

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 11-028

UNITIL ENERGY SYSTEMS, INC.

Default Service

ORDER OF NOTICE

On February 10, 2011, Unitil Energy Systems, Inc. (UES) filed a red-lined copy of the Request for Proposals (RFP) issued by UES on February 1, 2011 soliciting default service for its large commercial and industrial customers (G1) customers and small commercial and residential customers (non-G1) customers. UES filed the RFP pursuant to a Settlement Agreement approved by the Commission in Docket No. DE 05-064. *See* Order No. 24,511, 90 NH PUC 378 (2005) and as modified by Order No 24,921 in Docket No DE 08-015, *Unitil Energy System, Inc.* 93 NH PUC 594 (2008). The Settlement Agreement as modified sets forth the procedure for UES to procure default service power supply for both its G1 and non-G1 customer groups.

Pursuant to the Settlement Agreement, UES solicits 100% of default service requirements for its G1 customers on a quarterly basis, requesting a three-month default service power supply. UES then develops fixed monthly default service rates based on the approved bid. For its non-G1 customers, UES procures default service supply using a “laddered” portfolio. Under the portfolio approach, UES solicits bids in four blocks, two two-year term blocks and two one-year terms blocks, each representing 25% on non-G1 requirements. UES sets the non-G1 rate every six months based on the price of power in the portfolio.

UES’ February 1, 2011 solicitation seeks bids for 100% of the power supply requirements for its G1 customers for the months of May, June, and July, 2011, and 25% of the non-

G1 customers' power requirements for the two-year period from May 1, 2011 through April 30, 2013.

The public hearings on the issuances for the 2011 filings, and the related power procurement solicitation, including the instant RFP, will be in the months as follows:

March 2011	RFP for G1 (three month supply for May through July, 2011); non-G1 (25% of total requirements) for May 2011 through April, 2013 rates.
June 2011	RFP for G1 (three month supply for August through October, 2011).
September 2011	RFP for G1 (three month supply for November 2011 through January, 2012; non-G1 (25% of total requirements for November 2011 through October 2013).
December 2011	RFP for G1 (three month supply for February 2011 through December 2011 April 2012).

The Commission designates Docket No. DE 11-028 as the docket number for all of UES' 2011 solicitations.

The filing raises, inter alia, issues related to whether the resulting rates are just and reasonable as required by RSA 378:5 and 7; and whether UES has procured default service consistent with the principles of the electric utility restructuring statute (RSA 374-F:3(V)(c)-(e)). Each party has the right to have an attorney represent them at their own expense.

The Request for Proposal and subsequent docket filings, other than information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docket/2011/11-028.htm>.

Based upon the foregoing, it is hereby

ORDERED, that a Hearing, pursuant to N.H. Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on March 16,


2011 at 10:00 a.m.; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, UES shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than February 23, 2011, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before March 16, 2011; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to UES and the Office of the Consumer Advocate on or before March 11, 2011, such petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before March 16, 2011.

By order of the Public Utilities Commission of New Hampshire this fifteenth day of February, 2011.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.