

**VIA ELECTRONIC FILING AND DIRECT DELIVERY**

June 15, 2016

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

Re: **DG 16- : Northern Utilities, Inc. – Revised Tariff Pages Amending the Cost of Gas Adjustment Clause**

Dear Director Howland:

Northern Utilities, Inc. ("Northern" or the "Company,") submits an original and six copies of revised tariff pages, prefiled testimony, and schedules supporting Northern's proposed amendment to its Cost of Gas ("COG") Adjustment Clause. The Company currently submits biannual Winter season and Summer season COG rate filings, as well as separate Winter season and Summer season COG reconciliation filings, for the Commission's review and approval. With the enclosed filing, the Company proposes to amend the COG Clause in its tariff (pages 18 – 41) to reflect a change from seasonal COG filings implementing seasonal COG rates (referred to in the tariff as COG "Factors") to a streamlined annual COG filing implementing seasonal COG rates. Consistent with this change, Northern also proposes to replace its seasonal Winter period and Summer period COG reconciliation filings with an Annual COG reconciliation filing.

The primary purpose of this amendment is to reduce the number of COG filings submitted by the Company while preserving the Commission's ability to review Northern's seasonal COG rates. Northern believes that submitting streamlined annual COG rate and reconciliation filings, rather than biannual filings, will be more efficient, require the expenditure of fewer resources by the Commission and the Company, and not have any material effect upon the COG rates paid by firm sales customers.

Included in support of Northern's proposal are clean and red-lined versions of tariff pages implementing the Company's COG Adjustment Clause (NHPUC No. 11 – Gas pages 18 – 41), as well as the pre-filed direct testimony and schedules of Unitil Senior Regulatory Analyst Christopher A. Kahl. In his testimony, Mr. Kahl explains the benefits of an annual filing as well as methodology for implementing the annual rate filing and reconciliation process.

George H. Simmons Jr.  
Manager Regulatory Services

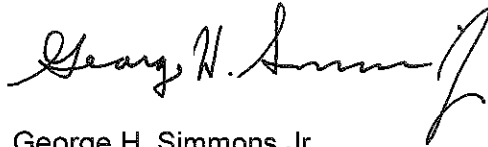
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If you have any questions regarding this filing, please do not hesitate to contact me or Chris Kahl at 603-773-6425.

Very truly yours,

A handwritten signature in black ink, appearing to read "George H. Simmons Jr.", with a stylized flourish at the end.

George H. Simmons Jr.

Enclosures

CC: Donald Kreis, Office of the Consumer Advocate (with confidential material)

# **NORTHERN UTILITIES, INC. - NEW HAMPSHIRE DIVISION**

## **Proposal to Revise Cost of Gas Adjustment Clause**

### **Table of Contents**

Testimony of Christopher Kahl, Senior Regulatory Analyst

Tariff Pages: Cost of Gas Clause (clean version)

Tariff Pages: Cost of Gas Clause (red lined version)

Sample Summary Schedule

Sample Schedule 3