Requirement	(5) * (6)	\$302	\$1,999	\$2,300	\$2,850	\$1,129	\$589	\$506	\$516	\$523	\$536	\$541	\$543	\$543
8	Weighted Cost of Debt	Rate Case	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%	4.03%
9	Interest Expense	(5) * (8)	\$136	\$902	\$1,038	\$1,286	\$509	\$266	\$228	\$233	\$236	\$242	\$244	\$245	\$245
10	Taxable Income	(7) - (9)	\$166	\$1,097	\$1,262	\$1,564	\$620	\$323	\$278	\$283	\$287	\$294	\$297	\$298	\$298
11	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
12	Return and Tax Requirement	(10) / (11)	\$255	\$1,688	\$1,942	\$2,406	\$963	\$427	\$427	\$436	\$442	\$453	\$457	\$458	\$458
13	<b>Storage Variable Non-product WC Requirement</b>	(9) + (12)	\$392	\$2,590	\$2,980	\$3,692	\$1,462	\$763	\$656	\$669	\$678	\$695	\$701	\$703	\$15,980

Line No.	Rate Class (e)	Nov-05 (b) Actual	Dec-05 (c) Actual	Jan-06 (d) Actual	Feb-06 (e) Actual	Mar-06 (f) Actual	Apr-06 (g) Actual	May-06 (h) Forecast	Jun-06 (i) Forecast	Jul-06 (j) Forecast	Aug-06 (k) Forecast	Sep-06 (l) Forecast	Oct-06 (m) Forecast	Nov-06 (p)
<b>1 SALES (dth)</b>														
1	Residential Non-Heating	48,719	63,222	73,064	58,207	64,436	61,865	56,567	45,471	36,960	37,027	34,366	42,331	622,235
2	Residential Heating	1,110,436	2,283,820	2,916,973	2,299,220	2,781,742	2,086,352	1,209,381	617,205	424,029	423,990	411,545	638,913	17,203,606
3	Small C&I	125,274	297,039	406,660	325,158	394,965	267,802	138,631	61,325	48,038	45,392	41,626	62,334	2,214,234
4	Medium C&I	264,163	504,773	631,499	533,973	626,896	447,425	284,639	166,493	125,207	126,309	120,195	164,159	3,997,704
5	Large LLF	98,871	180,342	219,689	206,675	249,213	132,992	92,517	42,246	23,257	23,568	22,757	64,428	1,356,555
6	Large HLF	38,648	55,552	55,399	44,764	58,528	52,749	46,027	36,304	27,216	28,649	30,769	37,253	511,858
7	Extra Large LLF	13,712	31,134	29,003	23,799	34,521	18,412	7,262	2,159	2,230	2,119	2,230	7,973	172,836
8	Extra Large HLF	35,348	46,029	34,594	48,358	42,050	33,377	26,338	23,085	22,611	22,769	25,251	27,897	387,708
9	Total Sales	1,735,171	3,461,911	4,366,871	3,540,128	4,252,351	3,100,974	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,466,736
<b>11 ISS</b>														
12	Medium	1,778	5,149	7,110	6,555	7,682	3,422	3,422	3,422	17,182	14,509	11,803	19,978	356,387
13	Large LLF	2,043	5,028	6,043	4,360	6,297	3,537	3,537	4,782	2,504	1,877	3,649	5,175	153,142
14	Large HLF	678	1,411	986	679	1,880	1,520	1,520	4,237	3,369	3,642	4,192	3,564	60,548
15	Extra Large LLF	0	0	0	0	0	0	0	139	4	4	338	1,266	20,601
16	Extra Large HLF	0	0	0	0	0	0	0	0	0	0	0	0	0
17	Total TSS	4,499	10,318	14,139	11,594	15,859	8,479	8,479	26,321	20,203	20,032	19,983	29,983	590,677
<b>18 FT-2 TRANSPORTATION</b>														
19	FT-2 Medium	24,800	40,403	49,051	39,942	48,836	40,051	35,504	17,182	14,327	14,509	11,803	19,978	356,387
20	FT-2 Large LLF	10,336	20,850	28,544	18,225	26,398	19,341	11,480	4,782	2,504	1,877	3,649	5,175	153,142
21	FT-2 Large HLF	4,959	5,917	6,900	5,722	7,290	6,547	4,208	4,237	3,369	3,642	4,192	3,564	60,548
22	FT-2 Extra Large LLF	984	3,373	4,526	2,615	3,885	2,734	763	139	4	4	338	1,266	20,601
23	FT-2 Extra Large HLF	0	0	0	0	0	0	0	0	0	0	0	0	0
24	Total Transportation	41,049	70,543	89,021	66,504	86,409	68,673	51,956	26,321	20,203	20,032	19,983	29,983	590,677
<b>25 Sales &amp; FT-2 THROUGHPUT</b>														
25	Residential Non-Heating	48,719	63,222	73,064	58,207	64,436	61,865	56,567	45,471	36,960	37,027	34,366	42,331	622,235
26	Residential Heating	1,110,436	2,283,820	2,916,973	2,299,220	2,781,742	2,086,352	1,209,381	617,205	424,029	423,990	411,545	638,913	17,203,606
27	Small C&I	125,274	297,039	406,660	325,158	394,965	267,802	138,631	61,325	48,038	45,392	41,626	62,334	2,214,234
28	Medium C&I	290,741	550,325	687,660	580,444	683,414	490,898	320,143	185,675	139,534	140,818	131,999	184,136	4,385,787
29	Large LLF	111,250	206,220	254,276	229,260	281,908	155,870	103,997	47,009	25,761	25,445	26,406	69,603	1,537,005
30	Large HLF	44,285	61,610	63,285	51,165	67,698	60,816	50,235	40,541	30,585	32,292	34,961	40,817	578,290
31	Extra Large LLF	14,666	34,507	33,529	26,414	38,406	21,146	8,025	2,299	1,415	1,222	2,568	9,239	193,436
32	Extra Large HLF	35,348	46,029	34,594	48,358	42,050	33,377	26,338	23,085	22,611	22,769	25,251	27,897	387,708
33	Total Throughput	1,780,719	3,542,772	4,470,031	3,618,226	4,354,619	3,178,126	1,913,317	1,022,609	728,934	728,955	708,721	1,075,271	27,122,301
<b>35 FT-1 TRANSPORTATION</b>														
36	FT-1 Medium	57,280	102,967	90,411	93,121	66,590	51,254	37,983	28,680	27,512	27,642	49,109	43,229	695,789
37	FT-1 Large LLF	(64,540)	163,661	155,859	155,825	144,820	81,846	39,548	21,407	16,343	16,966	26,438	57,160	815,333
38	FT-1 Large HLF	43,263	98,052	37,731	43,145	45,983	31,000	29,876	28,851	27,334	27,926	36,865	32,852	422,879
39	FT-1 Extra Large LLF	58,653	95,281	90,021	91,835	75,994	48,316	33,675	18,283	15,164	15,578	20,672	44,820	608,291
40	FT-1 Extra Large HLF	244,448	285,153	286,590	275,209	286,717	228,877	258,666	228,917	215,754	227,815	233,269	252,042	3,023,556
41	Total Transportation	339,114	685,114	660,612	659,135	640,104	441,293	399,747	326,139	302,107	316,027	366,352	430,104	5,565,847
<b>42 Total THROUGHPUT</b>														
42	Residential Non-Heating	48,719	63,222	73,064	58,207	64,436	61,865	56,567	45,471	36,960	37,027	34,366	42,331	622,235
43	Residential Heating	1,110,436	2,283,820	2,916,973	2,299,220	2,781,742	2,086,352	1,209,381	617,205	424,029	423,990	411,545	638,913	17,203,606
44	Small C&I	125,274	297,039	406,660	325,158	394,965	267,802	138,631	61,325	48,038	45,392	41,626	62,334	2,214,234
45	Medium C&I	264,163	504,773	631,499	533,973	626,896	447,425	284,639	166,493	125,207	126,309	120,195	164,159	3,997,704
46	Large LLF	98,871	180,342	219,689	206,675	249,213	132,992	92,517	42,246	23,257	23,568	22,757	64,428	1,356,555
47	Large HLF	38,648	55,552	55,399	44,764	58,528	52,749	46,027	36,304	27,216	28,649	30,769	37,253	511,858
48	Extra Large LLF	13,712	31,134	29,003	23,799	34,521	18,412	7,262	2,159	2,230	2,119	2,230	7,973	172,836
49	Extra Large HLF	35,348	46,029	34,594	48,358	42,050	33,377	26,338	23,085	22,611	22,769	25,251	27,897	387,708
50	Total Throughput	2,119,833	4,227,886	5,130,643	4,277,361	4,994,723	3,619,419	2,313,064	1,348,748	1,031,042	1,044,981	1,075,073	1,506,375	32,688,148