



March 23, 2023

BY E-MAIL

Daniel Goldner, Chairman
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Re: DE 22-073, Unitil Energy Systems, Inc. Petition for Approval of Investment in and Rate Recovery of a Distributed Energy Resource Pursuant to RSA 374-G

Joint Letter Supporting Approval of the Petition

Dear Chairman Goldner:

On October 30, 2022, Unitil Energy Systems, Inc. (“Unitil” or the “Company”) filed a petition requesting that the New Hampshire Public Utilities Commission (the “Commission”) find the Company’s proposed 4.99 megawatt (AC) photovoltaic generating facility (the “Project”) is in the public interest pursuant to New Hampshire Revised Statutes Annotated (“RSA”) 374-G. The Commission thereafter opened the above-referenced docket, and the New Hampshire Department of Energy (“DOE”) and the Office of the Consumer Advocate (“OCA”) filed appearances on November 3, 2022 and December 2, 2022, respectively. Clean Energy New Hampshire (“CENH”) petitioned to intervene on January 3, 2023, and the Commission granted CENH’s petition on January 30, 2023. Unitil, DOE, OCA, and CENH are collectively referred to herein as “the Parties.”

The Commission conducted a prehearing conference on January 18, 2023, followed by a technical session attended by representatives of the Parties. On January 25, the Parties submitted a Joint Procedural Schedule, which the Commission approved in a Procedural Order dated January 30, 2023. The Commission scheduled a Hearing on the Merits in this matter to take place on April 11, 2023. Consistent with the Procedural Schedule, the Company responded to an initial set of discovery from the DOE on February 10, 2023.

On February 21, 2023, Unitil submitted Supplemental Testimony providing additional information regarding the competitive Request for Proposals (“RFP”) process to select an engineering, procurement, and construction (“EPC”) contractor to design and build the Project, the Company’s selection of an EPC contractor, up-to-date assumptions and inputs from the Final EPC RFP, and an updated Benefit-Cost Analysis. The Company’s Supplemental Testimony also addressed matters and questions raised by the Commission and the intervenors at the Prehearing Conference, including potential risks associated with the Project and the sensitivity of the Benefit-Cost Analysis to certain assumptions and inputs. To that end, the Supplemental Testimony provided additional qualitative and

quantitative information and analysis concerning potential Project risks, and a discussion of the ways in which Unitil is measuring, managing, and mitigating those risks.

The Parties conducted a technical session on February 22, 2023.¹ The DOE issued a series of follow-up questions on February 23, 2023, and the Parties participated in an additional technical session call on February 24, 2023. The Company responded to the DOE's additional questions in writing on February 27, 2023.

On March 9, 2023, the DOE filed the Direct Testimony of Mark Toscano and Elizabeth Nixon. The DOE's testimony expresses support for the Project and states the DOE's belief that Unitil has met the statutory requirements of RSA 374-G and that the Project is in the public interest. The DOE also supports a two-staged approval process so that Unitil will first gain authorization to proceed with the project.

The Parties met for a Settlement Conference on March 15, 2023. At the Conference, the Parties agreed in their support for the Project as presented in the Company's Direct and Supplemental filings, without modification or conditions. As such, in lieu of a traditional settlement agreement, which typically reflects compromise among interested participants and a modification of an underlying filing, the Parties provide this Joint Letter of Support.

The undersigned Parties support Unitil's proposal for a 4.99 MW (AC) solar facility to be located in Kingston, New Hampshire. The Parties agree that the Project is a "distributed energy resource" as defined in RSA 374-G:2, that the Company's filing meets the statutory requirements of RSA 374-G, including those set forth in RSA 374-G:5, and that the Project is in the public interest. The Parties also agree that the two-staged approval process proposed by the Company is appropriate and should be adopted by the Commission in this docket. Consistent with that process, the Parties agree that the Commission should authorize Unitil to proceed with construction of the Project as proposed, and that Unitil should be permitted to seek recovery of Project costs in a future proceeding.

Pursuant to the Commission's March 17, 2020, secretarial letter, this letter is provided only in electronic format. The Company will provide a hard copy if and when requested.

¹ Though the Procedural Schedule called for a technical session on February 16, 2023, the Parties mutually agreed to conduct the session on February 22, 2023. Representatives from all Parties attended the session and had an opportunity to ask questions to the Company.



Sincerely,

Counsel for Unitil Energy Systems, Inc.

A handwritten signature in black ink, appearing to read "Patrick H. Taylor".

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A handwritten signature in black ink, appearing to read "Sam Evans-Brown".

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cc: Service List