



January 23, 2017



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

Re: Northern Utilities, Inc., New Hampshire Division - Docket DG 16-819
January 2017 Monthly Cost of Gas Report

Dear Director Howland:

Pursuant to the Commission's Order No. 25,959 in Docket DG 16-819, enclosed is Northern Utilities - New Hampshire Division's ("Northern" or the "Company") current calculation of its projected over or under collection of gas costs for the 2016 / 2017 winter season. The Company is also providing a summary of its hedging transactions and monthly inventory interest calculation, both updated through December 2016.

Northern's projected over / under collection calculation compares the current projected April 30, 2017 end of winter season balance to the corresponding balance projected in the Company's September 16, 2016 Cost of Gas ("COG") Adjustment filing ("target balance"). The current end of period calculation has been updated to reflect the Company's actual November 1, 2016 balance and gas futures prices as of January 19, 2017.

As shown in the attached calculation, Northern's current projected end of period balance varies from the target balance by \$14,736. This projected under-collection of gas costs produces a variance of 0.07% of total projected winter season gas costs. As a result, Northern is not proposing a rate change at this time.

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,

George H. Simmons Jr.

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Enclosures

cc: Alex Speidel, Staff Counsel
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