

THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DE 08-092

ORDER OF NOTICE

On July 9, 2008, Unitil Energy Systems, Inc. (UES) filed a request to revise its external delivery charge to reflect updated estimates of transmission costs that were not available when the Commission approved the current external delivery charge rate that became effective May 1, 2008 in Docket No. DE 08-040, *Unitil Energy Systems, Inc.* See Order No. 24,851 (April 23, 2008). With its filing, UES submitted proposed revised tariff pages along with the testimony and related schedules of Francis X. Wells, Senior Energy Trader for Unitil Service Corp. Unitil Service Corp. provides management and administrative services to UES and Unitil Power Corp.

The external delivery charge is the mechanism whereby UES recovers the costs it incurs associated with transmission service provided outside UES' system and other costs for transmission and energy related services. In its petition, UES proposed an interim increase in the external delivery charge rate from \$0.01131 per kilowatt hour (kWh) approved by the Commission in Order No. 24,851 to \$0.01524 per kWh, effective September 1, 2008 through April 30, 2009. UES stated that it proposed the increase because, since the issuance of Order No. 24,851, UES has been notified that the actual regional transmission rates effective beginning June 1, 2008 through April 30, 2009 are significantly higher than the estimated transmission rates provided in connection with Docket No. DE 08-040. In addition, Northeast Utilities (NU) also notified UES of a significant 2007 true-up adjustment related to NU Network Integration Transmission Service. Together, the NU Network Integration Transmission Service and regional transmission costs are approximately \$3.3 million higher than the estimates used to calculate the

current external delivery charge rate. According to UES, it is proposing to recover these additional transmission costs on a current basis, rather than carrying a significant under-recovery into the next annual reconciliation filing.

UES requests that the revised rate be effective September 1, 2008. UES explained that the overall average class bill impacts as a result of changes to the external delivery charge rate for customers who are receiving default service from UES are as follows: an increase of approximately 2.5 percent for residential and general service classes; 2.1 percent for customers in the large general service class; and 1.5 percent for outdoor lighting service. For those customers receiving energy service from a competitive supplier, overall rate impacts will depend on the energy service rate being paid to their individual supplier.

The filing raises, inter alia, issues related to whether the adjusted rates proposed by UES are just and reasonable as required by RSA 378:3, 5 and 7 and whether UES' request for an interim adjustment to its external delivery charge is reasonable. Each party has the right to have an attorney represent them at their own expense.

Based upon the foregoing, it is hereby

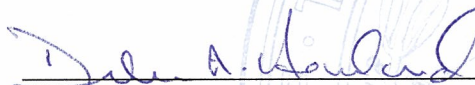
ORDERED, that a Hearing be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on August 21, 2008 at 1:30 p.m.; and it is

FURTHER ORDERED, that pursuant to N.H. Admin. Rules Puc 203.12, Unitil Energy Systems, Inc. shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than July 25, 2008, 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 August 21, 2008; 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 Unitil Energy Systems, Inc. and the Office of the Consumer Advocate on or before August 18, 2008, 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 August 21, 2008.

By order of the Public Utilities Commission of New Hampshire this seventeenth day of July, 2008.



Debra A. Howland
Executive Director & Secretary

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.