

NSTAR GAS COMPANY
Summary of Operating Revenues
Test Year Ended December 31, 2013

	Total (a)	Base Revenues				LDAF						CGA (l)	Other (m)
		Firm Tariff Rates (b)	Special Contracts (c)	Late Payment & Other Fees (d)	Total (e)=(b)+(c)+(d)	Pension & PBOP (f)	RAAF (g)	EES (h)	AGCE (i)	Other (j)	Total (k)=(f)+(g)+(h)+(i)+(j)		
1 Operating Revenue - Test Year Book	\$427,071,989	\$145,239,644	\$1,862,505	\$1,294,776	\$148,396,925	\$12,658,027	\$2,782,455	\$36,467,027	\$34,157	\$1,353,726	\$53,295,391	\$218,839,919	\$6,539,754
2 Normalizing Adjustments:													
3 Normalizing Adjustments	(1,248,260)	973,728			973,728	-	(2,221,989)	-	-	-	(2,221,989)	-	
4 Special Contracts	870,150		870,150		870,150						-		
5 Late Payment & Other Fees	177,290			177,290	177,290						-		
6 Other (Home Heating, et.al.)	(6,539,754)				-						-		(6,539,754)
7 Adjusted Operating Revenue - Test Year Book	\$420,331,415	\$146,213,372	\$2,732,655	\$1,472,066	\$150,418,093	\$12,658,027	\$560,466	\$36,467,027	\$34,157	\$1,353,726	\$51,073,402	\$218,839,919	\$0
8 Reallocations/Adjustments:													
9 Proposed Rate Increase	41,675,765	33,905,651			33,905,651	4,818,000					4,818,000	2,952,114	
10 Arrearage Forgiveness Program	60,947				-		60,947				60,947		
11 Property Taxes Exogenous	689,594				-					689,594	689,594		
12 Gas Acquisition	391,356				-						-	391,356	
13 Hopkinton LNG Corp.	2,747,724				-						-	2,747,724	
14 Production and Storage (Heel Gas)	333,518				-						-	333,518	
15 Adjusted Operating Revenue - Proposed	\$466,230,319	\$180,119,023	\$2,732,655	\$1,472,066	\$184,323,744	\$17,476,027	\$621,413	\$36,467,027	\$34,157	\$2,043,320	\$56,641,944	\$225,264,631	\$0
16 Proposed Revenue Increase	\$45,898,904	\$33,905,651	\$0	\$0	\$33,905,651	\$4,818,000	\$60,947	\$0	\$0	\$689,594	\$5,568,542	\$6,424,711	\$0

Notes:
Col. (j) LDAF Other includes LDAC collections not listed in Col. (f) through Col. (i)
Col. (m) Other Revenue includes revenues from Home Heating Protection Plan, misc customer adjustments
Line 1 per Company's Books
Line 3 Exhibit NSTAR-RDC-1-5, lines 2 to 4, col. (b)
Line 4 Exhibit NSTAR-RDC-1-5, line 5, col. (b)
Line 5 Exhibit NSTAR-RDC-1-5, line 12, col. (b)
Line 9 (b) Exhibit NSTAR-MFF-2, Schedule 1
Line 9 (f) Amount of pension/PBOP expense previously collected in base rates that will be collected through the Pension & PBOP recovery mechanism
Line 9 (l) Amount represents Hopkinton LNG Corp. gas which was previously collected in base rates that will be collected through the CGAC
Line 10 Exhibit NSTAR-MFF-4, Schedule 2
Line 11 Exhibit NSTAR-MFF-4, Schedule 3
Line 12 Exhibit NSTAR-MFF-4, Schedule 4 less \$717,123 in Line 7, Column (l)
Line 13 Exhibit NSTAR-EHC-6, Schedule EHC-1, Page 1, Line 24 less Line 9, Column (l) and \$2,038,000 in Line 7, Column (l)
Line 14 Exhibit NSTAR-MFF-4, Schedule 5

NSTAR GAS COMPANY

Proposed Arrearage Forgiveness Program Cost Recovery

Line No.	Description	Actual January-13	Actual February-13	Actual March-13	Actual April-13	Actual May-13	Actual June-13	Actual July-13	Actual August-13	Actual September-13	Actual October-13	Actual November-13	Actual December-13	Total
AFP Cost/Benefit Evaluation from 13-RAAF-07 and 14-RAAF-07														
1	AFP Administration Costs	\$ 7,489	\$ 6,316	\$ 11,913	\$ 10,938	\$ 7,824	\$ 6,486	\$ 6,804	\$ 6,804	\$ 6,885	\$ 6,897	\$ 6,142	\$ 5,638	\$ 90,135
2	Baseline Arrearage Costs	(4,472)	(4,293)	(2,460)	(3,484)	(5,181)	(6,777)	(10,773)	(11,501)	(11,792)	(12,549)	(13,130)	(5,512)	(91,922)
3	AFP Arrearage Costs	59,813	69,803	82,158	111,290	159,033	161,011	158,238	137,095	130,353	100,353	84,336	51,934	1,305,417
4	AFP Arrearage Revenue	(6,823)	(7,371)	(9,968)	(11,875)	(16,789)	(14,681)	(14,032)	(11,059)	(9,795)	(7,795)	(6,497)	(4,681)	(121,365)
5	Baseline Arrearage Revenue	1,886	2,442	5,408	5,722	7,105	5,064	4,832	3,060	2,443	1,629	989	953	41,533
6	AFP Cost (Benefit)	\$ 57,892	\$ 66,896	\$ 87,051	\$ 112,592	\$ 151,993	\$ 151,104	\$ 145,068	\$ 124,399	\$ 118,094	\$ 88,535	\$ 71,841	\$ 48,332	\$ 1,223,798
7	CGA Bad Debt Transfer	(28,045)	(31,958)	(37,228)	(50,354)	(72,568)	(73,371)	(72,411)	(62,855)	(59,822)	(45,937)	(38,406)	(23,267)	(596,224)
8	Net AFP Cost (Benefit)	\$ 29,847	\$ 34,938	\$ 49,823	\$ 62,238	\$ 79,425	\$ 77,732	\$ 72,657	\$ 61,544	\$ 58,273	\$ 42,598	\$ 33,434	\$ 25,064	\$ 627,574

Reconcile to Test Year AFP

Description	Actual January-13	Actual February-13	Actual March-13	Actual April-13	Actual May-13	Actual June-13	Actual July-13	Actual August-13	Actual September-13	Actual October-13	Actual November-13	Actual December-13	Total	
9	AFP Arrearage Credits	\$ 58,452	\$ 68,476	\$ 80,486	\$ 109,181	\$ 156,566	\$ 158,470	\$ 155,958	\$ 135,230	\$ 128,731	\$ 99,003	\$ 83,213	\$ 50,980	\$ 1,284,745
10	CGA Bad Debt Transfer	(28,045)	(31,958)	(37,228)	(50,354)	(72,568)	(73,371)	(72,411)	(62,855)	(59,822)	(45,937)	(38,406)	(23,267)	(596,224)
11	Test Year AFP Cost	\$ 30,407	\$ 36,518	\$ 43,257	\$ 58,826	\$ 83,998	\$ 85,098	\$ 83,547	\$ 72,375	\$ 68,910	\$ 53,066	\$ 44,806	\$ 27,713	\$ 688,521
12	Incremental AFP Revenue for Recovery	\$ 559	\$ 1,580	\$ (6,566)	\$ (3,412)	\$ 4,573	\$ 7,366	\$ 10,890	\$ 10,831	\$ 10,637	\$ 10,468	\$ 11,372	\$ 2,648	\$ 60,947

NSTAR GAS COMPANY

Deferred Property Taxes

Description (A)	Fiscal Year 2012 (B)	Fiscal Year 2013 (C)	Fiscal Year 2014 (D)	Total (E)	(F)
Property Taxes Billed By Westboro/Worcester	\$ 2,999,902	\$ 3,579,748	\$ 3,423,399	\$ 10,003,049	
Property Taxes Based on Net Book Value	\$ 1,863,255	\$ 2,189,751	\$ 2,502,071	\$ 6,555,077	
	<u>Calendar Year 2011</u>	<u>Calendar Year 2012</u>	<u>Calendar Year 2013</u>	<u>Calendar Year 2014</u>	<u>Total</u>
Incremental Property Taxes	\$ 568,324	\$ 1,263,322	\$ 1,155,663	\$ 460,664	\$3,447,972
Base Distribution Revenue	\$ 141,771,397	\$ 137,296,219	\$ 148,816,948	\$ 95,559,826	
Exogenous Factor	0.3212%	0.3212%	0.3212%	0.3212%	
	<u>\$ 455,370</u>	<u>\$ 440,995</u>	<u>\$ 478,000</u>	<u>\$ 306,938</u>	
Exogenous Amount	\$ 568,324	\$ 1,263,322	\$ 1,155,663	\$ 460,664	<u>\$3,447,972</u>
Amortization period (years)					5
Amortization					\$ 689,594

Note: Numbers may not add due to rounding.

NSTAR GAS COMPANY

**Gas Acquisition Expense
Summary of Adjustments**

<u>Account</u>	<u>Description</u>	<u>Test Year Actual</u>	<u>Labor Adjustments</u>	<u>Payroll Tax Adjustments</u>	<u>Employee Benefits Adjustments</u>	<u>IRP Adjustments</u>	<u>Total Adjustments</u>	<u>Test Year Pro Forma</u>
(A)	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)
920110	Admin and General Salaries	\$ 1,555	\$ 149	\$ 148	\$ -	\$ -	\$ 296	\$ 1,852
920351	General & Admin Labor Billed from NU	315,129	30,112	29,932	-	-	60,045	375,173
920730	System Control Expense billed from Service Company	327,510	31,296	31,108	-	-	62,404	389,914
920	Subtotal: Administrative & General Salaries	\$ 644,194	\$ 61,557	\$ 61,189	\$ -	\$ -	\$ 122,745	\$ 766,939
921130-01	Telephone Costs	\$ 1,403	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,403
921130-05	Computer Software	450	-	-	-	-	-	450
921130-06	Travel	170	-	-	-	-	-	170
921130-08	Meals	57	-	-	-	-	-	57
921130-09	Mileage	2,248	-	-	-	-	-	2,248
921140-06	Dues & Memberships	52	-	-	-	-	-	52
921150-04	Training & Development	516	-	-	-	-	-	516
921190-00	Miscellaneous	3	-	-	-	-	-	3
921190-01	Economic / Forecasting Services	13,492	-	-	-	-	-	13,492
921	Subtotal: Office Supplies and Expenses	\$ 18,390	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 18,390
923750	Outside Services Employed	\$ 5,585	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 5,585
	Outside Services Employed - Legal	40,707	-	-	-	-	-	40,707
	Outside Services Employed - Other	-	-	-	-	173,373	173,373	173,373
923	Subtotal: Outside Services Employed	\$ 46,292	\$ -	\$ -	\$ -	\$ 173,373	\$ 173,373	\$ 219,665
926	Non-Pension Employee Pensions & Benefits	\$ 194,174	\$ -	\$ -	(90,690)	\$ -	\$ -	\$ 103,484
Total		\$ 903,051	\$ 61,557	\$ 61,189	\$ (90,690)	\$ 173,373	\$ 296,118	\$ 1,108,479

NOTE: Numbers may not add due to rounding.

NSTAR GAS COMPANY
Heel Gas Analysis

Description	Amount	Reference
(A)	(B)	(C)
Hopkinton		
3 Tanks @ 1 Bcf per tank	3.00	Bcf
Heel Gas % Level of Tanks	<u>15.0%</u>	
Heel Gas in Bcf	0.45	Bcf
1 Bcf = 1,000,000 Mcf	<u>1,000,000</u>	Mcf
Heel Gas converted to Mcf	450,000	Mcf
Weighted Average Cost of LNG (A)	\$ <u>4.44</u>	\$ per Mcf; Exh. NSTAR-MFF-4, Sch. 5, P. 2
Heel Gas Inventory Value	\$ <u>1,999,427</u>	Line 17 * Line 18
Acushnet		
2 Tanks @ 0.25 Bcf per tank	0.50	Bcf
Heel Gas % Level of Tanks	<u>15.0%</u>	
Heel Gas in Bcf	0.08	Bcf
1 Bcf = 1,000,000 Mcf	<u>1,000,000</u>	Mcf
Heel Gas converted to Mcf	75,000	Mcf
Weighted Average Cost of LNG (A)	\$ <u>5.82</u>	\$ per Mcf; Exh. NSTAR-MFF-4, Sch. 5, P. 2
Heel Gas Inventory Value	\$ <u>436,492</u>	Line 26 * Line 27
Total Heel Gas Inventory	\$ <u>2,435,919</u>	
Carrying Charge Rate	8.00%	Exh. NSTAR-MFF-2, Sch. MFF-31
Heel Gas Inventory Carrying Costs	\$ <u>194,874</u>	Line 30 * Line 32
Revenue Requirement Factor	1.7115	Exh. NSTAR-MFF-2, Sch. MFF-4
Heel Gas Revenue Requirement	\$ <u>333,518</u>	Line 34 * Line 36

(A) Weighted Average Cost of LNG based on December 2013 values

NSTAR GAS COMPANY

Weighted Average Cost of Gas

	Acushnet			Hopkinton		
	Volumes	Dollars	WACOG	Volumes	Dollars	WACOG
December, 2012	\$ 464,963	\$ 2,982,038	\$ 6.41	\$ 2,683,755	\$ 13,470,367	\$ 5.02
January, 2013	311,325	1,996,706	6.41	1,491,265	7,485,022	5.02
February, 2013	249,973	1,603,219	6.41	928,817	4,661,983	5.02
March, 2013	243,046	1,558,792	6.41	850,387	4,268,319	5.02
April, 2013	236,611	1,517,520	6.41	1,122,385	5,575,926	4.97
May, 2013	228,834	1,467,642	6.41	1,518,969	7,436,503	4.90
June, 2013	221,450	1,420,284	6.41	1,887,694	9,078,827	4.81
July, 2013	267,932	1,624,050	6.06	1,920,566	9,173,976	4.78
August, 2013	395,999	2,272,243	5.74	2,099,199	9,694,853	4.62
September, 2013	393,574	2,323,272	5.90	2,503,985	11,312,378	4.52
October, 2013	434,825	2,528,456	5.81	2,870,610	12,797,302	4.46
November, 2013	426,102	2,482,049	5.83	2,885,082	12,828,102	4.45
December, 2013	412,383	2,400,026	5.82	2,512,048	11,161,461	4.44