

**Exhibit N
Revenues, Expenses, and Income**

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Cost of Service

The rate of return, system depreciation rate and other factors used in this Exhibit N were derived from Millennium Pipeline Company, L.L.C.'s (**Millennium**) cost of service as approved per Docket No. CP98-150, et al.

The capital cost used to calculate the Minisink Compressor Project cost of service is \$43.6 million, as detailed in Exhibit K.

Revenue

As shown on Schedule 1 below, Millennium's negotiated contract rates attributable to the Minisink Compressor Project generate reservation rate revenues which are \$16.7 million greater than the Minisink Compressor Project cost of service in year 1, and Project revenues are substantially in excess of Project costs in every subsequent year. The negotiated rate precedent agreements are included in Exhibit I (privileged).

Schedule 1

Line No.	Description	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
1	Operating Revenues	\$ 24,035,250	\$ 24,035,250	\$ 24,035,250	\$ 24,035,250	\$ 24,035,250	\$ 24,035,250	\$ 24,035,250	\$ 24,035,250	\$ 24,035,250	\$ 24,035,250
	Cost of Service										
2	Operations and Maintenance Expense	\$ 600,000	\$ 615,000	\$ 630,375	\$ 646,134	\$ 662,288	\$ 678,845	\$ 4,295,816	\$ 713,211	\$ 731,042	\$ 749,318
3	Depreciation Expense ¹	\$ 1,454,592	\$ 1,454,592	\$ 1,454,592	\$ 1,454,592	\$ 1,454,592	\$ 1,454,592	\$ 1,454,592	\$ 1,454,592	\$ 1,454,592	\$ 1,454,592
4	Other Taxes	\$ 300,000	\$ 312,000	\$ 324,480	\$ 337,459	\$ 350,958	\$ 364,996	\$ 379,596	\$ 394,780	\$ 410,571	\$ 426,994
5	Pre Tax Return Allowance	\$ 4,997,834	\$ 4,700,148	\$ 4,422,161	\$ 4,161,883	\$ 3,917,523	\$ 3,687,489	\$ 3,468,995	\$ 3,250,501	\$ 3,032,008	\$ 2,813,315
8	Total Cost of Service	\$ 7,352,426	\$ 7,081,740	\$ 6,831,608	\$ 6,600,069	\$ 6,385,360	\$ 6,185,921	\$ 9,598,999	\$ 5,813,084	\$ 5,628,212	\$ 5,444,218
9	Revenue Excess/(Shortfall)	\$ 16,682,824	\$ 16,953,510	\$ 17,203,642	\$ 17,435,181	\$ 17,649,890	\$ 17,849,329	\$ 14,436,251	\$ 18,222,166	\$ 18,407,038	\$ 18,591,032

Notes: 1/ System Depreciation Rate of 3.33% per Docket No. CP98-150

Schedule 2

Rate Base and Pre Tax Return

1	Gas Plant in Service	\$ 43,637,756	\$ 43,637,756	\$ 43,637,756	\$ 43,637,756	\$ 43,637,756	\$ 43,637,756	\$ 43,637,756	\$ 43,637,756	\$ 43,637,756	\$ 43,637,756
2	Accumulated Depreciation	\$ -	\$ (1,454,592)	\$ (2,909,184)	\$ (4,363,776)	\$ (5,818,367)	\$ (7,272,959)	\$ (8,727,551)	\$ (10,182,143)	\$ (11,636,735)	\$ (13,091,327)
3	Accumulated Deferred Taxes	\$ (216,089)	\$ (1,347,817)	\$ (2,308,404)	\$ (3,115,135)	\$ (3,783,569)	\$ (4,327,537)	\$ (4,771,239)	\$ (5,214,941)	\$ (5,658,643)	\$ (6,104,074)
4	Rate Base	\$ 43,421,667	\$ 40,835,347	\$ 38,420,169	\$ 36,158,846	\$ 34,035,819	\$ 32,037,260	\$ 30,138,966	\$ 28,240,672	\$ 26,342,378	\$ 24,442,355
5	Pre Tax Return ¹	11.51%	11.51%	11.51%	11.51%	11.51%	11.51%	11.51%	11.51%	11.51%	11.51%
6	Pre Tax Return Allowance	\$ 4,997,834	\$ 4,700,148	\$ 4,422,161	\$ 4,161,883	\$ 3,917,523	\$ 3,687,489	\$ 3,468,995	\$ 3,250,501	\$ 3,032,008	\$ 2,813,315

Notes: 1/ Pre-tax return per Docket No. CP98-150