

In the Matter of:)
)
NEW HAMPSHIRE GAS)
CORPORATION)
)

DG 09-038

PETITION OF NEW HAMPSHIRE GAS CORPORATION

Pursuant to NH RSA 378.27 and Puc 1604.01 *et seq*, the New Hampshire Gas Corporation (“NHGC” or the “Company”), hereby petitions the New Hampshire Public Utilities Commission (the “Commission”) for authorization to: (1) establish, effective May 1, 2009, a permanent rate increase in Tariff N.H.P.U.C. No. 1, 8th Revised, designed to produce a permanent increase in annual revenues of \$423,806, which is a 42% increase in distribution revenues over current levels; and (2) implement temporary rates in the amount of \$69,995, the level consistent with NHGC’s most recent level of deferred revenues for the period May 2008 through April 2009. In support of this Petition, NHGC states:

A. PERMANENT RATE INCREASE

1. On February 27, 2009, pursuant to the New Hampshire Code of Administrative Rules Section 1604.05, NHGC filed a Notice of Intent to file Rate Schedules with the Commission.
2. Simultaneously with this Petition, NHGC is filing a revised tariff, designated as Tariff N.H.P.U.C. No. 1, 8th Revised, designed to produce a permanent increase in annual

revenues of \$423,806 million, which represents a 42% increase in total distribution revenues, with a proposed effective date of May 1, 2009 (the “Permanent Rates Tariff”).

3. Pursuant to the requirements of NH PUC Rule 1600 *et seq.*, NHGC has filed direct testimony and exhibits in support of the Permanent Rates Tariff and such supplementary information as required by the Commission, all of which is incorporated herein by reference. By Motion filed simultaneously herewith, NHGC is seeking a waiver of certain requirements of PUC Rule 1604.01(a).

B. TEMPORARY RATES

4. Under NH RSA 378.27, the Commission may, after reasonable notice and hearing, if the public interest so requires, prescribe reasonable temporary rates to yield not less than a reasonable return on the cost of the property of the utility used and useful in providing public service, less accrued depreciation.

5. Pursuant to NH RSA 378.6, the Commission may suspend the effective date of the Company’s Permanent Rates Tariff pending an investigation by the Commission under RSA 378:5 into the reasonableness of the Permanent Rates Tariff. If the Commission suspends the Company’s Permanent Rates Tariff, NHGC requests that temporary rates be set at a level consistent with its most recent level of deferred revenues for the period May 2008 through April 2009 of \$69,995 for the duration of the suspension period. NHGC is filing a revised tariff designated as Tariff N.H.P.U.C. No. 1, 7th Revised, designed to implement the proposed temporary rates effective May 1, 2009.

6. During the twelve months ended December 31, 2008, the test year underlying the Permanent Rates Tariff, NHGC barely earned a return. In fact, NHGC operated at a net loss for the test year and will continue to operate at a loss in future years without rate relief. NHGC is not requesting a rate increase during the suspension period, but is limiting its request to

implementing temporary rates at a level consistent with its most recent level of deferred revenues for the period May 2008 through April 2009 of \$69,995 for the duration of the suspension period. Granting the Company's request for temporary rates to be effective May 1, 2009 will partially redress the impact of the earnings erosion when the permanent rates are approved.

WHEREFORE, NHGC prays that the Commission:

1. Issue an order of notice for hearing upon this Petition ;
2. Following a hearing upon this Petition, enter an order as soon as possible authorizing a temporary rates at the level of deferred revenues for the period May 2008 through April 2009 of \$69,995 to be effective May 1, 2009 for the duration of the suspension period;
3. Grant such other relief as may be just and proper.

Respectfully submitted,

NEW HAMPSHIRE GAS CORPORATION

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