

DG 12-270



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Steam and Power Generation  
September 11, 2013

Debra Howland, Esq.  
Executive Director and Secretary  
Public Utilities Commission  
21 S. Fruit St., Suite 10  
Concord, NH 03301

Re: August 2013 monthly cost of energy over/under report (DG 12 – 270)

Dear Ms. Howland,

Enclosed is the August 2013 over/under report. The August report is hereby filed to reflect the actual fuel costs from November 2012 through July 2013 as well as the projected fuel costs from August 2013 through October 2013.

Additionally, this reconciliation is revised to reflect the necessary adjustments as a result of an internal audit of the Other Production Costs (OPC). The corrected OPC of \$286,000 as reflected in this August report represents a total of \$111,889 in increased operational production costs from the previously stated July report OPC of \$174,111. The revision was necessary due to an inadvertent under-collection of the OPC energy charges starting in the month of January 2013 as a result of an error in the spreadsheet used to reflect the OPC. While the error is significant by itself, the overall effect on the over/under collection is not material enough to warrant any change in the rates through the remaining balance of the 2012-2013 COE year. This under-collection will be recovered in the 2013-2014 COE filing to be submitted this later this month.

The enclosed August report now reflects a projected COE 2012-13 end of year under-collection of approximately \$49,301. However because this shortfall is less than 2% of the overall expected fuel costs for the year and only the small number of customers who are year round users will be harmed by the effects of a rate increase now, we are not adjusting the COE rate at this time.

The current August 2013 energy charge is \$21.08 and the September 2013 tariff is to remain unchanged at \$21.08/mlb in accordance with the rates set by DG 12-207.

If there are any questions please call me.

Yours Truly,

Mark E. Saltsman  
Vice President