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PUBLIC UTILITIES COMMISSION

November 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 National Grid's monthly filing of gas costs and gas cost revenue collections data. Based on twelve months of actual data, the October 31, 2006 deferred gas cost balance is an over-collection of \$20.4 million (see attached Schedule 1, page 2).

The \$20.4 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 October 2006.

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 October 2006, actual gas costs were \$16.3 million, working capital was \$67 thousand and GCR revenue collections were \$10.9 million for a net under-collection of \$5.5 million. Schedule 2 presents actual gas costs for November 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
Principal Analyst

cc: Stephen Scialabba
Bruce Oliver

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	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	actual	actual	actual	actual	actual	actual	actual	actual	
I. Supply Fixed Cost Deferred													
Beginning Balance	(\$1,748,842)	(\$1,015,334)	(\$2,147,370)	(\$4,147,587)	(\$5,255,930)	(\$7,218,612)	(\$7,939,510)	(\$6,647,036)	(\$5,434,537)	(\$3,680,835)	(\$2,257,040)	(\$754,036)	
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	\$2,013,853	\$2,140,830	\$1,943,464	\$2,127,619	\$2,137,777	\$2,379,072	\$25,984,966
Capacity Release	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Working Capital	\$9,500	\$9,507	\$9,488	\$9,499	\$9,486	\$9,481	\$9,423	\$9,419	\$9,423	\$9,423	\$9,419	\$9,423	\$113,491
Total Supply Fixed Costs	\$2,205,646	\$2,183,173	\$2,202,230	\$2,295,585	\$2,134,535	\$2,278,143	\$2,023,276	\$2,150,249	\$1,952,887	\$2,137,042	\$2,147,196	\$2,388,495	\$26,098,457
Supply Fixed - Collections	\$1,487,711	\$3,308,294	\$4,188,417	\$3,384,192	\$4,067,877	\$2,863,307	\$1,720,284	\$1,066,197	\$708,407	\$693,472	\$708,188	\$877,521	\$25,093,867
Prelim. Ending Balance	(\$1,030,907)	(\$2,140,455)	(\$4,133,558)	(\$5,236,194)	(\$7,189,333)	(\$7,903,776)	(\$7,636,517)	(\$6,611,590)	(\$5,402,556)	(\$3,890,966)	(\$2,241,828)	(\$746,065)	
Month's Average Balance	(\$1,389,875)	(\$1,577,895)	(\$3,140,464)	(\$4,691,891)	(\$6,222,662)	(\$7,561,194)	(\$7,788,014)	(\$7,143,715)	(\$6,024,796)	(\$4,662,752)	(\$2,961,331)	(\$1,501,553)	
Interest Rate (BOA Prime - 200 bp)	5.00%	5.16%	5.26%	5.50%	5.54%	5.75%	5.93%	6.02%	6.25%	6.25%	6.25%	6.25%	
Interest Applied	(\$5,712)	(\$6,915)	(\$14,030)	(\$19,796)	(\$29,279)	(\$35,734)	(\$39,224)	(\$35,347)	(\$31,981)	(\$24,751)	(\$15,212)	(\$7,971)	(\$265,951)
Asset Management Incentive	\$21,285									\$234,882			
Supply Fixed Ending Balance	(\$1,015,334)	(\$2,147,370)	(\$4,147,587)	(\$5,255,930)	(\$7,218,612)	(\$7,939,510)	(\$7,675,741)	(\$6,647,036)	(\$5,434,537)	(\$3,680,835)	(\$2,257,040)	(\$754,036)	

	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	actual	actual	actual	actual	actual	actual	actual	actual	
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)	(\$2,820,067)	(\$2,411,431)	(\$1,876,919)	(\$1,306,325)	(\$754,628)	\$9,838,951
Storage Fixed Costs	\$918,500	\$847,401	\$811,714	\$781,637	\$828,309	\$798,150	\$838,895	\$837,812	\$818,102	\$807,665	\$835,498	\$815,268	
LNG Demand to DAC	(\$50,764)	(\$96,454)	(\$54,201)	(\$55,115)	(\$55,338)	(\$47,884)	(\$57,894)	(\$57,790)	(\$53,798)	(\$53,222)	(\$57,835)	(\$63,417)	(\$653,503)
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	\$3,504	\$3,500	\$3,493	\$3,391	\$3,490	\$3,423	\$41,254
Total Storage Fixed Costs	\$914,425	\$887,794	\$864,158	\$833,036	\$891,682	\$827,756	\$871,556	\$826,763	\$810,973	\$801,075	\$824,394	\$808,514	\$9,745,597
TSS Peaking Collections	\$27,34	\$1,845	\$3,857	(\$1)	\$571	\$43	\$0	\$0	\$0	\$0	\$2,062	\$231	
Storage Fixed - Collections	\$883,091	\$1,216,846	\$1,545,362	\$1,245,801	\$1,500,826	\$1,095,210	\$638,704	\$405,216	\$265,115	\$222,055	\$255,354	\$327,419	\$9,311,999
Prelim. Ending Balance	(\$373,585)	(\$756,546)	(\$1,504,088)	(\$1,992,908)	(\$2,671,989)	(\$2,981,129)	(\$2,805,461)	(\$2,398,520)	(\$1,865,567)	(\$1,297,839)	(\$749,348)	(\$273,763)	
Month's Average Balance	(\$487,885)	(\$666,068)	(\$1,131,558)	(\$1,746,025)	(\$2,331,132)	(\$2,832,044)	(\$2,899,987)	(\$2,609,293)	(\$2,138,499)	(\$1,587,409)	(\$1,027,836)	(\$514,195)	
Interest Rate (BOA Prime - 200 bp)	5.00%	5.16%	5.26%	5.50%	5.54%	5.75%	5.93%	6.02%	6.25%	6.25%	6.25%	6.25%	
Interest Applied	(\$2,005)	(\$2,481)	(\$5,055)	(\$7,367)	(\$10,968)	(\$13,384)	(\$14,606)	(\$12,911)	(\$11,352)	(\$8,426)	(\$5,280)	(\$2,729)	(\$96,564)
Storage Fixed Ending Balance	(\$375,590)	(\$759,027)	(\$1,509,143)	(\$1,990,274)	(\$2,682,958)	(\$2,994,513)	(\$2,820,067)	(\$2,411,431)	(\$1,876,919)	(\$1,306,325)	(\$754,628)	(\$276,493)	

	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	actual	actual	actual	actual	actual	actual	actual	actual	
III. Variable Supply Cost Deferred													
Beginning Balance	\$16,216,264	\$20,538,572	\$30,305,194	\$18,063,167	\$15,005,836	\$4,440,256	(\$9,450,775)	(\$14,924,263)	(\$19,012,988)	(\$19,754,983)	(\$19,012,708)	(\$19,227,463)	\$211,218,571
Variable Supply Costs	\$18,411,770	\$41,480,502	\$27,982,570	\$29,635,873	\$28,413,069	\$14,638,218	\$11,195,530	\$6,606,582	\$6,319,695	\$6,587,815	\$7,331,541	\$12,604,404	
Variable Delivery Storage	(\$2,682)	(\$21,445)	(\$27,455)	(\$40,469)	(\$21,116)	(\$3,889)	(\$69)	(\$65)	(\$62)	(\$59)	(\$69)	\$0	(\$117,390)
Variable Injections Storage	(\$2,804)	(\$628)	(\$432)	(\$58)	(\$450)	(\$8,383)	(\$8,678)	(\$8,398)	(\$8,679)	(\$8,678)	(\$8,399)	(\$8,780)	(\$64,366)
Fuel Cost Allocated to Storage	\$78,014	(\$234,737)	(\$338,369)	(\$386,445)	(\$153,231)	(\$167,224)	(\$76,816)	(\$73,735)	(\$80,102)	(\$81,792)	(\$107,133)	(\$78,485)	(\$1,832,984)
Working Capital	\$54,924	\$175,290	\$117,401	\$124,171	\$120,045	\$61,470	\$47,290	\$27,736	\$26,498	\$27,621	\$30,676	\$53,212	\$899,354
Total Supply Variable Costs	\$18,429,374	\$41,408,982	\$27,733,715	\$29,333,073	\$28,356,317	\$14,521,191	\$11,157,197	\$6,552,120	\$6,257,342	\$6,524,908	\$7,246,616	\$12,570,351	\$210,093,185
Supply Variable - Collections	\$14,017,516	\$31,753,454	\$40,081,531	\$32,459,845	\$38,969,072	\$28,429,755	\$16,569,443	\$10,561,365	\$6,904,162	\$6,804,420	\$7,385,044	\$8,539,485	\$241,475,192
Deferred Responsibility	\$18,741	\$73	\$2,011	\$73	\$467	(\$29,345)	\$15	(\$4,273)	(\$7,447)	(\$10,163)	(\$21,641)	\$0	
Prelim. Ending Balance	\$20,611,381	\$30,194,028	\$17,955,367	\$14,936,221	\$4,394,614	(\$9,438,963)	(\$14,863,036)	(\$18,929,235)	(\$19,652,361)	(\$19,024,332)	(\$19,129,495)	(\$15,196,597)	
Month's Average Balance	\$18,414,822	\$25,366,300	\$24,130,281	\$16,499,694	\$9,700,225	(\$2,499,354)	(\$12,156,905)	(\$16,926,749)	(\$19,332,674)	(\$19,389,658)	(\$19,071,101)	(\$17,212,030)	
Interest Rate (BOA Prime - 200 bp)	5.00%	5.16%	5.26%	5.50%	5.54%	5.75%	5.93%	6.02%	6.25%	6.25%	6.25%	6.25%	
Interest Applied	\$75,677	\$111,167	\$107,800	\$69,615	\$45,642	(\$11,812)	(\$61,228)	(\$83,753)	(\$102,622)	(\$102,925)	(\$97,988)	(\$91,365)	(\$141,771)
Gas Procurement Incentive (penalty)										\$114,549			
Supply Variable Ending Balance	\$20,538,572	\$30,305,194	\$18,063,167	\$15,005,836	\$4,440,256	(\$9,450,775)	(\$14,924,263)	(\$19,012,988)	(\$19,754,983)	(\$19,012,708)	(\$19,227,463)	(\$15,287,962)	

NATIONAL GRID
GCR Gas Costs Actual

SUPPLY FIXED COSTS - Pipeline Delivery

	Nov-05 Actual	Dec-05 Actual	Jan-06 Actual	Feb-06 Actual	Mar-06 Actual	Apr-06 Actual	May-06 Actual	Jun-06 Actual	Jul-06 Actual	Aug-06 Actual	Sep-06 Actual	Oct-06 Actual	Nov-Oct
Conoco	\$2,068,532	\$2,145,522	\$2,117,812	\$2,040,853	\$2,108,232	\$1,830,023	\$2,299,561	\$2,051,896	\$1,865,892	\$2,075,215	\$2,058,193	\$2,075,449	\$24,737,180
Algonquin	(\$37,252)	(\$99,311)	(\$62,798)	\$13,795	(\$62,798)	\$220,530	(\$320,580)	(\$37,252)	(\$62,798)	(\$63,587)	(\$37,728)	(\$63,294)	(\$613,073)
Texas Eastern	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TETCO	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tennessee	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
NETNE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
IROQUOIS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dominion	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transco	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$4,750	\$0	\$0	\$0	\$0	\$4,750
National Fuel	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Columbia	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Texas Gas	\$0	\$0	\$0	\$0	\$0	\$0	\$0	(\$3)	\$0	\$0	\$0	\$0	(\$3)
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	\$63,347	\$63,370	\$63,370	\$63,370	\$63,370	\$63,370	\$753,521
Less Credits from Mktr Releases	\$271,655	\$283,817	\$291,940	\$200,411	\$351,259	\$210,730	\$392,514	\$308,619	\$290,000	\$313,361	\$312,130	\$63,487	\$3,289,923
TOTAL SUPPLY FIXED COSTS - Pipeline	\$1,819,487	\$1,822,256	\$1,823,170	\$1,921,067	\$1,757,131	\$1,903,541	\$1,649,814	\$1,774,142	\$1,576,464	\$1,761,637	\$1,771,705	\$2,012,038	\$21,592,452
Supply Fixed - Supplier	\$31,375	\$31,410	\$32,697	\$31,519	\$31,043	\$29,371	\$27,164	\$29,813	\$31,250	\$29,107	\$30,322	\$29,808	\$364,879
ANE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANE OPS Demand	\$43,284	\$18,000	\$34,875	\$31,500	\$34,875	\$33,750	\$34,875	\$34,875	\$33,750	\$34,875	\$33,750	\$34,875	\$403,284
BP	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,351	\$3,624,351
LNG vapor	\$376,659	\$351,410	\$369,572	\$365,019	\$367,918	\$365,121	\$364,039	\$366,688	\$367,000	\$365,982	\$366,072	\$367,034	\$4,392,514
Total Supply Fixed (Pipeline & Supplier)	\$2,196,146	\$2,173,666	\$2,192,742	\$2,286,086	\$2,125,049	\$2,268,662	\$2,013,853	\$2,140,830	\$1,943,464	\$2,127,619	\$2,137,777	\$2,379,072	\$25,984,966

NATIONAL GRID
GCR Gas Costs Actual

	Nov-05 Actual	Dec-05 Actual	Jan-06 Actual	Feb-06 Actual	Mar-06 Actual	Apr-06 Actual	May-06 Actual	Jun-06 Actual	Jul-06 Actual	Aug-06 Actual	Sep-06 Actual	Oct-06 Actual	Nov-Oct
STORAGE FIXED COSTS - Facilities													
CONOCO	\$220,877	\$228,301	\$200,766	\$219,712	\$218,787	\$217,356	\$219,425	\$219,339	\$219,137	\$218,885	\$216,774	\$218,232	\$0
TEXAS EASTERN SS-1 DEMAND													\$0
TEXAS EASTERN SS-1 CAPACITY													\$0
TEXAS EASTERN FSS-1 DEMAND													\$0
TEXAS EASTERN FSS-1 CAPACITY													\$0
DOMINION GSS DEMAND													\$0
DOMINION GSS CAPACITY													\$0
DOMINION GSS-TE DEMAND													\$0
DOMINION GSS-TE CAPACITY													\$0
TENNESSEE FSMA DEMAND													\$0
TENNESSEE FSMA CAPACITY													\$0
COLUMBIA FSS DEMAND													\$0
COLUMBIA FSS CAPACITY													\$0
ALONGQUIN TANK LEASE PAYMENTS	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$1,890,000
TOTAL FIXED STORAGE COSTS	\$378,377	\$385,801	\$358,266	\$377,212	\$376,287	\$374,856	\$376,925	\$376,839	\$376,637	\$376,385	\$374,274	\$375,732	\$1,890,000
STORAGE FIXED COSTS - Delivery													
CONOCO	\$384,568	\$364,179	\$384,151	\$343,161	\$364,131	\$238,799	\$474,991	\$349,694	\$356,694	\$349,259	\$349,646	\$356,670	\$4,275,943
ALONGQUIN FOR TETCO SS-1	(\$14,822)	(\$21,797)	(\$21,797)	(\$872)	(\$21,797)	\$103,475	(\$140,094)	(\$14,822)	(\$21,797)	(\$21,797)	(\$14,822)	(\$21,797)	(\$212,739)
ALONGQUIN DELIVERY FOR FSS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TETCO DELIVERY FOR FSS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ALONGQUIN SCT FOR SS-1	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ALONGQUIN DELIVERY FOR GSS, GSS-TE,	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ALONGQUIN SCT DELIVERY FOR GSS-TE	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ALONGQUIN DELIVERY FOR GSS CONV	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TENNESSEE DELIVERY FOR GSS	(\$1,089)	(\$153)	\$2,771	(\$50,668)	(\$4,210)	\$4,662	\$690	\$176	\$225	\$297	\$254	\$185	(\$46,860)
TENNESSEE DELIVERY FOR FSMA													\$0
TETCO DELIVERY FOR GSS													\$0
TETCO DELIVERY FOR GSS-TE													\$0
TETCO DELIVERY FOR GSS-TE													\$0
TETCO DELIVERY FOR GSS CONV													\$0
DOMINION DELIVERY FOR GSS													\$0
DOMINION DELIVERY FOR GSS CONV													\$0
ALONGQUIN DELIVERY FOR FSS													\$0
COLUMBIA DELIVERY FOR FSS													\$0
DISTRIGAS FL													\$0
STORAGE DELIVERY FIXED COST \$	\$91,466	\$119,371	\$108,323	\$112,804	\$113,898	\$76,358	\$126,383	\$125,925	\$106,343	\$103,521	\$126,146	\$104,478	\$1,315,016
TOTAL STORAGE FIXED	\$440,123	\$461,600	\$453,448	\$404,425	\$452,022	\$423,294	\$461,970	\$460,873	\$441,465	\$431,280	\$461,224	\$439,536	\$5,331,360
TOTAL STORAGE FIXED	\$818,500	\$847,401	\$811,714	\$781,637	\$828,309	\$798,150	\$838,895	\$837,812	\$818,102	\$807,665	\$835,498	\$815,268	\$7,221,360
TOTAL FIXED COSTS	\$3,014,646	\$3,021,067	\$3,004,456	\$3,067,723	\$2,953,358	\$3,066,812	\$2,852,748	\$2,978,642	\$2,761,566	\$2,935,284	\$2,973,275	\$3,194,340	\$33,206,326

NATIONAL GRID
GCR Gas Costs Actual

VARIABLE SUPPLY COSTS

	Nov-05 Actual	Dec-05 Actual	Jan-06 Actual	Feb-06 Actual	Mar-06 Actual	Apr-06 Actual	May-06 Actual	Jun-06 Actual	Jul-06 Actual	Aug-06 Actual	Sep-06 Actual	Oct-06 Actual	Nov-Oct
Tennessee Zone 0													\$0
Tennessee Zone 1													\$0
Tennessee Dracut													\$0
TETCO STX													\$0
TETCO ELA													\$0
TETCO WLA													\$0
TETCO ETX													\$0
TETCO NF													\$0
M3 Delivered													\$0
Maumee Supplemental	(\$431,489)	\$610,497	(\$642,131)	\$212,246	(\$498,132)	\$125,154	(\$58,469)	(\$256,448)	\$2,780	\$25,142	\$39,764	(\$289,109)	(\$1,160,195)
Broadrun Col													\$0
Columbia AGT													\$0
Trans Wharton													\$0
Transco to Dominion													\$0
Texas Gas to Dominion													\$0
ANE to Tennessee													\$0
Niagara to Tennessee													\$0
TETCO to B & W	\$295,131	\$334,258	\$257,649	\$213,165	\$228,374	\$198,793	\$199,892	\$163,738	\$165,568	\$221,386	\$158,718	\$104,298	\$2,540,950
Tenn Zone 0 VG	\$0												\$0
Tenn Zone 1 VG													\$0
LNG FCS													\$0
Hubline													\$0
Suppliers	\$19,637,351	\$41,274,216	\$28,890,510	\$30,409,515	\$29,790,669	\$15,007,702	\$11,603,566	\$7,628,795	\$6,955,485	\$7,068,144	\$7,215,896	\$13,063,517	\$1,380,755
Total Pipeline Commodity Charges	\$19,500,993	\$42,218,971	\$27,908,805	\$30,393,516	\$29,351,683	\$15,331,649	\$11,744,979	\$7,536,085	\$7,123,833	\$7,314,652	\$7,414,378	\$12,878,706	\$1,380,755

NATIONAL GRID
GCR Gas Costs Actual

	Nov-05 Actual	Dec-05 Actual	Jan-06 Actual	Feb-06 Actual	Mar-06 Actual	Apr-06 Actual	May-06 Actual	Jun-06 Actual	Jul-06 Actual	Aug-06 Actual	Sep-06 Actual	Oct-06 Actual	Nov-Oct
VARIABLE STORAGE COSTS													
Underground Storage	\$416,975	\$3,986,792	\$5,178,067	\$6,830,331	\$2,851,272	\$335,443	\$7,271	\$7,219	\$7,167	\$7,216	\$8,440	\$5,613	\$19,641,806
LNG Withdrawals/Westerly Trucking	\$191,786	\$641,431	\$1,028,489	\$973,815	\$256,032	\$149,871	\$156,332	\$181,155	\$172,920	\$146,000	\$147,175	\$173,736	\$4,218,742
LP	\$3,916	\$3,237	\$3,531	\$0	\$611	\$4,980	\$0	\$226	\$0	\$0	\$0	\$0	\$16,411
TOTAL VARIABLE STORAGE COSTS	\$612,677	\$4,631,460	\$6,210,087	\$7,804,146	\$3,107,915	\$490,204	\$163,603	\$188,600	\$180,087	\$153,216	\$155,615	\$179,349	\$23,876,959
TOTAL VARIABLE COSTS	\$20,113,670	\$46,850,431	\$34,118,892	\$38,197,662	\$32,459,598	\$15,821,853	\$11,908,582	\$7,724,685	\$7,303,920	\$7,467,868	\$7,569,993	\$13,058,055	\$242,595,209
TOTAL SUPPLY COSTS	\$23,128,316	\$49,871,498	\$37,123,348	\$41,265,385	\$35,412,956	\$18,888,665	\$14,761,330	\$10,703,327	\$10,065,486	\$10,403,152	\$10,543,268	\$16,252,395	\$275,801,535
TOTAL CAPACITY RELEASE CREDITS	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TOTAL SUPPLY COSTS AFTER CREDITS	\$23,128,316	\$49,871,498	\$37,123,348	\$41,265,385	\$35,412,956	\$18,888,665	\$14,761,330	\$10,703,327	\$10,065,486	\$10,403,152	\$10,543,268	\$16,252,395	\$275,801,535
Storage Costs for FT-2 Calculation													
Storage Fixed Costs - Facilities	\$378,377	\$385,801	\$358,266	\$377,212	\$376,287	\$374,856	\$376,925	\$376,839	\$376,637	\$376,385	\$374,274	\$375,732	\$4,507,591
Storage Fixed Costs - Deliveries	\$440,123	\$461,800	\$453,448	\$404,425	\$452,022	\$423,294	\$461,970	\$460,973	\$441,465	\$431,280	\$461,224	\$439,536	\$5,331,360
Variable Delivery Costs	\$2,682	\$21,445	\$27,455	\$40,469	\$21,116	\$3,889	\$69	\$65	\$62	\$59	\$68	\$0	\$117,380
Variable Injection Costs	\$2,804	\$628	\$432	\$58	\$450	\$8,383	\$8,678	\$8,398	\$8,679	\$8,678	\$8,399	\$8,780	\$64,366
Fuel Costs Allocated to Storage	\$54,924	\$234,737	\$338,369	\$386,443	\$153,231	\$167,224	\$76,816	\$73,735	\$80,102	\$81,792	\$107,133	\$78,485	\$1,832,994
Total Storage Costs	\$878,910	\$1,104,211	\$1,177,970	\$1,208,609	\$1,003,107	\$977,647	\$924,458	\$920,010	\$906,944	\$898,193	\$951,099	\$902,553	\$11,853,691
Pipeline Variable	\$19,500,993	\$42,218,971	\$27,908,805	\$30,393,516	\$29,351,683	\$15,331,649	\$11,744,979	\$7,536,085	\$7,123,833	\$7,314,852	\$7,414,378	\$12,878,706	\$1,380,755
Less Non-firm Gas Costs	\$1,041,674	\$888,586	\$112,869	\$1,001,073	\$1,018,547	\$1,073,041	\$901,408	\$1,027,167	\$1,062,153	\$950,938	\$296,923	\$533,757	
Less Company Use	\$19,890	\$26,860	\$44,281	\$52,525	\$41,585	\$24,717	\$3,243	\$19,074	\$20,863	\$91,380	(\$4,963)	\$1,038	
Less Manchester-St Balancing	\$9,126	\$2,826	\$4,122	\$2,245	\$4,360	\$7,505	\$7,445	\$8,426	\$6,663	\$8,631	\$5,245	\$7,863	
Plus Cashout													
Less Mktgr Over-takes	\$165,019	\$38,001	\$5,944	\$12,985	\$31,309	\$5,031	\$6,729	\$27,876	\$60,826	(\$10,792)	\$10,076	\$1,232	
Less Mktgr Withdrawals	\$12,299	\$56,153	\$83,875	\$30,035	\$45,569	\$50,305	\$97,529	\$59,139	\$18,558	\$0	\$572	\$0	
Plus Mktgr Undertakes	\$23,060	\$10,536	\$108,662	\$126,906	\$136,675	\$164,680	\$136,675	\$135,705	(\$43,960)	\$88,683	\$3,026	\$22,093	
Plus Mktgr Injections	\$974	\$0	\$6,694	\$17,392	\$16,899	\$70,873	\$132,032	\$69,571	\$2,116	\$7,566	\$10,529	\$29,952	
Storage Service Charge													
Plus Pipeline Strchg/Credit	\$134,751	\$273,421	\$209,500	\$196,922	\$167,874	\$232,614	\$198,198	\$6,903	\$406,769	\$217,071	\$211,461	\$217,543	
TOTAL FIRM COMMODITY COSTS	\$18,411,770	\$41,490,502	\$27,982,570	\$29,635,873	\$28,413,069	\$14,639,218	\$11,195,530	\$6,606,582	\$6,319,695	\$6,587,815	\$7,331,541	\$12,604,404	

	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	actual	actual	actual	actual	actual	actual	Nov-Oct
I. Supply Fixed Cost Collections --													
(a) Resid. & Small C & I dth	1,284,429	2,644,081	3,396,687	2,682,585	3,241,143	2,416,019	1,373,949	855,332	555,681	458,538	532,731	670,267	20,111,442
Supply Fixed Cost Factor	\$0.8678	\$0.9673	\$0.9671	\$0.9679	\$0.9660	\$0.9672	\$0.9657	\$0.9664	\$0.9667	\$0.9669	\$0.9680	\$0.9692	\$0.9680
Res & Small C & I collections	\$1,114,878	\$2,557,640	\$3,284,895	\$2,596,547	\$3,131,049	\$2,336,841	\$1,326,850	\$826,597	\$537,156	\$443,359	\$515,704	\$649,606	\$19,320,922
(b) C & I Medium dth	264,163	504,773	631,499	533,947	626,896	447,425	277,655	177,651	122,629	108,726	123,730	150,914	3,970,008
Supply Fixed Cost Factor	\$0.8345	\$0.9343	\$0.9381	\$0.9327	\$0.9341	\$0.9302	\$0.9293	\$0.9310	\$0.9225	\$0.9232	\$0.9257	\$0.9375	\$0.9375
C & I Medium collections	\$220,443	\$471,607	\$592,379	\$498,020	\$585,608	\$416,175	\$258,033	\$168,951	\$113,127	\$100,381	\$114,539	\$141,488	\$3,680,751
(c) C & I Large LLF dth	98,871	180,342	219,689	206,675	249,213	132,992	81,275	43,603	25,687	19,301	31,338	44,914	1,333,900
Supply Fixed Cost Factor	\$0.9297	\$1.0157	\$1.0144	\$1.0002	\$1.0067	\$1.0068	\$1.0056	\$0.9411	\$0.9596	\$0.9786	\$0.9796	\$0.9813	\$0.9813
C & I Large LLF collections	\$91,923	\$183,177	\$222,847	\$206,725	\$250,879	\$133,891	\$81,727	\$41,034	\$24,650	\$18,887	\$30,700	\$44,074	\$1,330,514
(d) C & I Large HLF dth	38,648	55,552	55,399	44,764	58,528	52,749	40,300	37,138	25,538	21,869	38,690	31,120	500,295
Supply Fixed Cost Factor	\$0.7011	\$0.7073	\$0.7207	\$0.7174	\$0.7283	\$0.7434	\$0.7120	\$0.6808	\$0.7056	\$0.6588	\$0.7056	\$0.7056	\$0.7056
C & I Large HLF collections	\$27,095	\$39,293	\$39,928	\$32,114	\$42,626	\$39,216	\$28,692	\$25,283	\$18,020	\$14,408	\$27,301	\$21,959	\$355,935
(e) C & I Extra Large LLF dth	13,712	31,134	29,003	23,799	34,521	18,412	9,134	3,609	1,188	1,010	1,408	3,306	170,236
Supply Fixed Cost Factor	\$0.9862	\$0.9586	\$0.9598	\$0.9588	\$0.9598	\$0.9598	\$0.9597	\$0.9598	\$0.9596	\$0.9594	\$0.9602	\$0.9598	\$0.9598
C & I XL LLF collections	\$13,523	\$29,844	\$27,837	\$22,842	\$33,133	\$17,672	\$8,766	\$3,464	\$1,140	\$969	\$1,352	\$3,173	\$163,715
(f) C & I Extra Large HLF dth	35,348	46,029	34,594	48,358	42,050	33,377	27,740	35,697	24,486	26,459	31,804	29,458	415,400
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	\$24,546	\$19,512	\$16,216	\$20,868	\$14,314	\$15,468	\$18,592	\$17,221	\$242,030
sub-total Dth	1,735,171	3,461,911	4,366,871	3,540,128	4,252,951	3,100,974	1,810,063	1,153,090	755,209	635,903	759,701	929,979	26,501,281
sub-total Supply Fixed Collections	\$1,487,711	\$3,308,294	\$4,188,417	\$3,384,192	\$4,067,877	\$2,963,307	\$1,720,284	\$1,086,197	\$708,407	\$593,472	\$708,188	\$877,521	\$25,093,867
II. Storage Fixed Cost Collections --													
(a) Resid. & Small C & I dth	1,284,429	2,644,081	3,396,687	2,682,585	3,241,143	2,416,019	1,373,949	855,332	555,681	458,538	532,731	670,267	20,111,442
Storage Fixed Cost Factor	\$0.3337	\$0.3507	\$0.3506	\$0.3509	\$0.3502	\$0.3507	\$0.3501	\$0.3504	\$0.3505	\$0.3505	\$0.3510	\$0.3514	\$0.3514
Res & Small C & I collections	\$428,636	\$927,263	\$1,190,927	\$941,370	\$1,135,151	\$847,213	\$481,045	\$299,680	\$194,744	\$160,737	\$186,967	\$236,512	\$7,029,245
(b) C & I Medium dth	264,163	504,773	631,499	533,947	626,896	447,425	277,655	177,651	122,629	108,726	123,730	150,914	3,970,008
Storage Fixed Cost Factor	\$0.3188	\$0.3355	\$0.3368	\$0.3349	\$0.3354	\$0.3340	\$0.3337	\$0.3415	\$0.3313	\$0.3315	\$0.3324	\$0.3366	\$0.3366
C & I Medium collections	\$84,213	\$169,343	\$212,710	\$178,828	\$210,278	\$149,439	\$92,653	\$60,666	\$40,621	\$36,045	\$41,129	\$50,805	\$1,326,730
(c) C & I Large LLF dth	98,871	180,342	219,689	206,675	249,213	132,992	81,275	43,603	25,687	19,301	31,338	44,914	1,333,900
Storage Fixed Cost Factor	\$0.3541	\$0.3681	\$0.3676	\$0.3625	\$0.3648	\$0.3648	\$0.3644	\$0.3410	\$0.3478	\$0.3546	\$0.3550	\$0.3556	\$0.3556
C & I Large LLF collections	\$35,013	\$66,383	\$80,759	\$74,916	\$90,916	\$49,521	\$29,618	\$14,870	\$8,933	\$6,845	\$11,126	\$15,972	\$483,872
(d) C & I Large HLF dth	38,648	55,552	55,399	44,764	58,528	52,749	40,300	37,138	25,538	21,869	38,690	31,120	500,295
Storage Fixed Cost Factor	\$0.2710	\$0.2565	\$0.2614	\$0.2602	\$0.2641	\$0.2696	\$0.2582	\$0.2489	\$0.2559	\$0.2589	\$0.2559	\$0.2559	\$0.2559
C & I Large HLF collections	\$10,474	\$14,250	\$14,481	\$11,647	\$15,459	\$14,222	\$10,406	\$9,169	\$6,535	\$5,225	\$9,901	\$7,964	\$129,733
(e) C & I XL LLF dth	13,712	31,134	29,003	23,799	34,521	18,412	9,134	3,609	1,188	1,010	1,408	3,306	170,236
Storage Fixed Cost Factor	\$0.3813	\$0.3471	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3476	\$0.3475	\$0.3475	\$0.3475	\$0.3475
C & I XL LLF collections	\$5,229	\$10,808	\$10,081	\$8,272	\$11,999	\$6,400	\$3,175	\$1,254	\$413	\$351	\$490	\$1,149	\$59,621
(f) C & I XL HLF dth	35,348	46,029	34,594	48,358	42,050	33,377	27,740	35,697	24,486	26,459	31,804	29,458	415,400
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	\$5,881	\$7,568	\$5,191	\$5,609	\$6,742	\$6,245	\$88,229
(g) FT-2 dth	41,049	70,543	89,021	66,504	86,409	68,673	48,958	36,916	26,676	22,265	27,665	30,040	614,719
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 actual	Dec-05 actual	Jan-06 actual	Feb-06 actual	Mar-06 actual	Apr-06 actual	May-06 actual	Jun-06 actual	Jul-06 actual	Aug-06 actual	Sep-06 actual	Oct-06 actual	Total Nov-Oct
FT-2 collection	\$11,797	\$19,104	\$28,959	\$21,634	\$28,109	\$22,339	\$15,926	\$12,009	\$8,678	\$7,243	\$8,999	\$9,772	\$194,569
sub-total Dth	1,776,220	3,532,454	4,455,892	3,606,632	4,338,760	3,169,647	1,859,011	1,189,946	781,885	658,168	787,366	960,019	27,116,000
sub-total Storage Fixed Collections	\$583,091	\$1,216,846	\$1,545,362	\$1,246,801	\$1,500,826	\$1,095,210	\$638,704	\$405,216	\$265,115	\$222,055	\$265,354	\$327,419	\$9,311,999
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	1,810,053	1,153,030	755,209	635,903	759,701	929,979	26,483,580
Variable Supply Cost Factor	\$8,0879	\$9,1892	\$8,1679	\$9,1617	\$9,1615	\$9,1646	\$9,1465	\$9,1484	\$9,1244	\$9,1125	\$9,2910	\$9,1727	\$9,1125
Variable Supply collections	\$13,986,278	\$31,703,829	\$40,034,850	\$32,433,729	\$39,957,872	\$28,419,327	\$16,555,634	\$10,548,434	\$6,890,838	\$5,794,687	\$7,058,354	\$8,530,447	\$240,914,279
(b) TSS Sales dth	4,499	10,318	14,139	11,594	15,859	8,479	676	540	-540	0	383	844	
TSS Variable Supply Cost F.	\$4,6548	\$3,7474	\$2,3826	\$1,4143	\$0,0323	\$0,0000	\$0,7175				\$0	\$0	
TSS Surcharge collections	\$20,942	\$38,666	\$33,687	\$16,397	\$513	\$0	\$485				\$0	\$0	
(c) NGV Sales dth	1,397	1,487	1,408	1,064	1,158	1,130	1,130	1,415	1,458	1,055	1,618	989	1,728
Variable Supply Cost Factor	\$7,3701	\$7,3699	\$9,2287	\$9,2284	\$9,2288	\$9,2283	\$11,7912	\$9,1365	\$9,1365	\$9,1390	\$9,1329	\$8,1385	\$9,1329
Variable Supply collections	\$10,296	\$10,959	\$12,994	\$9,819	\$10,687	\$10,428	\$13,324	\$12,931	\$13,324	\$9,733	\$14,777	\$9,038	\$0
(d) Default Sales dth													
Variable Supply Cost Factor													
Variable Supply collections													
TOTAL Variable Supply Collections	\$14,017,516	\$31,753,454	\$40,081,531	\$32,459,945	\$39,969,072	\$28,429,755	\$16,569,443	\$10,561,365	\$6,904,162	\$5,804,420	\$7,385,044	\$8,539,485	\$240,914,279
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	1,810,053	1,153,030	755,209	635,903	759,701	929,979	26,483,580
Variable Supply Cost Factor	\$0,9867	\$1,1263	\$1,1232	\$1,1221	\$1,1215	\$1,1219	\$1,1197	\$1,1199	\$1,1170	\$1,1155	\$1,1195	\$1,1229	\$1,1195
Stor Var Product collections	\$1,706,266	\$3,885,709	\$4,904,928	\$3,972,333	\$4,769,031	\$3,478,910	\$2,026,692	\$1,291,270	\$843,531	\$709,348	\$850,488	\$1,044,242	\$29,482,748
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	1,810,053	1,153,030	755,209	635,903	759,701	929,979	26,501,281
Variable Supply Cost Factor	\$0,1121	\$0,1445	\$0,1448	\$0,1444	\$0,1444	\$0,1444	\$0,1441	\$0,1488	\$0,1438	\$0,1436	\$0,1441	\$0,1445	\$0,1445
Stor Var Non-Product collec	\$194,566	\$500,171	\$631,366	\$511,321	\$613,875	\$447,807	\$260,877	\$171,531	\$108,581	\$91,307	\$109,476	\$134,417	\$3,775,295
(b) FT-2 dth	41,049	70,543	89,021	66,504	86,409	68,673	48,958	36,916	26,676	22,265	27,665	30,040	
Variable Supply Cost Factor	\$0,1033	\$0,1199	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	\$0,1440	
Stor Var Non-Product collec	\$4,241	\$8,457	\$12,819	\$9,577	\$12,443	\$9,889	\$7,050	\$5,316	\$3,841	\$3,206	\$3,984	\$4,326	\$85,149
(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	1,859,011	1,189,946	781,885	658,168	787,366	960,019	
Stor Var Non-Product collec	\$198,807	\$508,628	\$644,185	\$520,898	\$626,318	\$457,696	\$267,927	\$176,847	\$112,422	\$94,513	\$113,460	\$138,743	\$3,860,444
Total Gas Cost Collections	\$17,993,391	\$40,672,931	\$51,364,423	\$41,584,169	\$49,833,124	\$36,424,878	\$21,223,050	\$13,520,895	\$8,833,637	\$7,423,808	\$9,322,534	\$10,927,410	\$308,663,337

National Grid
Rhode Island Service Area
Gas Cost Inventory Financing Calculation

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	Storage Inventory Balance		\$30,031,411	\$26,447,451	\$21,446,006	\$14,670,539	\$12,374,528	\$14,726,701	\$17,677,756	\$20,511,334	\$23,553,820	\$26,660,935	\$29,562,637	\$32,618,085
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	\$1,580,115	\$1,833,393	\$2,105,344	\$2,383,071	\$2,642,438	\$2,915,547
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	\$713,021	\$827,312	\$950,029	\$1,075,352	\$1,192,391	\$1,315,630
6	Taxable Income	(3) - (5)	\$1,473,041	\$1,297,247	\$1,051,927	\$719,590	\$606,971	\$722,345	\$867,094	\$1,006,081	\$1,155,315	\$1,307,719	\$1,450,047	\$1,599,917
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	\$1,333,991	\$1,547,817	\$1,777,407	\$2,011,875	\$2,230,842	\$2,461,411
9	Working Capital Requirement	(5) + (8)	\$3,477,515	\$3,062,507	\$2,483,360	\$1,698,789	\$1,432,920	\$1,705,292	\$2,047,012	\$2,375,129	\$2,727,436	\$3,087,228	\$3,423,233	\$3,777,041
10	Monthly Average	(9) / 12	\$289,793	\$255,209	\$206,947	\$141,566	\$119,410	\$142,108	\$170,584	\$197,927	\$227,286	\$257,269	\$285,269	\$314,753
11	LNG Inventory Balance		\$7,633,531	\$7,961,207	\$7,118,934	\$6,411,551	\$6,669,139	\$6,799,534	\$6,979,939	\$7,254,697	\$7,463,385	\$7,454,863	\$7,490,517	\$7,453,436
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	\$623,998	\$648,457	\$667,110	\$666,348	\$669,535	\$666,221
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	\$281,532	\$292,614	\$301,031	\$300,687	\$302,125	\$300,630
16	Taxable Income	(13) - (15)	\$374,425	\$390,497	\$349,184	\$314,487	\$327,072	\$333,517	\$342,366	\$355,843	\$366,079	\$365,661	\$367,410	\$365,591
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	\$463,826	\$503,188	\$513,103	\$526,717	\$547,451	\$563,199	\$562,555	\$565,246	\$562,448
19	Working Capital Requirement	(15) + (18)	\$883,932	\$921,875	\$824,344	\$742,431	\$772,143	\$787,358	\$808,248	\$840,064	\$864,230	\$863,243	\$867,371	\$863,077
20	Monthly Average	(19) / 12	\$73,661	\$76,823	\$68,695	\$61,869	\$64,345	\$65,613	\$67,354	\$70,005	\$72,019	\$71,937	\$72,281	\$71,923
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	\$13,793	\$14,274	\$14,685	\$14,668	\$14,738	\$14,665
23	Supply Related Inventory Costs	(21) - (22)	\$58,642	\$61,159	\$54,688	\$49,254	\$51,225	\$52,235	\$53,621	\$55,731	\$57,334	\$57,269	\$57,543	\$57,258
24	Propane Inventory Balance		\$386,409	\$383,172	\$379,641	\$381,180	\$380,569	\$375,680	\$325,018	\$324,792	\$326,014	\$326,014	\$324,067	\$324,701
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	\$33,934	\$34,072	\$34,017	\$33,580	\$29,052	\$29,031	\$29,141	\$29,141	\$28,967	\$29,023
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	\$13,109	\$13,100	\$13,150	\$13,150	\$13,071	\$13,097
29	Taxable Income	(26) - (28)	\$18,953	\$18,795	\$18,621	\$18,697	\$18,667	\$18,427	\$15,942	\$15,931	\$15,991	\$15,991	\$15,895	\$15,927
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	\$24,526	\$24,509	\$24,602	\$24,602	\$24,455	\$24,502
32	Working Capital Requirement	(28) + (31)	\$44,745	\$44,370	\$43,961	\$44,139	\$44,068	\$43,502	\$37,636	\$37,610	\$37,751	\$37,751	\$37,526	\$37,599
33	Monthly Average	(32) / 12	\$3,729	\$3,697	\$3,663	\$3,678	\$3,672	\$3,625	\$3,136	\$3,134	\$3,146	\$3,146	\$3,127	\$3,133

National Grid
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	Supply Fixed Costs															
2	Capacity Release Revenue		\$2,721,944	\$2,722,105	\$2,722,105	\$2,718,920	\$2,721,695	\$2,720,570	\$2,721,695	\$2,720,570	\$2,721,695	\$2,721,695	\$2,720,570	\$2,721,695	\$32,665,260	
3	Allowable Working Capital Costs	(1) - (2)	\$487,328	\$485,747	\$460,345	\$484,507	\$490,345	\$490,345	\$505,004	\$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	\$2,236,356	\$2,231,760	\$2,234,413	\$2,231,360	\$2,230,225	\$2,216,691	\$2,215,566	\$2,216,691	\$2,216,691	\$2,215,566	\$2,216,691	\$2,216,691	\$26,696,618
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	13.40	
6	Cost of Capital	Rate Case	\$82,038	\$82,102	\$81,933	\$82,090	\$81,918	\$81,877	\$81,380	\$81,339	\$81,380	\$81,380	\$81,339	\$81,380	\$81,380	
7	Return on Working Capital Requirement	(5) * (6)	\$7,934	\$7,339	\$7,324	\$7,332	\$7,322	\$7,319	\$7,274	\$7,270	\$7,274	\$7,274	\$7,270	\$7,274	\$7,274	
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)	\$3,309	\$3,312	\$3,305	\$3,309	\$3,304	\$3,302	\$3,282	\$3,281	\$3,282	\$3,282	\$3,281	\$3,282	\$3,282	
10	Taxable Income	(7) - (9)	\$4,024	\$4,027	\$4,019	\$4,024	\$4,018	\$4,016	\$3,992	\$3,990	\$3,992	\$3,992	\$3,990	\$3,992	\$3,992	
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	\$6,190	\$6,182	\$6,179	\$6,141	\$6,136	\$6,141	\$6,141	\$6,138	\$6,141	\$6,141	
13	Supply Fixed Working Capital Requirement	(9) + (12)	\$9,500	\$9,507	\$9,488	\$9,489	\$9,488	\$9,481	\$9,423	\$9,419	\$9,423	\$9,423	\$9,419	\$9,423	\$113,491	
14	Storage Fixed Costs															
15	Less: LNG Demand to DAC		\$818,500	\$847,401	\$811,714	\$781,637	\$828,309	\$798,150	\$838,895	\$837,812	\$818,102	\$807,665	\$835,498	\$815,268	\$9,838,951	
16	Less: Credits		\$50,764	\$56,454	\$54,201	\$55,115	\$55,338	\$47,684	\$57,884	\$57,790	\$53,798	\$53,222	\$57,835	\$53,417	\$663,603	
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	\$43,241	
19	Number of Days Lag	Rate Case	\$810,977	\$834,188	\$800,754	\$769,763	\$816,212	\$793,708	\$824,252	\$823,263	\$807,546	\$797,684	\$820,904	\$805,092	\$9,704,343	
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	13.40	
21	Cost of Capital	(17) * (18) / 365	\$29,773	\$30,625	\$29,398	\$28,260	\$29,965	\$29,139	\$30,260	\$30,224	\$29,647	\$29,285	\$30,137	\$29,557	\$29,557	
22	Return on Working Capital Requirement	(19) * (20)	\$2,661	\$2,737	\$2,628	\$2,628	\$2,678	\$2,605	\$2,705	\$2,702	\$2,650	\$2,618	\$2,694	\$2,642	\$2,642	
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	\$1,236	\$1,186	\$1,140	\$1,209	\$1,175	\$1,221	\$1,219	\$1,186	\$1,181	\$1,216	\$1,192	\$1,192	
25	Taxable Income	(19) - (23)	\$1,460	\$1,502	\$1,442	\$1,396	\$1,470	\$1,429	\$1,484	\$1,482	\$1,454	\$1,436	\$1,478	\$1,450	\$1,450	
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	\$2,216	\$2,133	\$2,261	\$2,199	\$2,283	\$2,281	\$2,237	\$2,210	\$2,274	\$2,230	\$2,230	
28	Storage Fixed Working Capital Requirement	(23) + (26)	\$3,448	\$3,546	\$3,404	\$3,272	\$3,470	\$3,374	\$3,504	\$3,500	\$3,433	\$3,391	\$3,490	\$3,423	\$41,254	

