



**CONFIDENTIAL
MATERIAL
IN COMM FILE**

DG 15-393

NHPUC 17SEP15PM2:09

FILED ELECTRONICALLY AND VIA HAND DELIVERY

September 17, 2015

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

ORIGINAL
N.H.P.U.C. Case No. <u>DG 15-393</u>
Exhibit No. <u>#2</u>
Witness <u>Panel 1</u>
DO NOT REMOVE FROM FILE

Re: **Northern Utilities, Inc. -- DG 15- , 2015 / 2016 Winter Season
Cost of Gas and Associated Charges Filing**

Dear Director Howland,

Enclosed please find an original, one redacted and six (6) confidential copies of Northern Utilities, Inc. ("Northern" or the "Company") 2015-2016 Winter Season Cost of Gas ("COG") Adjustment filing and other associated proposed tariff changes.

Northern respectfully requests approval for the following Tariff Sheets:

Third Revised Page 42 (COG),
Seventh Revised Page 43 (COG),
Third Revised Page 59 (LDAC¹),
Seventh Revised Page 96 (Rate Summary),
Seventh Revised Page 97 (Rate Summary),
Third Revised Page 98 (Rate Summary),
Second Revised Page 153 (Appendix A),
Second Revised Page 168 (Appendix C), and
Second Revised Page 171 (Appendix D).

The above listed Tariff Sheets are issued September 17, 2015 by Mark H. Collin, Treasurer, to be effective November 1, 2015.

Third Revised Page 42 (COG) is the statement of the Company's anticipated direct and indirect costs of gas.

Seventh Revised Page 43 (COG) contains the calculations of the proposed COG Adjustment Rates for Residential and General Service Firm Sales Customers.

Third Revised Page 59 (LDAC) contains proposed rates for the Company's RLIARA Rate, DSM Rate, and ERC Rate, all of which are components of the Company's Local Distribution Adjustment Clause Rate. Support for the ERC Component was filed under separate cover on September 17, 2015.

Seventh Revised Pages 96, 97 and Third Revised Page 98, (Rate Summaries) have been updated to reflect the proposed COG and LDAC rates.

George H. Simmons Jr.
Manager Regulatory Services

6 Liberty Lane West
Hampton, NH 03842

Phone: 603-773-6534
Fax: 603-773-6734

simmons@unitil.com

¹ LDAC: Local Distribution Adjustment Charge.

Second Revised Page 153 (Appendix A), Schedule of Administrative Fees and Charges; the Peaking Service Demand Charge has been updated to reflect the Company's Peaking resources and associated costs, and the Company Allowance Calculation has been updated to reflect the most recent year's data.

Second Revised Page 168 (Appendix C) contains the proposed Capacity Assignment Allocators.

Second Revised Page 171 (Appendix D) contains the Firm Sales Service Re-Entry Fee Bill Adjustment. Support for this charge was provided to the Commission in the Company's annual report filed under separate cover on September 17, 2015.


The proposed 2015 / 2016 Winter Season COG rate for residential customers is \$0.6570 per therm, \$0.3219 per therm or 33% percent lower than the 2014 / 2015 Winter Season COG rate. The proposed LDAC for a residential customer is \$0.0374, a decrease of \$0.0275 per therm, or 42% lower than the 2014 / 2015 Winter Season LDAC. The typical bill for a residential heating customer for the 2015 / 2016 Winter Season is projected to be \$931.88; this is lower than the 2014 / 2015 Winter Season bill of \$1,124.23 by \$192.35 or 17%.

Please note that thirty-six (36) pages of the filing contain CONFIDENTIAL data: delivered city-gate costs and delivered cost per dekatherm (Schedule 2, p 1); peaking demand cost estimates (Schedule 5-A, p. 5 of 6); asset management agreement revenue (Schedule 5A, p. 6 of 6); natural gas commodity price forecast (Attachment to Schedule 5-A, p. 1 of 46); liquified natural gas ("LNG") transportation/delivery terms and conditions and LNG trucking/transportation costs (Attachment to Schedule 5A, pp. 13-15 of 46); the projected value of asset management agreements (Schedule 5B, p. 5 of 7); total commodity cost and per unit commodity cost by supply source (Schedule 6A, pp. 1 & 3 of 3 and Schedule 15, Form III, Schedule 4, pp. 3, 4, 7, 8, 11, 12); and detailed basis price information (Schedule 6B, pp. 1-14 and 17 through 22). The Company submits that this material falls within the provisions of Puc 201.06(a)(26), and it is relying upon the procedures outlined in Puc 201.06 and 201.07 to protect confidentiality.

If necessary, the Company will submit to the Commission a revised 2015 / 2016 Winter Season COG filing reflecting then current costs, as well as any other adjustments, a few weeks before the November 1, 2015 effective date.

If you have any questions or need additional information, please contact me.

Respectfully Yours,


George H. Simmons Jr. *CAR*

Enclosures

CC: Alexander Speidel, Staff Counsel (with confidential material)
Susan Chamberlin, Consumer Advocate (with confidential material)