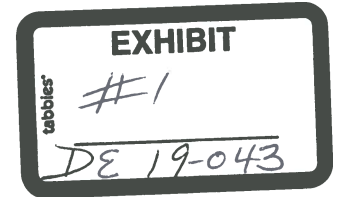




February 28, 2019



NHPUC 28FEB'19pw4:28

BY HAND DELIVERY and E-MAIL

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

Re: DE 19-____ Unitil Energy Systems, Inc.

Tariff Filing: Step Adjustment Effective May 1, 2019 pursuant to the Settlement Agreement approved in Docket No. DE 16-384 and Proposed Changes to the Storm Recovery Adjustment Factor effective May 1, 2019

Dear Director Howland:

Enclosed for filing on behalf of Unitil Energy Systems, Inc. ("UES" or "Company") are an original and six (6) copies of the following tariffs proposed to be applied on service rendered on and after May 1, 2019.

- Thirty-Eighth Revised Page 4-5, Summary of Delivery Service Rates
- Fifty-Fifth Revised Page 6, Summary of Low Income Electric Assistance Program Discounts
- Twelfth Revised Page 48, Domestic Delivery Service, Schedule D
- Eleventh Revised Page 51, Twelfth Revised Pages 52-53, General Delivery Service, Schedule G
- Eleventh Revised Page 59-60, Outdoor Lighting Service, Schedule OL
- Third Revised Page 63-E, Light Emitting Diode Outdoor Lighting Service, Schedule LED
- Sixth Revised Page 69, Storm Recovery Adjustment Factor, Schedule SRAF

Copies of the tariffs in redline are also attached.

These tariff pages are intended to implement the provisions of the Settlement Agreement approved by the New Hampshire Public Utilities Commission in Docket No. DE 16-834, which provides for a step adjustment effective May 1, 2019.

In addition, this filing reflects a decrease to the Storm Recovery Adjustment Factor ("SRAF") effective May 1, 2019. The initial component of the SRAF approved in DE 10-055 in the amount of \$0.00096 per kWh, terminates effective April 30, 2019. This component recovered the costs associated with the December 2008 ice storm and

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February 2010 wind storm. As described in Exhibit TRD-1, the Testimony of Todd R. Diggins, the Company is proposing that the costs from Winter Storm Quinn in March 2018 be removed from the Major Storm Cost Reserve ("MSCR") and transferred to the SRAF effective May 1, 2019. The proposed rate adjustment related to Winter Storm Quinn is \$0.00047 per kWh. The net effect to the SRAF after these two adjustments is a decrease of \$0.00049 per kWh.

In support of these rate changes, the filing contains the following testimony and schedules of Todd R. Diggins, Director of Finance for Unitil Service Corp:

Schedule TRD-1: May 1, 2019 Step Adjustment Revenue Requirement
Schedule TRD-2: MSCR Collection Balance
Schedule TRD-3: SRAF Amortization
Schedule TRD-4: NH PUC 2018 F-1
Schedule TRD-5: Rate Design
Schedule TRD-6: Bill Impacts

UES is prepared to provide any additional details as may be required.

This filing also includes the information required by the Settlement Agreement related to earnings sharing and exogenous events. As described in Exhibit TRD-1, there are no rate changes required associated with earnings sharing or exogenous events.

As shown on Schedule TRD-6, page 1, a residential customer on Default Service using 600 kWh will see a bill decrease of \$0.07 per month or 0.1% as result of the proposed rate changes on May 1, 2019. Bill impacts for other rate classes are similar, but vary based on consumption level and pattern. The Company is also proposing a credit to the External Delivery Charge of \$487,257, which changes on August 1, 2019, associated with reconciliation of the Company's Reliability Enhancement Program/Vegetation Management Program ("REP/VMP"). The annual REP/VMP Report is being filed with the Commission on this same day under separate cover.

Please do not hesitate to contact me if you have any questions concerning this filing.

Sincerely,



Gary Epler
Attorney for Unitil Energy Systems, Inc.

Enclosures

cc: Donald M. Kreis, Consumer Advocate