

# New England Gas Company

March 20, 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 four months of actual data and eight months of forecasted data, the October 31, 2006 deferred gas cost balance is projected to be an over-collection of \$8.6 million (see attached Schedule 1, page 2).

The \$8.6 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 February 2006 along with projected costs for March through October 2006. These projected gas costs are based on the March 16, 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 February 2006, actual gas costs were \$41.0 million, working capital was \$173 thousand and GCR revenue collections were \$41.6 million for a net over-collection of \$447 thousand. Schedule 2 presents actual gas costs for November through February and forecasted gas costs for March 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

100 Weybosset Street  
Providence, RI 02903

[www.negasco.com](http://www.negasco.com)

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**3-16-06 NYMEX**

	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
	30	31	31	28	31	30	31	30	31	31	30	31	
	actual	actual	actual	actual	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast	
<b>I. Supply Fixed Cost/Deferred</b>													
Beginning Balance	(\$1,748,842)	(\$1,015,334)	(\$2,147,370)	(\$4,147,587)	(\$5,256,011)	(\$6,504,221)	(\$6,966,688)	(\$6,038,134)	(\$4,274,950)	(\$2,228,534)	(\$172,266)	\$1,913,176	\$1,913,176
Supply Fixed Costs (net of cap rel)	\$2,196,146	\$2,173,666	\$2,192,742	\$2,286,086	\$2,226,472	\$2,225,347	\$2,226,472	\$2,225,347	\$2,226,472	\$2,226,472	\$2,225,347	\$2,226,472	\$26,657,041
Capacity Release	\$0	\$0	\$0	\$0	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$3,922,760
Working Capital	\$9,507	\$9,507	\$9,488	\$9,478	\$9,465	\$9,460	\$9,465	\$9,460	\$9,465	\$9,465	\$9,460	\$9,465	\$113,678
Total Supply Fixed Costs	\$2,205,646	\$2,183,173	\$2,202,230	\$2,295,564	\$2,726,282	\$2,725,152	\$2,726,282	\$2,725,152	\$2,726,282	\$2,726,282	\$2,725,152	\$2,726,282	\$30,693,480
Supply Fixed - Collections	\$1,487,711	\$3,308,294	\$4,186,417	\$3,384,192	\$3,947,089	\$3,157,240	\$1,767,424	\$938,711	\$664,712	\$664,419	\$643,637	\$984,469	\$25,136,315
Prelim. Ending Balance	(\$1,030,907)	(\$2,140,455)	(\$4,133,558)	(\$5,236,215)	(\$6,476,818)	(\$6,936,309)	(\$6,007,830)	(\$4,251,692)	(\$2,213,380)	(\$166,871)	(\$1,909,250)	\$3,654,989	
Month's Average Balance	(\$1,389,875)	(\$1,577,895)	(\$3,140,464)	\$4,691,901	(\$5,866,415)	(\$6,720,265)	(\$6,487,259)	(\$5,144,913)	(\$3,244,165)	(\$1,197,603)	\$668,492	\$2,784,082	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	
Interest Applied	(\$5,712)	(\$6,915)	(\$14,030)	(\$19,796)	(\$27,403)	(\$30,379)	(\$30,303)	(\$23,258)	(\$15,154)	(\$5,594)	\$3,926	\$13,005	(\$161,614)
Asset Management Incentive	\$21,285												
Supply Fixed Ending Balance	(\$1,015,334)	(\$2,147,370)	(\$4,147,587)	(\$5,256,011)	(\$6,504,221)	(\$6,966,688)	(\$6,038,134)	(\$4,274,950)	(\$2,228,534)	(\$172,266)	\$1,913,176	\$3,667,994	

**II. Storage Fixed Cost/Deferred**

Beginning Balance	(\$602,184)	(\$375,590)	(\$759,027)	(\$1,509,143)	(\$1,990,274)	(\$2,585,754)	(\$2,940,681)	(\$2,792,504)	(\$2,297,266)	(\$1,716,184)	(\$1,114,710)	(\$521,120)	(\$10,021,469)
Storage Fixed Costs	\$818,500	\$847,401	\$811,714	\$781,637	\$876,886	\$826,141	\$819,992	\$865,992	\$844,142	\$865,992	\$843,078	\$819,992	(\$637,235)
LNG Demand to DAC	(\$50,764)	(\$56,454)	(\$54,201)	(\$55,115)	(\$53,687)	(\$48,158)	(\$48,411)	(\$57,790)	(\$53,335)	(\$57,790)	(\$53,118)	(\$48,411)	\$43,241
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	\$43,241
Working Capital	\$3,448	\$3,546	\$3,404	\$3,272	\$3,682	\$3,491	\$3,464	\$3,620	\$3,546	\$3,620	\$3,542	\$3,464	\$42,100
Total Storage Fixed Costs	\$814,425	\$837,734	\$804,158	\$773,036	\$870,124	\$824,716	\$818,287	\$865,063	\$837,594	\$865,063	\$836,743	\$818,287	\$9,945,228
TSS Peaking Collections	\$2,734	\$1,845	\$3,857	(\$1)									
Storage Fixed - Collections	\$583,091	\$1,216,846	\$1,545,362	\$1,246,801	\$1,454,940	\$1,167,180	\$656,751	\$348,346	\$247,160	\$246,993	\$239,463	\$366,135	\$9,319,068
Prelim. Ending Balance	(\$373,585)	(\$756,546)	(\$1,504,088)	(\$1,982,908)	(\$2,575,091)	(\$2,928,217)	(\$2,779,145)	(\$2,285,787)	(\$1,706,832)	(\$1,108,114)	(\$517,431)	(\$66,968)	
Month's Average Balance	(\$487,885)	(\$566,068)	(\$1,131,558)	(\$1,746,025)	(\$2,282,682)	(\$2,756,985)	(\$2,859,913)	(\$2,539,146)	(\$2,002,049)	(\$1,412,149)	(\$816,070)	(\$295,044)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	
Interest Applied	(\$2,005)	(\$2,481)	(\$5,055)	(\$7,357)	(\$10,663)	(\$12,463)	(\$13,359)	(\$11,478)	(\$9,352)	(\$6,596)	(\$3,689)	(\$1,378)	(\$85,887)
Storage Fixed Ending Balance	(\$375,590)	(\$759,027)	(\$1,509,143)	(\$1,990,274)	(\$2,585,754)	(\$2,940,681)	(\$2,792,504)	(\$2,297,266)	(\$1,716,184)	(\$1,114,710)	(\$521,120)	(\$70,346)	

**III. Variable Supply Cost/Deferred**

Beginning Balance	\$16,218,264	\$20,538,572	\$30,305,194	\$18,063,167	\$15,005,836	\$9,494,204	\$6,578,670	(\$11,932,516)	(\$14,162,259)	(\$14,228,508)	(\$14,156,217)	(\$13,302,885)	\$217,867,800
Variable Supply Costs	\$18,411,770	\$41,490,502	\$27,982,570	\$29,635,873	\$31,237,814	\$15,287,657	\$11,804,443	\$7,061,869	\$6,608,875	\$6,752,474	\$7,343,737	\$14,250,214	(\$111,351)
Variable Delivery Storage	(\$2,682)	(\$21,445)	(\$27,455)	(\$40,459)	(\$14,749)	(\$4,551)	\$0	\$0	\$0	\$0	\$0	\$0	(\$87,736)
Variable Injections Storage	(\$2,804)	(\$628)	(\$432)	(\$58)	\$0	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$11,974)	(\$153,508)
Fuel Cost Allocated to Storage	(\$54,924)	(\$234,737)	(\$338,369)	(\$386,445)	(\$148,792)	(\$174,896)	(\$142,287)	(\$145,363)	(\$147,531)	(\$151,449)	(\$152,847)	(\$153,508)	(\$2,231,149)
Working Capital	\$78,014	\$175,290	\$117,401	\$124,171	\$132,101	\$64,176	\$49,527	\$29,352	\$27,417	\$28,011	\$30,519	\$59,876	\$915,855
Total Supply Variable Costs	\$18,429,374	\$41,406,982	\$27,733,715	\$29,333,073	\$31,206,374	\$15,160,412	\$11,699,710	\$6,933,884	\$6,476,788	\$6,617,063	\$7,209,435	\$14,144,609	\$216,353,418
Supply Variable - Collections	\$14,017,516	\$31,753,454	\$40,081,531	\$32,459,945	\$37,772,765	\$30,237,607	\$17,010,421	\$9,104,779	\$6,476,881	\$6,478,631	\$6,294,177	\$9,552,577	\$241,240,284
Deferred Responsibility	\$18,741	\$73	\$2,011	\$73									
Prelim. Ending Balance	\$20,611,381	\$30,194,028	\$17,955,367	\$14,936,221	\$8,499,445	(\$6,582,990)	(\$11,889,382)	(\$14,103,411)	(\$14,162,352)	(\$14,090,076)	(\$13,240,959)	(\$8,710,853)	
Month's Average Balance	\$18,414,822	\$25,366,300	\$24,130,281	\$16,499,694	\$11,722,641	\$955,607	(\$9,234,026)	(\$13,017,963)	(\$14,162,306)	(\$14,159,292)	(\$13,698,586)	(\$11,006,869)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	
Interest Applied	\$75,677	\$111,167	\$107,800	\$69,615	\$54,759	\$4,320	(\$43,134)	(\$58,848)	(\$66,155)	(\$66,141)	(\$61,925)	(\$51,416)	\$75,718
Gas Procurement Incentive/penalty	(\$148,486)												
Supply Variable Ending Balance	\$20,538,572	\$30,305,194	\$18,063,167	\$15,005,836	\$8,494,204	(\$6,578,670)	(\$11,932,516)	(\$14,162,259)	(\$14,228,508)	(\$14,156,217)	(\$13,302,885)	(\$8,710,853)	

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**3-16-06 NYMEX**

	Nov-05 30 actual	Dec-05 31 actual	Jan-06 31 actual	Feb-06 28 actual	Mar-06 31 fcst	Apr-06 30 forecast	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
<b>IVa. Storage Variable Product Cost Deferred.</b>													
Beginning Balance		(\$1,468,934)	(\$634,322)	\$928,711	\$4,831,505	\$3,251,324	\$646,309	(\$1,054,192)	(\$1,765,739)	(\$2,120,813)	(\$2,442,174)	(\$2,708,990)	
Storage Variable Prod. Costs - LNG	\$191,786	\$463,460	\$1,206,460	\$973,815	\$390,328	\$190,241	\$196,582	\$190,015	\$195,806	\$194,898	\$187,784	\$193,723	\$4,574,898
Storage Variable Prod. Costs - LP			\$6,768	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,684
Storage Variable Prod. Costs - UG	\$416,975	\$3,986,792	\$5,178,067	\$6,830,331	\$2,477,185	\$729,330	\$0	\$0	\$0	\$0	\$0	\$0	\$19,618,681
Supply Related LNG to DAC	(\$39,105)	(\$94,499)	(\$245,997)	(\$198,561)	(\$79,588)	(\$38,790)	(\$40,083)	(\$38,744)	(\$39,925)	(\$39,740)	(\$38,289)	(\$39,500)	(\$932,822)
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	\$49,254	\$49,764	\$48,303	\$47,325	\$47,383	\$49,379	\$53,037	\$54,762	\$622,949
Inventory Financing - UG	\$289,793	\$255,209	\$206,947	\$141,566	\$141,566	\$119,113	\$143,005	\$175,839	\$208,629	\$242,864	\$277,843	\$312,597	\$2,514,972
Inventory Financing - LP	\$3,729	\$3,697	\$3,663	\$3,678	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$3,697	\$44,348
Working Capital	\$2,568	\$18,646	\$26,254	\$32,462	\$11,981	\$3,874	\$795	\$773	\$792	\$789	\$765	\$785	\$100,484
Total Storage Variable Product Costs	\$958,758	\$4,724,919	\$6,467,306	\$7,863,001	\$3,024,880	\$1,087,685	\$382,755	\$409,361	\$446,839	\$482,343	\$515,293	\$556,519	\$26,919,659
Storage Variable Product Collections	\$1,706,266	\$3,885,709	\$4,904,928	\$3,972,333	\$4,623,395	\$3,701,490	\$2,082,305	\$1,114,548	\$792,857	\$793,072	\$770,492	\$1,169,364	\$29,517,259
Prelim. Ending Balance	(\$1,464,452)	(\$629,724)	\$928,055	\$4,819,379	\$3,232,490	\$637,519	(\$1,053,241)	(\$1,759,379)	(\$2,111,756)	(\$2,431,542)	(\$2,697,373)	(\$3,321,834)	
Month's Average Balance	(\$1,090,698)	(\$1,049,329)	\$146,866	\$2,874,045	\$4,031,998	\$1,944,422	(\$1,406,785)	(\$1,406,785)	(\$1,938,747)	(\$2,276,177)	(\$2,569,773)	(\$3,015,412)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	
Interest Applied	(\$4,482)	(\$4,599)	\$656	\$12,126	\$18,834	\$8,790	(\$950)	(\$6,359)	(\$9,056)	(\$10,633)	(\$11,617)	(\$14,086)	(\$21,376)
Storage Variable Product Ending Bal.	(\$1,468,934)	(\$634,322)	\$928,711	\$4,831,505	\$3,251,324	\$646,309	(\$1,054,192)	(\$1,755,739)	(\$2,120,813)	(\$2,442,174)	(\$2,708,990)	(\$3,335,920)	
<b>IVb. Stor Var Non-Prod Cost Deferred.</b>													
Beginning Balance		(\$93,281)	(\$97,636)	(\$38,210)	\$313,545	\$23,225	(\$205,641)	(\$327,276)	(\$317,876)	(\$263,935)	(\$205,801)	(\$143,043)	
Storage Variable Non-Prod. Costs	\$31,724	\$352,408	\$334,677	\$441,410	\$150,370	\$65,853	\$0	\$0	\$0	\$0	\$0	\$0	\$1,376,443
Variable Delivery Storage Costs	\$2,682	\$21,445	\$27,455	\$40,469	\$14,749	\$4,551	\$0	\$0	\$0	\$0	\$0	\$0	\$111,351
Fuel Costs Allocated to Storage	\$54,924	\$234,737	\$338,369	\$386,445	\$148,792	\$174,896	\$142,287	\$145,363	\$147,531	\$151,449	\$152,847	\$153,508	\$87,736
Working Capital	\$392	\$2,590	\$2,980	\$3,692	\$1,334	\$1,094	\$658	\$669	\$678	\$695	\$701	\$703	\$16,183
Total Storage Var Non-Product Costs	\$92,526	\$611,808	\$703,913	\$872,073	\$315,247	\$258,368	\$154,916	\$158,006	\$160,182	\$164,117	\$165,522	\$166,185	\$3,822,863
Storage Var Non-Product Collections	\$198,807	\$508,628	\$644,185	\$520,898	\$606,351	\$486,822	\$275,310	\$147,151	\$104,865	\$104,889	\$101,976	\$154,720	\$3,854,622
Prelim. Ending Balance	(\$199,563)	(\$96,985)	(\$37,907)	\$312,955	\$22,440	(\$205,229)	(\$326,034)	(\$316,421)	(\$262,579)	(\$204,707)	(\$142,256)	(\$131,577)	
Month's Average Balance	(\$146,422)	(\$148,575)	(\$67,772)	\$137,378	\$167,993	(\$91,002)	(\$265,837)	(\$321,849)	(\$290,228)	(\$234,321)	(\$174,029)	(\$137,310)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	
Interest Applied	(\$602)	(\$651)	(\$303)	\$580	\$785	(\$411)	(\$1,242)	(\$1,455)	(\$1,356)	(\$1,095)	(\$787)	(\$641)	(\$7,178)
Storage Var Non-Product Ending Bal.	(\$200,164)	(\$97,636)	(\$38,210)	\$313,545	\$23,225	(\$205,641)	(\$327,276)	(\$317,876)	(\$263,935)	(\$205,801)	(\$143,043)	(\$7,178)	
<b>GCR Deferred Summary</b>													
Beginning Balance	\$13,057,012	\$17,478,550	\$26,666,839	\$13,296,937	\$12,904,601	\$2,678,779	(\$16,045,371)	(\$22,144,622)	(\$22,818,090)	(\$20,557,973)	(\$18,091,169)	(\$14,762,861)	
Gas Costs	\$22,388,066	\$49,556,964	\$37,749,784	\$40,963,598	\$37,984,341	\$19,974,238	\$15,718,043	\$11,037,593	\$10,605,788	\$10,802,288	\$11,407,158	\$18,337,588	\$286,525,450
Working Capital	\$93,921	\$209,690	\$159,526	\$173,075	\$156,565	\$82,095	\$33,906	\$43,673	\$41,898	\$42,579	\$44,987	\$44,294	\$1,188,299
Total Costs	\$22,481,987	\$49,766,544	\$37,909,310	\$41,136,673	\$38,142,906	\$20,056,333	\$15,781,949	\$11,081,466	\$10,647,686	\$10,844,868	\$11,452,145	\$18,411,882	\$287,713,749
Collections	\$17,996,125	\$40,674,776	\$51,368,280	\$41,584,168	\$48,405,040	\$38,750,339	\$21,792,211	\$11,653,535	\$8,286,495	\$8,286,004	\$8,049,745	\$12,227,265	\$309,075,983
Prelim. Ending Balance	\$17,542,875	\$26,570,318	\$13,207,869	\$12,649,443	\$2,642,467	(\$16,015,227)	(\$22,055,633)	(\$22,716,699)	(\$20,456,899)	(\$18,001,109)	(\$14,688,769)	(\$8,578,244)	
Month's Average Balance	\$15,299,943	\$22,024,434	\$19,937,354	\$13,073,190	\$7,773,534	(\$6,666,224)	(\$19,050,502)	(\$22,430,657)	(\$21,637,495)	(\$19,279,541)	(\$16,389,969)	(\$11,670,552)	
Interest Rate (Bank of America Prime)	5.00%	5.16%	5.26%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	5.50%	
Interest Applied	\$62,876	\$96,521	\$89,068	\$55,158	\$36,312	(\$30,144)	(\$88,989)	(\$101,399)	(\$101,074)	(\$90,059)	(\$74,092)	(\$54,516)	(\$200,337)
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	\$12,904,601	\$2,678,779	(\$16,045,371)	(\$22,144,622)	(\$22,818,090)	(\$20,557,973)	(\$18,091,169)	(\$14,762,861)	(\$8,632,759)	
Under/(Over)-collection	\$4,485,862	\$9,091,768	(\$13,458,970)	(\$447,495)	(\$10,262,134)	(\$18,694,006)	(\$6,010,262)	(\$572,069)	\$2,361,191	\$2,556,864	\$3,402,400	\$6,184,617	

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

**SUPPLY FIXED COSTS - Pipeline Delivery**

	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	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	Forecast	
Comoco	\$2,068,532	\$2,145,522	\$2,117,812	\$2,040,853	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$529,948	\$8,372,719
Algonquin	(\$37,252)	(\$99,311)	(\$82,798)	\$13,795	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$118,987	\$4,054,015
Texas Eastern	\$0	\$0	\$0	\$0	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$8,983	\$951,896
					\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$94,208	\$753,667
					\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$44,413	\$355,307
					\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$56,425	\$451,402
TEECO	\$0	\$0	\$0	\$0	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$17,501	\$140,008
					\$492,734	\$492,734	\$492,734	\$492,734	\$492,734	\$492,734	\$492,734	\$492,734	\$3,941,872
					\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$7,677	\$61,418
					\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$1,554	\$12,434
					\$732	\$732	\$732	\$732	\$732	\$732	\$732	\$732	\$5,858
					\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$1,124	\$8,991
					\$288	\$288	\$288	\$288	\$288	\$288	\$288	\$288	\$2,306
					\$9,001	\$9,001	\$9,001	\$9,001	\$9,001	\$9,001	\$9,001	\$9,001	\$72,004
					\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$1,092	\$8,732
					\$939	\$939	\$939	\$939	\$939	\$939	\$939	\$939	\$7,512
					\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$432	\$3,458
					\$202	\$202	\$202	\$202	\$202	\$202	\$202	\$202	\$1,619
Tennessee	\$0	\$0	\$0	\$0	\$4,823	\$4,823	\$4,823	\$4,823	\$4,823	\$4,823	\$4,823	\$4,823	\$38,583
					\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$156,477	\$1,251,815
					\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$301,530	\$2,412,244
					\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$47,400	\$379,200
					\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$5,260	\$42,082
NETNE	\$0	\$0	\$0	\$0	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$84,880
IROQUOIS	\$0	\$0	\$0	\$0	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$56,337
Dominion	\$0	\$0	\$0	\$0	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$2,375	\$19,001
Transco	\$0	\$0	\$0	\$0	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$1,653	\$13,227
					\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$34	\$268
National Fuel	\$0	\$0	\$0	\$0	\$3,603	\$3,603	\$3,603	\$3,603	\$3,603	\$3,603	\$3,603	\$3,603	\$28,823
Columbia	\$0	\$0	\$0	\$0	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$33,493
Texas Gas	\$0	\$0	\$0	\$0	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$283,591	\$2,268,729
HUBLINE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
WESTERLY LATERAL	\$59,862	\$59,862	\$60,096	\$66,830	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$46,232	\$369,856
					\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$27,983	\$223,866
					\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$59,862	\$725,542
Less Credits from Mktr Releases	\$271,655	\$283,817	\$291,940	\$200,411	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,047,823
<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>\$2,348,903</b>	<b>\$2,348,903</b>	<b>\$2,348,903</b>	<b>\$2,348,903</b>	<b>\$2,348,903</b>	<b>\$2,348,903</b>	<b>\$2,348,903</b>	<b>\$2,348,903</b>	<b>\$26,177,202</b>
<b>Supply Fixed - Supplier</b>	<b>\$31,375</b>	<b>\$31,410</b>	<b>\$32,697</b>	<b>\$31,519</b>	<b>\$31,000</b>	<b>\$31,000</b>	<b>\$31,000</b>	<b>\$31,000</b>	<b>\$31,000</b>	<b>\$31,000</b>	<b>\$31,000</b>	<b>\$31,000</b>	<b>\$375,001</b>
ANE OPS Demand	\$0	\$0	\$0	\$0	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$39	\$314
BP	\$43,284	\$18,000	\$34,875	\$31,500	\$33,750	\$33,750	\$33,750	\$33,750	\$33,750	\$33,750	\$33,750	\$33,750	\$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
<b>Total</b>	<b>\$376,659</b>	<b>\$351,410</b>	<b>\$369,572</b>	<b>\$365,019</b>	<b>\$366,789</b>	<b>\$366,789</b>	<b>\$366,789</b>	<b>\$366,789</b>	<b>\$366,789</b>	<b>\$366,789</b>	<b>\$366,789</b>	<b>\$367,914</b>	<b>\$4,402,599</b>
<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>\$2,716,817</b>	<b>\$2,716,692</b>	<b>\$2,716,817</b>	<b>\$2,716,817</b>	<b>\$2,716,817</b>	<b>\$2,716,817</b>	<b>\$2,716,692</b>	<b>\$2,716,817</b>	<b>\$30,579,802</b>

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

	Nov-05 Actual	Dec-05 Actual	Jan-06 Actual	Feb-06 Actual	Mar-06 Forecast	Apr-06 Forecast	May-06 Forecast	Jun-06 Forecast	Jul-06 Forecast	Aug-06 Forecast	Sep-06 Forecast	Oct-06 Forecast	Nov-Oct
<b>STORAGE FIXED COSTS - Facilities</b>													
CONOCO	\$220,877	\$228,301	\$200,766	\$219,712	\$80,775	\$80,775	\$80,775	\$80,775	\$80,775	\$80,775	\$80,775	\$80,775	\$646,196
TEXAS EASTERN SS-1 DEMAND					\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$106,891
TEXAS EASTERN SS-1 CAPACITY					\$845	\$845	\$845	\$845	\$845	\$845	\$845	\$845	\$6,759
TEXAS EASTERN FSS-1 DEMAND					\$610	\$610	\$610	\$610	\$610	\$610	\$610	\$610	\$4,882
TEXAS EASTERN FSS-1 CAPACITY					\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$21,466	\$171,729
DOMINION GSS DEMAND					\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$120,559
DOMINION GSS CAPACITY					\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$26,863	\$214,906
DOMINION GSS-TE DEMAND					\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$159,654
DOMINION GSS-TE CAPACITY					\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$194,755
TENNESSEE FSMA DEMAND					\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$120,671
TENNESSEE FSMA CAPACITY					\$3,818	\$3,818	\$3,818	\$3,818	\$3,818	\$3,818	\$3,818	\$3,818	\$30,540
COLUMBIA FSS DEMAND					\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$5,874	\$46,992
COLUMBIA FSS CAPACITY					\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$1,890,000
ALGONQUIN TANK LEASE PAYMENTS	\$378,377	\$385,801	\$358,266	\$377,212	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$3,714,534
<b>TOTAL FIXED STORAGE COSTS</b>													
<b>STORAGE FIXED COSTS - Delivery</b>													
CONOCO	\$364,568	\$364,179	\$364,151	\$343,161	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$83,536	\$1,436,059
ALGONQUIN FOR TETCO SS-1	(\$14,822)	(\$21,797)	(\$21,797)	(\$872)	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$5,577	\$609,000
ALGONQUIN DELIVERY FOR FSS-1	\$0	\$0	\$0	\$0	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904	\$4,904	\$44,613
TETCO DELIVERY FOR FSS-1	\$0	\$0	\$0	\$0	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$1,571	\$39,233
ALGONQUIN SCT FOR SS-1	\$0	\$0	\$0	\$0	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$65,240	\$521,920
ALGONQUIN DELIVERY FOR GSS, GSS-TE,	\$0	\$0	\$0	\$0	\$447	\$447	\$447	\$447	\$447	\$447	\$447	\$447	\$3,577
ALGONQUIN DELIVERY FOR GSS CONV	\$0	\$0	\$0	\$0	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$19,943	\$159,541
TENNESSEE DELIVERY FOR GSS	(\$1,089)	(\$153)	\$2,771	(\$50,668)	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$38,762	\$250,958
TENNESSEE DELIVERY FOR FSMA					\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$25,062	\$200,496
TETCO DELIVERY FOR GSS					\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$29,313	\$234,501
TETCO DELIVERY FOR GSS-TE					\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$3,538	\$28,303
TETCO DELIVERY FOR GSS-TE					\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$34,396	\$275,164
TETCO DELIVERY FOR GSS CONV					\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$10,674	\$85,391
DOMINION DELIVERY FOR GSS					\$23,628	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$23,628
DOMINION DELIVERY FOR GSS CONV					\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$9,116	\$72,926
ALGONQUIN DELIVERY FOR FSS					\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$15,038	\$120,307
COLUMBIA DELIVERY FOR FSS					\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$14,776	\$73,864
DISTRIGAS FLS	\$91,466	\$119,371	\$108,323	\$112,804	\$105,800	\$78,683	\$79,925	\$125,925	\$104,075	\$125,925	\$103,010	\$79,925	\$1,235,232
<b>STORAGE DELIVERY FIXED COST \$</b>	\$440,123	\$461,600	\$453,448	\$404,425	\$491,319	\$440,575	\$434,426	\$480,426	\$458,576	\$480,426	\$457,511	\$434,426	\$5,437,279
<b>TOTAL STORAGE FIXED</b>	\$818,500	\$847,401	\$811,714	\$781,637	\$876,886	\$826,141	\$819,992	\$865,992	\$844,142	\$865,992	\$843,078	\$819,992	\$9,151,813
<b>TOTAL FIXED COSTS</b>	\$3,014,646	\$3,021,067	\$3,004,456	\$3,067,723	\$3,593,703	\$3,541,834	\$3,536,809	\$3,581,684	\$3,560,959	\$3,582,809	\$3,558,770	\$3,536,809	\$39,731,615

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

**VARIABLE SUPPLY COSTS**

	Nov-05 Actual	Dec-05 Actual	Jan-06 Actual	Feb-06 Actual	Mar-06 Forecast	Apr-06 Forecast	May-06 Forecast	Jun-06 Forecast	Jul-06 Forecast	Aug-06 Forecast	Sep-06 Forecast	Oct-06 Forecast	Nov-Oct
Tennessee Zone 0					\$2,616,886	\$2,211,898	\$2,512,524	\$2,353,993	\$2,603,371	\$2,660,884	\$2,524,366	\$2,613,955	\$20,097,898
Tennessee Zone 1					\$5,478,462	\$2,033,241	\$1,257,465	\$1,209,156	\$1,302,932	\$1,331,716	\$1,284,830	\$1,308,229	\$15,206,032
Tennessee Dracut					\$907,326	\$567,240	\$689,710	\$0	\$0	\$0	\$0	\$0	\$2,164,276
TETCO STX					\$2,553,287	\$385,026	\$1,070,585	\$628,381	\$311,727	\$555,297	\$948,279	\$2,466,162	\$8,918,745
TETCO ELA					\$2,586,805	\$1,758,825	\$1,997,873	\$648,791	\$1,037,967	\$625,598	\$1,052,506	\$1,201,058	\$10,909,422
TETCO WLA					\$2,736,389	\$942,621	\$341,408	\$0	\$0	\$0	\$0	\$0	\$4,020,418
TETCO ETX					\$2,847,335	\$1,240,558	\$1,651,411	\$1,752,470	\$876,516	\$1,094,496	\$1,058,621	\$1,679,714	\$12,201,120
TETCO NF					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
M3 Delivered	(\$431,489)	\$610,497	(\$642,131)	\$212,246	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Maumee Supplemental					\$8,062,257	\$3,878,253	\$740,869	\$0	\$0	\$0	\$0	\$0	(\$250,877)
Broadrun Col					\$667,172	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15,310,334
Columbia AGT					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,852,625
Trans Wharton					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transco to Dominion					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Texas Gas to Dominion					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Niagara to Tennessee					\$184,487	\$203,639	\$214,990	\$212,296	\$223,830	\$227,915	\$223,713	\$235,478	\$2,826,541
TETCO to B & W					\$313,422	\$234,015	\$265,619	\$256,792	\$252,532	\$256,568	\$251,403	\$264,039	\$2,094,389
Tenn Zone 0 VG					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tenn Zone 1 VG					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
LNG FCS					\$1,749,823	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$1,749,823
Hubline					\$534,163	\$1,832,341	\$1,061,988	\$0	\$0	\$0	\$0	\$0	\$0
Suppliers	\$19,637,351	\$41,274,216	\$28,890,510	\$30,409,515	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Total Pipeline Commodity Charges	\$19,500,993	\$42,218,971	\$27,908,805	\$30,393,516	\$31,237,814	\$15,287,657	\$11,804,443	\$7,061,869	\$6,608,875	\$6,752,474	\$7,343,737	\$14,250,214	\$101,196,410

**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	Forecast	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	\$2,477,185	\$729,330	\$0	\$0	\$0	\$0	\$0	\$0	\$19,618,681
LNG Withdrawals/Westerly Trucking	\$191,786	\$641,431	\$1,028,469	\$973,815	\$390,328	\$190,241	\$196,582	\$190,015	\$195,806	\$194,898	\$187,784	\$193,723	\$4,574,898
LP	\$3,916	\$3,237	\$3,531	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,684
<b>TOTAL VARIABLE STORAGE COSTS</b>	\$612,677	\$4,631,460	\$6,210,087	\$7,804,146	\$2,867,514	\$919,571	\$196,582	\$190,015	\$195,806	\$194,898	\$187,784	\$193,723	\$24,204,263
<b>TOTAL VARIABLE COSTS</b>	\$20,113,670	\$46,850,431	\$34,118,892	\$38,197,662	\$34,105,328	\$16,207,228	\$12,001,026	\$7,251,884	\$6,804,681	\$6,947,372	\$7,531,521	\$14,443,937	\$244,573,632
<b>TOTAL SUPPLY COSTS</b>	\$23,128,316	\$49,871,498	\$37,123,348	\$41,265,385	\$37,699,032	\$19,749,061	\$15,537,835	\$10,833,568	\$10,365,641	\$10,530,181	\$11,090,291	\$17,980,746	\$284,305,247
<b>TOTAL CAPACITY RELEASE CREDITS</b>	\$0	\$0	\$0	\$0	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$3,922,760
<b>TOTAL SUPPLY COSTS AFTER CREDITS</b>	\$23,128,316	\$49,871,498	\$37,123,348	\$41,265,385	\$37,208,687	\$19,258,716	\$15,047,490	\$10,343,223	\$9,875,296	\$10,039,836	\$10,599,946	\$17,490,401	\$280,382,486
<b>Storage Costs for FT-2 Calculation</b>													
Storage Fixed Costs - Facilities	\$378,377	\$385,801	\$358,266	\$377,212	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$385,567	\$4,584,190
Storage Fixed Costs - Deliveries	\$440,123	\$461,600	\$453,448	\$404,425	\$491,319	\$440,575	\$434,426	\$480,426	\$458,576	\$480,426	\$457,511	\$434,426	\$5,437,279
Variable Delivery Costs	\$2,682	\$21,445	\$27,455	\$40,469	\$14,749	\$4,551	\$0	\$0	\$0	\$0	\$0	\$0	\$111,351
Variable Injection Costs	\$2,804	\$628	\$432	\$58	\$0	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$87,736
Fuel Costs Allocated to Storage	\$54,924	\$234,737	\$338,369	\$386,445	\$148,792	\$174,896	\$142,287	\$145,363	\$147,531	\$151,449	\$152,847	\$153,508	\$2,231,149
<b>Total Storage Costs</b>	\$878,910	\$1,104,211	\$1,177,970	\$1,208,609	\$1,040,428	\$1,017,562	\$974,253	\$1,023,329	\$1,003,646	\$1,029,415	\$1,007,898	\$985,474	\$12,451,706
<b>Pipeline Variable</b>	\$19,500,993	\$42,218,971	\$27,908,805	\$30,393,516	\$31,237,814	\$15,287,657	\$11,804,443	\$7,061,869	\$6,608,875	\$6,752,474	\$7,343,737	\$14,250,214	\$101,196,410
Less Non-firm Gas Costs	\$1,041,674	\$888,586	\$112,869	\$1,001,073	\$26,860	\$44,281	\$52,525	\$0	\$0	\$0	\$0	\$0	\$0
Less Company Use	\$19,890	\$26,860	\$44,281	\$52,525	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Manchester St Balancing	\$9,126	\$2,826	\$4,122	\$2,245	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Cashout	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Mktcr Over-takes	\$165,019	\$38,001	\$5,944	\$12,985	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Mktcr Withdrawals	\$12,299	\$56,153	\$83,875	\$30,035	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Mktcr Undertakes	\$23,060	\$10,536	\$108,662	\$126,906	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Mktcr Injections	\$974	\$0	\$6,694	\$17,392	\$0	\$0	\$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	\$0	\$0	\$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	\$31,237,814	\$15,287,657	\$11,804,443	\$7,061,869	\$6,608,875	\$6,752,474	\$7,343,737	\$14,250,214	\$101,196,410

**I. Supply Fixed Cost Collections --**

	Nov-05 actual	Dec-05 actual	Jan-06 actual	Feb-06 actual	Mar-06 fcst	Apr-06 fcst	May-06 fcst	Jun-06 fcst	Jul-06 fcst	Aug-06 fcst	Sep-06 fcst	Oct-06 fcst	Total Nov-Oct
(a) Resid. & Small C & I dth Supply Fixed Cost Factor Res & Small C & I collections	1,284,429 \$0.8678 \$1,114,678	2,644,081 \$0.9673 \$2,557,640	3,396,687 \$0.9671 \$3,284,895	2,682,585 \$0.9679 \$2,596,547	3,184,741 \$0.9676 \$3,081,556	2,551,059 \$0.9676 \$2,468,405	1,404,579 \$0.9676 \$1,359,071	724,001 \$0.9676 \$700,544	509,028 \$0.9676 \$492,535	506,409 \$0.9676 \$490,001	487,537 \$0.9676 \$471,741	743,578 \$0.9676 \$719,486	20,118,714 \$19,337,099
(b) C & I Medium dth Supply Fixed Cost Factor C & I Medium collections	264,163 \$0.6345 \$220,443	504,773 \$0.9343 \$471,607	631,499 \$0.9381 \$592,379	533,947 \$0.9327 \$498,020	609,764 \$0.9232 \$562,934	474,008 \$0.9232 \$437,604	284,639 \$0.9232 \$262,778	168,493 \$0.9232 \$155,552	125,207 \$0.9232 \$115,592	126,309 \$0.9232 \$116,608	120,195 \$0.9232 \$110,964	164,159 \$0.9232 \$151,551	4,007,155 \$3,696,032
(c) C & I Large LLF dth Supply Fixed Cost Factor C & I Large LLF collections	98,871 \$0.9297 \$91,923	180,342 \$1.0157 \$183,177	219,689 \$1.0144 \$222,847	206,675 \$1.0002 \$206,725	213,422 \$0.9807 \$209,303	177,320 \$0.9807 \$174,388	92,517 \$0.9807 \$90,731	42,246 \$0.9807 \$41,431	23,257 \$0.9807 \$22,808	23,568 \$0.9807 \$23,114	22,757 \$0.9807 \$22,318	64,428 \$0.9807 \$63,185	1,365,592 \$1,351,950
(d) C & I Large HLF dth Supply Fixed Cost Factor C & I Large HLF collections	38,648 \$0.7011 \$27,095	55,552 \$0.7073 \$39,293	55,399 \$0.7207 \$39,928	44,764 \$0.7174 \$32,114	58,672 \$0.7056 \$41,399	55,090 \$0.7056 \$38,872	46,027 \$0.7056 \$32,477	36,304 \$0.7056 \$25,616	27,216 \$0.7056 \$19,203	28,649 \$0.7056 \$20,215	30,769 \$0.7056 \$21,711	37,253 \$0.7056 \$26,286	514,344 \$364,209
(e) C & I Extra Large LLF dth Supply Fixed Cost Factor C & I XL LLF collections	13,712 \$0.9862 \$13,523	31,134 \$0.9586 \$29,844	29,003 \$0.9598 \$27,837	23,799 \$0.9598 \$22,842	34,431 \$0.9598 \$33,047	22,104 \$0.9598 \$21,215	7,262 \$0.9598 \$6,970	2,159 \$0.9598 \$2,072	1,412 \$0.9598 \$1,355	1,219 \$0.9598 \$1,170	2,230 \$0.9598 \$2,141	7,973 \$0.9598 \$7,652	176,438 \$169,668
(f) C & I Extra Large HLF dth Supply Fixed Cost Factor C & I XL HLF collections	35,348 \$0.5672 \$20,049	46,029 \$0.5808 \$26,733	34,594 \$0.5935 \$20,531	48,358 \$0.5779 \$27,944	32,244 \$0.5846 \$18,850	28,662 \$0.5846 \$16,756	26,338 \$0.5846 \$15,397	23,085 \$0.5846 \$13,496	22,611 \$0.5846 \$13,219	22,769 \$0.5846 \$14,762	25,251 \$0.5846 \$14,762	27,897 \$0.5846 \$16,309	373,186 \$217,357
sub-total Dth	1,735,171	3,461,911	4,366,871	3,540,128	4,133,276	3,308,743	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,555,429
sub-total Supply Fixed Collections	<b>\$1,487,711</b>	<b>\$3,306,294</b>	<b>\$4,188,417</b>	<b>\$3,384,192</b>	<b>\$3,947,089</b>	<b>\$3,157,240</b>	<b>\$1,767,424</b>	<b>\$938,711</b>	<b>\$664,712</b>	<b>\$664,419</b>	<b>\$643,637</b>	<b>\$984,469</b>	<b>\$25,136,515</b>

**II. Storage Fixed Cost Collections --**

(a) Resid. & Small C & I dth Storage Fixed Cost Factor Res & Small C & I collections	1,284,429 \$0.3337 \$428,636	2,644,081 \$0.3507 \$927,263	3,396,687 \$0.3506 \$1,190,927	2,682,585 \$0.3509 \$941,370	3,184,741 \$0.3508 \$1,117,207	2,551,059 \$0.3508 \$894,912	1,404,579 \$0.3508 \$492,726	724,001 \$0.3508 \$253,980	509,028 \$0.3508 \$178,567	506,409 \$0.3508 \$177,648	487,537 \$0.3508 \$171,028	743,578 \$0.3508 \$260,847	20,118,714 \$7,035,111
(b) C & I Medium dth Storage Fixed Cost Factor C & I Medium collections	264,163 \$0.3188 \$84,213	504,773 \$0.3355 \$169,343	631,499 \$0.3368 \$212,710	533,947 \$0.3349 \$178,828	609,764 \$0.3315 \$202,137	474,008 \$0.3315 \$157,134	284,639 \$0.3315 \$94,358	168,493 \$0.3315 \$55,855	125,207 \$0.3315 \$41,506	126,309 \$0.3315 \$41,871	120,195 \$0.3315 \$39,845	164,159 \$0.3315 \$54,419	4,007,155 \$1,332,219
(c) C & I Large LLF dth Storage Fixed Cost Factor C & I Large LLF collections	98,871 \$0.3541 \$35,013	180,342 \$0.3681 \$66,383	219,689 \$0.3676 \$80,759	206,675 \$0.3625 \$74,916	213,422 \$0.3554 \$75,850	177,820 \$0.3554 \$63,197	92,517 \$0.3554 \$32,880	42,246 \$0.3554 \$15,014	23,257 \$0.3554 \$8,265	23,568 \$0.3554 \$8,376	22,757 \$0.3554 \$8,088	64,428 \$0.3554 \$22,898	1,365,592 \$491,639
(d) C & I Large HLF dth Storage Fixed Cost Factor C & I Large HLF collections	38,648 \$0.2710 \$10,474	55,552 \$0.2565 \$14,250	55,399 \$0.2614 \$14,481	44,764 \$0.2602 \$11,647	58,672 \$0.2559 \$15,014	55,090 \$0.2559 \$14,098	46,027 \$0.2559 \$11,778	36,304 \$0.2559 \$9,290	27,216 \$0.2559 \$6,965	28,649 \$0.2559 \$7,331	30,769 \$0.2559 \$7,874	37,253 \$0.2559 \$9,533	514,344 \$132,735
(e) C & I XL LLF dth Storage Fixed Cost Factor C & I XL LLF collections	13,712 \$0.3813 \$5,229	31,134 \$0.3471 \$10,808	29,003 \$0.3476 \$10,081	23,799 \$0.3476 \$8,272	34,431 \$0.3476 \$11,968	22,104 \$0.3476 \$7,583	7,262 \$0.3476 \$2,524	2,159 \$0.3476 \$751	1,412 \$0.3476 \$491	1,219 \$0.3476 \$424	2,230 \$0.3476 \$775	7,973 \$0.3476 \$2,771	176,438 \$61,777
(f) C & I XL HLF dth Storage Fixed Cost Factor C & I XL HLF collections	35,348 \$0.2187 \$7,729	46,029 \$0.2106 \$9,695	34,594 \$0.2152 \$7,445	48,358 \$0.2096 \$10,134	32,244 \$0.2120 \$6,836	28,662 \$0.2120 \$6,076	26,338 \$0.2120 \$5,584	23,085 \$0.2120 \$4,894	22,611 \$0.2120 \$4,784	22,769 \$0.2120 \$4,827	25,251 \$0.2120 \$5,353	27,897 \$0.2120 \$5,914	373,186 \$79,281
(g) FI-2 dth Storage Fixed Cost Factor	41,049 \$0.2874	70,543 \$0.2708	89,021 \$0.3253	66,504 \$0.3253	79,705 \$0.3253	74,023 \$0.3253	51,956 \$0.3253	26,321 \$0.3253	20,203 \$0.3253	20,032 \$0.3253	19,983 \$0.3253	29,983 \$0.3253	589,323



	Nov-05 actual	Dec-05 actual	Jan-06 actual	Feb-06 actual	Mar-06 fcst	Apr-06 fcst	May-06 fcst	Jun-06 fcst	Jul-06 fcst	Aug-06 fcst	Sep-06 fcst	Oct-06 fcst	Total Nov-Oct
FT-2 collection	\$11,797	\$19,104	\$28,959	\$21,634	\$25,928	\$24,080	\$16,901	\$8,562	\$6,572	\$6,516	\$6,500	\$9,753	\$186,306
sub-total Dth	1,776,220	3,532,454	4,455,892	3,606,632	4,212,980	3,382,766	1,913,317	1,022,609	728,934	728,955	708,721	1,075,271	27,144,752
sub-total Storage Fixed Collections	\$583,091	\$1,216,846	\$1,545,362	\$1,246,801	\$1,454,940	\$1,167,180	\$656,751	\$348,346	\$247,160	\$246,993	\$239,463	\$366,135	\$9,319,068

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

(a) Firm Sales dth	1,729,275	3,450,106	4,366,871	3,540,128	4,133,276	3,308,743	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,537,728
Variable Supply Cost Factor	\$6,0879	\$9,1692	\$9,1679	\$9,1617	\$9,1387	\$9,1387	\$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	\$37,772,765	\$30,237,607	\$17,010,421	\$9,104,779	\$6,476,881	\$6,478,631	\$6,294,177	\$9,552,577	\$241,086,524
(b) TSS Sales dth	4,499	10,318	14,139	11,594									
TSS Variable Supply Cost F.	\$4,6548	\$3,7474	\$2,3826	\$1,4143									
TSS Surcharge collections	\$20,942	\$38,666	\$33,687	\$16,397									
(c) NGV Sales dth	1,397	1,487	1,408	1,064	0	0	0	0	0	0	0	0	1,728
Variable Supply Cost Factor	\$7,3701	\$7,3699	\$9,2287	\$9,2284	\$9,1387	\$9,1387	\$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	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL Variable Supply Collections	\$14,017,516	\$31,753,454	\$40,081,531	\$32,459,945	\$37,772,765	\$30,237,607	\$17,010,421	\$9,104,779	\$6,476,881	\$6,478,631	\$6,294,177	\$9,552,577	\$241,086,524

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

(a) Firm Sales dth	1,729,275	3,450,106	4,366,871	3,540,128	4,133,276	3,308,743	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,537,728
Variable Supply Cost Factor	\$0.9867	\$1.1263	\$1.1232	\$1.1221	\$1.1187	\$1.1187	\$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	\$4,623,895	\$3,701,490	\$2,082,305	\$1,114,548	\$792,857	\$793,072	\$770,492	\$1,169,364	\$29,517,259

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

(a) Firm Sales dth	1,735,171	3,461,911	4,366,871	3,540,128	4,133,276	3,308,743	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,555,429
Variable Supply Cost Factor	\$0.1121	\$0.1445	\$0.1446	\$0.1444	\$0.1440	\$0.1440	\$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	\$595,192	\$476,459	\$266,036	\$143,466	\$102,057	\$102,085	\$99,178	\$150,522	\$3,774,419
(b) FT-2 dth	41,049	70,543	89,021	66,504	79,705	74,023	51,956	26,321	20,203	20,032	19,983	29,983	\$80,203
Variable Supply Cost Factor	\$0.1033	\$0.1199	\$0.1440	\$0.1440	\$0.1400	\$0.1400	\$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	\$11,159	\$10,363	\$7,274	\$3,685	\$2,828	\$2,804	\$2,798	\$4,198	\$80,203
(c) Total Firm Sales/FT-2 dth	1,776,220	3,532,454	4,455,892	3,606,632	4,212,980	3,382,766	1,913,317	1,022,609	728,934	728,955	708,721	1,075,271	\$3,854,622
Stor Var Non-Product collec	\$198,807	\$508,628	\$644,185	\$520,898	\$606,351	\$486,822	\$275,310	\$147,151	\$104,885	\$104,889	\$101,976	\$154,720	\$3,854,622

<b>Total Gas Cost Collections</b>	\$17,993,391	\$40,672,931	\$51,364,423	\$41,584,169	\$48,405,040	\$39,750,339	\$21,792,211	\$11,653,535	\$8,286,495	\$8,288,004	\$8,049,745	\$12,227,265	\$308,913,788
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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	\$14,670,539	\$12,343,724	\$14,819,713	\$18,222,347	\$21,620,391	\$25,168,190	\$28,793,076	\$32,394,609
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	\$1,311,317	\$1,103,336	\$1,324,651	\$1,628,793	\$1,932,525	\$2,249,643	\$2,573,651	\$2,895,572
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	\$591,727	\$497,877	\$597,744	\$734,987	\$872,045	\$1,015,143	\$1,161,351	\$1,306,617
6	Taxable Income	(3) - (5)	\$1,473,041	\$1,297,247	\$1,051,927	\$719,590	\$719,590	\$605,460	\$726,907	\$893,806	\$1,060,480	\$1,234,500	\$1,412,300	\$1,588,956
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	\$1,107,061	\$931,476	\$1,118,318	\$1,375,086	\$1,631,508	\$1,899,230	\$2,172,770	\$2,444,547
9	Working Capital Requirement	(5) + (8)	\$3,477,515	\$3,062,507	\$2,483,360	\$1,698,789	\$1,698,789	\$1,429,353	\$1,716,062	\$2,110,073	\$2,503,553	\$2,914,374	\$3,334,121	\$3,751,164
10	Monthly Average	(9) / 12	\$289,793	\$255,209	\$206,947	\$141,566	\$141,566	\$119,113	\$143,005	\$175,839	\$208,629	\$242,864	\$277,843	\$312,597
1	<b>LNG Inventory Balance</b>		\$7,633,531	\$7,961,207	\$7,118,934	\$6,411,551	\$5,411,551	\$6,477,956	\$6,287,715	\$6,160,422	\$6,168,012	\$6,427,749	\$6,903,965	\$7,128,495
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	(11) * (12)	\$682,318	\$711,608	\$636,322	\$573,093	\$573,093	\$579,028	\$562,024	\$550,846	\$551,324	\$574,540	\$617,107	\$637,176
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	(11) * (14)	\$307,894	\$321,110	\$287,138	\$258,606	\$258,606	\$261,284	\$253,611	\$248,477	\$248,783	\$259,259	\$278,467	\$287,523
6	Taxable Income	(13) - (15)	\$374,425	\$390,497	\$349,184	\$314,487	\$314,487	\$317,744	\$308,412	\$302,169	\$302,541	\$315,281	\$338,639	\$349,653
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	(16) / (17)	\$576,038	\$600,765	\$537,206	\$483,826	\$483,826	\$488,837	\$474,481	\$464,875	\$465,448	\$485,048	\$520,984	\$537,927
9	Working Capital Requirement	(15) + (18)	\$883,932	\$921,875	\$824,344	\$742,431	\$742,431	\$750,121	\$728,092	\$713,352	\$714,231	\$744,307	\$799,451	\$825,451
10	Monthly Average	(19) / 12	\$73,661	\$76,823	\$68,695	\$61,869	\$61,869	\$62,510	\$60,674	\$59,446	\$59,519	\$62,026	\$66,621	\$68,788
1	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%
2	Balancing Related Inventory Costs	(20) * (21)	\$15,019	\$15,664	\$14,007	\$12,615	\$12,615	\$12,746	\$12,371	\$12,121	\$12,136	\$12,647	\$13,584	\$14,026
3	Supply Related Inventory Costs	(21) - (22)	\$58,642	\$61,159	\$54,688	\$49,254	\$49,254	\$49,764	\$48,303	\$47,325	\$47,383	\$49,379	\$53,037	\$54,762
4	<b>Propane Inventory Balance</b>		\$386,409	\$383,172	\$379,641	\$381,180	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172	\$383,172
5	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%
6	Return on Working Capital Requirement	(24) * (25)	\$34,539	\$34,250	\$33,934	\$34,072	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250	\$34,250
7	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%
8	Interest Charges Financed	(24) * (27)	\$15,586	\$15,455	\$15,313	\$15,375	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455	\$15,455
9	Taxable Income	(26) - (28)	\$18,953	\$18,795	\$18,621	\$18,697	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795	\$18,795
10	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
11	Return and Tax Requirement	(29) / (30)	\$29,159	\$28,915	\$28,648	\$28,764	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915	\$28,915
12	Working Capital Requirement	(28) + (31)	\$44,745	\$44,370	\$43,961	\$44,139	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370	\$44,370
13	Monthly Average	(32) / 12	\$3,729	\$3,697	\$3,663	\$3,678	\$3,697	\$3,697	\$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	\$2,714,042	\$2,716,817	\$2,715,692	\$2,716,817	\$2,715,692	\$2,716,817	\$2,716,817	\$2,715,692	\$2,716,817	\$32,611,368	
3	Allowable Working Capital Costs	(1) - (2)	\$487,328	\$485,747	\$490,345	\$484,507	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$490,345	\$5,670,688
4	Number of Days Lag		13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	\$26,740,670	
5	Working Capital Requirement	(3) * (4) / 365	\$82,038	\$82,102	\$81,933	\$81,851	\$81,739	\$81,698	\$81,739	\$81,698	\$81,739	\$81,739	\$81,698	\$81,739		
6	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%		
7	Return on Working Capital Requirement	(5) * (6)	\$7,333	\$7,339	\$7,324	\$7,316	\$7,306	\$7,302	\$7,306	\$7,302	\$7,306	\$7,306	\$7,302	\$7,306		
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%		
9	Interest Expense	(5) * (8)	\$3,309	\$3,312	\$3,305	\$3,301	\$3,297	\$3,295	\$3,297	\$3,295	\$3,297	\$3,297	\$3,295	\$3,297		
10	Taxable Income	(7) - (9)	\$4,024	\$4,027	\$4,019	\$4,015	\$4,009	\$4,007	\$4,009	\$4,007	\$4,009	\$4,009	\$4,007	\$4,009		
11	1 - Combined Tax Rate	Rate Case	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500		
12	Return and Tax Requirement	(10) / (11)	\$6,191	\$6,196	\$6,183	\$6,177	\$6,168	\$6,165	\$6,168	\$6,165	\$6,168	\$6,168	\$6,165	\$6,168		
13	<b>Supply Fixed Working Capital Requirement</b>	(9) + (12)	\$9,500	\$9,507	\$9,488	\$9,478	\$9,465	\$9,460	\$9,465	\$9,460	\$9,465	\$9,465	\$9,460	\$9,465	\$113,678	
14	<b>Storage Fixed Costs</b>															
15	Less: LNG Demand to DAC		\$818,500	\$847,401	\$811,714	\$781,637	\$876,886	\$826,141	\$819,992	\$865,992	\$844,142	\$865,992	\$843,078	\$819,992	\$10,021,469	
16	Less: Credits		\$50,764	\$56,454	\$54,201	\$55,115	\$53,687	\$48,158	\$48,411	\$57,790	\$53,335	\$57,790	\$53,118	\$48,411	\$637,235	
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		13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	\$9,903,129	
20	Working Capital Requirement	(17) * (19) / 365	\$29,773	\$30,625	\$29,398	\$28,260	\$31,809	\$30,149	\$29,914	\$31,258	\$30,620	\$31,258	\$30,589	\$29,914		
21	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%		
22	Return on Working Capital Requirement	(19) * (20)	\$2,661	\$2,737	\$2,628	\$2,526	\$2,843	\$2,695	\$2,674	\$2,794	\$2,737	\$2,794	\$2,734	\$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%		
24	Interest Expense	(19) * (22)	\$1,201	\$1,235	\$1,186	\$1,140	\$1,283	\$1,216	\$1,207	\$1,261	\$1,235	\$1,261	\$1,234	\$1,207		
25	Taxable Income	(19) - (23)	\$1,460	\$1,502	\$1,442	\$1,386	\$1,560	\$1,479	\$1,467	\$1,533	\$1,502	\$1,533	\$1,500	\$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		
27	Return and Tax Requirement	(24) / (26)	\$2,247	\$2,311	\$2,218	\$2,133	\$2,400	\$2,275	\$2,257	\$2,359	\$2,311	\$2,359	\$2,308	\$2,257		
28	<b>Storage Fixed Working Capital Requirement</b>	(23) + (26)	\$3,448	\$3,546	\$3,404	\$3,272	\$3,683	\$3,491	\$3,464	\$3,620	\$3,546	\$3,620	\$3,542	\$3,464	\$42,100	

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	\$31,237,814	\$15,287,857	\$11,804,443	\$7,061,869	\$6,608,875	\$6,752,474	\$7,343,737	\$14,250,214	\$217,867,800
2a	Less: Non-firm Sales			\$21,445	\$27,455	\$40,469	\$14,749	\$4,551	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2b	Less: Variable Delivery Storage Costs		\$2,882	\$2,804	\$432	\$58	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$11,974	\$111,351
2c	Less: Variable Injection Storage Costs		\$54,924	\$234,737	\$338,369	\$386,445	\$148,792	\$174,896	\$142,287	\$145,363	\$147,531	\$151,449	\$152,847	\$153,508	\$87,736
2d	Less: Fuel Costs Allocated to Storage			\$256,810	\$386,256	\$426,572	\$163,542	\$191,421	\$154,260	\$157,337	\$159,504	\$163,422	\$164,821	\$165,482	\$0
2e	Less: Supply Refunds		\$18,351,360	\$41,233,692	\$27,616,314	\$29,208,602	\$31,074,273	\$15,096,236	\$11,650,183	\$6,904,532	\$6,449,371	\$6,599,052	\$7,178,916	\$14,084,732	\$2,430,237
2	Total Credits	(1) - (2)													
3	Allowable Working Capital Costs		13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	13.40	\$215,437,563
4	Number of Days Lag	Rate Case													
5	Working Capital Requirement	(3) * (4) / 365	\$673,721	\$1,513,785	\$1,072,327	\$1,140,809	\$554,218	\$271,184	\$427,705	\$253,481	\$236,771	\$241,899	\$263,555	\$517,083	\$24,204,263
6	Cost of Capital	Rate Case	\$0	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%	8.94%
7	Return on Working Capital Requirement	(5) * (6)	\$60,220	\$135,309	\$90,623	\$95,649	\$101,971	\$49,538	\$38,230	\$22,657	\$21,164	\$21,622	\$23,558	\$46,219	\$393,822
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	\$46,014	\$22,354	\$17,251	\$10,224	\$9,550	\$9,757	\$10,630	\$20,856	\$186,337
10	Taxable Income	(7) - (9)	\$33,046	\$74,251	\$49,730	\$52,598	\$55,957	\$27,184	\$20,979	\$12,433	\$11,614	\$11,865	\$12,927	\$25,363	\$199,500
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	\$86,087	\$41,822	\$32,275	\$19,128	\$17,867	\$18,254	\$19,888	\$39,020	\$306,465
13	<b>Supply Variable Working Capital Requirement</b>	(9) + (12)	\$78,014	\$175,290	\$117,401	\$124,171	\$132,101	\$64,176	\$49,527	\$29,352	\$27,417	\$28,011	\$30,519	\$59,876	\$915,855
14	<b>Storage Variable Product Costs</b>		\$612,877	\$4,450,252	\$6,391,295	\$7,804,146	\$2,867,514	\$919,571	\$196,582	\$190,015	\$195,806	\$194,898	\$187,784	\$193,723	\$24,204,263
15	Less: Balancing Related LNG Commodity (to DAC)		(\$39,105)	(\$94,499)	(\$245,997)	(\$198,551)	(\$79,588)	(\$38,790)	(\$40,083)	(\$38,744)	(\$39,925)	(\$39,740)	(\$38,289)	(\$39,500)	(\$932,822)
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	\$2,818,381	\$911,236	\$166,954	\$181,726	\$186,337	\$185,613	\$179,950	\$184,678	\$23,636,906
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	\$23,636,906
19	Working Capital Requirement	(17) * (18) / 365	\$22,175	\$161,028	\$226,726	\$280,337	\$103,469	\$33,454	\$6,884	\$6,672	\$6,841	\$6,814	\$6,606	\$6,780	\$6,780
20	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%	8.94%
21	Return on Working Capital Requirement	(19) * (20)	\$1,982	\$14,393	\$20,266	\$25,058	\$9,249	\$2,990	\$613	\$586	\$611	\$609	\$591	\$606	\$606
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	\$4,173	\$1,349	\$277	\$269	\$276	\$275	\$266	\$273	\$273
24	Taxable Income	(19) - (23)	\$1,088	\$7,898	\$11,121	\$13,751	\$5,075	\$1,641	\$337	\$327	\$336	\$334	\$324	\$333	\$333
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	\$7,808	\$2,524	\$518	\$503	\$516	\$514	\$499	\$512	\$512
27	<b>Storage Var. - Product Working Capital Requirement</b>	(23) + (26)	\$2,568	\$18,646	\$26,254	\$32,462	\$11,981	\$3,874	\$795	\$773	\$792	\$789	\$765	\$785	\$100,484
1	<b>Storage Variable Non-Product Costs</b>		\$92,134	\$609,218	\$700,934	\$866,392	\$313,912	\$257,274	\$154,260	\$157,337	\$159,504	\$163,422	\$164,821	\$165,482	\$3,806,680
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	\$700,934	\$866,392	\$313,912	\$257,274	\$154,260	\$157,337	\$159,504	\$163,422	\$164,821	\$165,482	\$3,806,680
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	\$3,806,680
5	Working Capital Requirement	(3) * (4) / 365	\$3,382	\$22,366	\$25,733	\$31,830	\$11,524	\$9,445	\$5,663	\$5,776	\$5,856	\$6,000	\$6,051	\$6,075	\$6,075
6	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%	8.94%
7	Return on Working Capital Requirement	(5) * (6)	\$302	\$1,999	\$2,300	\$2,850	\$1,030	\$844	\$506	\$516	\$524	\$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	\$465	\$381	\$228	\$233	\$236	\$242	\$244	\$245	\$245
10	Taxable Income	(7) - (9)	\$166	\$1,097	\$1,262	\$1,564	\$463	\$283	\$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	\$870	\$713	\$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	\$1,334	\$656	\$656	\$669	\$678	\$695	\$701	\$703	\$16,183

Line No.	Rate Class (a)	Nov-05 (b) Actual	Dec-05 (c) Actual	Jan-06 (d) Actual	Feb-06 (e) Actual	Mar-06 (f) Forecast	Apr-06 (g) Forecast	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-Oct (p)
1	<b>SALES (dth)</b>													
2	Residential Non-Heating	48,719	63,222	73,064	58,207	61,152	62,309	56,567	45,471	36,960	37,027	34,366	42,331	619,394
3	Residential Heating	1,110,436	2,283,820	2,916,973	2,299,220	2,746,026	2,212,310	1,209,381	617,205	424,029	423,990	411,545	638,913	17,293,849
4	Small C&I	125,274	297,039	406,650	325,158	377,563	276,441	138,631	61,325	48,038	45,392	41,626	62,334	2,205,471
5	Medium C&I	264,163	631,499	609,764	503,675	609,764	474,008	284,639	168,493	125,207	126,309	120,195	164,159	4,007,155
6	Large LLF	98,871	180,342	219,689	206,675	213,422	177,820	92,517	42,246	23,257	23,688	22,757	64,428	1,365,592
7	Extra Large LLF	13,712	31,134	29,003	23,799	58,672	55,090	46,027	36,304	27,216	28,649	30,769	37,253	514,344
8	Extra Large HLF	35,346	46,029	34,594	23,799	34,431	22,104	7,262	2,159	1,412	2,230	2,230	176,438	176,438
9	Extra Large HLF	35,346	46,029	34,594	23,799	34,431	22,104	7,262	2,159	1,412	2,230	2,230	176,438	176,438
10	Total Sales	1,735,171	3,461,911	4,366,871	3,540,128	4,133,276	3,308,743	1,861,361	996,288	708,731	708,923	688,739	1,045,288	26,555,429
11	<b>TSS</b>													
12	Medium	1,778	5,149	7,110	6,565	49,954	45,485	35,504	17,182	14,327	14,509	11,803	19,978	362,939
13	Large LLF	2,043	5,028	6,043	4,360	20,006	20,863	11,480	4,762	2,904	1,877	3,649	5,175	148,271
14	Large HLF	678	141	986	679	6,816	5,928	4,208	4,237	3,369	3,642	4,192	3,564	59,455
15	Extra Large LLF	0	0	0	0	1,747	1,747	763	139	4	4	338	1,266	18,657
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	79,705	74,023	51,956	26,321	20,203	20,032	19,983	29,963	589,323
18	<b>FT-2 TRANSPORTATION</b>													
19	FT-2 Medium	24,800	40,403	48,051	39,942	49,954	45,485	35,504	17,182	14,327	14,509	11,803	19,978	362,939
20	FT-2 Large LLF	10,336	20,850	28,544	18,225	20,006	20,863	11,480	4,762	2,904	1,877	3,649	5,175	148,271
21	FT-2 Large HLF	4,959	5,917	6,900	5,722	6,816	5,928	4,208	4,237	3,369	3,642	4,192	3,564	59,455
22	FT-2 Extra Large LLF	964	3,373	4,526	2,615	1,747	1,747	763	139	4	4	338	1,266	18,657
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	88,021	66,504	79,705	74,023	51,956	26,321	20,203	20,032	19,983	29,963	589,323
25	<b>Sales &amp; FT-2 THROUGHPUT</b>													
26	Residential Non-Heating	48,719	63,222	73,064	58,207	61,152	62,309	56,567	45,471	36,960	37,027	34,366	42,331	619,394
27	Residential Heating	1,110,436	2,283,820	2,916,973	2,299,220	2,746,026	2,212,310	1,209,381	617,205	424,029	423,990	411,545	638,913	17,293,849
28	Small C&I	125,274	297,039	406,650	325,158	377,563	276,441	138,631	61,325	48,038	45,392	41,626	62,334	2,205,471
29	Medium C&I	290,741	550,325	687,660	580,444	659,718	519,493	320,143	185,675	139,534	140,818	131,999	184,136	4,590,686
30	Large LLF	111,250	206,220	254,276	229,260	233,429	198,882	103,997	47,009	25,761	25,445	26,406	69,603	1,531,338
31	Large HLF	44,285	61,610	63,285	51,165	65,488	61,019	50,235	40,541	30,585	32,292	34,985	40,817	576,283
32	Extra Large LLF	14,866	34,507	33,529	26,414	37,360	23,850	8,025	2,299	1,415	1,222	2,568	9,239	195,095
33	Extra Large HLF	35,348	46,029	34,594	23,799	34,431	22,104	7,262	2,159	1,412	2,230	2,230	176,438	176,438
34	Total Throughput	1,780,719	3,542,772	4,470,031	3,618,226	4,212,980	3,382,766	1,913,317	1,022,609	728,934	728,955	708,721	1,075,271	27,185,302
35	<b>FT-1 TRANSPORTATION</b>													
36	FT-1 Medium	57,290	102,967	90,411	93,121	90,392	61,321	37,983	28,680	27,512	27,642	49,109	43,229	709,658
37	FT-1 Large LLF	(64,540)	163,661	155,859	155,825	144,667	90,843	39,548	21,407	16,343	16,966	26,438	57,160	824,178
38	FT-1 Large HLF	43,263	38,052	37,731	43,145	45,410	34,221	29,876	28,851	27,334	27,926	36,865	32,852	425,527
39	FT-1 Extra Large LLF	58,653	95,281	90,021	91,835	93,870	62,516	33,675	18,283	15,164	15,578	20,872	44,820	640,366
40	FT-1 Extra Large HLF	244,448	285,153	286,590	275,209	314,954	271,699	258,666	228,917	215,754	227,915	233,269	252,042	3,094,615
41	Total Transportation	339,114	685,114	680,612	659,135	689,293	520,800	399,747	328,139	302,107	316,027	366,352	430,104	5,694,343
42	<b>Total THROUGHPUT</b>													
43	Residential Non-Heating	48,719	63,222	73,064	58,207	61,152	62,309	56,567	45,471	36,960	37,027	34,366	42,331	619,394
44	Residential Heating	1,110,436	2,283,820	2,916,973	2,299,220	2,746,026	2,212,310	1,209,381	617,205	424,029	423,990	411,545	638,913	17,293,849
45	Small C&I	125,274	297,039	406,650	325,158	377,563	276,441	138,631	61,325	48,038	45,392	41,626	62,334	2,205,471
46	Medium C&I	348,031	653,292	778,071	673,565	750,110	589,814	358,126	214,355	167,046	168,460	181,107	227,365	5,100,344
47	Large LLF	46,710	96,861	110,135	96,085	103,529	80,526	43,548	23,257	12,507	12,644	12,644	16,343	2,355,515
48	Large HLF	87,548	99,662	101,016	94,310	110,899	95,240	60,111	33,675	25,761	25,445	26,406	69,603	1,531,338
49	Extra Large LLF	73,319	129,788	131,230	118,249	131,230	86,366	41,700	20,581	16,579	16,800	23,240	54,059	835,461
50	Extra Large HLF	279,796	331,182	321,184	323,567	347,198	300,361	285,003	252,002	238,365	250,684	258,519	279,939	3,467,801
51	Total Throughput	2,119,833	4,227,886	5,130,643	4,277,361	4,902,274	3,903,366	2,313,064	1,348,748	1,031,042	1,044,981	1,075,073	1,505,375	32,879,645