



August 16, 2007



**BY HAND-DELIVERY**

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

Re: **Docket No. DG 07-072**

Dear Director Howland:

Unitil Energy Systems, Inc. ("Unitil") supports and is in agreement with the "Joint Motion to Bifurcate Proceeding and Direct Staff to File Testimony" filed in the above-referenced docket on behalf of EnergyNorth Natural Gas, Inc., d/b/a Keyspan Energy New England and Northern Utilities, Inc., as well as the "Statement of Position on Procedural Matters" filed by Public Service Company of New Hampshire. Unitil agrees that: 1) This proceeding should be bifurcated such that an initial phase be conducted and limited to determining whether the existing practice of applying the overall cost of capital as the return on working capital should be changed; and 2) Commission Staff has the initial burden of production in this proceeding for the reasons discussed in *Re Wilton Telephone Company*, Docket Nos. DT 00-294 and DT 00-295, Order No. 23,744, 86 NH PUC 498, 505-506 (2001). Moreover, for purposes of administrative efficiency and establishing the complete basis of the initial affirmative case, any party in support of or aligned with Staff's position on the issues in this docket should also be required to file and present its testimony, and respond to data requests, at the same time as Staff.

Thank you for your attention to this matter

Sincerely,

Gary Epler

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