

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 21-104

NORTHERN UTILITIES INC.

Request for Change in Rates

Order on Temporary Rates

O R D E R N O. 26,529

September 30, 2021

In this order, the Commission approves an overall annual revenue increase of \$2,599,083, on a temporary basis, which will result in uniform per therm increase in distribution rates of \$0.0683 to residential customer rates and an increase of \$0.0225 to Commercial and Industrial customer rates. Temporary rates shall be effective October 1, 2021.

I. PROCEDURAL HISTORY

On August 2, 2021, Northern Utilities, Inc. (Northern) 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, Christopher LeBlanc, Mark A. Lambert, Daniel J. Hurstak, Todd R. Diggins, Andre Francoeur, Carole A. Beaulieu, Jonathan A. Giegerich, Ronald J. Amen, John D. Taylor, Timothy S. Lyons, John Cochrane, and Ned W. Allis. As part of its petition for a permanent rate increase and pursuant to RSA 378:27, Northern requested a temporary increase to its revenue requirement of \$3,220,742, to be effective October 1, 2021. The customer impact of this increase for an average heating/non-heating customer would be a 4.7 and a 3 percent increase, respectively, to average monthly

bills. The Commission issued Order No. 26,511 on August 29, 2021, suspending Northern's proposed tariff for twelve months and scheduling a prehearing conference for September 16, 2021.

The Settling Parties filed an agreement on temporary rates (Settlement) with the Commission on September 17, 2021.

II. POSITIONS OF THE PARTIES

A. Temporary Rates

The parties agreed upon a settlement of the temporary rate issues and filed the Settlement with the Commission. The Settlement proposed a temporary revenue increase of \$2,599,083 to be collected by applying a uniform per therm surcharge of \$0.0683 to Unitil's residential customer rates and \$0.0225 to Unitil's Commercial and Industrial customer rates. A typical residential heating customer (R-5) bill will increase by \$51 or 3.8% annually (Attachment 5, page 1).

B. Effective Date

The Settling Parties agreed the effective date for these temporary rates, on a service-rendered basis, should be October 1, 2021. The Settling Parties further agreed that temporary rates will be subject to reconciliation pursuant to RSA 378:29, effective October 1, 2021, after the final determination of rates is ruled upon by the Commission in this docket.

III. COMMISSION ANALYSIS

Unless precluded by law, disposition may be made of any contested case at any time prior to the entry of a final decision or order. RSA 541-A:31, V(a). Pursuant to N.H. Admin. R., Puc 203.20(b), the Commission shall approve the disposition of any contested case by stipulation if it determines that the result is just and reasonable and serves the public interest. Nonetheless, the Commission cannot approve a

settlement, even when all parties agree, without independently determining that the result comports with applicable standards. *Id.*

Pursuant to RSA 378:27, the Commission may approve temporary rates for the duration of a rate proceeding if the Commission finds that the public interest so requires and the reports of the public utility filed with the Commission indicate that the proposed temporary rates are reasonable. The standard for approval of temporary rates, which are reconcilable, is less stringent than that for permanent rates, “in that temporary rates shall be determined expeditiously, without such investigation as might be deemed necessary to a determination of permanent rates.” *Appeal of Office of Consumer Advocate*, 134 N.H. 651, 660 (1991) (quoting *New Eng. Tel. & Tel. Co. v. State*, 95 N.H. 515, 518 (1949) (internal quotations omitted)).

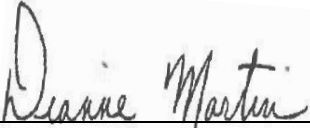
The Settlement requests the Commission approve temporary rates at levels slightly above current rates. We find, based on the Company’s books and records and annual reports filed with the Commission, that such temporary rates are sufficient. RSA 378:27. Taking into consideration that temporary rates will be set slightly above current rates, we find that customers will not experience undue rate shock at this time, and that the Company and customers are protected by the reconciliation mechanism pursuant to RSA 378:29. We also find that temporary rates as proposed in the Settlement are just and reasonable under the circumstances. We note, however, that the temporary rates are not set at a uniform level for all customer classes and we caution the parties to calculate the reconciliation to correctly reflect the different temporary rates. Accordingly, we find the Settlement just and reasonable and in the public interest. We will approve the temporary rates set out in the schedules to the Settlement effective October 1, 2021.

Based upon the foregoing, it is hereby

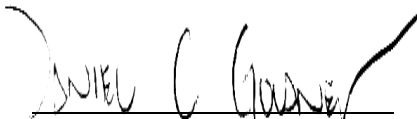
ORDERED, that the temporary rates contained in the Settlement are approved, pursuant to RSA 378:27, effective October 1, 2021; and it is

FURTHER ORDERED, that Northern shall file conforming tariffs that are annotated within 15 days of the date of this order.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of September, 2021.



Dianne Martin
Chairwoman



Daniel C. Goldner
Commissioner

Service List - Docket Related

Docket# : 21-104

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