

March 21, 2007

**VIA HAND DELIVERY AND ELECTRONIC MAIL**

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

**RE: Docket 3766 – National Grid, Gas Cost Recovery (“GCR”)  
Monthly Filing of GCR Deferred Balances**

Dear Ms. Massaro:

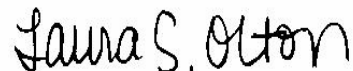
Enclosed please find an original and nine copies of National Grid’s monthly filing of gas costs and gas cost revenue collections data. Based on four months of actual data and eight months of forecasted data, the October 31, 2007 deferred gas cost balance is currently projected to be an over-collection of \$13 million (see attached Schedule 1, page 2).

This calculation is based on the November 1, 2006 starting balance of a \$20.4 million over-collection, plus actual gas costs and gas cost collections for November 2006 through February 2007, along with projected costs for March through October 2007. The projected gas costs are based on the March 12, 2007 NYMEX strip.

Details 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 2007, the Company incurred actual gas costs of \$52.6 million, working capital of \$225,500 and GCR revenue collections of \$52.6 million, for a net under-collection of \$255 thousand. Schedule 2 provides a breakdown of actual gas costs for November 2006 through February 2007 with projected costs for March through October 2007. 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.

Thank you for your attention to this matter. If you have any questions, please do not hesitate to contact me at (401) 784-7667 or Peter Czekanski at (401) 574-2309.

Very truly yours,



Laura S. Olton

Enclosures

cc: Docket 3766 Service List

Projected Gas Costs using:  
3-12-2007 NYMEX

	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	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	(\$754,036)	(\$559,437)	(\$609,984)	(\$1,564,447)	(\$3,956,713)	(\$5,800,475)	(\$6,733,415)	(\$6,271,507)	(\$5,149,649)	(\$3,718,291)	(\$2,161,799)	(\$668,148)	
Supply Fixed Costs (net of cap rel)	\$1,839,138	\$2,370,663	\$2,142,756	\$2,097,250	\$2,182,971	\$2,181,846	\$2,182,971	\$2,181,846	\$2,192,363	\$2,182,971	\$2,181,846	\$2,148,096	\$25,875,321
Capacity Release	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Working Capital	\$7,913	\$10,200	\$9,220	\$9,024	\$9,393	\$9,388	\$9,393	\$9,388	\$9,393	\$9,393	\$9,388	\$9,243	\$111,335
Total Supply Fixed Costs	\$1,847,051	\$2,380,863	\$2,151,976	\$2,106,274	\$2,192,363	\$2,191,233	\$2,192,363	\$2,191,233	\$2,192,363	\$2,192,363	\$2,191,233	\$2,157,338	\$25,986,656
Supply Fixed - Collections	\$1,649,087	\$2,428,315	\$3,100,683	\$4,485,336	\$4,010,297	\$3,092,063	\$1,696,030	\$1,040,115	\$737,531	\$620,306	\$690,333	\$918,268	\$24,468,364
Prelim. Ending Balance	(\$556,072)	(\$606,888)	(\$1,558,691)	(\$3,943,509)	(\$5,774,647)	(\$6,701,305)	(\$6,237,082)	(\$5,120,389)	(\$3,694,817)	(\$2,146,233)	(\$660,898)	\$570,922	
Month's Average Balance	(\$655,054)	(\$583,163)	(\$1,084,338)	(\$2,753,978)	(\$4,865,680)	(\$6,250,890)	(\$6,485,249)	(\$5,695,948)	(\$4,422,233)	(\$2,932,262)	(\$1,411,348)	(\$48,613)	
Interest Rate (BOA Prime minus 200 bps)	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	
Interest Applied	(\$3,365)	(\$3,096)	(\$5,756)	(\$13,204)	(\$25,828)	(\$32,111)	(\$34,425)	(\$29,260)	(\$23,474)	(\$15,565)	(\$7,250)	(\$258)	(\$193,592)
Asset Management Incentive													
Supply Fixed Ending Balance	(\$559,437)	(\$609,984)	(\$1,564,447)	(\$3,956,713)	(\$5,800,475)	(\$6,733,415)	(\$6,271,507)	(\$5,149,649)	(\$3,718,291)	(\$2,161,799)	(\$668,148)	\$570,664	

**II. Storage Fixed Cost Deferred**

Beginning Balance	(\$276,493)	(\$84,031)	(\$236,031)	(\$515,016)	(\$1,407,679)	(\$2,067,140)	(\$2,402,597)	(\$2,215,781)	(\$1,776,809)	(\$1,221,416)	(\$617,747)	(\$36,839)	
Storage Fixed Costs	\$824,149	\$778,602	\$908,765	\$815,793	\$889,478	\$866,138	\$858,737	\$858,737	\$858,737	\$858,737	\$858,737	\$858,737	\$10,235,348
LNG Demand to DAC	(\$54,869)	(\$57,790)	(\$54,773)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$673,969)
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	\$3,496	\$3,288	\$3,861	\$3,454	\$3,771	\$3,671	\$3,639	\$3,639	\$3,639	\$3,639	\$3,639	\$3,639	\$53,373
Total Storage Fixed Costs	\$816,018	\$767,340	\$901,093	\$806,206	\$880,208	\$856,768	\$849,335	\$849,335	\$849,335	\$849,335	\$849,335	\$849,335	\$10,123,646
TSS Peaking	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	
Storage Fixed - Collections	\$622,632	\$918,493	\$1,178,091	\$1,694,271	\$1,530,471	\$1,180,774	\$650,294	\$400,135	\$286,006	\$240,798	\$266,750	\$354,371	\$9,323,086
Prelim. Ending Balance	(\$83,107)	(\$235,183)	(\$513,028)	(\$1,403,081)	(\$2,057,942)	(\$2,391,146)	(\$2,203,556)	(\$1,766,580)	(\$1,213,480)	(\$612,879)	(\$35,162)	\$458,125	
Month's Average Balance	(\$179,800)	(\$159,607)	(\$374,529)	(\$959,049)	(\$1,732,811)	(\$2,229,143)	(\$2,303,076)	(\$1,991,181)	(\$1,495,144)	(\$917,148)	(\$326,455)	\$210,643	
Interest Rate (BOA Prime minus 200 bps)	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	
Interest Applied	(\$924)	(\$947)	(\$1,988)	(\$4,598)	(\$9,198)	(\$11,451)	(\$12,225)	(\$10,229)	(\$7,937)	(\$4,868)	(\$1,677)	\$1,118	(\$84,824)
Storage Fixed Ending Balance	(\$84,031)	(\$236,031)	(\$515,016)	(\$1,407,679)	(\$2,067,140)	(\$2,402,597)	(\$2,215,781)	(\$1,776,809)	(\$1,221,416)	(\$617,747)	(\$36,839)	\$459,243	

**III. Variable Supply Cost Deferred**

Beginning Balance	(\$15,287,962)	(\$10,120,067)	(\$2,904,538)	\$4,367,953	\$1,882,085	\$1,088,425	(\$9,135,779)	(\$13,536,995)	(\$15,626,010)	(\$15,938,774)	(\$14,996,708)	(\$13,976,492)	
Variable Supply Costs	\$20,222,094	\$29,222,584	\$35,556,237	\$38,342,160	\$33,326,167	\$16,205,593	\$10,220,829	\$7,012,045	\$6,230,702	\$6,492,099	\$7,157,467	\$13,427,420	\$223,415,397
Variable Delivery Storage	(\$8,728)	(\$22,310)	(\$54,918)	(\$69,421)	(\$22,908)	(\$5,766)	\$0	\$0	\$0	\$0	\$0	\$0	(\$184,051)
Variable Injections Storage	(\$2,307)	(\$375)	(\$721)	\$0	\$0	(\$10,832)	(\$11,198)	(\$10,837)	(\$11,198)	(\$11,198)	(\$10,841)	(\$11,198)	(\$81,204)
Fuel Cost Allocated to Storage	(\$46,256)	(\$159,983)	(\$332,752)	(\$378,680)	(\$106,206)	(\$106,460)	(\$78,112)	(\$78,571)	(\$82,254)	(\$79,415)	(\$79,415)	(\$80,829)	(\$1,610,079)
Working Capital	\$86,764	\$124,949	\$151,318	\$163,048	\$142,838	\$69,199	\$43,593	\$29,786	\$26,414	\$27,532	\$30,408	\$57,379	\$953,229
Total Supply Variable Costs	\$20,251,566	\$29,164,365	\$35,319,164	\$38,057,107	\$33,339,892	\$16,151,733	\$10,175,112	\$6,952,424	\$6,165,357	\$6,426,179	\$7,097,620	\$13,392,772	\$222,493,292
Supply Variable - Collections	\$15,018,578	\$22,031,121	\$28,065,602	\$40,557,922	\$34,141,416	\$26,355,320	\$14,516,312	\$8,966,725	\$6,394,567	\$5,402,225	\$6,003,177	\$7,936,285	\$215,389,250
Deferred Responsibility	\$0	(\$116,762)	(\$15,056)	\$0	\$0	(\$9,115,162)	(\$13,476,979)	(\$15,551,297)	(\$15,855,219)	(\$14,914,819)	(\$13,902,265)	(\$8,520,005)	
Prelim. Ending Balance	(\$10,054,974)	(\$2,870,061)	\$4,364,080	\$1,867,138	\$1,080,561	(\$9,115,162)	(\$13,476,979)	(\$15,551,297)	(\$15,855,219)	(\$14,914,819)	(\$13,902,265)	(\$8,520,005)	
Month's Average Balance	(\$12,671,468)	(\$6,495,064)	\$729,771	\$3,117,546	\$1,481,323	(\$4,013,369)	(\$11,306,379)	(\$14,544,146)	(\$15,740,615)	(\$15,449,487)	(\$14,449,487)	(\$11,248,248)	
Interest Rate (BOA Prime minus 200 bps)	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	
Interest Applied	(\$65,093)	(\$34,477)	\$3,874	\$14,947	\$7,863	(\$20,617)	(\$60,017)	(\$74,713)	(\$83,555)	(\$81,889)	(\$74,227)	(\$59,708)	(\$527,611)
Gas Procurement Incentive/penalty													
Supply Variable Ending Balance	(\$10,120,067)	(\$2,904,538)	\$4,367,953	\$1,882,085	\$1,088,425	(\$9,135,779)	(\$13,536,995)	(\$15,626,010)	(\$15,938,774)	(\$14,996,708)	(\$13,976,492)	(\$8,579,713)	

Projected Gas Costs using:  
3-12-2007 NYMEX

	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	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	

IVA Storage Variable Product Cost Deferred

Beginning Balance	(\$3,434,487)	(\$3,951,525)	(\$3,447,516)	\$1,108,122	\$7,022,330	\$2,903,373	(\$93,946)	(\$1,425,072)	(\$1,972,021)	(\$2,607,269)	(\$3,112,453)	(\$3,705,089)	\$6,534,674
Storage Variable Prod. Costs - LNG	\$159,553	\$206,217	\$1,573,115	\$3,175,105	\$187,300	\$174,858	\$180,640	\$172,507	\$177,755	\$177,739	\$172,043	\$177,842	\$285,213
Storage Variable Prod. Costs - LP	\$0	\$0	\$4,052	\$281,161	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$18,062,074
Storage Variable Prod. Costs - UG	\$881,593	\$2,781,177	\$6,520,787	\$7,995,010	(\$88,413)	(\$28,080)	\$0	\$0	\$0	\$0	\$0	\$0	(\$1,272,693)
Supply Related LNG to DAC	(\$32,533)	(\$42,048)	(\$286,920)	(\$36,190)	(\$38,190)	(\$35,654)	(\$36,833)	(\$35,174)	(\$36,244)	(\$36,241)	(\$35,080)	(\$36,262)	\$365,465
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	\$620,229
Inventory Financing - LNG	\$58,212	\$57,358	\$45,528	\$28,617	\$42,674	\$41,457	\$52,982	\$58,660	\$58,655	\$58,668	\$58,689	\$58,729	\$2,448,324
Inventory Financing - UG	\$317,531	\$292,132	\$228,296	\$148,319	\$296,168	\$343,261	\$388,594	\$434,024	\$0	\$0	\$0	\$0	\$34,857
Inventory Financing - LP	\$3,149	\$3,145	\$3,087	\$778	\$3,087	\$3,087	\$3,087	\$3,087	\$3,087	\$3,087	\$3,087	\$3,087	\$103,157
Working Capital	\$4,471	\$12,804	\$33,740	\$46,729	\$392	\$609	\$750	\$722	\$740	\$740	\$720	\$740	\$27,181,301
Total Storage Variable Product Costs	\$1,422,431	\$3,341,241	\$8,152,139	\$11,084,659	\$433,473	\$529,994	\$619,677	\$664,281	\$234,448	\$234,449	\$229,916	\$234,592	\$28,232,409
Storage Variable Product Collections	\$1,920,547	\$2,817,646	\$3,590,308	\$5,189,896	\$4,578,704	\$3,534,511	\$1,946,782	\$1,202,527	\$857,575	\$724,492	\$805,086	\$1,064,335	
Prelim. Ending Balance	(\$3,932,603)	(\$3,427,931)	\$1,114,315	\$7,002,896	\$2,877,099	(\$101,144)	(\$1,421,052)	(\$1,963,318)	(\$2,595,148)	(\$3,097,313)	(\$3,687,623)	(\$4,534,832)	
Month's Average Balance	(\$3,683,545)	(\$3,689,728)	(\$1,166,601)	\$4,055,504	\$2,949,714	\$1,401,115	(\$757,499)	\$1,694,195	(\$2,283,584)	(\$2,852,291)	(\$3,400,038)	(\$4,119,961)	
Interest Rate (BOA Prime minus 200 bps)	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	
Interest Applied	(\$18,922)	(\$19,586)	(\$6,193)	\$19,444	\$26,274	\$7,198	(\$4,021)	(\$8,703)	(\$12,122)	(\$15,141)	(\$17,466)	(\$21,870)	(\$71,107)
Storage Variable Product Ending Bal.	(\$3,951,525)	(\$3,447,516)	\$1,108,122	\$7,022,330	\$2,903,373	(\$93,946)	(\$1,425,072)	(\$1,972,021)	(\$2,607,269)	(\$3,112,453)	(\$3,705,089)	(\$4,556,702)	

IVb Stor Var Non-Prod Cost Deferred

Beginning Balance	(\$611,753)	(\$781,024)	(\$766,754)	(\$421,334)	(\$295,008)	(\$574,745)	(\$809,551)	(\$936,367)	(\$982,831)	(\$990,341)	(\$981,570)	(\$984,295)	\$995,404
Storage Variable Non-Prod. Costs	\$8,457	\$174,287	\$392,921	\$303,245	\$88,413	\$28,080	\$0	\$0	\$0	\$0	\$0	\$0	\$184,051
Variable Delivery Storage Costs	\$8,728	\$22,310	\$54,918	\$69,421	\$22,908	\$5,766	\$0	\$0	\$0	\$0	\$0	\$0	\$81,204
Variable Injection Storage Costs	\$2,307	\$875	\$721	\$0	\$0	\$10,832	\$11,198	\$10,837	\$11,198	\$11,198	\$10,841	\$11,198	\$1,610,079
Fuel Costs Allocated to Storage	\$46,256	\$159,983	\$332,752	\$378,680	\$106,206	\$106,460	\$78,112	\$78,571	\$80,561	\$82,254	\$79,415	\$80,829	\$12,352
Working Capital	\$283	\$1,538	\$3,362	\$3,233	\$936	\$650	\$384	\$385	\$395	\$402	\$388	\$396	\$2,236,442
Total Storage Var Non-product Costs	\$66,032	\$358,993	\$784,674	\$754,579	\$218,463	\$151,789	\$89,695	\$89,792	\$92,154	\$93,853	\$90,644	\$92,423	\$2,883,090
Storage Var Non-Product Collections	\$231,735	\$340,625	\$436,109	\$626,541	\$495,897	\$383,049	\$211,888	\$131,340	\$94,440	\$79,863	\$88,332	\$116,623	
Prelim. Ending Balance	(\$777,456)	(\$762,657)	(\$418,189)	(\$293,295)	(\$572,443)	(\$806,005)	(\$931,745)	(\$977,915)	(\$985,118)	(\$976,350)	(\$979,259)	(\$1,008,495)	
Month's Average Balance	(\$694,605)	(\$771,840)	(\$592,471)	(\$357,314)	(\$433,725)	(\$690,375)	(\$870,648)	(\$957,141)	(\$983,975)	(\$983,346)	(\$980,414)	(\$996,395)	
Interest Rate (BOA Prime minus 200 bps)	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	
Interest Applied	(\$3,568)	(\$4,097)	(\$3,145)	(\$1,713)	(\$2,302)	(\$3,546)	(\$4,622)	(\$4,917)	(\$5,223)	(\$5,220)	(\$5,036)	(\$5,289)	(\$48,679)
Storage Var Non-Product Ending Bal.	(\$781,024)	(\$766,754)	(\$421,334)	(\$295,008)	(\$574,745)	(\$809,551)	(\$936,367)	(\$982,831)	(\$990,341)	(\$981,570)	(\$984,295)	(\$1,013,784)	

GCR Deferred Summary

Beginning Balance	(\$20,364,731)	(\$15,496,084)	(\$7,848,061)	\$3,107,097	\$3,376,832	(\$4,318,745)	(\$19,043,471)	(\$24,253,905)	(\$25,375,502)	(\$24,344,273)	(\$21,738,460)	(\$19,239,045)	\$287,576,358
Gas Costs	\$24,300,171	\$35,976,785	\$47,122,602	\$52,583,338	\$36,907,069	\$19,798,001	\$13,868,423	\$10,703,146	\$9,493,078	\$9,754,475	\$10,414,205	\$16,655,064	\$1,223,445
Working Capital	\$102,927	\$152,779	\$201,500	\$225,488	\$157,330	\$83,517	\$57,759	\$43,920	\$40,581	\$41,705	\$44,544	\$71,396	\$288,799,803
Total Costs	\$24,403,098	\$36,129,564	\$47,324,102	\$52,808,826	\$37,064,399	\$19,881,518	\$13,926,182	\$10,747,066	\$9,533,658	\$9,796,180	\$10,458,749	\$16,726,461	\$280,517,733
Collections	\$19,442,579	\$28,419,438	\$36,355,737	\$52,553,966	\$44,756,785	\$34,545,717	\$19,021,306	\$11,740,842	\$8,370,119	\$7,067,684	\$7,853,678	\$10,389,882	
Prelim. Ending Balance	(\$15,404,212)	(\$7,785,958)	\$3,120,304	\$3,361,956	(\$4,315,554)	(\$18,982,944)	(\$24,138,595)	(\$25,247,681)	(\$24,211,963)	(\$21,615,777)	(\$19,133,389)	(\$12,902,467)	
Month's Average Balance	(\$17,884,471)	(\$11,641,021)	(\$2,363,878)	\$3,234,526	(\$469,361)	(\$11,650,844)	(\$21,591,033)	(\$24,750,793)	(\$24,793,733)	(\$22,980,025)	(\$20,435,924)	(\$16,070,756)	
Interest Rate (BOA Prime minus 200 bps)	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	6.25%	
Interest Applied	(\$91,872)	(\$82,103)	(\$13,208)	\$14,876	(\$3,191)	(\$60,527)	(\$115,310)	(\$127,822)	(\$132,310)	(\$122,683)	(\$105,656)	(\$86,007)	(\$905,813)
Gas Purchase Plan Incentives/(Penalties)		\$0	\$0	\$0	(\$3,191)	(\$60,527)	(\$115,310)	(\$127,822)	(\$132,310)	(\$122,683)	(\$105,656)	(\$86,007)	
Ending Bal. W/ Interest	(\$15,496,084)	(\$7,848,061)	\$3,107,097	\$3,376,832	(\$4,318,745)	(\$19,043,471)	(\$24,253,905)	(\$25,375,502)	(\$24,344,273)	(\$21,738,460)	(\$19,239,045)	(\$12,988,474)	

Under/(Over)-collection

	\$4,960,519	\$7,710,126	\$10,968,365	\$254,860	(\$7,692,386)	(\$14,664,199)	(\$5,095,124)	(\$993,776)	\$1,163,539	\$2,728,496	\$2,605,071	\$6,336,579	
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**SUPPLY FIXED COSTS - Pipeline Delivery**

	Nov-06 Actual	Dec-06 Actual	Jan-07 Actual	Feb-07 Actual	Mar-07 Forecast	Apr-07 Forecast	May-07 Forecast	Jun-07 Forecast	Jul-07 Forecast	Aug-07 Forecast	Sep-07 Forecast	Oct-07 Forecast	Nov-Oct
Conoco	\$2,049,724	\$2,233,428	\$2,107,684	\$2,029,588	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Algonquin	(\$37,732)	\$31,618	(\$62,798)	\$11,398	\$657,917	\$657,917	\$657,917	\$657,917	\$657,917	\$657,917	\$657,917	\$657,917	\$5,205,824
Texas Eastern					\$212,548	\$212,548	\$212,548	\$212,548	\$212,548	\$212,548	\$212,548	\$212,548	\$1,700,385
TETCO					\$524,044	\$524,044	\$524,044	\$524,044	\$524,044	\$524,044	\$524,044	\$524,044	\$4,192,352
Tennessee					\$510,668	\$510,668	\$510,668	\$510,668	\$510,668	\$510,668	\$510,668	\$510,668	\$4,085,341
NETNE					\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$84,880
IROQUOIS					\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$7,042	\$56,337
Dominion					\$2,346	\$2,346	\$2,346	\$2,346	\$2,346	\$2,346	\$2,346	\$2,346	\$18,769
Transco					\$5,290	\$5,290	\$5,290	\$5,290	\$5,290	\$5,290	\$5,290	\$5,290	\$42,318
National Fuel					\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$4,187	\$33,493
Columbia					\$283,971	\$283,971	\$283,971	\$283,971	\$283,971	\$283,971	\$283,971	\$283,971	\$2,271,766
HUBLINE					\$74,215	\$74,215	\$74,215	\$74,215	\$74,215	\$74,215	\$74,215	\$74,215	\$593,722
WESTERLY LATERAL	\$63,387	\$63,438	\$63,463	\$63,783	\$62,500	\$62,500	\$62,500	\$62,500	\$62,500	\$62,500	\$62,500	\$62,500	\$754,071
Less Credits from Mktr Releases	\$565,648	\$295,028	\$302,822	\$310,458	\$509,242	\$509,242	\$509,242	\$509,242	\$509,242	\$509,242	\$509,242	\$509,242	\$5,547,892
<b>TOTAL SUPPLY FIXED COSTS - Pipeline</b>	<b>\$1,509,731</b>	<b>\$2,033,456</b>	<b>\$1,805,527</b>	<b>\$1,794,311</b>	<b>\$1,846,096</b>	<b>\$1,846,096</b>	<b>\$1,846,096</b>	<b>\$1,846,096</b>	<b>\$1,846,096</b>	<b>\$1,846,096</b>	<b>\$1,846,096</b>	<b>\$1,846,096</b>	<b>\$13,491,365</b>

**Supply Fixed - Supplier**

<b>Total</b>	\$329,407	\$337,207	\$337,229	\$302,939	\$336,875	\$335,750	\$336,875	\$335,750	\$336,875	\$336,875	\$335,750	\$302,000	\$3,963,532
<b>Total Supply Fixed (Pipeline &amp; Supplier)</b>	<b>\$1,839,138</b>	<b>\$2,370,663</b>	<b>\$2,142,756</b>	<b>\$2,097,250</b>	<b>\$2,182,971</b>	<b>\$2,181,846</b>	<b>\$2,182,971</b>	<b>\$2,181,846</b>	<b>\$2,182,971</b>	<b>\$2,182,971</b>	<b>\$2,181,846</b>	<b>\$2,148,096</b>	<b>\$25,875,321</b>

**STORAGE FIXED COSTS - Facilities**

CONOCO	\$219,139	\$218,795	\$218,941	\$218,761	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TEXAS EASTERN SS-1					\$94,417	\$94,417	\$94,417	\$94,417	\$94,417	\$94,417	\$94,417	\$94,417	\$755,337
TEXAS EASTERN FSS-1					\$1,455	\$1,455	\$1,455	\$1,455	\$1,455	\$1,455	\$1,455	\$1,455	\$11,641
DOMINION					\$83,289	\$83,289	\$83,289	\$83,289	\$83,289	\$83,289	\$83,289	\$83,289	\$666,313
TENNESSEE					\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$39,428	\$315,426
COLUMBIA					\$9,745	\$9,745	\$9,745	\$9,745	\$9,745	\$9,745	\$9,745	\$9,745	\$77,960
KEYSPAN 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
<b>TOTAL FIXED STORAGE COSTS</b>	<b>\$376,639</b>	<b>\$376,295</b>	<b>\$376,441</b>	<b>\$376,261</b>	<b>\$385,835</b>	<b>\$385,835</b>	<b>\$385,835</b>	<b>\$385,835</b>	<b>\$385,835</b>	<b>\$385,835</b>	<b>\$385,835</b>	<b>\$385,835</b>	<b>\$3,716,676</b>

**STORAGE FIXED COSTS - Delivery**

CONOCO													\$670,261
ALGONQUIN FOR TETCO SS-1, FSS-1													\$39,044
TETCO DELIVERY FOR FSS-1													\$697,605
ALGONQUIN SCT FOR SS-1, GSS													\$288,468
TENNESSEE DELIVERY FOR GSS													\$200,496
TENNESSEE DELIVERY FOR FSMA													\$623,360
TETCO DELIVERY FOR GSS													\$95,375
DOMINION DELIVERY FOR GSS													\$120,307
ALGONQUIN DELIVERY FOR FSS													\$73,966
COLUMBIA DELIVERY FOR FSS													\$1,415,390
DISTRIGAS FLS CALL PAYMENT													

**STORAGE DELIVERY FIXED COST \$**

	\$447,510	\$402,307	\$532,324	\$439,532	\$503,643	\$480,304	\$472,903	\$472,903	\$472,903	\$472,903	\$472,903	\$472,903	\$4,224,271
<b>TOTAL STORAGE FIXED</b>	<b>\$824,149</b>	<b>\$778,602</b>	<b>\$908,765</b>	<b>\$815,793</b>	<b>\$889,478</b>	<b>\$866,138</b>	<b>\$858,737</b>	<b>\$858,737</b>	<b>\$858,737</b>	<b>\$858,737</b>	<b>\$858,737</b>	<b>\$858,737</b>	<b>\$7,940,947</b>
<b>TOTAL FIXED COSTS</b>	<b>\$2,663,287</b>	<b>\$3,149,265</b>	<b>\$3,051,521</b>	<b>\$2,913,043</b>	<b>\$3,072,448</b>	<b>\$3,047,984</b>	<b>\$3,041,708</b>	<b>\$3,040,583</b>	<b>\$3,041,708</b>	<b>\$3,041,708</b>	<b>\$3,040,583</b>	<b>\$3,006,833</b>	<b>\$25,395,844</b>

# VARIABLE SUPPLY COSTS

	Nov-06 Actual	Dec-06 Actual	Jan-07 Actual	Feb-07 Actual	Mar-07 Forecast	Apr-07 Forecast	May-07 Forecast	Jun-07 Forecast	Jul-07 Forecast	Aug-07 Forecast	Sep-07 Forecast	Oct-07 Forecast	Nov-Oct
Tennessee					\$9,416,551	\$4,329,878	\$3,800,788	\$3,750,441	\$3,854,927	\$3,252,490	\$3,805,519	\$4,055,514	\$36,266,109
TETCO					\$11,907,609	\$4,919,618	\$5,355,118	\$2,739,709	\$1,823,818	\$2,674,596	\$2,792,498	\$5,610,998	\$37,823,964
Hubline				\$268,366	\$0	\$1,076,797	\$536,646	\$0	\$0	\$0	\$0	\$0	\$1,613,443
M3 Delivered	\$282,602	\$68,501	(\$196,641)		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$422,828
Maumee Supplemental					\$7,937,117	\$5,329,340	\$0	\$0	\$0	\$0	\$0	\$2,519,774	\$15,786,231
Broadrun Col					\$1,625,810	\$0	\$0	\$0	\$0	\$0	\$0	\$690,627	\$2,316,438
Columbia AGT					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Dominion					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transco					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
ANE	\$313,825	\$323,950		\$292,600	\$325,884	\$255,249	\$260,875	\$257,423	\$264,591	\$270,303	\$265,160	\$278,359	\$3,432,168
Niagara					\$331,380	\$261,519	\$267,402	\$264,472	\$267,315	\$273,086	\$271,826	\$247,969	\$2,184,969
Tetco to B&W					\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
DIST FCS					\$1,781,817	\$33,191	\$0	\$0	\$0	\$0	\$0	\$0	\$1,815,008
Suppliers	\$20,101,888	\$29,701,037	\$35,799,099	\$38,315,764					\$20,051	\$21,623	\$22,464	\$24,180	
Total Pipeline Commodity Charges	\$20,698,315	\$30,093,488	\$35,926,408	\$38,876,730	\$33,326,167	\$16,205,593	\$10,220,829	\$7,012,045	\$6,230,702	\$6,492,099	\$7,157,467	\$13,427,420	\$101,661,158

## TOTAL VARIABLE SUPPLY COSTS

	\$20,698,315	\$30,093,488	\$35,926,408	\$38,876,730	\$33,326,167	\$16,205,593	\$10,220,829	\$7,012,045	\$6,230,702	\$6,492,099	\$7,157,467	\$13,427,420	\$225,667,264
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# VARIABLE STORAGE COSTS

Underground Storage	\$890,050	\$2,955,464	\$6,913,708	\$8,298,255	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$19,057,477
LNG Withdrawals/Westerly Trucking	\$159,553	\$206,217	\$1,573,115	\$3,175,105	\$187,300	\$174,858	\$180,640	\$172,507	\$177,755	\$177,739	\$172,043	\$177,842	\$6,534,674
LP	\$0	\$0	\$4,052	\$281,161	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$285,213

## TOTAL VARIABLE STORAGE COSTS

	\$1,049,603	\$3,161,681	\$8,490,875	\$11,754,521	\$187,300	\$174,858	\$180,640	\$172,507	\$177,755	\$177,739	\$172,043	\$177,842	\$25,877,364
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## TOTAL VARIABLE COSTS

	\$21,747,918	\$33,255,169	\$44,417,283	\$50,631,251	\$33,513,467	\$16,380,450	\$10,401,470	\$7,184,551	\$6,408,457	\$6,669,838	\$7,329,510	\$13,605,263	\$251,544,628
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## TOTAL SUPPLY COSTS

	\$24,411,205	\$36,404,434	\$47,468,804	\$53,544,294	\$36,585,916	\$19,428,434	\$13,443,177	\$10,225,134	\$9,450,164	\$9,711,546	\$10,370,093	\$16,612,095	\$276,940,472
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## TOTAL CAPACITY RELEASE CREDITS

	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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## TOTAL SUPPLY COSTS AFTER CREDITS

	\$24,411,205	\$36,404,434	\$47,468,804	\$53,544,294	\$36,585,916	\$19,428,434	\$13,443,177	\$10,225,134	\$9,450,164	\$9,711,546	\$10,370,093	\$16,612,095	\$276,940,472
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## Storage Costs for FT-2 Calculation

Storage Fixed Costs - Facilities	\$376,639	\$376,295	\$376,441	\$376,261	\$385,835	\$385,835	\$385,835	\$385,835	\$385,835	\$385,835	\$385,835	\$385,835	\$4,592,312
Storage Fixed Costs - Deliveries	\$447,510	\$402,307	\$532,324	\$439,532	\$503,643	\$480,304	\$472,903	\$472,903	\$472,903	\$472,903	\$472,903	\$472,903	\$5,643,036
Variable Delivery Costs	\$8,728	\$22,310	\$54,918	\$69,421	\$22,908	\$5,766	\$0	\$0	\$0	\$0	\$0	\$0	\$184,051
Variable Injection Costs	\$2,307	\$875	\$721	\$0	\$10,832	\$11,198	\$11,198	\$10,837	\$11,198	\$11,198	\$10,841	\$11,198	\$81,204
Fuel Costs Allocated to Storage	\$46,256	\$159,983	\$332,752	\$378,680	\$106,206	\$106,460	\$78,112	\$78,571	\$80,561	\$82,254	\$79,415	\$80,829	\$1,610,079
Total Storage Costs	\$881,441	\$961,770	\$1,297,156	\$1,263,895	\$1,016,591	\$989,197	\$948,047	\$948,144	\$950,496	\$952,189	\$948,992	\$950,764	\$12,110,682

## Pipeline Variable

Less Non-firm Gas Costs	\$20,698,315	\$30,093,488	\$35,926,408	\$38,876,730	\$33,326,167	\$16,205,593	\$10,220,829	\$7,012,045	\$6,230,702	\$6,492,099	\$7,157,467	\$13,427,420	
Less Company Use	\$737,349	\$934,307	\$486,044	\$145,982									
Less Manchester St Balancing	\$66,607	\$91,706	\$107,489	\$137,512	\$137,512								
Plus Cashout	\$9,737	\$3,537	\$4,756	\$4,422	\$4,422								
Less Mktr Over-takes	\$13,219	\$62,626	\$2,092	\$194,897									
Less Mktr Withdrawals													
Plus Mktr Undertakes	\$23,764	-\$2,096	\$177,821	-\$14,274									
Plus Mktr Injections	\$80,038	\$125,681	-\$23,255	-119054									
Storage Service Charge													
Plus Pipeline Strchg/Credit	\$246,889	\$97,687	\$75,644	\$81,571									

## TOTAL FIRM COMMODITY COSTS

	\$20,222,094	\$29,222,584	\$35,556,237	\$38,342,160	\$33,326,167	\$16,205,593	\$10,220,829	\$7,012,045	\$6,230,702	\$6,492,099	\$7,157,467	\$13,427,420	\$223,415,397
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**I. Supply Fixed Cost Collections --**

	Nov-06 actual	Dec-06 actual	Jan-07 actual	Feb-07 actual	Mar-07 fcst	Apr-07 fcst	May-07 fcst	Jun-07 fcst	Jul-07 fcst	Aug-07 fcst	Sep-07 fcst	Oct-07 fcst	Total Nov-Oct
(a) Resid. & Small C & I dth Supply Fixed Cost Factor Res & Small C & I collections	1,290,484 \$0.9776 \$1,261,628	1,998,040 \$0.9336 \$1,865,314	2,598,682 \$0.9338 \$2,426,577	3,783,251 \$0.9336 \$3,531,892	3,193,281 \$0.9780 \$3,123,029	2,491,760 \$0.9780 \$2,436,941	1,338,387 \$0.9780 \$1,308,942	812,950 \$0.9780 \$795,065	567,738 \$0.9780 \$555,248	470,765 \$0.9780 \$460,408	519,980 \$0.9780 \$508,541	682,743 \$0.9780 \$667,722	19,748,061 \$18,941,307
(b) C & I Medium dth Supply Fixed Cost Factor C & I Medium collections	259,918 \$0.9375 \$243,669	383,505 \$0.9004 \$345,297	482,485 \$0.8989 \$433,686	698,357 \$0.8991 \$627,905	600,561 \$0.9363 \$562,305	456,693 \$0.9363 \$427,601	265,927 \$0.9363 \$248,987	170,842 \$0.9363 \$159,959	129,590 \$0.9363 \$121,335	112,818 \$0.9363 \$105,632	127,265 \$0.9363 \$119,158	160,683 \$0.9363 \$150,447	3,848,643 \$3,545,981
(c) C & I Large LLF dth Supply Fixed Cost Factor C & I Large LLF collections	89,406 \$1,0137 \$90,630	156,155 \$0.9871 \$154,146	181,517 \$0.9726 \$176,549	250,005 \$0.9745 \$243,641	237,312 \$1,0361 \$245,879	162,045 \$1,0361 \$167,895	90,849 \$1,0361 \$94,128	44,617 \$1,0361 \$46,228	26,097 \$1,0361 \$27,039	20,240 \$1,0361 \$20,971	25,111 \$1,0361 \$26,018	52,822 \$1,0361 \$54,729	1,336,175 \$1,347,853
(d) C & I Large HLF dth Supply Fixed Cost Factor C & I Large HLF collections	35,498 \$0.7105 \$25,220	38,981 \$0.6758 \$26,344	40,463 \$0.7175 \$29,032	45,112 \$0.7204 \$32,500	47,676 \$0.7050 \$33,611	41,944 \$0.7050 \$29,571	31,696 \$0.7050 \$22,346	30,128 \$0.7050 \$21,240	24,271 \$0.7050 \$17,111	22,591 \$0.7050 \$15,927	23,825 \$0.7050 \$16,797	25,411 \$0.7050 \$17,915	407,597 \$287,614
(e) C & I Extra Large LLF dth Supply Fixed Cost Factor C & I XL LLF collections	8,767 \$0.9602 \$8,418	15,068 \$0.9352 \$14,092	14,275 \$0.9351 \$13,348	19,722 \$0.9350 \$18,441	24,978 \$0.9865 \$24,641	12,165 \$0.9865 \$12,001	5,215 \$0.9865 \$5,144	1,708 \$0.9865 \$1,685	1,070 \$0.9865 \$1,056	1,026 \$0.9865 \$1,012	2,597 \$0.9865 \$2,562	8,625 \$0.9865 \$8,509	115,217 \$110,909
(f) C & I Extra Large HLF dth Supply Fixed Cost Factor C & I XL HLF collections	33,471 \$0.5833 \$19,522	40,865 \$0.5658 \$23,122	38,011 \$0.5654 \$21,491	54,745 \$0.5655 \$30,957	34,947 \$0.5961 \$20,832	30,287 \$0.5961 \$18,054	27,651 \$0.5961 \$16,483	26,736 \$0.5961 \$15,938	26,408 \$0.5961 \$15,742	27,438 \$0.5961 \$16,356	28,950 \$0.5961 \$17,257	31,784 \$0.5961 \$18,946	401,292 \$234,700
sub-total Dth sub-total Supply Fixed Collections	1,717,544 \$1,649,087	2,632,614 \$2,428,315	3,355,433 \$3,100,683	4,851,192 \$4,485,336	4,138,755 \$4,010,297	3,194,894 \$3,092,063	1,759,724 \$1,696,030	1,086,981 \$1,040,115	775,174 \$737,531	654,879 \$620,306	727,728 \$690,333	962,067 \$918,268	25,856,985 \$24,468,364

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

(a) Resid. & Small C & I dth Storage Fixed Cost Factor Res & Small C & I collections	1,290,484 \$0.3598 \$464,291	1,998,040 \$0.3436 \$686,454	2,598,682 \$0.3436 \$893,005	3,783,251 \$0.3436 \$1,299,771	3,193,281 \$0.3652 \$1,166,186	2,491,760 \$0.3652 \$909,991	1,338,387 \$0.3652 \$488,779	812,950 \$0.3652 \$296,889	567,738 \$0.3652 \$207,338	470,765 \$0.3652 \$171,923	519,980 \$0.3652 \$189,897	682,743 \$0.3652 \$249,338	19,748,061 \$7,023,862
(b) C & I Medium dth Storage Fixed Cost Factor C & I Medium collections	259,918 \$0.3414 \$88,728	383,505 \$0.3279 \$125,733	482,485 \$0.3273 \$157,918	698,357 \$0.3274 \$228,639	600,561 \$0.3456 \$207,554	456,693 \$0.3456 \$157,833	265,927 \$0.3456 \$91,904	170,842 \$0.3456 \$59,043	129,590 \$0.3456 \$44,786	112,818 \$0.3456 \$38,990	127,265 \$0.3456 \$43,983	160,683 \$0.3456 \$55,532	3,848,643 \$1,300,643
(c) C & I Large LLF dth Storage Fixed Cost Factor C & I Large LLF collections	89,406 \$0.3736 \$33,398	156,155 \$0.3638 \$56,803	181,517 \$0.3584 \$65,060	250,005 \$0.3591 \$89,783	237,312 \$0.3878 \$92,029	162,045 \$0.3878 \$62,841	90,849 \$0.3878 \$35,231	44,617 \$0.3878 \$17,302	26,097 \$0.3878 \$10,120	20,240 \$0.3878 \$7,849	25,111 \$0.3878 \$9,738	52,822 \$0.3878 \$20,484	1,336,175 \$500,638
(d) C & I Large HLF dth Storage Fixed Cost Factor C & I Large HLF collections	35,498 \$0.2589 \$9,192	38,981 \$0.2463 \$9,601	40,463 \$0.2615 \$10,581	45,112 \$0.2626 \$11,845	47,676 \$0.2582 \$12,310	41,944 \$0.2582 \$10,830	31,696 \$0.2582 \$8,184	30,128 \$0.2582 \$7,779	24,271 \$0.2582 \$6,267	22,591 \$0.2582 \$5,833	23,825 \$0.2582 \$6,152	25,411 \$0.2582 \$6,561	407,597 \$105,135
(e) C & I XL LLF dth Storage Fixed Cost Factor C & I XL LLF collections	8,767 \$0.3530 \$3,095	15,068 \$0.3438 \$5,181	14,275 \$0.3438 \$4,908	19,722 \$0.3438 \$6,780	24,978 \$0.3680 \$9,192	12,165 \$0.3680 \$4,477	5,215 \$0.3680 \$1,919	1,708 \$0.3680 \$628	1,070 \$0.3680 \$394	1,026 \$0.3680 \$378	2,597 \$0.3680 \$956	8,625 \$0.3680 \$3,174	115,217 \$41,082
(f) C & I XL HLF dth Storage Fixed Cost Factor C & I XL HLF collections	33,471 \$0.2151 \$7,199	40,865 \$0.2087 \$8,527	38,011 \$0.2085 \$7,925	54,745 \$0.2085 \$11,416	34,947 \$0.2234 \$7,807	30,287 \$0.2234 \$6,766	27,651 \$0.2234 \$6,177	26,736 \$0.2234 \$5,973	26,408 \$0.2234 \$5,899	27,438 \$0.2234 \$6,130	28,950 \$0.2234 \$6,467	31,784 \$0.2234 \$7,100	401,292 \$87,386
(g) FT-2 dth Storage Fixed Cost Factor FT-2 collection	50,095 \$0.3339 \$16,729	78,436 \$0.3340 \$26,194	115,868 \$0.3339 \$38,694	137,856 \$0.3339 \$46,037	103,308 \$0.3426 \$35,393	81,832 \$0.3426 \$28,036	52,833 \$0.3426 \$18,100	36,546 \$0.3426 \$12,521	32,698 \$0.3426 \$11,202	28,298 \$0.3426 \$9,695	27,895 \$0.3426 \$9,557	35,568 \$0.3426 \$12,182	781,223 \$264,340

	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Total
	actual	actual	actual	actual	fcst	fcst	fcst	fcst	fcst	fcst	fcst	fcst	Nov-Oct
sub-total Dth	1,767,639	2,711,050	3,471,301	4,989,048	4,242,063	3,276,726	1,812,556	1,123,528	807,872	683,177	755,624	997,625	26,638,208
sub-total Storage Fixed Collections	\$622,632	\$918,493	\$1,178,091	\$1,694,271	\$1,530,471	\$1,180,774	\$650,294	\$400,135	\$286,006	\$240,798	\$266,750	\$354,371	\$9,323,086

### III. Variable Supply Cost Collections --

(a) Firm Sales dth	1,717,544	2,632,614	3,355,433	4,851,192	4,138,755	3,194,894	1,759,724	1,086,981	775,174	654,879	727,728	962,067	25,856,985
Variable Supply Cost Factor	\$8,7384	\$8,3640	\$8,3618	\$8,3606	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492
Variable Supply collections	\$15,008,671	\$22,019,300	\$28,057,485	\$40,559,011	\$34,141,416	\$26,355,320	\$14,516,312	\$8,966,725	\$6,394,567	\$5,402,225	\$6,003,177	\$7,936,285	\$215,389,250
(b) TSS Sales dth	1,172	5,123	6,326	7,873									
TSS Variable Supply Cost F.	\$0.0000	\$0.0000	\$0.0000	\$0.0000									
TSS Surcharge collections	\$0	\$0	\$0	\$0									
(c) NGV Sales dth	1,201	1,433	984	-132									
Variable Supply Cost Factor	\$8,2490	\$8,2491	\$8,2490	\$8,2500	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492	\$8,2492
Variable Supply collections	\$9,907	\$11,821	\$8,117	(\$1,089)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
(d) Default Sales dth	0	0	0	0									
Variable Supply Cost Factor	\$0.0000	\$0.0000	\$0.0000	\$0.0000									
Variable Supply collections	\$0	\$0	\$0	\$0									
TOTAL Variable Supply Collections	\$15,018,578	\$22,031,121	\$28,065,602	\$40,557,922	\$34,141,416	\$26,355,320	\$14,516,312	\$8,966,725	\$6,394,567	\$5,402,225	\$6,003,177	\$7,936,285	\$215,389,250

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

(a) Firm Sales dth	1,717,544	2,632,614	3,355,433	4,851,192	4,138,755	3,194,894	1,759,724	1,086,981	775,174	654,879	727,728	962,067	25,856,985
Variable Supply Cost Factor	\$1,1182	\$1,0703	\$1,0700	\$1,0698	\$1,1063	\$1,1063	\$1,1063	\$1,1063	\$1,1063	\$1,1063	\$1,1063	\$1,1063	\$1,1063
Stor Var Product collections	\$1,920,547	\$2,817,646	\$3,590,308	\$5,189,896	\$4,578,704	\$3,534,511	\$1,946,782	\$1,202,527	\$857,575	\$724,492	\$805,086	\$1,064,335	\$28,232,409

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

(a) Firm Sales dth	1,717,544	2,632,614	3,355,433	4,851,192	4,138,755	3,194,894	1,759,724	1,086,981	775,174	654,879	727,728	962,067	25,856,985
Variable Supply Cost Factor	\$0.1311	\$0.1255	\$0.1255	\$0.1254	\$0.1169	\$0.1169	\$0.1169	\$0.1169	\$0.1169	\$0.1169	\$0.1169	\$0.1169	\$0.1169
Stor Var Non-Product collec	\$225,200	\$330,393	\$420,994	\$608,558	\$483,820	\$373,483	\$205,712	\$127,068	\$90,618	\$76,555	\$85,071	\$112,466	\$3,139,938
(b) FT-2 dth	50,095	78,436	115,868	137,856	103,308	81,832	52,833	36,546	32,698	28,298	27,895	35,558	
Variable Supply Cost Factor	\$0.1305	\$0.1305	\$0.1305	\$0.1304	\$0.1169	\$0.1169	\$0.1169	\$0.1169	\$0.1169	\$0.1169	\$0.1169	\$0.1169	
Stor Var Non-Product collec	\$6,535	\$10,232	\$15,115	\$17,983	\$12,077	\$9,566	\$6,176	\$4,272	\$3,822	\$3,308	\$3,261	\$4,157	\$96,504
(c) Total Firm Sales/FT-2 dth	1,767,639	2,711,050	3,471,301	4,989,048	4,242,063	3,276,726	1,812,556	1,123,528	807,872	683,177	755,624	997,625	
Stor Var Non-Product collec	\$231,735	\$340,625	\$436,109	\$626,541	\$495,897	\$383,049	\$211,888	\$131,340	\$94,440	\$79,863	\$88,332	\$116,623	\$3,236,442
Total Gas Cost Collections	\$19,442,579	\$28,536,200	\$36,370,793	\$52,553,966	\$44,756,785	\$34,545,717	\$19,021,306	\$11,740,842	\$8,370,119	\$7,067,684	\$7,853,678	\$10,389,882	\$280,649,551

National Grid  
Gas Cost Recovery Filing  
Gas Cost Estimate/Actual

Line No.	Description (a)	Reference (b)	Nov-06 (c)	Dec-06 (d)	Jan-07 (e)	Feb-07 (f)	Mar-07 (g)	Apr-07 (h)	May-07 (i)	Jun-07 (j)	Jul-07 (k)	Aug-07 (l)	Sep-07 (m)	Oct-07 (n)	Total (p)
1	<b>Storage Inventory Balance</b>		\$32,511,261	\$29,910,743	\$23,374,696	\$15,186,021	\$30,324,030	\$35,145,748	\$39,787,316	\$44,438,754	\$0	\$0	\$0	\$0	\$0
2	Cost of Capital	Rate Case (1) * (2)	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%
3	Return on Working Capital Requirement		\$2,951,694	\$2,715,593	\$2,122,186	\$1,378,737	\$2,753,116	\$3,190,879	\$3,612,286	\$4,034,590	\$0	\$0	\$0	\$0	\$22,759,082
4	Weighted Cost of Debt	Rate Case (1) * (4)	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%
5	Interest Charges Financec		\$1,357,017	\$1,248,471	\$975,657	\$633,863	\$1,295,722	\$1,466,980	\$1,660,719	\$1,854,869	\$0	\$0	\$0	\$0	\$10,463,298
6	Taxable Income	(3) - (5)	\$1,594,677	\$1,467,122	\$1,146,529	\$744,874	\$1,437,394	\$1,723,899	\$1,951,568	\$2,179,721	\$0	\$0	\$0	\$0	\$0
7	1 - Combined Tax Rate	Rate Case (6) / (7)	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
8	Return and Tax Requirement		\$2,453,360	\$2,257,111	\$1,763,891	\$1,145,960	\$2,288,298	\$2,652,152	\$3,002,412	\$3,353,417	\$0	\$0	\$0	\$0	\$18,916,590
9	Working Capital Requirement	(5) + (8)	\$3,810,367	\$3,505,582	\$2,739,548	\$1,779,823	\$3,554,020	\$4,119,132	\$4,663,131	\$5,208,286	\$0	\$0	\$0	\$0	\$29,379,889
10	Monthly Average	(9) / 12	\$317,531	\$292,132	\$228,296	\$148,319	\$296,168	\$343,261	\$388,594	\$434,024	\$0	\$0	\$0	\$0	\$2,448,324
11	<b>LNG Inventory Balance</b>		\$7,486,795	\$7,376,897	\$5,855,390	\$3,680,449	\$5,488,315	\$5,331,858	\$6,814,154	\$7,544,411	\$7,543,753	\$7,545,400	\$7,548,136	\$7,553,208	\$7,553,208
12	Cost of Capital	Rate Case (11) * (12)	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%
13	Return on Working Capital Requirement		\$679,725	\$669,748	\$531,610	\$334,148	\$498,284	\$484,079	\$618,656	\$684,956	\$684,897	\$685,046	\$685,294	\$685,755	\$7,242,198
14	Weighted Cost of Debt	Rate Case (11) * (14)	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%
15	Interest Charges Financec		\$312,498	\$307,911	\$244,403	\$153,622	\$229,082	\$222,551	\$284,422	\$314,903	\$314,875	\$314,944	\$315,058	\$315,270	\$3,329,540
16	Taxable Income	(13) - (15)	\$367,227	\$361,837	\$287,207	\$180,526	\$269,202	\$261,528	\$334,234	\$370,053	\$370,021	\$370,102	\$370,236	\$370,485	\$370,485
17	1 - Combined Tax Rate	Rate Case (16) / (17)	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
18	Return and Tax Requirement		\$564,965	\$556,672	\$441,857	\$277,732	\$414,157	\$402,350	\$514,207	\$569,313	\$569,263	\$569,387	\$569,594	\$569,977	\$6,019,474
19	Working Capital Requirement	(15) + (18)	\$877,463	\$864,583	\$686,260	\$431,354	\$643,238	\$624,901	\$798,629	\$884,216	\$884,139	\$884,332	\$884,652	\$885,247	\$9,349,014
20	Monthly Average	(19) / 12	\$73,122	\$72,049	\$57,188	\$35,946	\$53,603	\$52,075	\$66,552	\$73,685	\$73,678	\$73,694	\$73,721	\$73,771	\$779,085
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%	20.39%
22	Balancing Related Inventory Costs	(20) * (21)	\$14,910	\$14,691	\$11,661	\$7,329	\$10,930	\$10,618	\$13,570	\$15,024	\$15,023	\$15,026	\$15,032	\$15,042	\$158,855
23	Supply Related Inventory Costs	(21) - (22)	\$58,212	\$57,358	\$45,528	\$28,617	\$42,674	\$41,457	\$52,982	\$58,660	\$58,655	\$58,668	\$58,689	\$58,729	\$620,229
24	<b>Propane Inventory Balance</b>		\$322,392	\$322,030	\$316,099	\$79,659	\$316,099	\$316,099	\$316,099	\$316,099	\$316,099	\$316,099	\$316,099	\$316,099	\$316,099
25	Cost of Capital	Rate Case (24) * (25)	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%
26	Return on Working Capital Requirement		\$29,270	\$29,237	\$28,699	\$7,232	\$28,699	\$28,699	\$28,699	\$28,699	\$28,699	\$28,699	\$28,699	\$28,699	\$324,026
27	Weighted Cost of Debt	Rate Case (24) * (27)	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%
28	Interest Charges Financec		\$13,457	\$13,441	\$13,194	\$3,325	\$13,194	\$13,194	\$13,194	\$13,194	\$13,194	\$13,194	\$13,194	\$13,194	\$148,968
29	Taxable Income	(26) - (28)	\$15,813	\$15,796	\$15,505	\$3,907	\$15,505	\$15,505	\$15,505	\$15,505	\$15,505	\$15,505	\$15,505	\$15,505	\$15,505
30	1 - Combined Tax Rate	Rate Case (29) / (30)	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
31	Return and Tax Requirement		\$24,328	\$24,301	\$23,853	\$6,011	\$23,853	\$23,853	\$23,853	\$23,853	\$23,853	\$23,853	\$23,853	\$23,853	\$269,320
32	Working Capital Requirement	(28) + (31)	\$37,785	\$37,742	\$37,047	\$9,336	\$37,047	\$37,047	\$37,047	\$37,047	\$37,047	\$37,047	\$37,047	\$37,047	\$418,288
33	Monthly Average	(32) / 12	\$3,149	\$3,145	\$3,087	\$778	\$3,087	\$3,087	\$3,087	\$3,087	\$3,087	\$3,087	\$3,087	\$3,087	\$34,857



Line No.	Description (a)	Reference (b)	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Total
1	<b>Supply Fixed Costs</b>														
2	Capacity Release Revenue		\$1,839,138	\$2,370,663	\$2,142,756	\$2,097,250	\$2,182,971	\$2,181,846	\$2,182,971	\$2,181,846	\$2,182,971	\$2,182,971	\$2,181,846	\$2,148,096	\$25,875,321
3	Allowable Working Capital Costs	(1) - (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	13.40
5	Working Capital Requirement	[(3) * (4)] / 365	\$67,519	\$87,033	\$76,666	\$76,995	\$80,142	\$80,101	\$80,142	\$80,101	\$80,142	\$80,142	\$80,101	\$78,862	\$78,862
6	Cost of Capital	Rate Case	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%
7	Return on Working Capital Requirement	(5) * (6)	\$6,130	\$7,902	\$7,142	\$6,990	\$7,276	\$7,272	\$7,276	\$7,272	\$7,276	\$7,276	\$7,272	\$7,160	\$7,160
8	Weighted Cost of Debt	Rate Case	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%
9	Interest Expense	(5) * (8)	\$2,818	\$3,633	\$3,283	\$3,214	\$3,345	\$3,343	\$3,345	\$3,343	\$3,345	\$3,345	\$3,343	\$3,292	\$3,292
10	Taxable Income	(7) - (9)	\$3,312	\$4,269	\$3,859	\$3,777	\$3,931	\$3,929	\$3,931	\$3,929	\$3,931	\$3,931	\$3,929	\$3,868	\$3,868
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)	\$5,095	\$6,568	\$5,936	\$5,810	\$6,048	\$6,045	\$6,048	\$6,045	\$6,048	\$6,048	\$6,045	\$5,951	\$5,951
13	<b>Supply Fixed Working Capital Requirement</b>	(9) + (12)	<u>\$7,913</u>	<u>\$10,200</u>	<u>\$9,220</u>	<u>\$9,024</u>	<u>\$9,393</u>	<u>\$9,388</u>	<u>\$9,393</u>	<u>\$9,388</u>	<u>\$9,393</u>	<u>\$9,393</u>	<u>\$9,388</u>	<u>\$9,243</u>	<u>\$11,135</u>
14	<b>Storage Fixed Costs</b>														
15	Less: LNG Demand to DAC		\$824,149	\$778,602	\$908,765	\$815,793	\$866,138	\$858,737	\$858,737	\$858,737	\$858,737	\$858,737	\$858,737	\$858,737	\$858,737
16	Less: Credits		\$54,869	\$57,790	\$54,773	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282
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		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
20	Working Capital Requirement	[(17) * (18)] / 365	\$29,830	\$28,050	\$32,940	\$29,471	\$31,319	\$31,047	\$31,047	\$31,047	\$31,047	\$31,047	\$31,047	\$31,047	\$31,047
21	Cost of Capital	Rate Case	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%
22	Return on Working Capital Requirement	(19) * (20)	\$2,708	\$2,547	\$2,991	\$2,676	\$2,843	\$2,819	\$2,819	\$2,819	\$2,819	\$2,819	\$2,819	\$2,819	\$2,819
23	Weighted Cost of Debt	Rate Case	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%
24	Interest Expense	(19) * (22)	\$1,245	\$1,171	\$1,375	\$1,230	\$1,307	\$1,296	\$1,296	\$1,296	\$1,296	\$1,296	\$1,296	\$1,296	\$1,296
25	Taxable Income	(19) - (23)	\$1,463	\$1,376	\$1,616	\$1,446	\$1,536	\$1,523	\$1,523	\$1,523	\$1,523	\$1,523	\$1,523	\$1,523	\$1,523
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)	\$2,251	\$2,117	\$2,486	\$2,224	\$2,428	\$2,363	\$2,343	\$2,343	\$2,343	\$2,343	\$2,343	\$2,343	\$2,343
28	<b>Storage Fixed Working Capital Requirement</b>	(23) + (26)	<u>\$3,496</u>	<u>\$3,288</u>	<u>\$3,861</u>	<u>\$3,454</u>	<u>\$3,771</u>	<u>\$3,639</u>	<u>\$3,639</u>	<u>\$3,639</u>	<u>\$3,639</u>	<u>\$3,639</u>	<u>\$3,639</u>	<u>\$3,639</u>	<u>\$43,373</u>
1	<b>Supply Variable Costs</b>														
2a	Less: Non-firm Sales		\$20,222,094	\$29,222,584	\$36,556,237	\$38,342,160	\$33,326,167	\$16,205,593	\$10,220,829	\$7,012,045	\$6,230,702	\$6,492,099	\$7,157,467	\$13,427,420	\$223,415,397
2b	Less: Variable Delivery Storage Costs		\$8,728	\$22,310	\$54,918	\$69,421	\$22,908	\$5,766	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2c	Less: Variable Injection Storage Costs		\$2,307	\$875	\$721	\$0	\$0	\$10,832	\$11,198	\$10,837	\$11,198	\$11,198	\$10,841	\$11,198	\$184,051
2d	Less: Fuel Costs Allocated to Storage		\$46,256	\$159,983	\$332,752	\$378,980	\$106,206	\$106,460	\$78,112	\$78,571	\$80,561	\$82,254	\$79,415	\$80,829	\$1,610,079
2e	Less: Supply Refunds		\$57,292	\$183,168	\$388,391	\$448,102	\$129,143	\$123,058	\$89,310	\$89,407	\$91,759	\$93,451	\$90,255	\$92,027	\$0
2	Total Credits		\$20,164,802	\$29,039,416	\$35,167,846	\$37,694,058	\$33,197,054	\$16,082,534	\$10,131,519	\$6,922,637	\$6,138,943	\$6,398,648	\$7,067,212	\$13,335,393	\$1,875,334
3	Allowable Working Capital Costs	(1) - (2)													
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	13.40
5	Working Capital Requirement	[(3) * (4)] / 365	\$740,297	\$1,066,105	\$1,291,094	\$1,391,179	\$1,218,741	\$590,427	\$371,952	\$254,146	\$225,375	\$234,909	\$259,454	\$489,573	\$489,573
6	Cost of Capital	Rate Case	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
7	Return on Working Capital Requirement	(5) * (6)	\$67,211	\$96,792	\$117,218	\$126,305	\$110,649	\$63,605	\$33,769	\$23,074	\$20,462	\$21,327	\$23,556	\$44,448	\$44,448
8	Weighted Cost of Debt	Rate Case	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%
9	Interest Expense	(5) * (8)	\$30,900	\$44,499	\$53,690	\$55,068	\$50,870	\$24,644	\$15,525	\$10,608	\$9,407	\$9,805	\$10,830	\$20,435	\$20,435
10	Taxable Income	(7) - (9)	\$36,312	\$52,292	\$63,328	\$68,237	\$59,779	\$28,960	\$18,244	\$12,466	\$11,055	\$11,522	\$12,726	\$24,014	\$24,014
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)	\$55,864	\$80,450	\$97,428	\$104,981	\$91,968	\$44,555	\$28,068	\$19,178	\$17,007	\$17,727	\$19,579	\$36,944	\$36,944
13	<b>Supply Variable Working Capital Requirement</b>	(9) + (12)	<u>\$86,764</u>	<u>\$124,949</u>	<u>\$151,318</u>	<u>\$163,048</u>	<u>\$142,838</u>	<u>\$69,199</u>	<u>\$43,593</u>	<u>\$29,786</u>	<u>\$26,414</u>	<u>\$27,532</u>	<u>\$30,408</u>	<u>\$57,379</u>	<u>\$953,229</u>

Line No.	Description (a)	Reference (b)	Nov-06	Dec-06	Jan-07	Feb-07	Mar-07	Apr-07	May-07	Jun-07	Jul-07	Aug-07	Sep-07	Oct-07	Total
14	<b>Storage Variable Product Costs</b>														
15	Less: Balancing Related LNG Commodity (to DAC)		\$1,041,146	\$2,987,394	\$8,097,954	\$11,451,276	\$98,887	\$146,778	\$180,640	\$172,507	\$177,755	\$177,739	\$172,043	\$177,842	\$24,881,961
16	Plus: Supply Related LNG O&M Costs		(\$32,533)	(\$42,048)	(\$288,920)	(\$621,514)	(\$38,190)	(\$35,654)	(\$36,833)	(\$35,174)	(\$36,244)	(\$36,241)	(\$35,080)	(\$36,262)	(\$1,272,693)
17	Allowable Working Capital Costs	(14) + (15) + (16)	\$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
			\$1,039,068	\$2,975,802	\$7,841,489	\$10,860,217	\$91,152	\$141,580	\$174,263	\$167,788	\$171,966	\$171,954	\$167,419	\$172,036	\$23,974,733
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	
19	Working Capital Requirement	[(17) * (18)] / 365	\$38,147	\$109,249	\$287,879	\$398,704	\$3,346	\$5,198	\$6,398	\$6,160	\$6,313	\$6,313	\$6,146	\$6,316	
20	Cost of Capital	Rate Case	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	
21	Return on Working Capital Requirement	(19) * (20)	\$3,463	\$9,919	\$26,137	\$36,198	\$304	\$472	\$581	\$559	\$573	\$573	\$558	\$573	
22	Weighted Cost of Debt	Rate Case	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	
23	Interest Expense	(19) * (22)	\$1,592	\$4,560	\$12,016	\$16,642	\$140	\$217	\$267	\$257	\$264	\$263	\$257	\$264	
24	Taxable Income	(19) - (23)	\$1,871	\$5,359	\$14,120	\$19,536	\$164	\$255	\$314	\$302	\$310	\$310	\$301	\$310	
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	
26	Return and Tax Requirement	(24) / (25)	\$2,879	\$8,244	\$21,724	\$30,037	\$253	\$392	\$483	\$465	\$476	\$476	\$464	\$477	
27	<b>Storage Var. Product Working Capital Requir.</b>	(23) + (26)	\$4,471	\$12,804	\$33,740	\$46,729	\$392	\$609	\$750	\$722	\$740	\$740	\$720	\$740	\$103,157
1	<b>Storage Variable Non-Product Costs</b>														
2	Credits		\$65,749	\$357,455	\$781,312	\$751,347	\$217,527	\$151,139	\$89,310	\$89,407	\$91,759	\$93,451	\$90,255	\$92,027	\$2,870,738
3	Allowable Working Capital Costs	(1) - (2)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
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	
5	Working Capital Requirement	[(3) * (4)] / 365	\$2,414	\$13,123	\$28,684	\$27,584	\$7,986	\$5,549	\$3,279	\$3,282	\$3,369	\$3,431	\$3,313	\$3,379	
6	Cost of Capital	Rate Case	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	9.08%	
7	Return on Working Capital Requirement	(5) * (6)	\$219	\$1,191	\$2,604	\$2,504	\$725	\$504	\$298	\$298	\$306	\$311	\$301	\$307	
8	Weighted Cost of Debt	Rate Case	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	4.17%	
9	Interest Expense	(5) * (8)	\$101	\$548	\$1,197	\$1,151	\$333	\$232	\$137	\$137	\$141	\$143	\$138	\$141	
10	Taxable Income	(7) - (9)	\$118	\$644	\$1,407	\$1,353	\$392	\$272	\$161	\$161	\$165	\$168	\$163	\$166	
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)	\$182	\$990	\$2,165	\$2,082	\$603	\$419	\$247	\$248	\$254	\$259	\$250	\$255	
13	<b>Storage Variable Non-product WC Requir.</b>	(9) + (12)	\$283	\$1,538	\$3,362	\$3,233	\$936	\$650	\$384	\$385	\$395	\$402	\$388	\$396	\$12,352

Line No.	Rate Class (a)	Nov-06 (b)	Dec-06 (c)	Jan-07 (d)	Feb-07 (e)	Mar-07 (f)	Apr-07 (g)	May-07 (h)	Jun-07 (i)	Jul-07 (j)	Aug-07 (k)	Sep-07 (l)	Oct-07 (m)	Nov-Oct (p)
1	<b>SALES (dth)</b>													
2	Residential Non-Heating	47,556	57,497	63,906	68,533	62,455	60,896	53,970	45,639	40,881	33,529	37,142	38,296	610,300
3	Residential Heating	1,127,890	1,722,327	2,247,983	3,240,734	2,751,207	2,156,153	1,160,958	692,887	476,003	393,643	432,925	575,726	16,978,436
4	Small C&I	115,038	218,216	286,793	473,984	379,619	274,712	123,459	74,424	40,854	43,593	49,913	68,721	2,159,325
5	Medium C&I	259,918	383,505	482,485	698,937	600,561	456,693	265,927	170,842	129,590	112,818	127,265	160,683	3,848,643
6	Large LLF	49,406	156,155	181,517	250,005	237,312	162,045	90,849	44,617	26,097	20,240	25,111	52,822	1,336,175
7	Large HLF	35,498	38,981	40,463	41,944	47,676	41,944	31,696	30,128	24,271	22,591	23,825	25,411	407,597
8	Extra Large LLF	8,767	15,068	14,275	19,722	24,978	12,165	5,215	1,708	1,070	1,026	2,597	8,625	115,217
9	Extra Large HLF	33,471	40,865	38,011	54,745	34,947	30,287	21,651	26,736	26,408	27,438	28,950	31,784	401,292
10	<b>Total Sales</b>	1,717,544	2,632,614	3,355,433	4,851,192	4,138,755	3,194,894	1,759,724	1,086,981	775,174	654,879	727,728	962,067	25,856,985
11	<b>ISS</b>													
12	Medium	839	3,240	3,474	5,402									
13	Large LLF	333	1,883	321	935									
14	Large HLF	0	0	2,531	1,536									
15	Extra Large LLF	0	0	0	0									
16	Extra Large HLF	0	0	0	0									
17	<b>Total TSS</b>	1,172	5,123	6,326	7,873									
18	<b>FT-2 TRANSPORTATION</b>													
19	FT-2 Medium	32,740	42,252	59,229	76,895	62,256	50,711	34,257	24,996	21,018	19,324	19,189	23,298	466,166
20	FT-2 Large LLF	9,918	26,082	43,298	48,318	27,419	19,938	10,469	4,607	4,221	1,342	921	4,475	201,009
21	FT-2 Large HLF	5,136	7,659	7,656	7,702	8,579	7,624	5,802	5,614	6,135	6,181	6,017	4,848	78,952
22	FT-2 Extra Large LLF	964	1,899	2,121	3,293	2,929	1,747	780	139	4	4	336	1,260	15,454
23	FT-2 Extra Large HLF	1,337	544	3,564	1,648	2,125	1,812	1,544	1,190	1,321	1,447	1,432	1,677	19,642
24	<b>Total Transportation</b>	50,095	78,436	115,868	137,856	103,308	81,832	52,833	36,546	32,698	28,298	27,895	35,558	781,223
25	<b>Sales &amp; FT-2 THROUGHPUT</b>													
26	Residential Non-Heating	47,556	57,497	63,906	68,533	62,455	60,896	53,970	45,639	40,881	33,529	37,142	38,296	610,300
27	Residential Heating	1,127,890	1,722,327	2,247,983	3,240,734	2,751,207	2,156,153	1,160,958	692,887	476,003	393,643	432,925	575,726	16,978,436
28	Small C&I	115,038	218,216	286,793	473,984	379,619	274,712	123,459	74,424	40,854	43,593	49,913	68,721	2,159,325
29	Medium C&I	252,658	425,757	541,714	775,252	662,816	507,404	300,184	195,838	150,608	132,142	146,454	183,981	4,314,809
30	Large LLF	99,324	182,237	224,815	298,323	264,731	181,982	101,318	49,224	30,318	21,582	26,032	57,297	1,537,184
31	Large HLF	40,634	46,640	48,119	52,814	56,254	49,568	37,498	35,742	30,406	28,772	29,842	30,259	486,549
32	Extra Large LLF	9,731	16,967	16,396	23,015	27,907	13,912	5,974	1,847	1,074	1,030	2,933	9,885	130,671
33	Extra Large HLF	34,808	41,409	41,575	56,393	37,072	32,100	23,195	27,926	27,728	28,885	30,382	33,460	420,934
34	<b>Total Throughput</b>	1,767,639	2,711,050	3,471,301	4,989,048	4,242,063	3,276,726	1,812,556	1,123,528	807,872	683,177	755,624	997,625	26,638,208
35	<b>FT-1 TRANSPORTATION</b>													
36	FT-1 Medium	64,460	82,608	79,480	111,998	76,239	43,052	33,443	24,696	23,981	23,338	42,305	104,576	710,175
37	FT-1 Large LLF	111,405	149,552	150,864	211,573	152,975	90,791	48,449	20,363	17,824	17,142	18,879	55,387	1,045,006
38	FT-1 Large HLF	40,428	44,612	39,160	47,070	43,862	30,890	28,577	26,940	22,723	25,196	31,185	26,768	407,411
39	FT-1 Extra Large LLF	60,527	77,239	81,746	117,032	86,358	55,890	31,828	16,549	13,880	14,970	19,032	42,436	617,486
40	FT-1 Extra Large HLF	350,805	354,985	291,357	353,590	337,450	299,062	267,363	248,507	229,460	239,706	254,209	274,157	3,500,651
41	Default	0	0	0	0									
42	<b>Total Transportation</b>	627,625	708,996	642,607	841,263	696,884	519,685	409,660	337,055	307,669	320,352	365,611	503,323	6,280,730
43	<b>Total THROUGHPUT</b>													
44	Residential Non-Heating	47,556	57,497	63,906	68,533	62,455	60,896	53,970	45,639	40,881	33,529	37,142	38,296	610,300
45	Residential Heating	1,127,890	1,722,327	2,247,983	3,240,734	2,751,207	2,156,153	1,160,958	692,887	476,003	393,643	432,925	575,726	16,978,436
46	Small C&I	115,038	218,216	286,793	473,984	379,619	274,712	123,459	74,424	40,854	43,593	49,913	68,721	2,159,325
47	Medium C&I	257,118	508,365	621,194	887,250	739,055	550,456	333,627	220,534	174,589	155,480	188,760	288,557	5,024,985
48	Large LLF	331,789	374,789	375,679	509,896	447,706	272,773	149,767	69,588	47,942	38,725	44,911	112,684	2,582,189
49	Large HLF	81,062	91,252	87,279	99,894	110,116	80,457	66,076	62,682	53,129	53,968	61,027	57,027	893,960
50	Extra Large LLF	70,258	94,206	98,142	140,047	114,265	69,802	37,802	18,395	14,954	16,000	21,966	52,321	748,157
51	Extra Large HLF	385,613	396,394	332,932	409,993	374,523	331,162	286,558	276,433	257,189	268,591	284,591	307,617	3,321,585
52	<b>Total Throughput</b>	2,395,264	3,420,046	4,113,908	5,830,311	4,938,947	3,796,411	2,222,216	1,460,562	1,115,541	1,003,529	1,121,234	1,500,948	32,918,938

## Certificate of Service

I certify that a copy of the cover letter and materials accompanying this certificate were mailed or hand-delivered to the parties listed below.



Date: March 21, 2007

**Joanne M. Scanlon**  
National Grid

### **Docket 3766 – National Grid – Annual Gas Cost Recovery (GCR) Service List as of 9/13/06**

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