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PUBLIC UTILITIES COMMISSION

September 29, 2006

VIA HAND DELIVERY AND ELECTRONIC MAIL

Luly E. Massaro, Commission Clerk
Rhode Island Public Utilities Commission
89 Jefferson Boulevard
Warwick, RI 02888

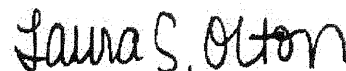
**RE: Docket 3760 - Annual Distribution Adjustment Charge and
Earnings Sharing Mechanism
Response to Division Data Requests – Set 1**

Dear Ms. Massaro:

Enclosed please find ten (10) copies of National Grid's response to the Division Data Request 1-05 from the set of the Division Data Requests issued on September 13, 2006, in the above-captioned proceeding.

Thank you for your attention to this matter. If you have any questions, please feel free to contact me at (401) 784-7667.

Very truly yours,



Laura S. Olton

Enclosures

cc: Docket 3760 Service List

Division Data Request 1-5

Request:

Please provide workpapers and calculations supporting the "Corporate Allocation" of \$3,265,542 on Attachment SP-1, Page 2. The response should clearly identify the amounts associated with the Corporate Incentive Compensation Plan and show how those costs were eliminated. In addition, the response should explain the reasons for the increase in the "Corporate Allocation" expense from the prior fiscal year.

Response:

See attached worksheets identifying the amounts associated with the Corporate Incentive Compensation Plan that were eliminated from the calculation of the Corporate Allocation for earnings sharing purposes. Lines 7 and 148 Other Direct Wages and lines 8 and 149 Profit Incentive show the elimination of all amounts associated with the Corporate Incentive Compensation Plan.

The Company's level of corporate overheads increased for the twelve-month period ended June 30, 2006 over June 30, 2005 due to a combination of increased Corporate costs and changes in accounting regulations. They are follows:

PAYROLL- Corporate payroll expenses increased by approximately \$3,507,000, primarily due to increased staffing levels at the corporate division. This was due to the centralization of the Tax Department as well as increased staffing levels to help comply with new Sarbanes-Oxley requirements.

EMPLOYEE BENEFITS - Employee benefits expense increased by \$7,579,000. This was primarily as a result of the implementation of FAS123R reporting requirements that totaled \$3,912,000 and the required accounting for Stock Option Grants.

INJURIES AND DAMAGES - The Company's provision for injuries and damages increased by \$2,412,000 primarily due to a required reserve increase of \$1,500,000 based upon the December 31, 2005 audit and an increase in insurance surcharge premiums applicable to its LDC operations of \$685,000.

PROFESSIONAL OTHER OUTSIDE SERVICES / FEES - The Company experienced an increase of \$3,733,000 for professional services relating to legal, accounting and internal audit services, primarily as a result of Sarbanes-Oxley and other Company initiatives. The Company also experienced an increase of \$4,223,000 for Type Code 439 - Other Outside Services primarily as a result of service performed by Panhandle Eastern Pipe Line Company and CCE Holdings for IT and other support work done on behalf of Corporate.

Prepared by or under the supervision of:
Sharon Partridge

**SOUTHERN UNION COMPANY
CORPORATE
FISCAL YEAR 2006 INCOME STATEMENT
CORPORATE COMPANY 500
TWELVE MONTHS ENDED JUNE 2006**

			<u>Total</u>	
	Operating & Maintenance Expense			
1	311	Exempt Labor	11,493,261	1
2	312	Non-Exempt Labor - Fixed	668,214	2
3	314	Part-Time Labor	10,408	3
4	315	Overtime Labor	31,250	4
5	316	Temporary Labor	23,479	5
6	317	Sales Commissions	0	6
7	319	Other Direct Wages	4,582,759	7
8	326	Profit Incentive	(525,356)	8
9		Payroll Subtotal	16,284,015	9
10				10
11	320	Employee Benefits	8,666,028	11
12	321	Medical	1,261,887	12
13	322	Pension Cost	627,519	13
14	323	401-K Match Cost	624,998	14
15	324	Life, AD&D, & LTD Insurance Cost	319,780	15
16	360	Dental	98,029	16
17	361	FAS 106	0	17
18	362	Supplemental Retirement	(169,456)	18
19	020	Employee Benefits Clearing	0	19
20		Employee Benefits Subtotal	11,428,785	20
21				21
22	325	Operating Reserves	0	22
23	327	Insurance Premiums	825,580	23
24	328	I&D Claims Reserve	2,281,926	24
25	035	Injuries & Damages Clearing	0	25
26		Injuries and Damages Subtotal	3,107,506	26
27				27
28	432	Professional Fees - Accounting	7,213,722	28
29	433	Professional Fees - Legal	5,222,003	29
30	434	Professional Fees - Internal Audit	495,385	30
31	436	Professional Fees - Other	1,714,797	31
32		Total Professional Fees	14,645,907	32
33				33
34	440	IT Costs - System Software	746,031	34
35	442	IT Costs - Application Software	1,895	35
36	444	IT Costs - Hardware / Environ. Maint.	0	36
37	446	IT Costs - Equipment Leases	66	37
38	448	IT Costs - Miscellaneous	37,618	38
39	450	IT Costs - PC Hardware Supplies	(5,936)	39
40	452	IT Costs - PC Software Supplies	2,432	40
41	454	IT Costs - PC & Printer Repair/Maint	(4,330)	41
42	455	IT Costs - Data Processing Supplies	0	42

**SOUTHERN UNION COMPANY
CORPORATE
FISCAL YEAR 2006 INCOME STATEMENT
CORPORATE COMPANY 500
TWELEVE MONTHS ENDED JUNE 2006**

		<u>Total</u>	
43	IT Costs Subtotal	777,776	43
44			44
45	650 Postage & Freight	81,713	45
46	070 CSS Billing Allocation	0	46
47	Postage Subtotal	81,713	47
48			48
49	690 Uncollectibles	0	49
50	691 Bad Debt Reserve	0	50
51	Total Uncollectibles	0	51
52			52
53	330 Training	34,408	53
54	335 Mileage	6,707	54
55	340 Travel	417,010	55
56	341 Meals and Entertainment	126,183	56
57	342 Time Sheet Meals	0	57
58	343 Parking	5,623	58
59	390 Other Employee Related Expenses	106,510	59
60	410 Dues & Memberships	439,226	60
61	429 Damage Reimbursement	0	61
62	431 General Utility Subcntrct Lbr	0	62
63	439 Other Outside Services	4,977,241	63
64	490 Communications / Telephone	166,062	64
65	511 Inventory Issues	0	65
66	512 Direct Purch.-Non Stock	0	66
67	520 Business Forms	897	67
68	522 Office Supplies	245,770	68
69	528 Printing & Reproduction	15,955	69
70	570 Rents & Leases	1,284,399	70
71	591 Company Used Gas	0	71
72	594 Electricity / Utilities	148,439	72
73	598 Vehicular Fuel	0	73
74	610 Advertising	43,771	74
75	700 Miscellaneous Expense	61,101	75
76	710 Depreciation and Amortization	0	76
77	760 Permits, Licenses, Fees	14,688	77
78	815 Other Financing Costs	601,772	78
79	870 Financial Reporting Expenses	314,581	79
80	960 Directors' and Officers' Costs	920,170	80
81	010 Time Off w/ Pay(NPT) Load	0	81
82	050 Stores Load	0	82
83	060 Vehicles Load	17,985	83
84	998 Meter Installation Transfers	0	84
85	999 Misc. Loadings	<u>(60,323,051)</u>	85

**SOUTHERN UNION COMPANY
CORPORATE
FISCAL YEAR 2006 INCOME STATEMENT
CORPORATE COMPANY 500
TWELVE MONTHS ENDED JUNE 2006**

	<u>Total</u>	
86		86
87		87
88		88
89		89
90		90
91		91
92		92
93		93
94		94
95		95
96		96
97		97
98		98
99		99
100		100
101		101
102		102
103		103
104		104
105		105
106		106
107		107
108		108
109		109
110		110
111		111
112		112
113		113
114		114
115		115
116		116
117		117
118		118
119		119
120		120
121		121
122		122
123		123
124		124
125		125
126		126
127		127
128		128

86	Total Other	<u>(50,374,553)</u>	86
87			87
88	Total Operating & Maintenance Expense	<u>(4,048,851)</u>	88
89			89
90	751 Payroll Taxes	1,396,461	90
91	752 Property Taxes	270,976	91
92	754 Other Taxes	<u>1,652,247</u>	92
93	Taxes Other than on Income and Revenue	<u>3,319,684</u>	93
94			94
95	710 Depreciation	359,680	95
96	710 Miscellaneous Amortization	<u>(7,552)</u>	96
97	Depreciation & Misc. Amortization	<u>352,128</u>	97
98			98
99	820 Amortization of Acquisition Adjustment	0	99
100	810 Other Interest Charges	171,956,896	100
101	810 Long Term Interest Charges (a)	<u>(37,088,102)</u>	101
102	Net Other Expense (Income)	<u>(35,189,415)</u>	102
103			103
104	TOTAL EXPENSES	<u>99,302,340</u>	104
105			105
106	(LOSS) BEFORE TAXES	<u>(99,302,340)</u>	106
107			107
108			108
109	Payroll (less Incentive and Bonus)	<u>25,051,858</u>	109
110	Non PR (w/ SUGAir)	<u>29,567,681</u>	110
111	Depreciation	<u>352,128</u>	111
112			112
113	Total Other (before A&G transfer)	9,948,498	113
114			114
115	SUGAir	2,461,540	115
116			116
117	Total All	54,619,539	117
118	RI Allocated Amount	3,419,656	118
119	RI Allocated Percentage	6.26%	119
120	Reduce RI Allocated Amount for SUG Air	<u>154,114</u>	120
121	RI Allocated Amount	<u>3,265,542</u>	121
122			122
123			123
124	PAYROLL RECONCILIATION		124
125			125
126	311 Exempt Labor	11,493,261	126
127	312 Non-Exempt Labor - Fixed	668,214	127
128	314 Part-Time Labor	10,408	128

**SOUTHERN UNION COMPANY
CORPORATE
FISCAL YEAR 2006 INCOME STATEMENT
CORPORATE COMPANY 500
TWELVE MONTHS ENDED JUNE 2006**

			<u>Total</u>	
129	315	Overtime Labor	31,250	129
130	316	Temporary Labor	23,479	130
131	317	Sales Commissions	0	131
132	319	Other Direct Wages	4,582,759	132
133	326	Profit Incentive	(525,356)	133
134	751	Payroll Taxes	1,396,461	134
135		Payroll & PR Taxes Subtotal	17,680,476	135
136				136
137	320	Employee Benefits	8,666,028	137
138	321	Medical	1,261,887	138
139	322	Pension Cost	627,519	139
140	323	401-K Match Cost	624,998	140
141	324	Life, AD&D, & LTD Insurance Cost	319,780	141
142	360	Dental	98,029	142
143	361	FAS 106	0	143
144	362	Supplemental Retirement	(169,456)	144
145	020	Employee Benefits Clearing	0	145
146		Benefits Subtotal	11,428,785	146
147		LESS INCENTIVE COMPENSATION		147
148	319	Other Direct Wages	(4,582,759)	148
149	326	Profit Incentive	525,356	149
150				150
151		Total Payroll (less Incentive and Bonus)	25,051,858	151
152				152
153		NON - PAYROLL RECONCILIATION		153
154				154
155	432	Professional Fees - Accounting	7,213,722	155
156	433	Professional Fees - Legal	5,222,003	156
157	434	Professional Fees - Internal Audit	495,385	157
158	436	Professional Fees - Other	1,714,797	158
159		Professional Fees Sub-Total	14,645,907	159
160				160
161	440	IT Costs - System Software	746,031	161
162	442	IT Costs - Application Software	1,895	162
163	444	IT Costs - Hardware / Environ. Maint.	0	163
164	446	IT Costs - Equipment Leases	66	164
165	448	IT Costs - Miscellaneous	37,618	165
166	450	IT Costs - PC Hardware Supplies	(5,936)	166
167	452	IT Costs - PC Software Supplies	2,432	167
168	454	IT Costs - PC & Printer Repair/Maint	(4,330)	168
169	455	IT Costs - Data Processing Supplies	0	169
170		IT Costs Subtotal	777,776	170
171				171

**SOUTHERN UNION COMPANY
CORPORATE
FISCAL YEAR 2006 INCOME STATEMENT
CORPORATE COMPANY 500
TWELVE MONTHS ENDED JUNE 2006**

		<u>Total</u>		
172	650	Postage & Freight	81,713	172
173		Postage Subtotal	81,713	173
174				174
175	754	Other Taxes	1,652,247	175
176		Other Taxes Subtotal	1,652,247	176
177				177
178	330	Training	34,408	178
179	335	Mileage	6,707	179
180	340	Travel	417,010	180
181	341	Meals and Entertainment	126,183	181
182	342	Time Sheet Meals	0	182
183	343	Parking	5,623	183
184	390	Other Employee Related Expenses	106,510	184
185	410	Dues & Memberships	439,226	185
186	429	Damage Reimbursement	0	186
187	431	General Utility Subcntrct Lbr	0	187
188	439	Other Outside Services	4,977,241	188
189	490	Communications / Telephone	166,062	189
190	511	Inventory Issues	0	190
191	512	Direct Purch.-Non Stock	0	191
192	520	Business Forms	897	192
193	522	Office Supplies	245,770	193
194	528	Printing & Reproduction	15,955	194
195	570	Rents & Leases	1,284,399	195
196	591	Company Used Gas	0	196
197	594	Electricity / Utilities	148,439	197
198	598	Vehicular Fuel	0	198
199	610	Advertising	43,771	199
200	700	Miscellaneous Expense	61,101	200
201	710	Depreciation and Amortization	0	201
202	760	Permits, Licenses, Fees	14,688	202
203	815	Other Financing Costs	601,772	203
204	870	Financial Reporting Expenses	314,581	204
205	960	Directors' and Officers' Costs	920,170	205
206	010	Time Off w/ Pay(NPT) Load	0	206
207	050	Stores Load	0	207
207	060	Vehicles Load	17,985	207
208		SUG AIR	2,461,540	208
209		Other O&M Expense Subtotal	12,410,038	209
210				210
211		Total Non PR	29,567,681	211

Southern Union Company
Summary - Nonpayroll and Employee Related Expenses
Mar - Jun Actuals 2006

Number	Company Name	Dollars (\$)				Percentages (%)			% Total
		Capital	Utility Expense	Corp Depreciation	Grand Total	Capital	Utility Expense	Non-Utility Expense	
23	MGE	478,123	1,101,591	21,933	1,601,647	30.2664%	69.7336%	0.0000%	8.06%
26	PG Energy	374,966	666,867	14,444	1,056,277	35.9910%	64.0090%	0.0000%	5.32%
60	PEI Power	214	48,527	676	49,418	0.4400%	99.5600%	0.0000%	0.25%
61	PG Energy Services	0	13,889	193	14,082	0.0000%	100.0000%	0.0000%	0.07%
xx	Other Non-Regulated (RI)	3	35,855	498	36,357	0.0091%	99.9909%	0.0000%	0.18%
70	Providence (RI)	433,225	1,108,547	21,411	1,563,183	28.0992%	71.9008%	0.0000%	7.87%
72	Fall River (MA)	49,168	220,036	3,740	272,944	18.2642%	81.7358%	0.0000%	1.37%
73	North Attleboro Gas (MA)	8,401	21,051	409	29,861	28.5237%	71.4763%	0.0000%	0.15%
xx	SUGS	1,258,486	1,750,195	43,448	3,052,128	41.8285%	58.1715%	0.0000%	15.36%
99	Panhandle Eastern Pipe Line	1,306,411	3,652,998	71,618	5,031,026	26.3421%	73.6579%	0.0000%	25.32%
97	Transwestern	477,026	1,787,039	32,695	2,296,760	21.0694%	78.9306%	0.0000%	11.56%
98	Citrus	2,433,727	2,365,945	69,311	4,868,984	50.7061%	49.2939%	0.0000%	24.50%
		6,819,750	12,772,539	280,378	19,872,667				

19,872,667

Southern Union Company
Summary of JCC Payroll Related Costs Allocation
By Functional Area
Mar - June 2006

Company	Average Distribution	Total	Audit	Chairman	CFO & Pres	Accounting Corporate	Utility Operations	Human Resources	Legal	Risk	Treasurer
21	0.000000%	-	-	-	-	-	-	-	-	-	-
23	8.22952%	554,531	10,826	45,549	16,382	69,731	35,457	309,681	47,623	8,707	10,575
26	5.43256%	366,063	7,129	29,997	10,789	45,922	24,220	203,944	31,363	5,734	6,964
60	0.25412%	17,123	334	1,404	505	2,149	1,126	9,544	1,468	268	326
61	0.07223%	4,867	95	402	144	615	291	2,730	420	77	93
xx	0.18666%	12,578	246	1,035	372	1,585	781	7,038	1,082	198	240
70	8.03066%	541,131	10,568	44,465	15,892	68,072	34,410	302,311	46,490	8,500	10,323
72	1.40179%	94,457	1,846	7,767	2,794	11,891	5,940	52,809	8,121	1,485	1,803
73	0.15340%	10,337	202	849	306	1,300	656	5,775	888	162	197
xx	15.25955%	1,028,237	21,445	90,229	32,451	138,130	-	613,448	94,337	17,248	20,948
99	25.15334%	1,694,911	35,349	148,730	53,492	227,689	-	1,011,188	155,502	28,431	34,530
97	11.48298%	773,759	16,138	67,898	24,420	103,945	-	461,627	70,990	12,979	15,764
98	24.34319%	1,640,321	34,211	143,939	51,769	220,356	-	978,619	150,494	27,515	33,418
	100.00000%	6,738,315	138,389	582,264	209,415	891,385	102,881	3,958,715	608,779	111,304	135,183
			138,389	582,264	209,415	891,385	102,881	3,958,715	608,779	111,304	135,183
		6,738,315	138,389	582,264	209,415	891,385	102,881	3,958,715	608,779	111,304	135,183

Out of Balance

Less: Costs reduced for Expense Ratio
Net Costs Included in JCC Model

Southern Union Company
Summary of Non-Employee Related Costs
Mar - June Actuals 2006

Company Number	Company Name	Total	Subtotal Causal Pools	Insurance Activity 200703	All Entities 200801	LDC only Allocation 200811
	Total Costs					
21		0	0	0	0	0
23	MGE	1,025,183	1,025,183	0	999,768	25,415
0		0	0	0	0	0
26	PG Energy	675,770	675,770	0	658,409	17,361
60	PEI Power	31,618	31,618	0	30,811	807
61	PG Energy Services	9,022	9,022	0	8,813	209
xx	Other Non-Regulated (RI)	23,281	23,281	0	22,721	560
70	Providence (RI)	1,000,640	1,000,640	0	975,975	24,664
72	Fall River (MA)	174,747	174,747	0	170,489	4,258
73	North Attleboro Gas (MA)	19,115	19,115	0	18,645	470
xx	SUGS	1,980,444	1,980,444	0	1,980,444	0
99	Panhandle Eastern Pipe Line	3,264,497	3,264,497	0	3,264,497	0
97	Transwestern	1,490,305	1,490,305	0	1,490,305	0
98	Citrus	3,159,352	3,159,352	0	3,159,352	0
	TOTAL	12,853,974	12,853,974	0	12,780,230	73,744

0
check

Southern Union Company
Summary - Nonpayroll and Employee Related Expenses
Jan - Feb 2006

Number	Company Name	Dollars (\$)				Percentages (%)			% Total
		Capital	Utility Expense	Corp Depreciation	Grand Total	Capital	Utility Expense	Non-Utility Expense	
23	MGE	168,681	395,498	6,513	570,691	29.8985%	70.1015%	0.0000%	9.50%
26	PG Energy	128,869	232,863	4,176	365,907	35.6255%	64.3745%	0.0000%	6.09%
60	PEI Power	120	16,903	197	17,219	0.7046%	99.2954%	0.0000%	0.29%
61	PG Energy Services	0	4,841	56	4,897	0.0000%	100.0000%	0.0000%	0.08%
xx	Other Non-Regulated (RI)	2	12,459	144	12,605	0.0145%	99.9855%	0.0000%	0.21%
70	Providence (RI)	149,683	387,499	6,201	543,383	27.8644%	72.1356%	0.0000%	9.05%
72	Fall River (MA)	16,965	76,944	1,084	94,993	18.0655%	81.9345%	0.0000%	1.58%
73	North Attleboro Gas (MA)	2,888	7,375	118	10,382	28.1435%	71.8565%	0.0000%	0.17%
99	Panhandle Eastern Pipe Line	472,019	1,321,873	20,700	1,814,592	26.3126%	73.6874%	0.0000%	30.21%
97	Transwestern	174,139	642,826	9,427	826,393	21.3154%	78.6846%	0.0000%	13.76%
98	Citrus	872,980	852,801	19,914	1,745,695	50.5846%	49.4154%	0.0000%	29.06%
		1,986,346	3,951,882	68,530	6,006,758				

0
6,006,758

Southern Union Company
Summary of JCC Payroll Related Costs Allocation
By Functional Area
Jan - Feb 2006

Company	Average Distribution	Total	Audit	Chairman	CFO & Pres	Accounting Corporate	Utility Operations	Human Resources	Legal	Risk	Treasurer
23 MGE	9.84242%	395,750	8,268	26,828	9,795	39,274	18,714	255,479	26,073	5,729	5,590
25 PG Energy	6.32411%	254,284	5,301	17,202	6,280	25,181	12,538	163,807	16,717	3,673	3,584
60 PEI Power	0.29740%	11,958	249	809	296	1,185	582	7,709	787	173	169
61 PG Energy Services	0.08419%	3,385	71	230	84	337	150	2,192	224	49	48
xx Other Non-Regulated (RI)	0.21713%	8,731	183	593	216	867	403	5,643	24,825	127	123
70 Providence (RI)	9.37000%	376,755	7,873	25,544	9,326	37,394	17,761	243,253	24,825	5,455	5,322
72 Fall River (MA)	1.63700%	65,822	1,376	4,466	1,630	6,537	3,063	42,525	4,340	954	930
73 North Attleboro Gas (MA)	0.17901%	7,198	150	488	178	714	339	4,648	474	104	102
99 Panhandle Eastern Pipe Line	29.80365%	1,198,363	26,279	85,270	31,133	124,827	-	812,009	82,870	18,209	17,766
97 Transwestern	13.57304%	545,753	11,968	38,833	14,178	56,848	-	369,801	37,740	8,293	8,091
98 Citrus	28.67206%	1,152,863	25,282	82,033	29,951	120,087	-	781,178	79,724	17,517	17,092
	100.00000%	4,020,860	87,001	282,297	103,068	413,252	53,550	2,688,243	274,350	60,282	58,817

Southern Union Company
Summary of Non-Employee Related Costs
Jan - Feb 2006

Company Number	Company Name	Total	Subtotal Causal Pools	All Entities 200801	LDC only Allocation 200811
	Total Costs				
23	MGE	168,429	168,429	187,368	(18,940)
26	PG Energy	107,448	107,448	120,136	(12,688)
60	PEI Power	5,065	5,065	5,653	(589)
61	PG Energy Services	1,456	1,456	1,608	(152)
xx	Other Non-Regulated (RI)	3,730	3,730	4,138	(408)
70	Providence (RI)	160,427	160,427	178,402	(17,975)
72	Fall River (MA)	28,087	28,087	31,188	(3,100)
73	North Attleboro Gas (MA)	3,066	3,066	3,409	(343)
99	Panhandle Eastern Pipe Line	595,529	595,529	595,529	0
97	Transwestern	271,213	271,213	271,213	0
98	Citrus	572,918	572,918	572,918	0
	TOTAL	1,917,368	1,917,368	1,971,562	(54,194)

check 0

**Southern Union Company
Summary - Nonpayroll and Employee Related Expenses
6 months ending Dec 2005**

Number	Company Name	Dollars (\$)					Percentages (%)			% Total
		Capital	Utility Expense	Corp Depreciation	Non-Utility Expense	Grand Total	Capital	Utility Expense	Non-Utility Expense	
21	SUG	0	0	0	0	0	0.0000%	0.0000%	0.0000%	0.00%
23	MGE	796,407	1,832,470	292	0	2,629,170	30.2946%	69.7054%	0.0000%	9.04%
47	SUGAir (includes Co 64)	0	0	0	0	0	0.0000%	0.0000%	0.0000%	0.00%
26	PG Energy (includes Honesdale)	650,606	1,155,919	201	0	1,806,726	36.0142%	63.9858%	0.0000%	6.21%
60	PEI Power	283	68,396	8	0	68,687	0.4114%	99.5886%	0.0000%	0.24%
61	PG Energy Services	0	23,831	3	0	23,834	0.0000%	100.0000%	0.0000%	0.08%
xx	Other Non-Regulated (RI)	2	26,773	3	0	26,779	0.0086%	99.9914%	0.0000%	0.09%
xx	Company Name	0	0	0	0	0	0.0000%	0.0000%	0.0000%	0.00%
70	Providence (RI)	603,348	1,542,180	239	0	2,145,766	28.1212%	71.8788%	0.0000%	7.38%
71	Valley Resources (RI)	315	381,431	42	0	381,788	0.0825%	99.9175%	0.0000%	1.31%
72	Fall River (MA)	73,978	330,975	45	0	404,998	18.2682%	81.7318%	0.0000%	1.39%
73	North Attleboro Gas (MA)	12,989	32,456	5	0	45,451	28.5822%	71.4178%	0.0000%	0.16%
99	Panhandle Eastern Pipe Line	2,288,156	6,395,275	961	0	8,684,392	26.3508%	73.6492%	0.0000%	29.85%
97	Transwestern	750,949	2,818,998	395	0	3,570,342	21.0353%	78.9647%	0.0000%	12.27%
98	Citrus	4,723,970	4,579,313	1,027	0	9,304,310	50.7775%	49.2225%	0.0000%	31.98%
		9,901,004	19,188,018	3,220	0	29,092,242				

Plus: Insurance Premiums 0
Total JCC Costs **29,092,242**

Southern Union Company
Summary of JCC Payroll Related Costs Allocation
By Functional Area
6 Months Ended Dec 2005

Company	Average Distribution	Total	Audit	Chairman	CFO & Pres	Accounting Corporate	Human Resources	Legal	Risk	Treasurer
21	0.000000%	1,294,440	37,506	57,640	59,559	102,502	927,160	74,752	16,875	18,445
23	9.056666%	889,458	25,776	39,612	40,931	70,442	637,173	51,372	11,477	12,676
47	0.000000%	33,765	981	1,508	1,558	2,682	24,258	1,956	339	483
26	6.22317%	11,683	341	525	542	933	8,441	681	52	168
60	0.23624%	13,170	382	588	607	1,045	9,453	762	144	188
61	0.08174%	1,056,918	30,597	47,021	48,587	83,619	756,361	60,982	14,704	15,047
xx	0.09215%	187,143	5,470	8,406	8,686	14,948	135,209	10,901	835	2,690
70	7.39482%	199,676	5,770	8,867	9,162	15,768	142,625	11,499	3,148	2,837
71	1.30936%	22,314	650	999	1,032	1,777	16,072	1,296	168	320
72	0.15612%	4,266,796	124,136	190,772	197,125	339,254	3,068,655	247,410	38,397	61,047
73	29.85301%	1,752,724	51,076	78,493	81,107	139,586	1,262,597	101,797	12,950	25,118
99	12.26309%	4,564,597	133,188	204,683	211,499	363,991	3,292,414	265,451	27,872	65,499
97	31.93660%	14,292,683	415,873	639,113	660,396	1,136,547	10,280,417	828,859	126,961	204,517
98	100.00000%									

Southern Union Company
Summary of Non-Employee Related Costs
6 Months Ending Dec 2005

Company Number	Company Name	Total	Subtotal Causal Pools	All Entities 200801
Total Costs				
21	SUG	0	0	0
23	MGE	1,334,438	1,334,438	1,334,438
47	SUGAIR (includes Co 64)	0	0	0
26	PG Energy (includes Honesdale)	917,067	917,067	917,067
60	PEI Power	34,914	34,914	34,914
61	PG Energy Services	12,149	12,149	12,149
xx	Other Non-Regulated (RI)	13,606	13,606	13,606
70	Providence (RI)	1,088,610	1,088,610	1,088,610
71	Valley Resources (RI)	194,602	194,602	194,602
72	Fall River (MA)	205,277	205,277	205,277
73	North Attleboro Gas (MA)	23,132	23,132	23,132
99	Panhandle Eastern Pipe Line	4,416,635	4,416,635	4,416,635
97	Transwestern	1,817,223	1,817,223	1,817,223
98	Citrus	4,738,686	4,738,686	4,738,686
TOTAL		14,796,339	14,796,339	14,796,339
		<i>check</i>	0	