

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

	<u>Apr-06</u>	<u>May-06</u>	<u>Jun-06</u>	<u>Jul-06</u>	<u>Aug-06</u>	<u>Sep-06</u>	<u>Oct-06</u>	<u>Totals</u>
<b>SUMMARY OF COMMODITY COSTS</b>								
Requirements	80,059	39,025	18,083	16,373	17,049	30,088	76,310	276,987
PEPL Market Zone Fuel Loss	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	1.41%	
PEPL Field Zone Fuel Loss	0.89%	0.89%	0.89%	0.89%	0.89%	0.89%	0.89%	
Gathering Fuel Loss	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	0.59%	
Total Supply - Fuel Loss	82,419	40,176	18,616	16,856	17,552	30,975	78,560	
Storage Injection	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%	
Total Storage - Fuel Loss	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is noted on spreadsheet but not included in commodity cost calculation because MPS does not pay for storage until it is withdrawn in the winter months.)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	82,419	40,176	18,616	16,856	17,552	30,975	78,560	285,154
Total Supply	82,419	40,176	18,616	16,856	17,552	30,975	78,560	285,154
Forecasted Price (NYMEX-PEPL Basis)	\$ 5.8100	\$ 5.7950	\$ 5.9950	\$ 6.2050	\$ 6.3450	\$ 6.5650	\$ 6.7150	
Total Cost	\$ 478,854	\$ 232,820	\$ 111,603	\$ 104,591	\$ 111,367	\$ 203,351	\$ 527,530	1,770,116
Contracted Call Options	0	0	0	0	0	0	0	0
Contracted Price	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	0
Storage Withdrawal (17007)	0	0	0	0	0	0	0	0
Storage WACOG (17007)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Total Cost	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<u>Forecasted Gas Commodity Cost</u>	478,854	232,820	111,603	104,591	111,367	203,351	527,530	1,770,116
<u>Forecasted Sales Gas Quantity</u>	82,419	40,176	18,616	16,856	17,552	30,975	78,560	285,154
<u>Gas Cost (Commodity) Dth</u>								\$6.2076
<b>SUMMARY OF UPSTREAM COSTS</b>								
Panhandle Eastern Pipeline - Firm								
FT Commodity (Field Zone)	81,933	39,939	18,506	16,756	17,448	30,792	78,096	
FT Commodity (Market Zone)	81,204	39,583	18,342	16,607	17,293	30,518	77,401	
Total Units	163,137	79,522	36,848	33,363	34,741	61,310	155,497	564,418
Cost/Dth - Field Zone	\$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	
Total Panhandle Commodity Costs	\$2,402	\$1,171	\$542	\$491	\$511	\$903	\$2,289	8,309
<u>Forecasted Northern Upstream Costs</u>	2,402	1,171	542	491	511	903	2,289	8,309
<u>Forecasted Firm Sales Quantity</u>	82,419	40,176	18,616	16,856	17,552	30,975	78,560	285,154
<u>Upstream Cost/Dth</u>								\$0.0291

\$ 6.2367