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> OFFICES IN: MANCHESTER CONCORD PORTSMOUTH WOBURN, MA

STEVEN V. CAMERINO Internet: steven.camerino@mclane.com

February 26, 2010

## VIA HAND DELIVERY

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



Re: DG 10-017, EnergyNorth Natural Gas, Inc. d/b/a National Grid NH - Rate Case

Dear Ms. Howland:

Enclosed for filing with the Commission are the following materials regarding a request for an increase in rates on behalf of EnergyNorth Natural Gas, Inc. d/b/a National Grid NH ("National Grid NH" or the "Company").

- A. Original and two copies of signed tariff pages reflecting National Grid NH's request for an increase in permanent rates;
- B. Original and two copies of proposed tariff pages (unsigned in both clean and marked format) reflecting National Grid NH's request for temporary rates;
- C. An original and six copies of a Petition for Temporary Rates and Joint Testimony of Frank Lombardo and Ann E. Leary regarding temporary rates;
- D. An original and five copies of each of the five volumes of the Company's permanent rate filing (which are numbered Volumes 1A, 1B, 2A, 2B and 3), containing prefiled testimony of various witnesses and other information required pursuant to N.H. Code of Admin. Rules Puc Ch. 1600;
- E. An original and six copies of a Motion for Waiver regarding of certain requirements under the New Hampshire Code of Administrative Rules;

- F. An original and six copies of a Motion for Protective Order and Confidential Treatment Regarding Compensation Information;
  - G. Six copies of a proposed form of notice to customers; and
  - H. A computer disk containing electronic copies of all the foregoing documents.

The enclosed permanent rate filing seeks an increase of \$11,422,718 in annual revenues, which would result in an increase in customers' bills of 9.59% on average on an overall basis. The Company's temporary rate filing seeks an increase of \$5,711,359 in annual revenues, which would result in an increase in customers' bills of 3.2% on average on an overall basis.

The Company is filing this case because, under the rates currently in effect, it is unable to earn the rate of return authorized by the Commission in its Order No. 24,972 in Docket DG 08-009. In particular, for the test year ended June 30, 2009, the Company's overall earned rate of return was 3.35% versus the 8.28% overall return authorized by the Commission.

As set forth in the enclosed filing, the Company continues to invest significant capital for non-revenue producing additions to rate base that are necessary for the Company to maintain the integrity of its gas distribution system. This ongoing capital investment and increases in the Company's operating expenses are continuing to reduce the Company's earned return. Therefore, the Company requests that the Commission schedule a prehearing conference and hearing on temporary rates at the earliest date that the Commission can reasonably accommodate. The Company's temporary rate petition requests that temporary rates be authorized effective for service rendered on and after June 1, 2010.

I am also enclosing a separate envelope containing five copies of confidential compensation information required to be filed pursuant to N.H. Code of Admin. Rules Puc 1604.01(a)(14). This information is simultaneously being filed in redacted form with the rest of the Company's permanent rate case materials.

Finally, I would appreciate it if you would include the following individuals on your service list:

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Please let me know if the Commission has any questions at all regarding the enclosed materials.

Sincerely,

Steven V. Camerino

## **Enclosures**

cc: Meredith A. Hatfield, Esq. Alan Linder, Esq. Celia B. O'Brien, Esq.

Celia B. O'Brien, Esq. Amy Rabinowitz, Esq. Patrick H. Taylor, Esq.