THE STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DG 17-144

NORTHERN UTILITIES, INC.

Peaking Service Demand Charge

Order Suspending Tariff And Supplemental Order of Notice Scheduling a Hearing

<u>**O** <u>R</u> <u>D</u> <u>E</u> <u>R</u> <u>N</u> <u>O</u>. <u>26,100</u></u>

February 1, 2018

On January 29, 2018, Northern Utilities, Inc. (Northern), filed a petition to increase its Peaking Service Demand Charge approved earlier in this Cost of Gas (COG) proceeding by Order No. 26,068 (October 31, 2017). Northern proposes an increase in the Peaking Service Demand Charge, which is assessed on competitive natural gas suppliers using Northern's distribution system to deliver gas to their supply customers, from \$35.51 to \$89.47 per MMBtu of Maximum Daily Peaking Quantity per month through the end of April 2018. Northern claims the proposed increase is necessary due to the extremely cold temperatures experienced in December 2017 and early January 2018, which led Northern to acquire an additional peaking resource of Liquefied Natural Gas (LNG), at a cost of \$700,000, to ensure adequate peaking supplies. Northern seeks an effective date for the new, higher Peaking Service Demand Charge of March 1, 2018.

The petition and subsequent docket filings, other than any 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/Docketbk/2017/17-144.html.

Northern's proposed updated Peaking Service Demand Charge filing raises, *inter alia*, issues related to the reasonableness of rates and charges pursuant to RSA Chapter 378, and the allocations of fixed demand costs for LNG supply to New Hampshire Division customers. Here, Northern's proposed increase in the Peaking Service Demand Charge warrants further investigation, and so we suspend the proposed tariff page (proposed Fifth Revised Tariff Page No. 153) filed by the Company pending the results of our investigation or until April 30, 2018, pursuant to RSA 378:6, I(b). Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that a hearing be held before the Commission located at 21 S. Fruit Street, Suite 10, Concord, New Hampshire on February 26, 2018 at 1:30 p.m., and it is

FURTHER ORDERED, that Northern, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition on February 12, 2018, at 9:00 a.m.; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, Northern shall notify all persons desiring to be heard at this hearing by posting a copy of this Order of Notice to its website, and notify all customers subject to the Peaking Service Demand Charge by email and certified mail (postmarked) no later than February 12, 2018; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.02 and 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 Northern and the Office of the Consumer Advocate on or before February 8, 2018, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding; and it is FURTHER ORDERED, that any party objecting to a Petition to Intervene make said

Objection on or before February 26, 2018; and it is

FURTHER ORDERED, that the proposed Fifth Revised Tariff Page No. 153 is

suspended pursuant to RSA 378:6, I(b) until April 30, 2018.

By order of the Public Utilities Commission of New Hampshire this first day of February,

2018.

Martin P. Honigberg

Chairman

Kathryn

Commissioner

Michael S. Giaimo Commissioner

Attested by:

Debra A. Howland Executive Director

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

Executive.Director@puc.nh.gov al-azad.iqbal@puc.nh.gov alexander.speidel@puc.nh.gov amanda.noonan@puc.nh.gov brian.buckley@oca.nh.gov mark.naylor@puc.nh.gov ocalitigation@oca.nh.gov pradip.chattopadhyay@oca.nh.gov simmons@unitil.com steve.frink@puc.nh.gov taylorp@unitil.com

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FILING INSTRUCTIONS:

a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRAA HOWLAND

EXEC DIRECTOR NHPUC 21 S. FRUIT ST, SUITE 10 CONCORD NH 03301-2429

- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.