THE STATE OF NEW HAMPSHIRE

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EXECUTIVE DIRECTOR AND SECRETARY Debra A. Howland



PUBLIC UTILITIES COMMISSION 21 S. Fruit Street, Suite 10 Concord, N.H. 03301-2429

November 11, 2007

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

Re: DG 07-050 EnergyNorth Natural Gas, Inc. Indirect Gas Costs

Dear Ms. Howland:

This afternoon, Staff, OCA and the Company reached agreement on a number of contested issues in this docket. The Partial Settlement Agreement is attached to this letter for filing with the Commission.

Since the parties have not resolved the issues surrounding the proper methodology for the transition to an accrued accounting methodology for the cost of gas reconciliation, the parties plan to litigate those issues at hearing on Monday, November 5, 2007. At the same hearing the parties will present the Partial Settlement on the remaining issues in this docket.

The partial settlement is not contested by any party and the parties believe that the terms of the Partial Settlement Agreement are just and reasonable and serve the public interest. The Staff and the parties request that the Commission accept this late filed Partial Settlement Agreement pursuant to Puc 203.20 (f) because it promotes the orderly and efficient conduct of the proceeding and will not impair the rights of any party to the proceeding. Accordingly, the Staff and the parties request that the Commission approve the disposition of the issues as set forth in the attached Partial Settlement Agreement.

Sincerely yours,

F. Anne Ross, Esq.

Staff Attorney

Enclosure

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