

Aquila Networks - MPS  
Northern System  
**Current Gas Cost Calculation**

	Jan-06	Feb-06	Mar-06	Apr-06	May-06	Jun-06	Jul-06	Aug-06	Sep-06	Oct-06	Totals
<b>SUMMARY OF COMMODITY COSTS</b>											
Requirements	236,735	184,494	144,077	80,059	39,025	18,083	16,373	17,049	30,088	76,310	842,293
PEPL Market Zone Fuel Loss	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	1.50%	
PEPL Field Zone Fuel Loss	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	0.95%	
Gathering Fuel Loss	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	
Total Supply - Fuel Loss	244,085	190,222	148,550	82,545	40,237	18,644	16,881	17,578	31,022	78,679	
Storage Injection	0	0	0	0	103,500	120,000	120,000	120,000	120,000	60,000	643,500
Storage Injection Loss	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	1.42%	
Total Storage - Fuel Loss	0	0	0	0	104,991	121,729	121,729	121,729	121,729	60,864	
(Storage injection is noted on spreadsheet but not included in commodity cost calculation because MPS does not pay for storage until it is withdrawn in the winter months.)											
Purchase Requirements	244,085	190,222	148,550	82,545	40,237	18,644	16,881	17,578	31,022	78,679	868,443
Total Supply	30,085	16,222	4,550	82,545	40,237	18,644	16,881	17,578	31,022	78,679	336,443
Forecasted Price (NYMEX-PEPL Basis)	\$ 8.7600	\$ 7.7800	\$ 7.9100	\$ 8.2850	\$ 8.3050	\$ 8.3750	\$ 8.4450	\$ 8.5250	\$ 8.5450	\$ 8.6050	
Total Cost	\$ 263,545	\$ 126,207	\$ 35,991	\$ 683,885	\$ 334,168	\$ 156,144	\$ 142,560	\$ 149,852	\$ 265,083	\$ 677,033	2,834,468
Contracted Call Options	70,000	30,000	0	0	0	0	0	0	0	0	100,000
Contracted Price	\$ 7.7149	\$ 7.7800	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Cost	\$ 540,040	\$ 233,400	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	773,440
Storage Withdrawal (17007)	144,000	144,000	144,000	0	0	0	0	0	0	0	432,000
Storage WACOG (17007)	\$ 7.0984	\$ 7.0984	\$ 7.0984	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Cost	\$ 1,022,170	\$ 1,022,170	\$ 1,022,170	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,066,510
Forecasted Gas Commodity Cost	1,825,755	1,381,777	1,058,161	683,885	334,168	156,144	142,560	149,852	265,083	677,033	6,674,418
Forecasted Sales Gas Quantity	244,085	190,222	148,550	82,545	40,237	18,644	16,881	17,578	31,022	78,679	868,443
Gas Cost (Commodity) Dth											\$7.6855
<b>SUMMARY OF UPSTREAM COSTS</b>											
Panhandle Eastern Pipeline - Firm											
FT Commodity (Field Zone)	242,645	189,100	147,674	82,058	39,999	18,534	16,782	17,475	30,839	78,215	
FT Commodity (Market Zone)	240,340	187,304	146,271	81,278	39,619	18,358	16,622	17,309	30,546	77,472	
Total Units	482,985	376,404	293,945	163,336	79,618	36,892	33,404	34,784	61,385	155,687	1,718,440
Cost/Dth - Field Zone	\$0.0195	\$0.0195	\$0.0195	\$0.0195	\$0.0195	\$0.0195	\$0.0195	\$0.0195	\$0.0195	\$0.0195	
Cost/Dth - Market Zone	\$0.0099	\$0.0099	\$0.0099	\$0.0099	\$0.0099	\$0.0099	\$0.0099	\$0.0099	\$0.0099	\$0.0099	
Total Panhandle Commodity Costs	\$7,111	\$5,542	\$4,328	\$2,405	\$1,172	\$543	\$492	\$512	\$904	\$2,292	25,300
Forecasted Northern Upstream Costs	7,111	5,542	4,328	2,405	1,172	543	492	512	904	2,292	25,300
Forecasted Firm Sales Quantity	244,085	190,222	148,550	82,545	40,237	18,644	16,881	17,578	31,022	78,679	868,443
Upstream Cost/Dth											\$0.0291

\$ 7.7146