



February 26, 2016

BY OVERNIGHT MAIL 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

NH-PUC 29 FEB 16 AM 9:25

Re: UES Annual Major Storm Cost Reserve Fund Report
Docket No. DE 16-

Dear Secretary Howland:

On behalf of Unitil Energy Systems, Inc. ("UES"), enclosed are an original and six (6) copies of "UES Annual Major Storm Cost Reserve Fund Report" for the 12 month period ending December 31, 2015. This filing complies with the New Hampshire Public Utilities Commission ("Commission") requirements set forth in the Company's Rate Plan Settlement in Docket No. DE 10-055 and as ordered in Docket No. DE 11-277, Order No. 25,351, *Order Granting Increase to Storm Recovery Adjustment Factor* ("SRAF"), issued April 24, 2012 (requiring UES "to file annual reports on the Storm Reserve Fund and storm recovery updates for those storms where costs are recovered through the SRAF").

As described more fully in the Report, the Major Storm Cost Reserve ("MSCR") Fund Balance at December 31, 2015 is (\$2,862,336). The Company is not proposing an adjustment to the level of annual MSCR recovery at this time, but will continue to review the recovery level on a going forward basis as it continues to incur costs for future storm events.

Please refer to the *UES MSCR Fund Reconciliation as of December 31, 2015* on page 4 of the Report for a summary of the costs. Please refer to the Storm Recovery Adjustment Factor Reconciliation which provides the reconciliation of the SRAF through December 31, 2015 on page 5 of the Report.

Also attached is an affidavit of Richard Francazio, Director of Business Continuity and Compliance, Unitil Service Corp., under whose direction the Report was prepared. Company representatives, including Mr. Francazio, are available to review the Report and respond to any questions, at the convenience of the Commission, Commission Staff and other interested parties.

Gary Epler
 Chief Regulatory Counsel
 epler@unitil.com

6 Liberty Lane West
 Hampton, NH 03842

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Epler". The signature is written in a cursive, flowing style.

Gary Epler
Attorney for Unitil Energy Systems, Inc.

Enclosures

cc: Don Kreis, Consumer Advocate

STATE OF NEW HAMPSHIRE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

Unitil Energy Systems, Inc.
Major Storm Cost Reserve Fund Report 2015

DE 16-XXX

AFFIDAVIT

Richard Francazio, having been duly sworn, states under oath as follows:

1. I am over eighteen years of age; I am competent to provide this affidavit; and I have personal knowledge of the facts set forth below.
2. I am employed by Unitil Service Corp. ("USC") as Director of Business Continuity and Compliance. USC is a corporation providing services to the subsidiaries of Unitil Corporation, a New Hampshire corporation.
3. Unitil Energy Systems, Inc. is a wholly owned subsidiary of Unitil Corporation.
4. I am familiar with the facts of this proceeding.
5. As witness, I have prepared and do authenticate the within report at the time of this filing, and that such report has been prepared by me or under my direction, and I adopt this document as my own.

DATED this 25th day of February, 2016



Witness: Richard Francazio

STATE OF NEW HAMPSHIRE)
) :ss
COUNTY OF ROCKINGHAM)

On this 25th day of February, 2016, then personally appeared before me, the above-named Richard Francazio, signer of the above instrument, who duly acknowledged to me that he executed the same.



Notary Public

Grace D Hollhan
Notary Public
New Hampshire
My Commission Expires 07-24-18

Residing in Rockingham County
My Commission Expires: 7-24-2018