

Unitil Energy Systems, Inc.

Docket No. DE 24-033

MSCR Fund Report/Petition to Increase Storm Recovery Adjustment Factor  
Department of Energy Data Requests Set 1

Received: 4/5/24  
Request No. DOE 1-1

Date of Response: 4/12/24  
Witness: Goulding/Nawazelski

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**Request:**

Reference March 28, 2024 filing, including but not limited to Testimony of Christopher J. Goulding and Daniel T. Nawazelski Bates page 000019 lines 1-7 8-10.

Please expand on how Unitil Energy Systems Inc. (“UES” or “the Company”) decided to amortize the December 31, MSCR deferral balance of \$3,654,362 over a 5-year period, with carrying charges calculated at 4.01 percent. If longer or shorter amortization periods were considered, please describe them and provide supporting calculations. If only a five-year period was considered, please provide a calculation(s) and the excel spreadsheet(s) for three years amortization. Would the Company consider a three-year period; why or why not? Please also provide Live Excel Spreadsheets.

**Response:**

The Company considered several factors when deciding to propose to amortize the MSCR balance over a 5-year period. These factors included financing considerations, amortization periods approved in prior SRAF proceedings, and customer bill impacts. A 5-year amortization period balances those factors, but the Company is amenable to shortening the time period, which would ultimately benefit rate payers by reducing carrying costs. Please refer to DOE 1-1 Attachment 1 for the calculation of recovery of the MSCR balance over a three-year period.

If the Company’s proposed SRAF of \$0.00071 per kWh is approved by the Commission, a typical 600 kWh residential customer on Default Service will see a monthly bill increase of \$0.43 or 0.3 percent.

If the Commission were to approve SRAF recovery over a three-year period, the resulting SRAF would be \$0.00114 per kWh, or an increase of \$0.00043 per kWh. This would result in a typical a 600 kWh residential customer on Default Service will seeing a monthly bill increase of \$0.68 or 0.5 percent.