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August 1, 2016 NHPUC 2AUG16AM9:46

Ms. Debra Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 S. Fruit St. Suite 10
Concord, New Hampshire 03301-2429

Re: Northern Utilities, Inc. – New Hampshire Division, Docket DG 15-393,
2015-16 Winter Period Cost of Gas (COG) Adjustment Reconciliation

Dear Director Howland:

Enclosed are an original, six confidential copies and one redacted copy of Northern Utilities, Inc. – New Hampshire Division's ("Northern" or "the Company") 2015-16 Winter Period Cost of Gas Adjustment Reconciliation (Form III).

The objective of this reconciliation is to present the details of Northern's Winter Period 2015-16 over-collection.

Form III, Schedules 1 through 5, contains an accounting of revenue recoveries and costs assigned to the 2015-16 Winter Season COG, May 2015 through April 2016. The schedules illustrate the Company's over-collection of (\$598,632) as follows:

Schedule 1 provides the 2015-16 Winter Period COG beginning and ending balances;

Schedule 2 shows monthly deferred and COG allowable gas costs and revenues, including interest;

Schedule 3 presents monthly accrued and billed COG revenue collections;

Schedule 4 summarizes Northern's monthly total purchase gas costs and volumes, by supplier, as well as COG costs, per unit costs and volumes assigned to the New Hampshire and Maine divisions; and

Schedule 5 contains sales and transportation volumes, including metered sendout at gate stations and metered volumes for Residential and Commercial & Industrial customer classes.

Attachment A presents the reconciliation of the working capital allowance and recoveries. The over-collection of (\$1,201) will be reflected on Revised Page 42 of Northern's Tariff No. 11 as a reduction to the costs used to calculate the COG rate.

Attachment B shows the reconciliation of the bad debt allowance and collections. The under-collection of \$38,411 will also be reflected on Revised Page 42 of Northern's Tariff No. 11 as an increase to the costs used in calculating the COG rate.

Attachment C reconciles the Environmental Response Cost (ERC) program costs with recoveries resulting in a projected over-recovery of (\$18,078).

George H. Simmons Jr.
Manager Regulatory Services

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Attachment D shows the RLIARA program costs and recoveries resulting in a projected under-recovery of \$20,767.

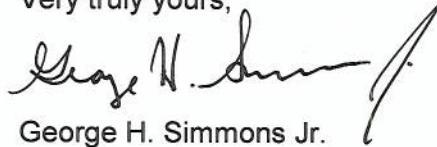
Attachment E details the winter period sales variance analysis.

Attachment F shows the Supplier Refund account credits and debits resulting in a balance of (\$4,425,190).

Please note that portions of Schedule 4 contain CONFIDENTIAL information. The Company believes that this material (supplier commodity volumes and prices) falls within the provisions of Puc 201.06(a)(26), and it will rely upon the procedures outlined in Puc 201.06 and 201.07 to protect confidentiality.

If you have any questions regarding this reconciliation or if you require any further information, please let me know.

Very truly yours,

A handwritten signature in black ink, appearing to read "George H. Simmons Jr.", with a long, sweeping flourish extending to the right.

George H. Simmons Jr.

Enclosure

cc: Alexander Speidel, Staff Counsel (with confidential material)
Donald Kreis, Consumer Advocate (with confidential material)