



October 26, 2007

BY OVERNIGHT MAIL AND E-MAIL

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



RE: DE 06-061 Investigation into Federal Standards Pursuant to
Energy Policy Act of 2005

Unitil Final Position Statement

Dear Director Howland:

Unitil Energy Systems, Inc. ("Unitil") is filing this letter as its final statement in this proceeding, as provided by the Commission at the hearing of October 10, 2007. We appreciate the efforts and comments of all the parties and Staff, and believe the hearing process has produced valuable information and insight for the Commission to use in its deliberations.

As indicated by Mr. Gantz' Testimony at the October 10th hearing, Unitil supports the Commission's initiative to move towards pricing transparency in retail rates. Unitil is willing to take certain specific steps to implement this initiative. Unitil believes that time-based pricing may achieve benefits for New Hampshire electric ratepayers and that the regulated utilities should proceed with efforts to evaluate appropriate time-based pricing initiatives.

Unitil recommends the Commission authorize the Commission Staff to work with the parties in establishing a time-based pricing working group to collaborate on the evaluation and implementation of time-based pricing proposals. The Commission should require the working group to report on the progress towards implementation on a periodic basis.

Gary Epler
Chief Regulatory Counsel
6 Liberty Lane West
Hampton, NH 03842-1720
Phone: 603-773-6440
Fax: 603-773-6640
Email: epler@unitil.com

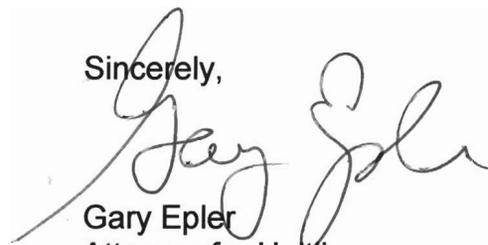
Unitil also recommends that the Commission approve in concept the Unitil proposals with respect to the evaluation and implementation of time-based pricing programs, specifically:

- (a) Unitil has proposed to develop and implement day-ahead hourly pricing for its large general service class.
- (b) Unitil has proposed to develop and implement a pilot program for multi-period time-based pricing for residential and small business customers.
- (c) The details for these proposals should be submitted to the working group.
- (d) Each utility, after consultation with the working group, may file specific time-based pricing proposals with the Commission for review and approval.
- (e) Unitil believes it will be able to complete the evaluation and development process, complete the appropriate filings and proceed to implementation in a period of about two years.

Unitil further recommends that the Commission affirm that public utilities will be allowed to recover the costs incurred in evaluating and implementing time-based pricing, including recovery of the investments in advanced metering, communication and billing systems necessary to enable time-based pricing, contemporaneously with implementation. Unitil also recommends the Commission continue to move towards "revenue decoupling," and that policymakers implement policies encouraging utility investments in Distributed Energy Resources ("DER") and DER-enabling technologies.

We appreciate the opportunity to file concluding comments in this proceeding.

Sincerely,



Gary Epler
Attorney for Unitil

cc: Suzanne Amidon, Staff Counsel
Meredith Hatfield, Consumer Advocate
Service list via electronic mail