



By Overnight and Electronic Mail

September 15, 2010

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

RE: Northern Utilities, Inc. (NU) Short-Term Debt Limit

Dear Director Howland:

Pursuant to Order No. 25,068 dated January 22, 2010 in docket DG 09-239, NU hereby submits its annual update to its short-term debt limit.

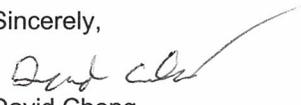
NU's short-term debt limit effective from November 1, 2010 through October 31, 2011 will be \$46,164,421 million.

Pursuant to Order No. 25,068, NU's short-term debt limit will equal 30 percent of total projected winter period gas costs for fuel financing purposes and 15 percent of net utility plant for non-fuel financing purposes. The table below summarizes the calculation of NU's short-term debt limit for the period November 1, 2010 through October 31, 2011.

<u>NU Short-Term Debt Limit Calculation</u>		
<u>Fuel Financing Purposes</u>		
NU ME winter gas costs		26,892,781
NU NH winter gas costs		31,330,157
	Total	<u>58,222,938</u>
30% of total winter gas costs		17,466,881 (a)
<u>Non-Fuel Financing Purposes</u>		
Estimated net utility plant @ 12/31/10 before plant acquisition adjustment		191,316,932
15% of Net Utility Plant		28,697,540 (b)
<u>Short-Term Debt Limit</u>		
Short Term Debt Limit		<u>46,164,421</u> (a) + (b)

If you have any questions, please contact me at 603-773-6499.

Sincerely,


David Chong
Director of Finance

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