

BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

UNITIL ENERGY SYSTEMS, INC.
Petitioner

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DOCKET NO. DE 18-_____

**PETITION FOR APPROVAL OF STEP INCREASE AND OTHER RATE
ADJUSTMENTS**

Unitil Energy Systems, Inc., (“UES” or “Company”) submits this Petition requesting approval of the New Hampshire Public Utilities Commission (“Commission”) of the following:

- 1) A 2018 Step Adjustment of \$3,302,989 effective May 1, 2018 to reflect the recovery of 2017 capital additions of \$32,687,415, in accordance with the provisions of paragraph 2.1 of the Settlement Agreement in DE 16-384;
- 2) A reduction in revenue requirement of \$2,244,744, in compliance with Commission Order No. 26,096 in Docket IR 18-001 to reflect the impact of federal and state corporate tax reductions (the “Tax Act”);
- 3) An increase in recovery of \$352,820 in the Major Storm Cost Reserve (“MSCR”) amortization to accelerate the recovery of the current deferral balance, as well as offsetting a portion of the deferral with the Tax Act Regulatory Liability;
- 4) Pursuant to paragraph 2.3 of Settlement Agreement in DE 16-384, removal from the revenue requirement of Recoupment revenue of \$1,411,065;
- 5) Transferring the costs incurred by the Company as a result of the October 2017 wind storm from the MSCR to the Storm Reconciliation Adjustment Factor (“SRAF”);

6) A reduction in the SRAF of 14.4% on May 1, 2018 after including the October 2017 wind storm costs and accounting for the drop-off of the recovery of the costs of Hurricane Sandy; and

7) Acceleration of the Storm Resiliency Program spending in 2018 through 2020 by \$474,333 annually, and to flow this change through the External Delivery Charge mechanism.

In support of its Petition, UES states the following:

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UES is a New Hampshire corporation and public utility primarily engaged in the distribution of electricity in the capital and seacoast regions of New Hampshire.

Description of Exhibits

In support of the relief requested in this Petition are the following Exhibits:

Exhibit DLC-1: Testimony and Schedules of David L. Chong.

Exhibit RLF-1: Testimony and Schedules of Richard L. Francazio.

Exhibit SMS-1: Testimony of Sara M. Sankowich.

Proposed Tariffs

Unitil Energy plans to make a compliance tariff filing for effect May 1 once rates included in this filing and those tariff changes filed in Docket DE 18-029 on March 2, 2018 are approved.

Proposed Rate Calculations

Schedule DLC-9 shows the rate design from current rates to the rates proposed in this filing for each of the following individual adjustments: a) 2018 Step Adjustment; b) MSCR recovery; c) adjustments due to the Tax Act; and d) Recoupment.

Bill Impacts

Bill impacts are computed and shown in Schedule DLC-10. These reflect the distribution rates and the Storm Recovery Adjustment Factor as proposed in this filing versus currently effective rates. As a result of this filing, a typical 600 kWh residential customer on default energy service will see a monthly bill increase of \$0.12 or 0.1%. Impacts to other rate classes will be similar, but may vary based on size and consumption pattern.

Conclusion

For all of the foregoing reasons, and as supported in the testimonies and schedules accompanying this filing, UES requests that the Commission grant it the approvals requested in this Petition, and for such other relief as the Commission may deem necessary and proper.

Respectfully submitted,

UNITIL ENERGY SYSTEMS, INC.
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