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THE STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION 21 S. Fruit Street, Suite 10 Concord, N.H. 03301-2429 September 14, 2010 Tel. (603) 271-2431

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Gary Epler, Esq. Chief Regulatory Counsel Unitil Service Corp. 6 Liberty Lane West Hampton, NH 03842-1720

Re: DA 10-220 – Gas Transportation Contract between Affiliates Northern Utilities, Inc. & Granite State Gas Transmission, Inc.

Dear Mr. Epler:

On August 18, 2010, Northern Utilities, Inc., d/b/a Unitil (Northern) filed an Affiliate Agreement entered into on August 10, 2010 between Northern and Granite State Gas Transmission, Inc. (GSGT). Northern and GSGT are associate companies within the Unitil Corporation. Under the terms of the agreement, GSGT is to provide the following services to Northern: transportation capacity of up to 100,000 Dekatherms (Dth) per day on the GSGT natural gas pipeline for the period November 1, 2010 through October 31, 2011. The contract includes an evergreen period of the lesser of the original term of the contract, or one year.

This letter serves as an acknowledgement that Northern, pursuant to the requirements of RSA 366:3, has filed a contract between a public utility and an affiliate for the provision of services in exchange for compensation that exceeds \$500. This acknowledgement does not constitute approval of any rate or revenue requirement change that may be claimed as a result of the service provided for in the filed documents. As any issue that may arise under the contract may be addressed in another docket or through the opening of a new docket, the Commission will not open an investigation at this time under RSA 366:5 and has closed this docket. As you may be aware, any modifications of the contract must also be filed with the Commission pursuant to RSA 366:3.

Sincerely,

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Debra A. Howland Executive Director