

THE STATE OF NEW HAMPSHIRE
before the
PUBLIC UTILITIES COMMISSION

UNITIL ENERGY SYSTEMS, INC.
PETITION TO IMPLEMENT NEW PERMANENT ELECTRIC RATES

Docket No. DE 21-030

Stipulation and Settlement Regarding Temporary Rates

This Stipulation and Settlement is entered into this 7th day of May 2021, by Unitil Energy Systems, Inc. (“Unitil”), the Office of Consumer Advocate (“OCA”), and the Staff of the Public Utilities Commission participating in this proceeding (“Staff”) (hereinafter referred to collectively as “Settling Parties”). This Stipulation and Settlement resolves all issues regarding Unitil’s request for temporary rates in this proceeding.

A. PROCEDURAL HISTORY

On April 2, 2021, Unitil filed a petition for temporary and permanent rate increases, accompanied by the pre-filed written testimonies, schedules and work papers of Robert B. Hevert, Christopher J. Goulding, Daniel T. Nawazelski, John F. Closson, Joseph F. Conneely, Kevin E. Sprague, Cindy L. Carroll, Carleton B. Simpson, Carol Valianti, Sara M. Sankowich, Mark A. Lambert, Daniel J. Hurstak, Todd R. Diggins, Carole A. Beaulieu, Jonathan A. Giegerich, Ronald J. Amen, Timothy S. Lyons, Jennifer E. Nelson, Ned W. Allis, and John D. Taylor. The petition for temporary rates requested a temporary increase in distribution service revenues for effect on June 1, 2021, of

\$5,812,761, which would be an 8.0 percent increase above present distribution rates for the average residential customer using 600 kWh per month.

Representatives of the Settling Parties attended an initial technical session on April 22, 2021 after the prehearing conference. A set of data requests was issued by Commission Staff on April 23, and responded to by the Company on April 30. A settlement conference on the temporary rate petition was held on May 4, 2021, resulting in agreement on temporary rate issues.

B. SETTLEMENT OF TEMPORARY RATE REQUEST

1. Temporary Revenue Increase. The Settling Parties stipulate and agree that the Company shall implement a temporary distribution revenue increase of \$4,451,667, a 7.7 percent increase above the current distribution revenue level, effective with service rendered on and after June 1, 2021. The proposed temporary revenue increase will be collected by applying a uniform per kWh surcharge of \$0.00384 to all of Unitol's current rate schedules, including those which are not normally billed for distribution service on per kWh basis. The temporary rate surcharge calculation is shown on Attachment 1.

As a result of the proposed temporary rate increase, the average residential customer using 600 kWh per month would see the distribution portion of their bill rise by 6.1 percent, and overall monthly bills rise by approximately 1.9 percent, or \$2.30, in contrast to rates effective May 1, 2021. The calculation of overall bill impacts by customer class is shown on Attachment 2.

The difference between temporary rates and permanent rates as approved by the Commission will be fully reconciled in accordance with RSA 378:29.

C. MISCELLANEOUS PROVISIONS

The Settling Parties stipulate and agree to the following miscellaneous provisions:

1. Binding on Parties. The Settling Parties agree that they shall not oppose this Agreement at hearing or through pleadings before any regulatory agencies or courts before which this matter is brought, but shall take all such action as is necessary within those venues to secure approval and implementation of the provisions consistent with this Agreement. The Settling Parties understand that this Stipulation and Settlement is subject to Commission approval. The Signatories acknowledge that in reaching this Stipulation and Settlement, Staff and the OCA have relied on Unitil's filing, discovery responses, and representations in settlement discussions.

2. Integrated Terms of Settlement. This Stipulation and Settlement represents an integrated resolution of issues concerning Unitil's request for temporary rates. Accordingly, the effectiveness of this Stipulation and Settlement is conditioned upon the Commission adopting this Stipulation and Settlement in its entirety, without condition or modification. If the Commission does not approve this Stipulation and Settlement in its entirety and without modification or condition, the Settling Parties shall have an opportunity to amend or terminate this Stipulation and Settlement. If terminated, this Stipulation and Settlement shall be deemed withdrawn and shall not constitute a part of the record in any proceeding or be used for any purpose.

3. Procedure. The Settling Parties shall cooperate in submitting this Stipulation and Settlement promptly to the Commission for approval so that it may be implemented on June 1, 2021. The Settling Parties shall request that the Commission consider this Stipulation and Settlement at the previously scheduled hearing on the merits to be held May 14, 2021, and shall make a witness or witnesses available as necessary to answer questions in support of this Stipulation and Settlement, or provide such other support as the Commission requests. The Settling Parties agree to cooperate, in good faith, to support this Stipulation and Settlement at hearing and to supplement the record accordingly.

4. No Precedent. The Settling Parties enter into this Stipulation and Settlement to avoid further expense, uncertainty and delay in undertaking the permanent phase of the case. By executing this Stipulation and Settlement, neither Unutil, OCA nor Staff shall be deemed to have accepted or consented to the facts, principles, methods, or theories employed in arriving at the terms of the Stipulation and Settlement, and except to the extent expressly set forth in this Stipulation and Settlement, the Settling Parties shall not be deemed to have agreed that such a Stipulation and Settlement is appropriate for resolving any issues in the permanent rate portion of this proceeding or in any other proceeding. The Settling Parties are free to take different positions on any of the issues and/or adjustments included in this temporary rate Stipulation and Settlement for purposes of determining permanent distribution rates or in other future proceedings.

5. Confidentiality. This Stipulation and Settlement is the product of confidential settlement negotiations. The content of these negotiations, including any

documents prepared during the course of such negotiations for the purpose of reaching a settlement, shall be privileged and all offers of settlement shall be without prejudice to the position of any party presenting such offer.

6. Execution. This Stipulation and Settlement may be executed by the Settling Parties in several counterparts, through original and/or facsimile signature, and as executed shall constitute one agreement.

WHEREFORE, the Settling Parties recommend that the Commission issue an order authorizing Unitil to increase its electric service rates on a temporary basis, pursuant to RSA 378:27, by \$4,451,667 annually effective for service rendered on or after June 1, 2021, in the manner specified herein.

Respectfully submitted,

Unitil Energy Systems, Inc.

By:



Patrick Taylor, Esq.
Senior Regulatory Counsel
Unitil Service Corp.

Office of the Consumer Advocate

By: /s/ Donald M. Kreis
Donald M. Kreis, Esq.
Consumer Advocate

Staff of the Public Utilities Commission

By: /s/ Paul B. Dexter
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