

February 21, 2008

**VIA HAND DELIVERY AND ELECTRONIC MAIL**

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

**RE: Docket 3868 – 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 three months of actual data and nine months of forecasted data, the October 31, 2008 deferred gas cost balance is projected to be an under-collection of \$10.1 million (see attached Schedule 1, page 2).

This calculation is based on the November 1, 2007 starting balance of a \$9.3 million over-collection, plus actual gas costs and gas cost collections for November 2007 through January 2008, along with projected costs for February through October 2008. The projected gas costs are based on the February 15, 2008 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 January 2008, the Company incurred actual gas costs of \$50.4 million, working capital of \$217 thousand and GCR revenue collections of \$47.6 million, for a net under-collection of \$3.0 million. Schedule 2 provides a breakdown of actual gas costs for November 2007 through January 2008 and projected gas costs for February through October 2008. 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) 784-7501.

Very truly yours,



Laura S. Olton

Enclosures

cc: Docket 3868 Service List

Projected Gas costs using  
02-15-2008 NYMEX

	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Nov - Oct
	30	31	31	29	31	30	31	30	31	31	30	31	366
	actual	actual	actual	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast	forecast	
<b>I. Supply Fixed Cost Deferred</b>													
Beginning Balance													
Supply Fixed Costs (net of cap rel)	\$295,859	\$1,182,898	\$28,080	(\$1,716,004)	(\$4,147,962)	(\$6,167,040)	(\$7,130,681)	(\$6,676,665)	(\$5,329,356)	(\$3,768,216)	(\$2,060,473)	(\$472,127)	\$28,227,538
Capacity Release	\$2,055,771	\$2,106,370	\$2,953,934	\$2,274,249	\$2,276,317	\$2,365,209	\$2,366,317	\$2,365,209	\$2,366,317	\$2,366,317	\$2,365,209	\$2,366,317	\$0
Working Capital	\$8,887	\$9,106	\$12,769	\$9,840	\$9,840	\$10,224	\$10,229	\$10,224	\$10,229	\$10,229	\$10,224	\$10,229	\$0
Total Supply Fixed Costs	\$2,064,658	\$2,115,476	\$2,966,703	\$2,284,081	\$2,286,157	\$2,375,434	\$2,376,546	\$2,375,434	\$2,376,546	\$2,376,546	\$2,375,434	\$2,376,546	\$122,024
Supply Fixed - Collections	\$1,544,521	\$3,273,018	\$4,707,243	\$4,706,735	\$4,287,744	\$3,317,251	\$1,899,137	\$1,008,401	\$789,596	\$668,936	\$762,932	\$888,434	\$28,949,661
Prelim. Ending Balance	\$815,996	\$25,355	(\$1,712,449)	(\$4,136,659)	(\$6,149,548)	(\$7,108,656)	(\$6,653,271)	(\$5,309,653)	(\$3,742,906)	(\$2,050,606)	(\$467,971)	\$917,985	\$27,972,948
Month's Average Balance	\$555,927	\$604,127	(\$842,180)	(\$2,827,331)	(\$5,148,755)	(\$6,637,949)	(\$6,891,976)	(\$5,993,169)	(\$4,536,081)	(\$2,904,411)	(\$1,264,222)	\$222,929	
Interest Rate (BOA Prime minus 200 bps)	5.00%	5.33%	4.97%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
Interest Applied	\$2,513	\$2,735	(\$3,565)	(\$9,303)	(\$17,492)	(\$21,823)	(\$23,414)	(\$18,704)	(\$15,410)	(\$9,867)	(\$4,156)	\$757	(\$118,719)
Asset Management Incentive	\$364,389	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$364,389
Supply Fixed Ending Balance	\$1,182,898	\$28,080	(\$1,716,004)	(\$4,147,962)	(\$6,167,040)	(\$7,130,681)	(\$6,676,665)	(\$5,328,356)	(\$3,758,216)	(\$2,060,473)	(\$472,127)	(\$150,429)	\$918,742

**II. Storage Fixed Cost Deferred**

Beginning Balance													
Storage Fixed Costs	\$304,051	\$529,197	\$114,943	(\$857,361)	(\$1,750,418)	(\$2,490,738)	(\$2,888,324)	(\$2,764,708)	(\$2,305,466)	(\$1,763,113)	(\$1,172,366)	(\$522,456)	\$10,271,622
LNG Demand to DAC	\$922,379	\$829,574	\$822,412	\$889,434	\$866,095	\$858,716	\$858,716	\$858,716	\$858,716	\$858,716	\$858,716	\$858,716	(\$875,382)
Supply Related LNG O & M	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)	(\$56,282)
Working Capital	\$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
Total Storage Fixed Costs	\$3,499	\$3,499	\$3,499	\$3,499	\$3,499	\$3,499	\$3,499	\$3,499	\$3,499	\$3,499	\$3,499	\$3,499	\$3,499
TSS Peaking Collections	\$812,837	\$820,063	\$812,870	\$850,182	\$880,182	\$856,742	\$849,331	\$849,331	\$849,331	\$849,331	\$849,331	\$849,331	\$43,726
Storage Fixed - Collections	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$10,158,861
Prelim. Ending Balance	\$599,570	\$1,235,772	\$1,763,610	(\$1,769,102)	(\$1,613,311)	(\$1,245,500)	(\$1,161,128)	(\$381,768)	\$300,079	\$253,605	\$296,475	\$375,994	\$10,560,914
Month's Average Balance	\$527,318	\$113,488	(\$855,797)	(\$1,746,280)	(\$2,489,547)	(\$2,878,496)	(\$2,755,121)	(\$2,297,145)	(\$1,756,214)	(\$1,167,388)	(\$619,510)	(\$149,119)	
Interest Rate (BOA Prime minus 200 bps)	\$415,684	\$321,343	(\$370,427)	(\$1,301,821)	(\$2,116,982)	(\$2,685,117)	(\$2,821,723)	(\$2,530,926)	(\$2,030,840)	(\$1,465,251)	(\$895,938)	(\$385,787)	
Interest Applied	5.50%	5.33%	4.97%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	
Storage Fixed Ending Balance	\$529,197	\$114,943	(\$1,564)	(\$4,137)	(\$7,192)	(\$8,828)	(\$9,586)	(\$8,321)	(\$6,899)	(\$4,976)	(\$2,946)	(\$1,311)	(\$52,427)

**III. Variable Supply Cost Deferred**

Beginning Balance													
Variable Supply Costs	(\$10,199,803)	\$4,145,573	\$21,905,823	\$27,465,706	\$24,328,297	\$22,114,177	\$15,224,504	\$10,482,251	\$9,427,346	\$9,371,906	\$10,327,609	\$11,266,429	\$231,069,035
Variable Delivery Storage	\$26,465,907	\$41,431,894	\$39,349,107	\$30,857,300	\$28,974,660	\$17,337,612	\$9,094,322	\$6,288,832	\$5,670,052	\$5,804,101	\$6,628,342	\$13,196,906	\$788,805
Variable Injections Storage	\$8,766	\$21,008	\$69,421	\$69,421	\$29,038	\$0	\$3,721	\$0	\$1,461	\$440	\$173	\$967	\$65,174
Fuel Cost Allocated to Storage	\$2,367	\$611	(\$2,978)	\$0	\$0	\$8,116	\$9,655	\$9,301	\$9,157	\$9,165	\$9,161	\$9,619	\$1,116,047
Working Capital	\$46,256	\$154,586	(\$95,543)	\$378,680	\$155,722	\$61,271	\$89,219	\$63,839	\$70,185	\$62,305	\$60,352	\$68,175	\$1,007,526
Total Supply Variable Costs	\$114,657	\$179,866	\$172,506	\$135,329	\$126,048	\$75,252	\$39,757	\$27,502	\$24,860	\$25,401	\$26,955	\$27,393	\$234,076,587
Supply Variable - Collections	\$26,637,972	\$41,787,965	\$40,077,982	\$31,440,731	\$29,284,469	\$17,453,252	\$9,236,673	\$6,389,473	\$5,775,715	\$5,901,412	\$6,726,982	\$13,333,961	\$207,148,003
Deferred Responsibility	\$12,278,943	\$24,086,547	\$34,622,080	\$34,660,312	\$31,577,344	\$24,434,202	\$14,022,519	\$7,477,053	\$5,863,033	\$4,979,115	\$5,823,601	\$7,323,254	\$207,148,003
Prelim. Ending Balance	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Month's Average Balance	\$4,159,226	\$21,846,991	\$27,361,724	\$24,246,125	\$22,035,422	\$15,163,227	\$10,438,659	\$9,394,871	\$9,340,027	\$10,294,204	\$11,230,990	\$17,277,136	\$596,840
Interest Rate (BOA Prime minus 200 bps)	(\$3,020,266)	\$12,996,282	\$24,633,774	\$25,855,915	\$23,181,860	\$18,638,702	\$12,831,582	\$9,938,461	\$9,383,686	\$9,833,055	\$10,776,299	\$14,271,782	\$0
Interest Applied	5.50%	5.33%	4.97%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	4.00%	\$0
Gas Procurement Incentive/(penalty)	(\$13,663)	\$58,832	\$103,982	\$82,172	\$78,755	\$61,278	\$43,592	\$32,874	\$31,879	\$33,405	\$35,439	\$48,485	\$0
Supply Variable Ending Balance	\$4,145,573	\$21,905,823	\$27,465,706	\$24,328,297	\$22,114,177	\$15,224,504	\$10,482,251	\$9,427,346	\$9,371,906	\$9,371,906	\$11,266,429	\$17,325,621	\$0



Projected Gas costs using 02-15-2008 NYMEX	Nov-07 actual	Dec-07 actual	Jan-08 actual	Feb-08 forecast	Mar-08 forecast	Apr-08 forecast	May-08 forecast	Jun-08 forecast	Jul-08 forecast	Aug-08 forecast	Sep-08 forecast	Oct-08 forecast	Nov-Oct
<b>SUPPLY FIXED COSTS - Pipeline Delivery</b>													
Conoco	\$1,880,261	\$2,454,119	\$3,105,832	\$811,785	\$811,785	\$811,785	\$811,785	\$811,785	\$811,785	\$811,785	\$811,785	\$811,785	\$7,440,212
Algonquin	\$115,543	(\$322,921)	(\$108,931)	\$212,548	\$212,548	\$212,548	\$212,548	\$212,548	\$212,548	\$212,548	\$212,548	\$212,548	\$5,189,652
Texas Eastern				\$524,044	\$524,044	\$524,044	\$524,044	\$524,044	\$524,044	\$524,044	\$524,044	\$524,044	\$1,912,933
TETCO				\$773,986	\$773,986	\$773,986	\$773,986	\$773,986	\$773,986	\$773,986	\$773,986	\$773,986	\$4,716,396
Tennessee				\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$10,610	\$6,966,871
NETNE				\$6,676	\$6,676	\$6,676	\$6,676	\$6,676	\$6,676	\$6,676	\$6,676	\$6,676	\$5,490
Iroquois				\$4,455	\$4,455	\$4,455	\$4,455	\$4,455	\$4,455	\$4,455	\$4,455	\$4,455	\$60,088
Nova				\$28,780	\$28,780	\$28,780	\$28,780	\$28,780	\$28,780	\$28,780	\$28,780	\$28,780	\$40,834
Transcanada				\$2,346	\$2,346	\$2,346	\$2,346	\$2,346	\$2,346	\$2,346	\$2,346	\$2,346	\$262,946
Dominion				\$7,129	\$7,129	\$7,129	\$7,129	\$7,129	\$7,129	\$7,129	\$7,129	\$7,129	\$21,115
Transco				\$4,186	\$4,186	\$4,186	\$4,186	\$4,186	\$4,186	\$4,186	\$4,186	\$4,186	\$64,158
National Fuel				\$283,164	\$283,164	\$283,164	\$283,164	\$283,164	\$283,164	\$283,164	\$283,164	\$283,164	\$37,678
Columbia				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,548,476
Westley Lateral	\$62,508	\$63,370	\$63,370	\$74,216	\$74,216	\$74,216	\$74,216	\$74,216	\$74,216	\$74,216	\$74,216	\$74,216	\$0
Less Credits from Mktgr Releases	\$313,086	\$392,302	\$414,399	\$61,426	\$61,426	\$61,426	\$61,426	\$61,426	\$61,426	\$61,426	\$61,426	\$61,426	\$667,848
<b>TOTAL SUPPLY FIXED COSTS - Pipeline</b>	\$1,745,226	\$1,802,366	\$2,645,872	\$2,606,469	\$2,606,469	\$2,606,469	\$2,606,469	\$2,606,469	\$2,606,469	\$2,606,469	\$2,606,469	\$2,606,469	\$29,640,291
<b>Supply Fixed - Supplier</b>	\$310,545	\$304,004	\$308,062	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$302,000	\$3,640,811
<b>Total</b>	\$2,055,771	\$2,106,370	\$2,953,934	\$2,908,469	\$2,908,469	\$2,908,469	\$2,908,469	\$2,908,469	\$2,908,469	\$2,908,469	\$2,908,469	\$2,908,469	\$33,286,902
<b>STORAGE FIXED COSTS - Facilities</b>													
Conoco	\$220,082	\$220,426	\$220,046	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$660,554
Texas Eastern SS-1 Demand				\$81,056	\$81,056	\$81,056	\$81,056	\$81,056	\$81,056	\$81,056	\$81,056	\$81,056	\$728,502
Texas Eastern SS-1 Capacity				\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$13,361	\$120,252
Texas Eastern FSS-1 Demand				\$845	\$845	\$845	\$845	\$845	\$845	\$845	\$845	\$845	\$7,004
Texas Eastern FSS-1 Capacity				\$610	\$610	\$610	\$610	\$610	\$610	\$610	\$610	\$610	\$5,469
Dominion GSS Demand				\$21,381	\$21,381	\$21,381	\$21,381	\$21,381	\$21,381	\$21,381	\$21,381	\$21,381	\$192,426
Dominion GSS Capacity				\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$15,070	\$135,629
Dominion GSS-TE Demand				\$26,882	\$26,882	\$26,882	\$26,882	\$26,882	\$26,882	\$26,882	\$26,882	\$26,882	\$241,937
Dominion GSS-TE Capacity				\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$19,957	\$179,610
Tennessee FSMA Demand				\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$24,344	\$219,089
Tennessee FSMA Capacity				\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$15,084	\$135,755
Columbia FSS Demand				\$3,830	\$3,830	\$3,830	\$3,830	\$3,830	\$3,830	\$3,830	\$3,830	\$3,830	\$34,472
Columbia FSS Capacity				\$5,915	\$5,915	\$5,915	\$5,915	\$5,915	\$5,915	\$5,915	\$5,915	\$5,915	\$53,233
Geyspan LNG Tank Lease Payment	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$157,500	\$1,880,000
<b>TOTAL FIXED STORAGE COSTS</b>	\$377,582	\$377,926	\$377,546	\$385,835	\$385,835	\$385,835	\$385,835	\$385,835	\$385,835	\$385,835	\$385,835	\$385,835	\$4,603,585
<b>STORAGE FIXED COSTS - Delivery</b>													
Algonquin for TETCO SS-1				\$503,600	\$503,600	\$460,261	\$472,881	\$472,881	\$472,881	\$472,881	\$472,881	\$472,881	\$5,666,057
Algonquin delivery for FSS				\$889,434	\$889,434	\$886,095	\$858,716	\$858,716	\$858,716	\$858,716	\$858,716	\$858,716	\$10,271,622
ETCO delivery for FSS				\$3,795,835	\$3,795,835	\$3,776,346	\$3,767,184	\$3,767,184	\$3,767,184	\$3,767,184	\$3,767,184	\$3,767,184	\$43,566,524
Algonquin SCT for SS-1													
Algonquin delivery for GSS, GSS-TE, GSS-TE													
Algonquin SCT delivery for GSS-TE													
Algonquin delivery for GSS Conv													
Tennessee delivery for GSS													
ETCO delivery for FSMA													
ETCO delivery for GSS													
ETCO delivery for GSS-TE													
ETCO delivery for GSS-TE													
ETCO delivery for GSS Conv													
Dominion delivery for GSS Conv													
Dominion delivery for GSS													
Algonquin delivery for FSS													
Algonquin FLS call payment													
<b>TORAGE DELIVERY FIXED COST \$</b>	\$444,797	\$451,649	\$444,666	\$503,600	\$503,600	\$460,261	\$472,881	\$472,881	\$472,881	\$472,881	\$472,881	\$472,881	\$5,666,057
<b>TOTAL STORAGE FIXED</b>	\$822,379	\$823,574	\$822,412	\$889,434	\$889,434	\$886,095	\$858,716	\$858,716	\$858,716	\$858,716	\$858,716	\$858,716	\$10,271,622
<b>TOTAL FIXED COSTS</b>	\$2,878,150	\$2,936,944	\$3,776,346	\$3,795,835	\$3,795,835	\$3,776,346	\$3,767,184	\$3,767,184	\$3,767,184	\$3,767,184	\$3,767,184	\$3,767,184	\$43,566,524

Projected Gas costs using  
12-15-2008 NYMEX

VARIABLE SUPPLY COSTS (Includes Injections)

	Nov-07 actual	Dec-07 actual	Jan-08 actual	Feb-08 forecast	Mar-08 forecast	Apr-08 forecast	May-08 forecast	Jun-08 forecast	Jul-08 forecast	Aug-08 forecast	Sep-08 forecast	Oct-08 forecast	Nov-Oct
Tennessee Zone 0				\$2,778,169	\$2,809,443	\$2,290,438	\$2,412,163	\$2,546,313	\$1,616,198	\$1,975,785	\$2,568,040	\$2,620,948	\$21,736,497
Tennessee Zone 1				\$5,309,308	\$5,064,936	\$288,230	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Tennessee Comexion				\$3,682,110	\$3,519,797	\$2,760,383	\$2,791,337	\$2,734,517	\$2,980,809	\$2,936,094	\$2,954,151	\$2,946,848	\$26,986,050
TETCO STX				\$320,241	\$142,066	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
TETCO ELA				\$2,741,178	\$2,823,690	\$2,421,471	\$2,510,996	\$2,281,911	\$2,428,381	\$2,464,244	\$2,398,524	\$2,520,254	\$22,596,349
TETCO WLA				\$899,381	\$341,013	\$1,707,155	\$0	\$0	\$0	\$0	\$0	\$0	\$296,663
TETCO ETX				\$2,966,858	\$3,049,498	\$2,400,318	\$2,428,663	\$2,868,215	\$2,757,155	\$2,779,069	\$2,648,553	\$2,648,553	\$2,147,528
TETCO NF				\$71,054	\$887	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$21,698,315
Alabama Supplemental				\$66,256	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$72,041
roadrun Col				\$7,721,533	\$6,075,730	\$8,128,837	\$74,107	\$175,072	\$131,499	\$19,921	\$94,739	\$3,351,572	\$27,772,000
Columbia AGT				\$2,019,280	\$1,405,127	\$2,740,060	\$114,828	\$163,396	\$60,076	\$174,038	\$98,491	\$1,401,805	\$8,177,100
Domination to B&W				\$71,777	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$71,777
Domination to TETCO FTS				\$9,918	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Transco at Wharton				\$111,624	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$111,624
INE to Tennessee				\$287,616	\$306,875	\$248,378	\$257,061	\$252,866	\$261,295	\$283,513	\$255,435	\$266,806	\$2,409,845
lagara to Tennessee				\$296,981	\$304,814	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$2,877
TETCO to B & W				\$113,413	\$79,636	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
MidGas FOS				\$1,519,544	\$902,017	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$600,975
ubline				\$129,146	\$0	\$0	\$2,046,313	\$0	\$0	\$0	\$0	\$0	\$193,049
feeding 02/15/08 NYMEX (for Projections)				\$375,465	\$25,230	\$2,057,813	\$772,004	\$0	\$0	\$0	\$114,128	\$2,117,781	\$6,702,783
suppliers				\$26,278,018	\$41,495,119	\$40,793,738	(\$656,910)	(\$557,550)	(\$312,370)	(\$307,470)	(\$307,470)	(\$307,470)	\$5,304,510
otal Pipeline Commodity Charges				\$28,465,907	\$41,746,965	\$41,217,773	\$0	\$0	\$0	\$0	\$0	\$0	\$2,184,976
Costs of Injections				\$30,857,300	\$28,974,660	\$24,376,482	\$12,852,624	\$10,483,290	\$9,835,362	\$10,239,282	\$10,844,581	\$17,167,897	\$265,222,124
				\$0	\$0	\$7,038,871	\$3,756,303	\$4,194,448	\$4,265,310	\$4,485,180	\$4,216,250	\$3,970,991	\$31,939,353
<b>TOTAL VARIABLE SUPPLY COSTS</b>	\$26,485,907	\$41,746,965	\$41,217,773	\$30,857,300	\$28,974,660	\$17,837,612	\$9,094,322	\$9,288,832	\$5,670,052	\$6,804,101	\$6,628,342	\$13,196,906	\$233,282,772
<b>VARIABLE STORAGE COSTS</b>													
Underground Storage				\$9,236,239	\$5,313,057	\$170,917	\$0	\$0	\$0	\$0	\$0	\$0	\$24,240,151
NG Withdrawals/Western Trucking				\$273,258	\$177,010	\$171,912	\$177,906	\$174,720	\$181,216	\$181,875	\$176,582	\$182,524	\$4,583,656
<b>TOTAL VARIABLE STORAGE COSTS</b>	\$9,509,496	\$5,490,067	\$342,729	\$9,509,496	\$5,490,067	\$342,729	\$177,906	\$174,720	\$181,216	\$181,875	\$176,582	\$182,524	\$28,823,807
<b>TOTAL VARIABLE COSTS</b>	\$26,617,216	\$48,814,932	\$48,405,189	\$40,366,796	\$34,464,727	\$17,860,341	\$9,272,227	\$9,463,552	\$5,851,268	\$6,985,976	\$6,804,924	\$13,379,431	\$262,105,579
<b>TOTAL SUPPLY COSTS</b>	\$29,485,966	\$49,750,876	\$52,181,535	\$44,182,632	\$38,262,630	\$21,453,797	\$13,039,412	\$10,229,628	\$9,619,452	\$9,765,161	\$10,571,000	\$17,146,615	\$306,665,103
<b>TOTAL CAPACITY RELEASE CREDITS</b>	\$0	\$0	\$0	\$632,152	\$632,152	\$542,152	\$542,152	\$542,152	\$542,152	\$542,152	\$542,152	\$542,152	\$5,059,365
<b>TOTAL SUPPLY COSTS AFTER CREDITS</b>	\$29,485,966	\$46,750,876	\$52,181,535	\$43,550,480	\$37,630,479	\$20,911,645	\$12,497,260	\$9,687,477	\$9,076,300	\$9,211,009	\$10,028,849	\$16,604,463	\$300,605,739
Storage Costs for FT-2 Calculation													
Storage Fixed Costs - Facilities				\$377,592	\$377,546	\$377,546	\$377,546	\$377,546	\$377,546	\$377,546	\$377,546	\$377,546	\$377,546
Storage Fixed Costs - Deliveries				\$444,797	\$451,648	\$444,866	\$444,866	\$444,866	\$444,866	\$444,866	\$444,866	\$444,866	\$444,866
Variable Delivery Costs				\$9,786	\$21,008	\$954,868	\$89,421	\$28,038	\$28,038	\$28,038	\$28,038	\$28,038	\$28,038
Fuel Costs Allocated to Storage				\$2,367	\$811	(\$2,978)	(\$2,978)	\$0	\$0	\$0	\$0	\$0	\$0
Total Storage Costs	\$679,788	\$1,005,779	\$1,378,730	\$1,337,536	\$1,073,195	\$632,152	\$632,152	\$632,152	\$632,152	\$632,152	\$632,152	\$632,152	\$632,152
pipelines Variable				\$26,465,907	\$41,746,965	\$41,217,773	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Non-firm Gas Costs				\$464,361	\$566,905	2,062,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Company Use				\$34,925	\$73,628	\$101,607	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Manchester St Balancing				\$8,622	\$7,151	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Cashout				\$4,316	(\$33,418)	\$90,133	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Less Mtkr Over-takes				\$64,595	\$84,927	\$496,653	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Mtkr Under-takes				\$184,220	\$58,506	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Mtkr Injections				\$949,889	\$198,472	\$307,012	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Storage Service Charge				\$26,423,197	\$41,474,604	\$39,349,107	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Plus Pipeline Strchg/Credit				\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0

SupplyEst

	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Total Nov-Oct
	actual	actual	actual	fcst	fcst	fcst	fcst	fcst	fcst	fcst	fcst	fcst	
<b>I. Supply Fixed Cost Collections --</b>													
(a) Resid. & Small C & I dth	1,144,190	2,471,389	3,534,425	3,471,961	3,156,113	2,461,000	1,380,747	716,238	555,863	461,763	537,003	676,915	20,567,607
Supply Fixed Cost Factor	\$1,0236	\$1,0648	\$1,0644	\$1,0644	\$1,0644	\$1,0644	\$1,0644	\$1,0644	\$1,0644	\$1,0644	\$1,0644	\$1,0644	\$1,0644
Res & Small C & I collections	\$1,171,220	\$2,631,538	\$3,761,937	\$3,695,555	\$3,359,367	\$2,619,468	\$1,469,667	\$762,364	\$591,661	\$491,501	\$571,586	\$720,508	\$21,846,392
(b) C & I Medium dth	231,919	432,716	625,294	642,054	587,617	448,212	271,215	149,685	123,770	108,749	129,158	155,635	3,906,024
Supply Fixed Cost Factor	\$0.9821	\$1,0200	\$1,0198	\$1,0198	\$1,0198	\$1,0198	\$1,0198	\$1,0198	\$1,0198	\$1,0198	\$1,0198	\$1,0198	\$1,0198
C & I Medium collections	\$227,756	\$441,365	\$637,654	\$654,767	\$599,252	\$457,067	\$276,585	\$152,649	\$126,221	\$110,902	\$131,715	\$158,717	\$3,974,672
(c) C & I Large LLF dth	89,985	118,894	203,254	244,063	223,000	152,326	87,236	36,827	26,093	19,383	26,903	51,317	1,279,281
Supply Fixed Cost Factor	\$1.0230	\$1,0108	\$1,0105	\$1,0103	\$1,0103	\$1,0103	\$1,0103	\$1,0103	\$1,0103	\$1,0103	\$1,0103	\$1,0103	\$1,0103
C & I Large LLF collections	\$92,051	\$120,173	\$205,392	\$246,577	\$225,297	\$153,895	\$88,135	\$37,206	\$26,362	\$19,563	\$27,180	\$51,846	\$1,293,697
(d) C & I Large HLF dth	39,869	48,246	60,897	45,217	48,325	44,204	33,395	31,392	24,483	22,042	28,804	28,380	455,254
Supply Fixed Cost Factor	\$0.8065	\$0.9069	\$0.9069	\$0.9069	\$0.9069	\$0.9069	\$0.9069	\$0.9069	\$0.9069	\$0.9069	\$0.9069	\$0.9069	\$0.9069
C & I Large HLF collections	\$32,155	\$43,756	\$55,226	\$41,007	\$43,826	\$40,089	\$30,286	\$28,469	\$22,204	\$19,990	\$26,122	\$26,738	\$408,868
(e) C & I Extra Large LLF dth	7,350	14,901	24,378	20,748	20,017	11,546	3,207	1,986	886	1,190	1,197	3,348	110,754
Supply Fixed Cost Factor	\$0.9982	\$1,0024	\$1,0011	\$1,0024	\$1,0024	\$1,0024	\$1,0024	\$1,0024	\$1,0024	\$1,0024	\$1,0024	\$1,0024	\$1,0024
C & I XL LLF collections	\$7,322	\$14,937	\$24,405	\$20,798	\$20,065	\$11,574	\$3,215	\$1,991	\$888	\$1,193	\$1,200	\$3,356	\$110,944
(f) C & I Extra Large HLF dth	20,467	25,235	26,874	57,044	47,431	41,708	37,113	30,549	26,912	30,602	29,844	31,198	404,977
Supply Fixed Cost Factor	\$0.6848	\$0.8420	\$0.8420	\$0.8420	\$0.8420	\$0.8420	\$0.8420	\$0.8420	\$0.8420	\$0.8420	\$0.8420	\$0.8420	\$0.8420
C & I XL HLF collections	\$14,015	\$21,249	\$22,629	\$48,031	\$39,937	\$35,118	\$31,249	\$25,722	\$22,660	\$25,767	\$25,129	\$26,269	\$337,775
sub-total Dth	1,533,780	3,111,381	4,475,122	4,481,087	4,082,503	3,158,996	1,812,913	966,677	758,007	643,729	752,909	946,793	26,723,987
sub-total Supply Fixed Collections	\$1,544,521	\$3,273,018	\$4,707,243	\$4,706,735	\$4,287,744	\$3,317,251	\$1,899,137	\$1,008,401	\$789,996	\$668,936	\$782,932	\$986,454	\$27,972,348
<b>II. Storage Fixed Cost Collections --</b>													
(a) Resid. & Small C & I dth	1,144,190	2,471,389	3,534,425	3,471,961	3,156,113	2,461,000	1,380,747	716,238	555,863	461,763	537,003	676,915	20,567,607
Storage Fixed Cost Factor	\$0.3708	\$0.3747	\$0.3746	\$0.3746	\$0.3746	\$0.3746	\$0.3746	\$0.3746	\$0.3746	\$0.3746	\$0.3746	\$0.3746	\$0.3746
Res & Small C & I collections	\$424,241	\$926,131	\$1,323,958	\$1,300,597	\$1,182,280	\$921,891	\$517,228	\$268,303	\$208,226	\$172,976	\$201,161	\$253,572	\$7,700,564
(b) C & I Medium dth	231,919	432,716	625,294	642,054	587,617	448,212	271,215	149,685	123,770	108,749	129,158	155,635	3,906,024
Storage Fixed Cost Factor	\$0.3793	\$0.4100	\$0.4099	\$0.4099	\$0.4099	\$0.4099	\$0.4099	\$0.4099	\$0.4099	\$0.4099	\$0.4099	\$0.4099	\$0.4099
C & I Medium collections	\$87,967	\$177,403	\$256,300	\$263,178	\$240,864	\$183,722	\$111,171	\$61,356	\$50,733	\$44,576	\$52,942	\$63,795	\$1,594,007
(c) C & I Large LLF dth	89,985	118,894	203,254	244,063	223,000	152,326	87,236	36,827	26,093	19,383	26,903	51,317	1,279,281
Storage Fixed Cost Factor	\$0.4232	\$0.4591	\$0.4590	\$0.4589	\$0.4589	\$0.4589	\$0.4589	\$0.4589	\$0.4589	\$0.4589	\$0.4589	\$0.4589	\$0.4589
C & I Large LLF collections	\$38,086	\$54,585	\$93,294	\$112,001	\$102,335	\$69,902	\$40,033	\$16,900	\$11,974	\$8,895	\$8,834	\$8,704	\$583,900
(d) C & I Large HLF dth	39,869	48,246	60,897	45,217	48,325	44,204	33,395	31,392	24,483	22,042	28,804	28,380	455,254
Storage Fixed Cost Factor	\$0.2827	\$0.3067	\$0.3067	\$0.3067	\$0.3067	\$0.3067	\$0.3067	\$0.3067	\$0.3067	\$0.3067	\$0.3067	\$0.3067	\$0.3067
C & I Large HLF collections	\$11,269	\$14,798	\$18,677	\$13,868	\$14,821	\$13,557	\$10,242	\$9,628	\$7,509	\$6,760	\$8,834	\$8,704	\$138,667
(e) C & I XL LLF dth	7,350	14,901	24,378	20,748	20,017	11,546	3,207	1,986	886	1,190	1,197	3,348	110,754
Storage Fixed Cost Factor	\$0.4029	\$0.4364	\$0.4358	\$0.4364	\$0.4364	\$0.4364	\$0.4364	\$0.4364	\$0.4364	\$0.4364	\$0.4364	\$0.4364	\$0.4364
C & I XL LLF collections	\$2,961	\$6,503	\$10,625	\$9,054	\$8,735	\$5,039	\$1,400	\$867	\$387	\$519	\$522	\$1,461	\$48,073
(f) C & I XL HLF dth	20,467	25,235	26,874	57,044	47,431	41,708	37,113	30,549	26,912	30,602	29,844	31,198	404,977
Storage Fixed Cost Factor	\$0.2860	\$0.2722	\$0.2722	\$0.2722	\$0.2722	\$0.2722	\$0.2722	\$0.2722	\$0.2722	\$0.2722	\$0.2722	\$0.2722	\$0.2722
C & I XL HLF collections	\$4,830	\$6,869	\$7,315	\$15,527	\$12,911	\$11,353	\$10,102	\$8,315	\$7,525	\$8,330	\$8,124	\$8,492	\$109,493
(g) FT-2 dth	55,279	122,119	181,247	135,423	126,755	98,798	64,043	40,468	34,363	28,499	30,961	40,522	958,477
Storage Fixed Cost Factor	\$0.3657	\$0.4052	\$0.4052	\$0.4052	\$0.4052	\$0.4052	\$0.4052	\$0.4052	\$0.4052	\$0.4052	\$0.4052	\$0.4052	\$0.4052
FT-2 collection	\$20,216	\$49,463	\$73,441	\$54,877	\$51,365	\$40,036	\$25,952	\$16,389	\$13,925	\$11,549	\$12,546	\$16,421	\$386,210

	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Total
	actual	actual	actual	fcst	fcst	fcst	fcst	fcst	fcst	fcst	fcst	fcst	Nov-Oct
sub-total Dth	1,589,059	3,233,500	4,656,369	4,616,510	4,209,258	3,257,794	1,876,956	1,007,145	792,370	672,228	783,870	987,315	27,682,374
sub-total Storage Fixed Collections	\$689,570	\$1,235,772	\$1,783,610	\$1,769,102	\$1,613,311	\$1,245,500	\$716,128	\$381,768	\$300,079	\$253,605	\$286,475	\$375,994	\$10,560,914
<b>III. Variable Supply Cost Collections --</b>													
(a) Firm Sales dth	1,593,780	3,111,381	4,475,122	4,481,087	4,082,503	3,158,996	1,812,913	966,677	758,007	643,729	752,909	946,793	26,723,897
Variable Supply Cost Factor	\$8,0040	\$7,7348	\$7,7348	\$7,7348	\$7,7348	\$7,7348	\$7,7348	\$7,7348	\$7,7348	\$7,7348	\$7,7348	\$7,7348	\$7,7348
Variable Supply collections	\$12,276,300	\$24,075,963	\$34,614,284	\$34,660,312	\$31,577,344	\$24,434,202	\$14,022,519	\$7,477,053	\$5,863,033	\$4,979,115	\$5,823,601	\$7,323,254	\$207,126,980
(b) TSS Sales dth	855	2,673	3,207										
TSS Variable Supply Cost F.	\$0.00	\$0.00	\$0.00										
TSS surcharge collections	\$0	\$0	\$0										
(c) NGV Sales dth	-84	1,601	1,127										
Variable Supply Cost Factor	\$8,2500	\$7,7345	\$7,7347										
Variable Supply collections	(\$693)	\$12,383	\$8,717										
(d) Default Sales dth	303	(149)	(57)										
Variable Supply Cost Factor	\$11.01	\$12.08	\$16.15										
Variable Supply collections	\$3,336	(\$1,799)	(\$921)										
TOTAL Variable Supply Collections	\$12,278,943	\$24,066,547	\$34,622,080	\$34,660,312	\$31,577,344	\$24,434,202	\$14,022,519	\$7,477,053	\$5,863,033	\$4,979,115	\$5,823,601	\$7,323,254	\$207,146,003
<b>IVa. Storage Variable Product Cost Collections --</b>													
(a) Firm Sales dth	1,533,780	3,111,381	4,475,122	4,481,087	4,082,503	3,158,996	1,812,913	966,677	758,007	643,729	752,909	946,793	26,723,897
Variable Supply Cost Factor	\$0.1011	\$1,2343	\$1,3580	\$1,3580	\$1,3580	\$1,3580	\$1,3580	\$1,3580	\$1,3580	\$1,3580	\$1,3580	\$1,3580	\$1,3580
stor. var Non-Product collections	\$1,893,185	\$4,226,705	\$6,077,073	\$6,085,316	\$5,544,039	\$4,289,917	\$2,461,936	\$1,312,747	\$1,029,374	\$874,184	\$1,022,450	\$1,285,745	\$36,102,671
<b>IVb. Storage Variable Non-product Cost Collections --</b>													
(a) Firm Sales dth	1,533,780	3,111,381	4,475,122	4,481,087	4,082,503	3,158,996	1,812,913	966,677	758,007	643,729	752,909	946,793	26,723,897
Variable Supply Cost Factor	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849
stor. var Non-Product collec	\$165,033	\$254,246	\$379,928	\$380,444	\$346,605	\$268,199	\$153,916	\$82,071	\$64,355	\$54,653	\$63,922	\$80,383	\$2,283,755
(b) FT-2 dth	55,279	122,119	181,247	135,423	126,755	98,798	64,043	40,468	34,363	28,499	30,961	40,522	958,477
Variable Supply Cost Factor	\$0.0987	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849	\$0.0849
stor. var Non-Product collec	\$5,455	\$10,368	\$16,388	\$11,497	\$10,761	\$8,388	\$5,437	\$3,436	\$2,917	\$2,420	\$2,629	\$3,440	\$82,136
(c) Total Firm Sales/FT-2 dth	1,589,059	3,233,500	4,656,369	4,616,510	4,209,258	3,257,794	1,876,956	1,007,145	792,370	672,228	783,870	987,315	27,682,374
stor. var Non-Product collec	\$160,488	\$274,614	\$395,316	\$391,941	\$357,366	\$276,587	\$159,353	\$85,507	\$67,272	\$57,073	\$66,551	\$83,823	\$2,375,891
Total Gas Cost Collections	\$16,466,707	\$33,096,656	\$47,585,322	\$47,613,406	\$43,379,804	\$33,563,457	\$19,259,073	\$10,265,476	\$8,049,754	\$6,832,913	\$7,992,009	\$10,055,250	\$284,159,827

Line No.	Description (e)	Reference (b)	Nov-07 (c)	Dec-07 (d)	Jan-08 (e)	Feb-08 (f)	Mar-08 (g)	Apr-08 (h)	May-08 (i)	Jun-08 (j)	Jul-08 (k)	Aug-08 (l)	Sep-08 (m)	Oct-08 (n)	Total (p)
1	Storage Inventory Balance		\$35,073,963	\$31,295,195	\$25,837,782	\$20,612,137	\$10,907,537	\$5,323,466	\$11,669,480	\$15,265,566	\$19,205,922	\$23,284,298	\$27,512,045	\$31,548,056	\$23,522,789
2	Cost of Capital	Rate Case (1) * (2)	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%
3	Return on Working Capital Requirement		\$3,203,589	\$2,858,444	\$2,359,974	\$1,882,673	\$966,274	\$486,235	\$1,065,869	\$1,394,328	\$1,754,232	\$2,126,744	\$2,512,898	\$2,881,539	
4	Weighted Cost of Debt	Rate Case (1) * (4)	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%
5	Interest Charges Financed		\$1,483,211	\$1,323,414	\$1,092,631	\$871,648	\$461,259	\$225,119	\$493,481	\$645,552	\$812,162	\$984,649	\$1,163,432	\$1,334,107	\$10,890,685
6	Taxable Income	(3) - (5)													
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		\$2,646,795	\$2,361,584	\$1,949,759	\$1,556,424	\$823,098	\$401,717	\$880,588	\$1,151,963	\$1,449,308	\$1,757,069	\$2,076,101	\$2,380,665	\$19,434,022
9	Working Capital Requirement	(5) + (8)	\$4,129,946	\$3,684,898	\$3,042,390	\$2,427,072	\$1,284,356	\$626,836	\$1,374,078	\$1,797,515	\$2,261,480	\$2,741,718	\$3,239,533	\$3,714,772	\$30,324,707
10	Monthly Average	(9) / 12	\$344,162	\$307,083	\$253,532	\$202,256	\$107,030	\$52,236	\$114,507	\$149,793	\$188,458	\$228,476	\$269,961	\$309,564	\$2,527,059
11	LNG Inventory Balance		\$7,062,425	\$6,831,248	\$6,678,441	\$6,810,918	\$7,177,954	\$7,125,157	\$7,045,249	\$7,608,713	\$7,622,557	\$7,637,257	\$7,625,332	\$7,466,412	\$7,916,252
12	Cost of Capital	Rate Case (11) * (12)	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%
13	Return on Working Capital Requirement		\$645,068	\$623,853	\$609,998	\$622,086	\$655,621	\$650,798	\$643,500	\$694,965	\$696,230	\$697,573	\$696,483	\$681,968	
14	Weighted Cost of Debt	Rate Case (11) * (14)	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%
15	Interest Charges Financed		\$298,657	\$288,881	\$282,419	\$288,021	\$303,542	\$301,309	\$297,930	\$321,758	\$322,343	\$322,965	\$322,461	\$315,740	\$3,686,026
16	Taxable Income	(13) - (15)													
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		\$532,941	\$515,496	\$503,965	\$513,962	\$541,639	\$537,675	\$531,645	\$574,165	\$575,210	\$576,319	\$575,419	\$563,427	\$6,541,866
19	Working Capital Requirement	(15) + (18)	\$831,598	\$804,377	\$786,384	\$801,983	\$845,202	\$838,985	\$829,576	\$895,923	\$897,553	\$899,284	\$897,880	\$879,167	\$10,207,912
20	Monthly Average	(19) / 12	\$69,300	\$67,031	\$65,532	\$66,832	\$70,433	\$69,915	\$69,131	\$74,660	\$74,796	\$74,940	\$74,823	\$73,284	\$850,659
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)	\$14,130	\$13,668	\$13,362	\$13,627	\$14,361	\$14,256	\$14,096	\$15,223	\$15,251	\$15,280	\$15,256	\$14,939	\$173,449
23	Supply Related Inventory Costs	(21) - (22)	\$55,170	\$53,364	\$52,170	\$53,205	\$56,072	\$55,660	\$55,035	\$59,437	\$59,545	\$59,660	\$59,567	\$58,325	\$677,210
24	Propane Inventory Balance		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
25	Cost of Capital	Rate Case (24) * (25)	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%
26	Return on Working Capital Requirement		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
27	Weighted Cost of Debt	Rate Case (24) * (27)	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%
28	Interest Charges Financed		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
29	Taxable Income	(26) - (28)													
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		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Working Capital Requirement	(28) + (31)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Monthly Average	(32) / 12	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0



Line No.	Description (a)	Reference (b)	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Total
1	Supply Fixed Costs	(3) * (4) / 365	\$2,055,771	\$2,106,370	\$2,274,249	\$2,274,249	\$2,276,317	\$2,365,209	\$2,366,317	\$2,365,209	\$2,365,317	\$2,366,317	\$2,365,209	\$2,366,317	\$28,227,536
2	Capacity Release Revenue	(5) * (6)	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
3	Allowable Working Capital Costs	(1) - (2)	\$2,055,771	\$2,106,370	\$2,274,249	\$2,274,249	\$2,276,317	\$2,365,209	\$2,366,317	\$2,365,209	\$2,365,317	\$2,366,317	\$2,365,209	\$2,366,317	\$28,227,536
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	\$75,472	\$77,330	\$83,493	\$83,493	\$83,569	\$86,832	\$86,873	\$86,832	\$86,873	\$86,873	\$86,832	\$86,873	\$1,038,883
6	Cost of Capital	(7) - (9)	\$3,192	\$3,270	\$4,586	\$4,586	\$4,534	\$3,672	\$3,674	\$3,672	\$3,674	\$3,674	\$3,672	\$3,674	\$44,691
7	Return on Working Capital Requirement	(5) * (6)	\$5,683	\$7,063	\$7,626	\$7,626	\$7,633	\$7,991	\$7,995	\$7,991	\$7,995	\$7,995	\$7,991	\$7,995	\$1,083,474
8	Weighted Cost of Debt	(10) / (11)	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%
9	Interest Expense	(9) * (12)	\$3,192	\$3,270	\$4,586	\$4,586	\$3,534	\$3,672	\$3,674	\$3,672	\$3,674	\$3,674	\$3,672	\$3,674	\$44,691
10	Taxable Income	(7) - (9)	\$3,702	\$3,793	\$4,099	\$4,099	\$4,099	\$4,269	\$4,261	\$4,269	\$4,261	\$4,261	\$4,269	\$4,261	\$51,782
11	1 - Combined Tax Rate	(10) / (11)	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	(9) + (12)	\$5,695	\$6,183	\$6,301	\$6,301	\$6,306	\$6,553	\$6,556	\$6,553	\$6,556	\$6,556	\$6,553	\$6,556	\$79,937
13	Supply Fixed Working Capital Requirement	(14) - (15) + (16)	\$8,887	\$9,106	\$9,831	\$9,831	\$9,840	\$10,224	\$10,229	\$10,224	\$10,229	\$10,229	\$10,224	\$10,229	\$122,024
14	Storage Fixed Costs		\$822,379	\$829,574	\$889,484	\$889,484	\$889,484	\$866,095	\$868,716	\$868,716	\$868,716	\$868,716	\$868,716	\$868,716	\$10,271,622
15	Less: LNG Demand to DAC		\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$56,282	\$675,382
16	Plus: Supply Related LNG O&M Costs		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
17	Allowable Working Capital Costs	(14) - (15) + (16)	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$43,241	\$518,240
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	\$10,115,194
19	Working Capital Requirement	(17) * (18) / 365	\$28,713	\$29,977	\$32,174	\$32,174	\$32,174	\$31,318	\$31,047	\$31,047	\$31,047	\$31,047	\$31,047	\$31,047	\$384,675
20	Cost of Capital	(19) * (20)	\$1,256	\$1,268	\$1,361	\$1,361	\$1,361	\$1,324	\$1,313	\$1,313	\$1,313	\$1,313	\$1,313	\$1,313	\$16,161
21	Return on Working Capital Requirement	(19) * (22)	\$2,419	\$2,499	\$2,699	\$2,699	\$2,699	\$2,699	\$2,699	\$2,699	\$2,699	\$2,699	\$2,699	\$2,699	\$32,884
22	Weighted Cost of Debt	(19) * (23)	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%
23	Interest Expense	(19) * (23)	\$1,256	\$1,268	\$1,361	\$1,361	\$1,361	\$1,324	\$1,313	\$1,313	\$1,313	\$1,313	\$1,313	\$1,313	\$16,161
24	Taxable Income	(24) / (25)	\$1,457	\$1,470	\$1,457	\$1,457	\$1,457	\$1,457	\$1,457	\$1,457	\$1,457	\$1,457	\$1,457	\$1,457	\$17,859
25	1 - Combined Tax Rate	(23) + (26)	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500	0.6500
26	Return and Tax Requirement	(23) + (26)	\$2,242	\$2,262	\$2,242	\$2,242	\$2,242	\$2,242	\$2,242	\$2,242	\$2,242	\$2,242	\$2,242	\$2,242	\$28,135
27	Storage Fixed Working Capital Requirement	(23) + (26)	\$3,530	\$3,530	\$3,789	\$3,789	\$3,789	\$3,668	\$3,656	\$3,656	\$3,656	\$3,656	\$3,656	\$3,656	\$43,726
28	Supply Variable Costs		\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$7,939,905
29	Less: Non-firm Sales		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
30	Less: Variable Delivery Storage Costs		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
31	Less: Variable Injection Storage Costs		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
32	Less: Fuel Costs Allocated to Storage		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
33	Less: Supply Refunds		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
34	Total Credits		\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
35	Allowable Working Capital Costs		\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$654,889	\$7,939,905
36	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	\$1,038,883
37	Working Capital Requirement	(37) * (38) / 365	\$973,733	\$1,527,580	\$1,465,023	\$1,465,023	\$1,465,023	\$1,465,023	\$1,465,023	\$1,465,023	\$1,465,023	\$1,465,023	\$1,465,023	\$1,465,023	\$17,859,023
38	Cost of Capital	(39) * (40)	\$3,192	\$3,270	\$4,586	\$4,586	\$3,534	\$3,672	\$3,674	\$3,672	\$3,674	\$3,674	\$3,672	\$3,674	\$44,691
39	Return on Working Capital Requirement	(39) * (41)	\$5,683	\$7,063	\$7,626	\$7,626	\$7,633	\$7,991	\$7,995	\$7,991	\$7,995	\$7,995	\$7,991	\$7,995	\$1,083,474
40	Weighted Cost of Debt	(42) / (43)	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%
41	Interest Expense	(40) * (44)	\$3,192	\$3,270	\$4,586	\$4,586	\$3,534	\$3,672	\$3,674	\$3,672	\$3,674	\$3,674	\$3,672	\$3,674	\$44,691
42	Taxable Income	(45) - (46)	\$3,702	\$3,793	\$4,099	\$4,099	\$4,099	\$4,269	\$4,261	\$4,269	\$4,261	\$4,261	\$4,269	\$4,261	\$51,782
43	1 - Combined Tax Rate	(47) / (48)	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
44	Return and Tax Requirement	(43) + (44)	\$5,695	\$6,183	\$6,301	\$6,301	\$6,306	\$6,553	\$6,556	\$6,553	\$6,556	\$6,556	\$6,553	\$6,556	\$79,937
45	Supply Variable Working Capital Requirement	(45) + (46)	\$114,857	\$179,888	\$172,508	\$172,508	\$172,508	\$172,508	\$172,508	\$172,508	\$172,508	\$172,508	\$172,508	\$172,508	\$2,198,416

Line No.	Description (a)	Reference (b)	Nov-07	Dec-07	Jan-08	Feb-08	Mar-08	Apr-08	May-08	Jun-08	Jul-08	Aug-08	Sep-08	Oct-08	Total
14	Storage Variable Product Costs														
15	Less: Balancing Related LNG Commodity (to DAC)		\$151,309	\$4,779,408	\$6,688,309	\$9,609,496	\$5,480,067	\$342,729	\$177,906	\$174,720	\$181,216	\$181,875	\$176,582	\$182,524	\$28,248,141
16	Plus: Supply Related LNG O&M Costs		(\$30,852)	(\$242,872)	(\$245,455)	(\$55,717)	(\$38,092)	(\$85,032)	(\$36,276)	(\$36,625)	(\$36,960)	(\$37,084)	(\$36,005)	(\$37,217)	(\$27,983)
17	Allowable Working Capital Costs	(14) + (15) + (16)	\$150,913	\$4,551,603	\$6,665,892	\$9,484,235	\$5,484,430	\$338,152	\$172,066	\$169,560	\$174,721	\$175,246	\$171,083	\$175,763	\$365,465
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	\$27,733,623
19	Working Capital Requirement	[(17) * (18)] / 365	\$5,640	\$167,100	\$245,455	\$348,188	\$201,346	\$12,414	\$6,318	\$6,225	\$6,414	\$6,434	\$6,279	\$6,463	13,40
20	Cost of Capital	Rate Case	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	
21	Return on Working Capital Requirement	(19) * (20)	\$506	\$15,263	\$22,419	\$31,803	\$18,391	\$1,134	\$577	\$569	\$586	\$588	\$574	\$588	
22	Weighted Cost of Debt	Rate Case	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	
23	Interest Expense	(19) * (22)	\$234	\$7,066	\$10,380	\$14,724	\$8,515	\$525	\$267	\$263	\$271	\$272	\$266	\$273	
24	Taxable Income	(19) - (23)	\$272	\$8,196	\$12,040	\$17,079	\$9,876	\$609	\$310	\$305	\$315	\$316	\$308	\$317	
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)	\$418	\$12,610	\$18,522	\$25,275	\$15,194	\$987	\$477	\$470	\$484	\$485	\$474	\$487	
27	Storage Var. Product Working Capital Requir.	(23) + (26)	\$652	\$19,676	\$28,902	\$40,999	\$23,708	\$1,462	\$744	\$733	\$755	\$758	\$739	\$760	\$119,889
1	Storage Variable Non-Product Costs														
2	Credits		(\$55,125)	\$112,355	(\$267,261)	\$29,353	(\$52,482)	(\$29,126)	(\$102,595)	(\$73,139)	(\$80,803)	(\$71,910)	(\$69,686)	(\$79,662)	(\$740,081)
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	(\$2,024)	\$4,125	(\$9,812)	\$1,076	(\$1,927)	(\$1,069)	(\$3,766)	(\$2,985)	(\$2,966)	(\$2,640)	(\$2,556)	(\$2,925)	
6	Cost of Capital	Rate Case	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	9.13%	
7	Return on Working Capital Requirement	(5) * (6)	(\$186)	\$377	(\$896)	\$98	(\$176)	(\$98)	(\$344)	(\$245)	(\$271)	(\$241)	(\$234)	(\$267)	
8	Weighted Cost of Debt	Rate Case	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	4.23%	
9	Interest Expense	(5) * (8)	(\$86)	\$174	(\$415)	\$46	(\$81)	(\$45)	(\$159)	(\$114)	(\$125)	(\$112)	(\$106)	(\$124)	
10	Taxable Income	(7) - (9)	(\$99)	\$202	(\$481)	\$53	(\$95)	(\$52)	(\$185)	(\$132)	(\$146)	(\$129)	(\$125)	(\$143)	
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)	(\$163)	\$311	(\$740)	\$81	(\$145)	(\$81)	(\$284)	(\$203)	(\$224)	(\$199)	(\$193)	(\$221)	
13	Storage Variable Non-product WC Requir.	(9) + (12)	(\$239)	\$486	(\$1,155)	\$127	(\$227)	(\$126)	(\$444)	(\$316)	(\$349)	(\$311)	(\$301)	(\$344)	(\$3,199)



**Docket No. 3868 – National Grid – Annual Gas Cost Recovery Filing  
 (“GCR”) - Service List as of 1/11/08**

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