



March 5, 2020

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**BY OVERNIGHT DELIVERY and E-MAIL**

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

Re: Unitil Energy Systems, Inc. Annual REP VMP Report 2019  
DE 20-\_\_\_\_\_

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 Company's Reliability Enhancement Program ("REP") and Vegetation Management Program ("VMP") Annual Report ("Report") pursuant to the provisions of the Settlement Agreement in DE 10-055, Order No. 25,656 in DE 14-063, and Order No. 26,007 which approved the Settlement Agreement in Docket No. DE 16-384.<sup>1</sup>

As required by Section 7.2 of the DE 16-384 Settlement Agreement, UES will continue to reconcile actual VMP and REP program O&M expenses for future calendar years to an amount of \$4,858,739. For calendar year 2019, the Company spent \$6,147,577 in VMP expense and \$361,587 of REP expenses related to VMP for a grand total of \$6,509,164. In calendar year 2019, the Company collected \$1,045,580 from Fairpoint Communications, providing for a net total expenditure of \$5,463,584. The net expenditure of \$5,463,584 is subtracted from the \$4,858,739 plus \$267,556 of carryover funding approved by Order No. 26,278 in DE 19-111 for a total under-collection of \$337,289 which will be charged to the Company's External Delivery Charge mechanism on May 1, 2020.

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<sup>1</sup> On April 20, 2017, the Commission approved the Settlement Agreement in DE 16-384, which among other things, states that in an annual compliance filing, the Company will continue to reconcile actual calendar year vegetation management and reliability enhancement O&M expenses with test year costs. Any over- or under-collection shall be reflected in the Company's Schedule EDC (External Delivery Charge) on May 1 of the following year or, with approval of the Commission, the Company may credit unspent amounts to future vegetation management program expenditures.

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

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Epler". The signature is fluid and cursive, with the first name "Gary" and the last name "Epler" clearly distinguishable.

Gary Epler  
Attorney for Unitil Energy Systems, Inc.

Enclosure

cc: Donald Kreis, Esq., Consumer Advocate