



NHPUC 28FEB'19AM11:12

February 27, 2019

BY OVERNIGHT-DELIVERY AND E-MAIL

Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit St, Suite 10
Concord, N.H. 03301-2429

Re: UES Annual Major Storm Cost Reserve Fund Report 2018
Docket No. DE 19-_____

Dear Secretary Howland:

On behalf of Unitil Energy Systems, Inc. ("UES"), enclosed are an original and six (6) copies of "UES Annual Major Storm Cost Reserve Fund Report" for the 12 month period ending December 31, 2018. This filing complies with the New Hampshire Public Utilities Commission ("Commission") requirements set forth in the Company's Rate Plan Settlement in Docket No. DE 10-055 and as ordered in Docket No. DE 11-277, Order No. 25,351, *Order Granting Increase to Storm Recovery Adjustment Factor* ("SRAF"), issued April 24, 2012 (requiring UES "to file annual reports on the Storm Reserve Fund and storm recovery updates for those storms where costs are recovered through the SRAF").

As described more fully in the Report, the Major Storm Cost Reserve ("MSCR") Fund Balance at December 31, 2018 is in a deficit position of (\$4,992,050). In a separate filing, the Company is seeking recovery of the March 7, 2018 Winter Storm Quinn through its SRAF for effect May 1, 2019.

Please refer to the UES MSCR Fund Reconciliation as of December 31, 2018 on page 4 of the Report for a summary of the costs. Please refer to the Storm Recovery Adjustment Factor Reconciliation which provides the reconciliation of the SRAF through December 31, 2018 on page 5 of the Report.

Also attached is an affidavit of John F. Closson, Vice President People, Shared Services and Organizational Effectiveness, Unitil Service Corp., under whose direction the Report was prepared. Company representatives are available to review the Report and respond to any questions, at the convenience of the Commission, Commission Staff and other interested parties.

Thank you for your attention to this matter.

Gary Epler
Chief Regulatory Counsel
epler@unitil.com

6 Liberty Lane West
Hampton, NH 03842

Debra A. Howland, Executive Director
Re: UES Annual MSCR Fund Report 2018
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Sincerely,

A handwritten signature in black ink, appearing to read "Gary Epler", written over a thin vertical line.

Gary Epler
Attorney for Unitil Energy Systems, Inc.

Enclosure

cc: Donald M Kreis, Esq., Consumer Advocate