



March 13, 2012

**BY HAND-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: Unitil Energy Systems, Inc.  
Docket No. DE 12-003  
Motion for Confidential Treatment and Protective Order**

Dear Secretary Howland:

On behalf of Unitil Energy Systems, Inc. ("UES"), enclosed are the original and six (6) copies of a Motion for Confidential Treatment and Protective Order for filing in the referenced docket.

Thank you for your attention to this matter.

Sincerely,

Gary Epler  
Attorney for Unitil Energy Systems, Inc.

Enclosures

cc: Rorie Hollenberg, Office of the Consumer Advocate  
Service List (via e-mail)

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**STATE OF NEW HAMPSHIRE  
BEFORE THE PUBLIC UTILITIES COMMISSION**

<b>PETITION FOR APPROVAL OF DEFAULT SERVICE SOLICITATION</b>	)	
	)	<b>DOCKET NO. DE 12-003</b>
<b>UNITIL ENERGY SYSTEMS, INC.</b>	)	
<b>Petitioner</b>	)	
	)	

**MOTION FOR CONFIDENTIAL TREATMENT  
AND PROTECTIVE ORDER**

Unitil Energy Systems, Inc. (“UES” or the “Company”) respectfully requests that the New Hampshire Public Utilities Commission (the “Commission”) grant a protective order for certain confidential information contained in the Company’s “Petition for Approval of Default Service Solicitation and Proposed Default Service Tariff” (“Petition”), consistent with RSA 91-A:5(IV) and N.H. Admin. Rules, Puc 203.08. Specifically, UES requests that the Commission issue an order requiring confidential treatment for:

- (a) The material contained in Tab A of Schedule TMB-1 which is attached to Exhibit TMB-1 (with the exception of the names of the winning bidders: DTE Energy Trading, Inc. (“DTE”), as the supplier for the 3-month G1 supply Requirement; and Dominion Energy Marketing, Inc. (“Dominion”) as the supplier for the 25% share of the non-G1 requirement for 12 months (1 year));
- (b) The “Total G1 Class DS Supplier Charges,” “Working Capital Requirement,” “Supply Related Working Capital,” and “Provision for Uncollected Accounts,” found on columns (a), (d), (f) and (g) of Pages 3 and 5 of Schedule LSM-4. As

discussed in paragraph 4, below, UES is seeking protective treatment of this information for only a limited period of time;

(c) The “Payment Date,” “Lead Period” and “Weighted Days” information contained in Schedule KG-2 which is attached to Exhibit KG-1; and

(d) UES is also seeking protective treatment of confidential information provided to the Staff and OCA by e-mail on March 9, 2012.

In support of this Motion, UES states as follows:

1. In its Petition, UES seeks Commission approval of the results of the Default Service solicitation, and approval of Proposed Default Service Tariffs for G1 and non-G-1 customers beginning May 1, 2011. As required by Order No. 24,511, issued in Docket DE 05-064, the Petition contains a Bid Evaluation Report (“Report”) in which UES provides a detailed analysis of the solicitation process. See Exhibit TMB-1, Schedule TMB-1. In addition, UES has provided Schedule LSM-4 which contains the calculation of the G1 Default Service Power Supply charges and supply related working capital, respectively.

2. Tab A of the Report contains the following information and material: a brief narrative discussion of the comparison of the bids received; identification of the suppliers who responded to the Request for Proposals (“RFP”) issued by UES on January 31, 2012; a pricing summary consisting of a comparison of prices bid by all bidders; a summary of each bidder’s financial security requirements of UES and each bidder’s own provision of financial security and creditworthiness; information provided by each bidder upon their submission of the proposal submission form; the contact list used by UES

during the RFP process, including a summary of UES's communications with each contact and UES's expectations with regard to each potential bidder's intention to bid; and the final Power Supply Agreement ("PSA") redlined against the original PSA as issued.

3. UES seeks protection from public disclosure of all of the information contained in Tab A because it is confidential commercial and financial information. The bidding suppliers' information, including each supplier's identity, bid price and non-price terms, and other information provided to UES in response to the RFP, has been provided to UES pursuant to express understandings that this material will be maintained as confidential. UES avers that it, its customers and its suppliers would be harmed by the public disclosure of the confidential information. Suppliers will be reluctant to participate in future solicitations by UES, and may completely refuse to participate in this market, if their confidential bid information is publicly disclosed. In the absence of a robust solicitation process for default service, UES and its customers could be adversely affected by rates that are not truly competitive. In addition, disclosure of this information may detrimentally impact upon such suppliers' ability to participate in competitive solicitations in other markets within the northeast region as well. For the same reasons, UES seeks protection from public disclosure of the confidential information provided to Commission Staff and the Office of Consumer Advocate by e-mail on March 9, 2012.

4. UES also requests confidential treatment for the "Total G1 Class DS Supplier Charges," "Working Capital Requirement," "Supply Related Working Capital,"

and “Provision for Uncollected Accounts,” found on columns (a), (d), (f) and (g) of Pages 3 and 5 of Schedule LSM-4. UES seeks confidential treatment of this information because if any of it is disclosed, the G1 class Wholesale Rate may be calculated. For example, since the kWh purchases are provided elsewhere, the Total G1 Class DS Supplier Charges must remain confidential, because dividing that number by the purchases would yield the confidential Wholesale Rate. Additionally, since there is a known relationship between the Supplier Charges, the Working Capital Requirement, and Working Capital Costs, it is necessary not only to protect the Working Capital Requirement and associated Working Capital Costs, but also another cost element such as the Provision for Uncollected Accounts. Since the G1 class has just one supplier with monthly pricing, without protection of the Provision for Uncollected Accounts, the Supplier Charges and Working Capital Costs of this supplier may be derived.

5. UES does not claim that the “Supplier Charges,” “Provision for Uncollected Accounts,” “Supply Related Working Capital” and “Working Capital Requirement” are confidential information. However, UES seeks to redact this information from the publicly available material for a limited period because revealing it would allow a person to compute information – the Wholesale Rate - which is confidential. As a result of the Settlement Agreement in Docket DE 05-064, UES’s supply-related working capital costs are to be recovered through default service rates. Thus, the inclusion of the above items in the attached schedule is necessary in order to show the calculation of the default service rate.

6. It is the understanding of UES that a wholesale supplier is obligated, pursuant to certain reporting requirements, to report to the Federal Energy Regulatory Commission (“FERC”) the price and volume of its wholesale contractual sales during each quarter, and to identify the party to whom the sale has been made, within 30 days of the end of that quarter. See FERC Docket No. RM01-8-000, Order No. 2001, 99 FERC ¶ 61, 107, 18 CFR Parts 2 and 35, issued April 25, 2002. This information is then available to the public electronically from FERC through its Electronic Quarterly Reports. Until such time as this pricing information is required by FERC to be made public in this manner, it is the expectation and intent of the winning supplier to keep this information confidential so as to avoid disclosing price information which may be leveraged against it in other contemporaneous negotiations. Thus, it is critical that the Wholesale Rate and the “Supplier Charges,” “Provision for Uncollected Accounts,” “Supply related Working Capital Costs” and Working Capital Requirement” described above be redacted only until the Wholesale rate becomes publicly available at FERC, so that a person would not be able to derive the precise Wholesale Rate under the contract. Accordingly, UES is seeking that the information concerning the 3 month G1 contract be protected until November 1, 2012.

7. UES also requests confidential treatment for information contained in Schedule KG-2 which may lead to disclosure of the payment terms of the underlying supplier contracts. Accordingly, UES has redacted the “Payment Date,” the “Lead Period” and the “Weighted Days” from each of page in this schedule. UES seeks to redact this information from the publicly available material because revealing it would

allow a person to compute information concerning the payments terms of its supply contracts, which is confidential.

8. RSA 91-A:5(IV) expressly exempts from the public disclosure requirements of the Right-to-Know law, RSA 91-A, any records pertaining to “confidential, commercial or financial information.” The Commission’s rule on confidential treatment of public records, Puc 203.08, also recognizes that confidential, commercial or financial information may be appropriately protected from public disclosure pursuant to an order of the Commission.

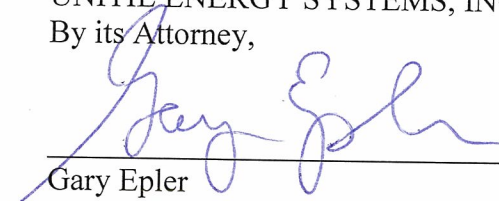
9. UES’s request for a protective order is not inconsistent with the public disclosure requirements of the Right-to-Know law, RSA 91-A. This statute generally provides open access to public records, but the Commission has recognized that the determination whether to disclose confidential information involves a balancing of the public’s interest in full disclosure with the countervailing commercial or private interests for non-disclosure. In this instance, the interests in support of a protective order of limited duration, in addition to those discussed above, include as well the interest of the State in promoting a competitive market for electricity, as expressed in RSA 374-F:1. The Commission has granted UES’s request for confidential treatment of similar information contained in its previous DS tariff filings. UES submits that the considerations which the Commission determined supported approval of the protective order in those instances apply to the present filing. In Order No. 24,682, the Commission agreed that the information in “Provision for Uncollected Accounts” and “Supply-Related Working Capital” taken in combination would reveal the wholesale cost of power from

the winning bidders and therefore constitutes confidential commercial or financial information protected from disclosure by RSA 91-A. In past DS proceedings, the Commission has also recognized the necessity of protecting information concerning the payment terms of the supply contracts from public disclosure.

WHEREFORE, UES respectfully requests that the Commission issue an order protecting the confidential information specified herein from public disclosure.

Respectfully submitted,

UNITIL ENERGY SYSTEMS, INC.  
By its Attorney,

  
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Gary Epler  
Chief Regulatory Counsel  
Unitil Service Corp.  
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Tel. (603) 773-6440

Dated: March 13, 2012

Certificate of Service

I hereby certify that on this 13<sup>th</sup> day of March, 2012, I caused a copy of the within Motion to be sent via electronic mail to the Service List.

  
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Gary Epler