

BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

UNITIL ENERGY SYSTEMS, INC.)
Petitioner) **DOCKET NO. DE 14-**

**PETITION FOR APPROVAL OF ANNUAL STRANDED COST RECOVERY AND
EXTERNAL DELIVERY CHARGE RECONCILIATION
AND PROPOSED TARIFF CHANGES**

Unitil Energy Systems, Inc., (“UES” or “Company”) submits this Petition to the New Hampshire Public Utilities Commission (“Commission”) requesting:

- 1) Approval of UES’s Annual Stranded Cost Recovery and External Delivery Charge Reconciliation and Rate filing; and
- 2) Approval of proposed tariffs incorporating the results of the reconciliations into rates. In support of its Petition, UES states the following:

Petitioner

UES is a New Hampshire corporation and public utility primarily engaged in the distribution of electricity in the capital and seacoast regions of New Hampshire.

Background

UES’s filing in this docket consists of its annual reconciliation and new rate development of its adjustable rate mechanisms established pursuant to its tariffs approved in Order No. 24,072, 87 NH PUC 694 (2002). These adjustable rate mechanisms are the Stranded Cost Charge (“SCC”) and the External Delivery Charge (“EDC”). UES proposes to make the requested rate changes effective August 1, 2014, on a service-rendered basis.

Description of Exhibits

Attached to this Petition are the following Exhibits:

Exhibit LSM-1: Testimony and Schedules of Linda S. McNamara

Exhibit TMB-1: Testimony and Schedules of Todd M. Bohan

Lost Distribution Revenue from Net Metering Generation

N.H. Code Admin. Pro. Puc 903.02(o) provides that:

A distribution utility may perform an annual calculation to determine the net effect of net metering on its default service and distribution revenues and expenses in the prior calendar year. Pursuant to Puc 203, the commission shall determine by order, after notice and hearing, the utility-specific method of performing the calculation and applying the results, as well as a reconciliation mechanism to collect or credit any such net effects with appropriate carrying charges and credits applied.

In this filing, UES has included a proposed methodology for calculating the net effect of net metering on its distribution revenues in the prior calendar year. Schedule TMB-6, attached to Exhibit TMB-1, provides a narrative and workpapers supporting this calculation. UES is proposing to include in its EDC the lost distribution revenue from net metering generation for calendar year 2013 of approximately \$19,000, calculated pursuant to this methodology.

Proposed Tariffs

UES's proposed tariffs are included with this filing and are provided in redline as Schedule LSM-3 attached to Exhibit LSM-1. UES requests approval of these proposed tariffs.

Proposed Rate Calculations

Schedule LSM-1 shows the calculation of the proposed SCC. The proposed EDC calculation is provided on Schedule LSM-2.

Bill Impacts

Schedule LSM-4 provides typical bill impacts associated with UES's proposed SCC and EDC rate changes for all rate classes.

Request for Approvals

UES respectfully requests that the Commission issue a final order no later than July 31, 2014, containing the following findings of fact, conclusions and approvals:

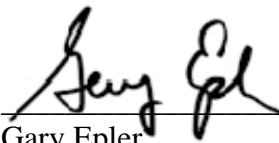
1. FIND that UES has accurately calculated appropriate changes to the adjustable rate mechanisms that are the subject of this proceeding;
2. FIND that UES' stranded cost and external delivery charges are just and reasonable and in the public interest; and
2. GRANT APPROVAL of the tariff changes requested herein.

Conclusion

For all of the foregoing reasons, UES requests that the Commission grant it the approvals requested in this Petition, and for such other relief as the Commission may deem necessary and proper.

Respectfully submitted,

UNITIL ENERGY SYSTEMS, INC.
By its Attorney:



Gary Epler
Chief Regulatory Attorney
Unitil Service Corp.
6 Liberty Lane West
Hampton, NH 03842-1720
603.773.6440 (direct)
603.773.6640 (fax)
epler@unitil.com

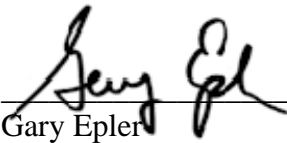
CERTIFICATE OF SERVICE

I certify that I have caused copies of Unitil Energy System's, Inc., "Petition For Approval of Annual Stranded Cost Recovery and External Delivery Charge Reconciliation and Proposed Tariff Changes" to be served on the following parties or individuals:

Suzanne Amidon, Staff Counsel (by Hand-Delivery)
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

Susan Chamberlin (by Hand-Delivery)
Office of Consumer Advocate
21 S. Fruit Street, Suite 18
Concord, NH 03301-2429

Dated at Hampton, New Hampshire this 17th day of June, 2014.



Gary Epler