



DG09-167

**VIA ELECTRONIC FILING AND HAND DELIVERY**

September 15, 2009

Debra A. Howland  
Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 S. Fruit St., Suite 10  
Concord, New Hampshire 03301

Re: Northern Utilities, Inc. -- DG 09- , Winter 2009 / 2010 Cost of Gas  
and Associated Charges Filing

Dear Ms. Howland:

Northern Utilities, Inc. ("Northern" or the "Company") hereby submits an original and seven copies of the Exhibits and Direct Testimony of James D. Simpson, Francis X. Wells and Todd M. Bohan in support of the Company's 2009-2010 Peak Period Cost of Gas filing and other associated proposed tariff changes.

Northern respectfully requests approval for the following Tariffs:

Forty-third Revised Page No. 38 (CGA);  
Forty-third Revised Page No. 39 (CGA);  
Thirteenth Revised Page No. 56 (LDAC)  
Thirty-seventh Revised Page No. 94 (Rate Summary)  
Thirty-seventh Revised Page No. 95 (Rate Summary)  
Thirty-seventh Revised Page No. 96 (Rate Summary)  
Ninth Revised Page 154 (Appendix A);  
Eighth Revised Page 169 (Appendix C); and  
Second Revised Page 170-b (Appendix D)

All of the above listed tariffs are issued September 15, 2009 by Mark H. Collin, Treasurer, to be effective November 1, 2009.

Forty-third Revised Page No. 38 (CGA) has been completely reformatted and contains a statement of the Company's anticipated direct and indirect costs of gas.

Forty-third Revised Page No. 39 (CGA) has been completely reformatted and contains the calculations of the proposed Cost of Gas Adjustment Rates for Residential and General Service Firm Sales Customers.

Thirteenth Revised Page No. 56 (LDAC) contains revised rates for the Company's RLIAP rate DSM rate and ERC Rate, all of which are components of the Company's Local Distribution Adjustment Clause rate. The DSM rate component is based on the Company's DSN Budget approved by the Commission by its Order No. 24,968 issued May 21, 2009 in Docket 09-053. Support for the ERC Component was filed under separate cover on September 15, 2009.

Thirty-seventh Revised Page Nos. 94, 95 & 96 (Rate Summaries) have been updated to reflect the proposed CGA and the proposed LDAC.

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Ninth Revised Page 154 (Appendix A), Schedule of Administrative Fees and Charges: the Supplier Balancing Charge has been updated to reflect the Company's latest balancing resources and associated capacity costs, and the Peaking Service Demand Charge has been updated to reflect the Company's Peaking resources and associated costs, as discussed in the Testimony of James D. Simpson and shown in Attachment NUI-JDS-14.

Eighth Revised Page 169 (Appendix C) contains the proposed Capacity Allocators for the period, November 1, 2009 through October 31, 2010.

Second Revised Page 170-b (Appendix D) contains the Firm Sales Service Re-Entry Fee Bill Adjustment to be applicable during the period November 1, 2009 through October 31, 2010. Support for this charge was provided to the Commission in the Company's annual report filed under separate cover on September 4, 2009.

The proposed 2009 / 2010 Winter Season Cost of Gas Adjustment (CGA) for residential customers is \$1.0913 per therm, \$0.1053 per therm or 8.8 percent lower than the 2008 / 2009 Winter Season CGA. The typical bill for a residential heating customer for the winter 2009 / 2010 Winter Season is projected to be \$1,444.36; this is lower than the winter 2008 / 2009 bill of \$1,508.01 by \$93.65 or 6.2 percent.

The Company will submit to the Commission its revised 2009 / 2010 Winter season CGA reflecting then current costs a few weeks before the November 1, 2009 effective date. Should gas costs continue to decline, the revised estimate will produce even greater savings for customers.

Please be advised that Susan Geiger, Esq. of Orr & Reno has been engaged to represent Northern in this proceeding.

If you have any questions or need additional information, please contact me or Susan Geiger.

Very Truly Yours,



Frederick J. Stewart

Enclosures

CC: Edward Damon, Staff Counsel  
Meredith Hatfield, OCA  
Kenneth Traum, OCA  
Susan Geiger, Orr & Reno  
James D. Simpson, CEA