

**State of New Hampshire  
Public Utilities Commission**

Unitil Energy Systems, Inc.  
DE 06-061

Responses to Record Request – Reserved Exhibit 20

**Record Request Unitil No. 1 (Reserved Exhibit 20):**

Please reference Attachment Staff 2-4, provided in response to data request Staff 2-4:

- a) With respect to the \$127,764 identified in lines 15-19 of Attachment Staff 2-4, please explain "Customer Relationship and Records Management" appearing in the subheading of this section;
- b) Are these costs incremental or embedded?
- c) Once the billing system has been upgraded to provide the capability to bill all large commercial and industrial customers on time-of-use rates, why would this level of recurring annual cost be incurred?

**Response:**

- a) Customer Management refers to the time a full-time employee would spend managing customer data on the web, personal relationship management (questions, etc).

Records Management refers to the time the same full time person would spend monitoring and inputting of the TOU rates into the billing system and the time to ensure bills are processed accurately and timely to the customers.

- b) Of the total cost range of \$326,549 - \$376,245, the following costs are incremental: External Contract Programmers required for the project are noted on lines 3, 6 and 14 of the worksheet (all with the notation of 1 below) with the cost range of \$96,000 - \$120,000. In addition to the Contract Programmer incremental costs, the full time person required for the administration of the program would also be incremental at \$127,764. All other costs defined in the worksheet are imbedded costs since they will be performed by present staff.

- 3) Manual intervention would still be required to manage the anticipated number of customers that would opt in and opt out of the program. Also, manual intervention to ensure accurate and timely billing as well as the data management web system would still be time consuming. One variable that would affect the number of manual intervention required would be the total number of customers opting in on the TOU rates which is still undetermined. Additionally the movement of customers between default and supplier services will require additional

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ongoing attention, tracking and management. In general this represents a new and incremental billing program and as such requires these additional ongoing recurring costs.

**Person Responsible:** Mark A. Lambert

**Date:** October 26, 2007