DG12-273

Unitil
Unitil Service Corp.

**FILED ELECTRONICALLY AND VIA HAND DELIVERY**

September 14, 2012

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

Re: **Northern Utilities, Inc. -- DG 12- , 2012 / 2013 Winter Season Cost of Gas and Associated Charges Filing**

Dear Director Howland,

Northern Utilities, Inc. ("Northern" or the "Company") hereby submits an original and seven copies of the Exhibits and Direct Testimony of Christopher A. Kahl, Francis X. Wells and Joseph F. Conneely in support of the Company's 2012-2013 Winter Season Cost of Gas ("COG") Adjustment filing and other associated proposed tariff changes.

Northern respectfully requests approval for the following Tariff Sheets:

Fifty-first Revised Page 38 (COG),
Sixty-seventh Revised Page 39 (COG),
Seventeenth Revised Page 56 (LDAC[1]),
Fifty-seventh Revised Page 94 (Rate Summary),
Fifty-seventh Revised Page 95 (Rate Summary),
Forty-third Revised Page 96 (Rate Summary),
Twelfth Revised Page 154 (Appendix A),
Eleventh Revised Page 169 (Appendix C), and
Fifth Revised Page 170-b (Appendix D).

The above listed Tariff Sheets are issued September 14, 2012 by Mark H. Collin, Treasurer, to be effective November 1, 2012.

Fifty-first Revised Page 38 (COG) is the statement of the Company's anticipated direct and indirect costs of gas.

Sixty-seventh Revised Page 39 (COG) contains the calculations of the proposed COG Adjustment Rates for Residential and General Service Firm Sales Customers.

Seventeenth Revised Page 56 (LDAC) contains proposed rates for the Company's RLIARA Rate, DSM Rate, and ERC Rate, all of which are components of

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[1] LDAC: Local Distribution Adjustment Charge.

the Company's Local Distribution Adjustment Clause Rate. Support for the ERC Component was filed under separate cover on September 14, 2012.

Fifty-seventh Revised Pages 94 & 95, as well as Forty-third Revised Page 96 (Rate Summaries) have been updated to reflect the proposed COG and LDAC rates.

Twelfth Revised Page 154 (Appendix A), Schedule of Administrative Fees and Charges; the Supplier Balancing Charge has been updated to reflect the Company's latest balancing resources and associated capacity costs, and the Peaking Service Demand Charge has been updated to reflect the Company's Peaking resources and associated costs.

Eleventh Revised Page 169 (Appendix C) contains the proposed Capacity Assignment Allocators.

Fifth Revised Page 170-b (Appendix D) contains the Firm Sales Service Re-Entry Fee Bill Adjustment. Support for this charge was provided to the Commission in the Company's annual report filed under separate cover on September 14, 2012.

The proposed 2012/2013 Winter Season COG rate for residential customers is $0.7892 per therm, $0.3525 per therm or 30.88% percent lower than the 2011/2012 Winter Season COG rate. The proposed LDAC for a residential customer is $0.0708, an increase of $0.0066 per therm, or 10.28% higher than the 2011/2012 Winter Season LDAC. The typical bill for a residential heating customer for the 2012/2013 Winter Season is projected to be $1,258.19; this is lower than the 2011/2012 Winter Season bill of $1,510.82 by $252.63 or 16.72%.

The Company will submit to the Commission its revised 2012/2013 Winter Season COG filing reflecting then current costs a few weeks before the November 1, 2012 effective date.

Please be advised that Susan Geiger, Esq. of Orr & Reno has been engaged to represent Northern in this proceeding.

If you have any questions or need additional information, please contact me or Susan Geiger.

Respectfully Yours,

George H. Simmons Jr.

Enclosures

CC: Alexander Speidel, Staff Counsel (with confidential material)
Rorie Hollenberg, Consumer Advocate (with confidential material)
Susan Geiger, Orr & Reno (with confidential material)