

**Concord
Steam**



Concord Steam
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Steam and Power Generation

November 25, 2016

Debra Howland, Esq.
Executive Director and Secretary
Public Utilities Commission
21 S. Fruit St., Suite 10
Concord, NH 03301

Re: November 2016 monthly cost of energy over/under report (DG 15 – 377 & DG 16-811)

Dear Ms. Howland,

Enclosed is the November 2016 over/under report. The November 2016 report is hereby filed to reflect the actual fuel costs from November 2015 thru October 2016 and reflects all actual costs incurred under COE DG 15-377. Also included are the projected costs from November 2016 thru May 2017. Note that we will be using natural gas only for the months of April and May 2017 in accordance with our APA agreement with Liberty Utilities.

Because there was an overall under collection of \$116,552 in revenues for COE year 2015-16 and a significant over calculation of the potential steam sales in the original documents as submitted to the Commission for COE year 2016-17 (DG 16-811) the Company is required to increase rates for December 2016. The over calculation in of steam sales during the rate case was due to inaccurate customer conversion information given to us by Liberty Utilities when steam sales were being projected at that time. Originally we were led to believe by Liberty Utilities that there were only going to be a limited amount of gas conversions taking place prior to the 2016-17 heating season but as indicated in the reports submitted by Peter Bloomfield and also as reflected in the attached projections in this report there were significantly more conversions that took place resulting in much lower steam sales. Therefore the Company is increasing the rate for December to \$28.13. As a result, the enclosed November report reflects a COE end of year over-collection of approximately \$856.

The November 2016 tariff is \$23.77/Mlb, the December 2016 rate will be changed to \$28.13 in accordance with DG 15-377. A modified tariff page 11 is attached herein.

If there are any questions please call me.

Yours Truly,

A handwritten signature in blue ink, appearing to read "Mark E. Saltsman". The signature is fluid and cursive, written over a light blue horizontal line.

Mark E. Saltsman
Vice President

**Concord Steam Corporation
 Cost of Energy (COE) DG 15-377
 2015-16
 Summary**

	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16
Revenue:	\$ 292,506	\$ 396,345	\$ 597,343	\$ 564,516	\$ 399,876	\$ 313,940	\$ 129,412	\$ 35,438	\$ 32,645	\$ 30,690	\$ 40,381	\$ 194,905
Cost of Energy:	\$ 315,811	\$ 363,362	\$ 496,997	\$ 443,794	\$ 311,363	\$ 316,887	\$ 174,291	\$ 108,253	\$ 97,853	\$ 88,774	\$ 118,974	\$ 239,599
Monthly Over/(Under) Collection:												
Beginning Balance	\$ (68,591)	\$ (35,608)	\$ (2,625)	\$ 97,721	\$ 218,443	\$ 306,956	\$ 304,009	\$ 259,130	\$ 186,315	\$ 121,107	\$ 63,023	\$ (15,570)
Current Month	\$ 32,983	\$ 32,983	\$ 100,346	\$ 120,722	\$ 88,513	\$ (2,947)	\$ (44,879)	\$ (72,815)	\$ (65,208)	\$ (58,084)	\$ (78,593)	\$ (44,695)
Ending Balance	\$ (35,608)	\$ (2,625)	\$ 97,721	\$ 218,443	\$ 306,956	\$ 304,009	\$ 259,130	\$ 186,315	\$ 121,107	\$ 63,023	\$ (15,570)	\$ (60,265)
*Adjusted Annual Purchased fuel costs:	\$ 3,030,280	\$ 2,990,695	\$ 2,958,767	\$ 2,928,107	\$ 2,879,337	\$ 2,944,857	\$ 2,962,479	\$ 2,966,300	\$ 2,888,728	\$ 2,872,991	\$ 2,945,389	\$ 3,075,958
*Adjusted Annual Revenue requirement:	\$ 3,098,871	\$ 3,059,286	\$ 3,027,358	\$ 2,996,698	\$ 2,947,928	\$ 3,013,448	\$ 3,031,070	\$ 3,034,891	\$ 2,957,319	\$ 2,941,582	\$ 3,013,980	\$ 3,144,549
*Adjusted Annual Revenue stream:	\$ 3,229,958	\$ 3,234,193	\$ 3,165,582	\$ 3,086,065	\$ 2,980,607	\$ 3,001,547	\$ 3,062,360	\$ 3,065,268	\$ 3,087,001	\$ 3,089,405	\$ 3,064,978	\$ 3,027,997
Projection of Year-End												
Over/(under) Collection:	\$ 131,086	\$ 174,907	\$ 138,224	\$ 89,366	\$ 32,679	\$ (11,901)	\$ 31,290	\$ 30,377	\$ 129,681	\$ 147,823	\$ 50,999	\$ (116,552)
Current COE Year-End Projection:												
Purchased fuel costs:	\$ 3,075,958											
2014-15 Over/(Under) Collection:	\$ (68,591)											
PUC audit corrections	\$ -											
Revenue requirement:	\$ 3,144,549											
Revenue stream:	\$ 3,027,997											
Over/(under) collection:	\$ (116,552)											
*Adjusted costs, revenues and requirements (lines A19 - A21) are representing the annual projection of each line item adjusted for the current and previous months actual fuel costs and revenues												

Concord Steam Corporation
Cost of Energy (COE) DG 15-377
2015-16
Revenue Summary

	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16
Actual Mlbs. Sold	11,597	15,476	23,325	19,983	14,155	11,113	4,581	1,254	1,156	1,086	1,334	6,441
Actual Rate Per Mlb.	\$ 25.22	\$ 25.61	\$ 25.61	\$ 28.25	\$ 28.25	\$ 28.25	\$ 28.25	\$ 28.25	\$ 28.25	\$ 28.25	\$ 30.26	\$ 30.26
Actual Extended Revenues	\$ 292,506	\$ 396,345	\$ 597,343	\$ 564,516	\$ 399,876	\$ 313,940	\$ 129,412	\$ 35,438	\$ 32,645	\$ 30,690	\$ 40,381	\$ 194,905

Projected Mlbs. and Revenues:

	Projected Mlbs.	Rate per Mlb.	Projected Revenue \$
Nov-15	12,887	\$ 25.22	\$ 325,052
Dec-15	22,147	\$ 25.22	\$ 558,613
Jan-16	26,187	\$ 25.22	\$ 660,515
Feb-16	22,798	\$ 25.22	\$ 575,029
Mar-16	17,859	\$ 25.22	\$ 450,459
Apr-16	10,372	\$ 25.22	\$ 261,606
May-16	2,428	\$ 25.22	\$ 61,249
Jun-16	1,161	\$ 25.22	\$ 29,272
Jul-16	1,064	\$ 25.22	\$ 26,827
Aug-16	1,045	\$ 25.22	\$ 26,358
Sep-16	1,977	\$ 25.22	\$ 49,866
Oct-16	7,663	\$ 25.22	\$ 193,288
Total	127,586	\$ 25.22	\$ 3,218,135

Projected/Adjusted Mlbs. and Projected/Adjusted Revenues:

	Adjusted Mlbs.	Rate per Mlb.	Adjusted Revenue \$
Nov-15	11,597	\$ 25.22	\$ 292,506
Dec-15	15,476	\$ 25.61	\$ 396,345
Jan-16	23,325	\$ 25.61	\$ 597,343
Feb-16	19,983	\$ 28.25	\$ 564,516
Mar-16	14,155	\$ 28.25	\$ 399,876
Apr-16	11,113	\$ 28.25	\$ 313,940
May-16	4,581	\$ 28.25	\$ 129,412
Jun-16	1,254	\$ 28.25	\$ 35,438
Jul-16	1,156	\$ 28.25	\$ 32,645
Aug-16	1,086	\$ 28.25	\$ 30,690
Sep-16	1,334	\$ 30.26	\$ 40,381
Oct-16	6,441	\$ 30.26	\$ 194,905
Total	111,501	\$ 27.16	\$ 3,027,997

Concord Steam Corporation
 Cost of Energy (COE) DG 15-377
 2015-16

Purchased Fuel Costs

	Nov-15	Dec-15	Jan-16	Feb-16	Mar-16	Apr-16	May-16	Jun-16	Jul-16	Aug-16	Sep-16	Oct-16
Cost of Energy	\$315,811	\$ 363,362	\$ 496,997	\$ 443,794	\$ 311,363	\$ 316,887	\$ 174,291	\$ 108,253	\$ 97,853	\$ 88,774	\$ 118,974	\$ 239,599

Actual MMBtu's and Cost:

	Actual MMBtu's				Actual Fuel Costs				Projected/Actual Costs (Fuel & OPC*)				
	Nat. Gas	Waste + #6	Wood	Total	Nat. Gas	Waste + #6	Wood	Total	Nat. Gas	Waste + #6	Wood	OPC*	Total
Nov-15	14,154	-	28,093.18	42,247	\$ 170,980	\$ -	\$ 122,530	\$ 293,510	\$ 170,980	\$ -	\$ 122,530	\$ 22,301	\$ 315,811
Dec-15	16,279	-	34,718.25	50,997	\$ 191,930	\$ -	\$ 140,839	\$ 332,769	\$ 191,930	\$ -	\$ 140,839	\$ 30,593	\$ 363,362
Jan-16	23,116	-	44,331.33	67,447	\$ 286,233	\$ -	\$ 179,060	\$ 465,293	\$ 286,233	\$ -	\$ 179,060	\$ 31,704	\$ 496,997
Feb-16	21,352	-	39,555.69	60,908	\$ 252,999	\$ -	\$ 160,588	\$ 413,587	\$ 252,999	\$ -	\$ 160,588	\$ 30,207	\$ 443,794
Mar-16	14,089	-	29,967.18	44,056	\$ 161,352	\$ -	\$ 121,962	\$ 283,315	\$ 161,352	\$ -	\$ 121,962	\$ 28,049	\$ 311,363
Apr-16	10,429	-	23,351.37	33,780	\$ 119,438	\$ -	\$ 98,843	\$ 218,280	\$ 119,438	\$ -	\$ 98,843	\$ 98,607	\$ 316,887
May-16	7,278	-	16,653.37	23,931	\$ 77,852	\$ -	\$ 78,995	\$ 156,847	\$ 77,852	\$ -	\$ 78,995	\$ 17,444	\$ 174,291
Jun-16	2,314	-	14,529.14	16,843	\$ 23,912	\$ -	\$ 73,145	\$ 97,057	\$ 23,912	\$ -	\$ 73,145	\$ 11,195	\$ 108,253
Jul-16	1,958	-	12,856.25	14,814	\$ 21,895	\$ -	\$ 65,435	\$ 87,331	\$ 21,895	\$ -	\$ 65,435	\$ 10,523	\$ 97,853
Aug-16	1,726	-	10,228.14	11,954	\$ 20,832	\$ -	\$ 57,564	\$ 78,397	\$ 20,832	\$ -	\$ 57,564	\$ 10,378	\$ 88,774
Sep-16	13,455	-	-	13,455	\$ 85,895	\$ -	\$ 21,958	\$ 107,853	\$ 85,895	\$ -	\$ 21,958	\$ 11,121	\$ 118,974
Oct-16	25,362	-	4,441.85	29,804	\$ 184,752	\$ -	\$ 37,938	\$ 222,690	\$ 184,752	\$ -	\$ 37,938	\$ 16,909	\$ 239,599
Total	151,510	-	258,726	410,236	\$ 1,598,072	\$ -	\$ 1,158,857	\$ 2,756,928	\$ 1,598,072	\$ -	\$ 1,158,857	\$ 319,030	\$ 3,075,958

Actual mmbtu costs \$/M \$ 10.55 \$ 4.48 \$ 6.72

therm Bbl Ton
 \$ 1.05 \$ - \$ 38.07

101%

Projected MMBtu's and Cost:

	Projected MMBtu's						Projected Costs							
	Contracte	Markket	Nat. Gas	#6 Resid	Waste+ #6	Wood	Total	Nat. Gas	Waste Oil	#6 Resid	Waste+ #6	Wood	OPC*	Total
Nov-15	12,931	0	-	-	-	31,500	44,431	\$ 160,034	\$ -	\$ -	\$ -	\$ 127,438	30,000	\$ 317,473
Dec-15	13,145	0	-	-	-	49,500	62,645	\$ 162,687	\$ -	\$ -	\$ -	\$ 200,260	40,000	\$ 402,947
Jan-16	22,000	0	-	-	-	53,160	75,160	\$ 271,858	\$ -	\$ -	\$ -	\$ 215,067	42,000	\$ 528,925
Feb-16	18,000	0	-	-	-	51,900	69,900	\$ 222,484	\$ -	\$ -	\$ -	\$ 209,970	42,000	\$ 474,453
Mar-16	12,245	0	-	-	-	42,400	54,645	\$ 151,598	\$ -	\$ -	\$ -	\$ 171,536	37,000	\$ 360,134
Apr-16	8,700	0	-	-	-	28,300	37,000	\$ 107,875	\$ -	\$ -	\$ -	\$ 114,492	29,000	\$ 251,367
May-16	4,665	0	-	-	-	20,600	25,265	\$ 53,328	\$ -	\$ -	\$ -	\$ 83,341	20,000	\$ 156,669
Jun-16	1,950	0	-	-	-	17,250	19,200	\$ 22,644	\$ -	\$ -	\$ -	\$ 69,788	12,000	\$ 104,432
Jul-16	1,860	0	-	-	-	17,000	18,860	\$ 21,649	\$ -	\$ -	\$ -	\$ 68,776	85,000	\$ 175,425
Aug-16	1,860	0	-	-	-	18,010	19,870	\$ 21,649	\$ -	\$ -	\$ -	\$ 72,863	10,000	\$ 104,512
Sep-16	11,810	7,632	-	-	-	-	19,442	\$ 35,576	\$ -	\$ -	\$ -	\$ -	11,000	\$ 46,576
Oct-16	28,580	6,664	-	-	-	-	35,244	\$ 91,030	\$ -	\$ -	\$ -	\$ -	18,000	\$ 109,030
Total	137,746	14,296	0	0	0	329,620	481,662	\$ 1,322,412	\$ -	\$ -	\$ -	\$ 1,333,530	\$ 376,000	\$ 3,031,942

Projected mmbtu costs \$/MMBtu \$ 9.60 \$ - 0.00 \$ - \$ 4.10 \$ 6.29

therm Bbl Bbl Ton
 \$ 0.96 \$ - \$ - \$ - \$ 34.85

*Other Energy Related Production Costs

Concord Steam Corporation
 Cost of Energy (COE) DG 16-811
 2016-17
 Summary

	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Revenue:	\$ 212,599	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cost of Energy:	\$ 270,892	\$ 410,281	\$ 603,618	\$ 589,293	\$ 416,121	\$ 306,691	\$ -
Monthly Over/(Under) Collection:							
Beginning Balance	\$ (116,552)	\$ (159,452)	\$ (53,483)	\$ 59,340	\$ 226,446	\$ 310,586	\$ 302,595
Current Month	\$ (14,376)	\$ 105,969	\$ 112,822	\$ 167,107	\$ 84,139	\$ (7,991)	\$ -
Ending Balance	\$ (130,928)	\$ (53,483)	\$ 59,340	\$ 226,446	\$ 310,586	\$ 302,595	\$ 302,595
*Adjusted Annual Purchased fuel costs:	\$ 2,266,861	\$ 2,266,861	\$ 2,266,861	\$ 2,266,861	\$ 2,266,861	\$ 2,266,861	\$ 2,266,861
*Adjusted Annual Revenue requirement:	\$ 2,430,750	\$ 2,430,750	\$ 2,430,750	\$ 2,430,750	\$ 2,430,750	\$ 2,430,750	\$ 2,430,750
*Adjusted Annual Revenue stream:	\$ 2,431,606	\$ 2,431,606	\$ 2,431,606	\$ 2,431,606	\$ 2,431,606	\$ 2,431,606	\$ 2,431,606
Projection of Year-End Over/(under) Collection:	\$ 856	\$ 856	\$ 856	\$ 856	\$ 856	\$ 856	\$ 856

Current COE Year-End Projection:

Purchased fuel costs:	\$ 2,266,861
2015-16 Over/(Under) Collection:	\$ (116,552) (2015-16 final reconciliation report dated
Gas Contract Liquidation	\$ 47,336
Revenue requirement:	\$ 2,430,750
Revenue stream:	\$ 2,431,606
Over/(under) collection:	\$ 856

*Adjusted costs, revenues and requirements (lines A19 - A21) are representing the annual projection of each line item adjusted for the current and previous months actual fuel costs and revenues

Concord Steam Corporation
Cost of Energy (COE) DG 16-811
2016-17
Revenue Summary

	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17	Jun-17
Actual Mlbs. Sold	8,944	-	-	-	-	-	-	-
Actual Rate Per Mlb.	\$ 23.77	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Actual Extended Revenues	\$ 212,599	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Projected Mlbs. and Revenues:

	<u>Projected Mlbs.</u>	<u>Rate per Mlb.</u>	<u>Projected Revenue \$</u>
Nov-16	8,944	\$ 23.77	\$ 212,599
Dec-16	16,666	\$ 23.77	\$ 396,151
Jan-17	20,860	\$ 23.77	\$ 495,842
Feb-17	17,256	\$ 23.77	\$ 410,175
Mar-17	13,842	\$ 23.77	\$ 329,024
Apr-17	7,595	\$ 23.77	\$ 180,533
May-17	2,665	\$ 23.77	\$ 63,347
Total	<u>87,828</u>	<u>\$ 23.77</u>	<u>\$2,087,672</u>

Projected/Adjusted Mlbs. and Projected/Adjusted Revenues:

	<u>Adjusted Mlbs.</u>	<u>Rate per Mlb.</u>	<u>Adjusted Revenue \$</u>
Nov-16	8,944	\$ 23.77	\$ 212,599
Dec-16	16,666	\$ 28.13	\$ 468,815
Jan-17	20,860	\$ 28.13	\$ 586,792
Feb-17	17,256	\$ 28.13	\$ 485,411
Mar-17	13,842	\$ 28.13	\$ 389,375
Apr-17	7,595	\$ 28.13	\$ 213,647
May-17	2,665	\$ 28.13	\$ 74,966
Total	<u>87,828</u>	<u>\$ 27.51</u>	<u>\$ 2,431,606</u>

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Concord Steam Corporation
 Cost of Energy (COE) DG 16-811
 2016-17
 Purchased Fuel Costs

	Nov-16	Dec-16	Jan-17	Feb-17	Mar-17	Apr-17	May-17
Cost of Energy	\$ 270,892	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

Actual MMBtu's and Cost:

	Actual MMBtu's				Actual Fuel Costs				Projected/Actual Costs (Fuel & OPC*)				
	Nat. Gas	Add NG	Wood	Total	Nat. Gas	Add NG	Wood	Total	Nat. Gas	Add NG	Wood	OPC*	Total
Nov-16	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 112,897	\$ -	\$ 132,995	\$ 25,000	\$ 270,892
Dec-16	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 124,576	\$ -	\$ 199,492	\$ 32,000	\$ 356,068
Jan-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 202,436	\$ -	\$ 214,242	\$ 34,000	\$ 450,678
Feb-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 182,971	\$ -	\$ 209,164	\$ 35,000	\$ 427,135
Mar-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 140,148	\$ -	\$ 170,878	\$ 30,000	\$ 341,026
Apr-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 67,738	\$ 81,697	\$ -	\$ 100,000	\$ 249,435
May-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 30,710	\$ 65,918	\$ -	\$ 75,000	\$ 171,628
Jun-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Jul-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Aug-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Sep-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Oct-17	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Total	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ 861,476	\$ 147,615	\$ 926,771	\$ 331,000	\$ 2,266,861

Actual mmbtu costs \$/MMBtu #DIV/0! #DIV/0! #DIV/0! #DIV/0!
 therm therm Ton
 #DIV/0! #DIV/0! #DIV/0!

Projected MMBtu's and Cost:

	Projected MMBtu's					Projected Costs					
	Nat. Gas	Add NG	#6 Resid	Waste+ #6	Wood	Total	Nat. Gas	Add NG	Wood	OPC*	Total
Nov-16	14,500	-	-	-	33,000	47,500	\$ 112,897	\$ -	\$ 132,995	\$ 25,000	\$ 270,892
Dec-16	16,000	-	-	-	49,500	65,500	\$ 124,576	\$ -	\$ 199,492	\$ 32,000	\$ 356,068
Jan-17	26,000	-	-	-	53,160	79,160	\$ 202,436	\$ -	\$ 214,242	\$ 34,000	\$ 450,678
Feb-17	23,500	-	-	-	51,900	75,400	\$ 182,971	\$ -	\$ 209,164	\$ 35,000	\$ 427,135
Mar-17	18,000	-	-	-	42,400	60,400	\$ 140,148	\$ -	\$ 170,878	\$ 30,000	\$ 341,026
Apr-17	8,700	24,563	-	-	-	33,263	\$ 67,738	\$ 145,839	\$ -	\$ 100,000	\$ 313,577
May-17	4,665	19,819	-	-	-	24,484	\$ 30,710	\$ 93,971	\$ -	\$ 75,000	\$ 199,681
Jun-17	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Jul-17	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Aug-17	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Sep-17	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
Oct-17	-	-	-	-	-	-	\$ -	\$ -	\$ -	\$ -	\$ -
	111,365	44,382	0	0	229,960	385,707	\$ 861,476	\$ 239,810	\$ 926,771	\$ 331,000	\$ 2,359,057

Projected mmbtu costs \$/MMBtu \$ 7.74 \$ 3.33 4.03 \$ 6.12
 therm therm Ton
 \$ 0.77 \$ 0.19 \$ 37.08

*Other Energy Related Production Costs