

**THE STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DG 08-106**

**ORDER OF NOTICE**

On August 29, 2008, EnergyNorth Natural Gas, Inc. d/b/a National Grid NH (National Grid NH), a public utility engaged in the business of distributing natural gas in 29 cities and towns in southern and central New Hampshire and the city of Berlin in northern New Hampshire, filed its proposed cost of gas (COG) and fixed price option (FPO) rates for the winter period, November 1, 2008 through April 30, 2009, and local delivery adjustment clause (LDAC) charges and certain supplier charges for the period November 1, 2008 through October 31, 2009. National Grid also filed a motion for confidential treatment with respect to certain gas supply-related information.

The proposed residential COG rate is \$1.2635 per therm (FPO rate would be \$1.2835 per therm), a \$0.0889 per therm increase over the weighted residential COG rate of \$1.1746 per therm for last winter. The proposed changes to National Grid NH's residential COG rate and LDAC charges, combined with the 3.75 percent increase to customer bills for the implementation of temporary rates for delivery service approved by Order No. 24,888 (August 18, 2008) in Docket No. 08-009, are expected to increase a typical residential heating customer's winter bill by a total of 9.4 percent.

The proposed commercial/industrial low winter use COG rate is \$1.2630 per therm (FPO rate would be \$1.2830 per therm) and the proposed commercial/industrial high winter use COG rate is \$1.2636 per therm (FPO rate would be \$1.2836 per therm). The changes in the commercial/industrial low and high winter use rates are commensurate with the changes in

the COG rate of a residential heating customer. The proposed firm transportation COG rate is \$0.0002 per therm, compared to \$0.0042 per therm for last winter.

A variety of charges and rates comprise the LDAC charges applicable to the different customer classes. The proposed charge to recover environmental remediation costs is \$0.0000 per therm, which is a continuation of the current environmental charge, with the result that there is no recovery of such costs during this period. The proposed energy efficiency/conservation charge for residential non-heating customers is \$0.0184 per therm, an increase of \$0.0051 per therm from the current rate. The proposed energy efficiency/conservation charge for residential heating customers is \$0.0190 per therm, an increase of \$0.0052 per therm from the current rate. The proposed energy efficiency/conservation charge for commercial and industrial customers is \$0.0213 per therm, an increase of \$0.0166 per therm from the current rate. The proposed charge to recover expenses and lost revenues related to the residential low income assistance program is \$0.0075 per therm, an increase of \$0.0021 per therm from the current rate.

National Grid NH is also updating its supplier balancing charges, the charges that suppliers are required to pay National Grid NH for balancing services as National Grid NH attempts to meet the shifting loads for the supplier's customer pools. The proposed balancing charge of \$0.12 per MMBtu is an increase of \$0.02 per MMBtu from the current rate and the proposed peaking demand charge of \$9.72 per MMBtu of peak maximum daily quantity is a decrease of \$4.69 per MMBtu from the current rate. The changes are based on an update of volumes and costs used in calculating the charges. The proposed capacity allocator percentages used to allocate pipeline, storage and local peaking capacity to a customer's supplier under New

Hampshire's mandatory capacity assignment, required for firm transportation service, have also been updated to reflect National Grid NH's supply portfolio for the upcoming year.

The filing raises, inter alia, issues related to: RSA 378 relative to the justness and reasonableness of rates, forecasting of sales, supplier prices and transportation prices, calculation of indirect gas costs, purchasing decisions related to the current and past winter supplies and capacity, revenue projections related to transportation services and released capacity, the causes and treatment of over and under recoveries, the reconciliation of prior period costs and revenues, the prudence and recovery of environmental remediation costs, and rate impacts. Each party has the right to have an attorney represent them at their own expense.

**Based upon the foregoing, it is hereby**

**ORDERED**, that a hearing be held before the Commission located at 21 South Fruit Street, Suite 10, Concord, New Hampshire on October 21, 2008 at 10:00 a.m.; and it is

**FURTHER ORDERED**, that National Grid NH, Staff of the Commission and any intervenors hold a technical session at the Commission on October 8, 2008 at 9:00 a.m.; and it is

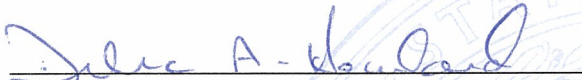
**FURTHER ORDERED**, that pursuant to N.H. Admin. Rules Puc 203.12, National Grid NH shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than September 12, 2008, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before October 21, 2008; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to National Grid NH and the Office of the Consumer

Advocate on or before October 16, 2008, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before October 21, 2008.

By order of the Public Utilities Commission of New Hampshire this fifth day of September, 2008.

  
Debra A. Howland  
Executive Director & Secretary

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability, should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

