THE STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DE 14-061

UNITIL ENERGY SYSTEMS, INC.

2014 Default Service Solicitation

ORDER OF NOTICE

On March 4, 2014, Unitil Energy Systems, Inc. (UES) filed its 2014 power supply procurement schedule for default service customers. The schedule indicates customer class, request for proposal (RFP) issue dates, indicative bid schedule, final bid due dates, regulatory filing dates, the dates Commission approval is anticipated, and the dates service is proposed to begin.

UES's planned default service solicitation is consistent with the process approved by the Commission in Order No. 25,397 (July 31, 2012) in Docket DE 12-003, UES's 2012 default service docket. In Order No. 25,397, the Commission approved UES's proposal to modify its procurement process as follows: (1) the effective date for default service supply contracts is June 1 and December 1 of each year; (2) for G1 (large commercial and industrial) customers, pricing is based on variable prices and solicitations are made every 6 months; and (3) for Non-G1 (residential and small commercial) customers, solicitations will occur every 6 months, the load will be separately acquired for the residential customer group and the small commercial customer group, and the resulting rates for both the residential customer group and the small commercial customer group will be fixed for a six-month period. For G1 customers, UES solicits variable pricing that passes through energy costs in the form of real-time locational

market prices (LMPs) for the New Hampshire Load Zone. Respondents are also asked to bid fixed adders to the LMP which would cover all other costs of supplying power.

On March 4, 2014, UES issued the RFP for default service power supply for the sixmonth period beginning June 1, 2014. The RFP requests 100% power supply requirements for that period in three separate blocks for (1) the G1 customers, (2) the small commercial and outdoor lighting customers and (3) residential customers. UES will issue the second RFP on August 26, 2014, with the associated regulatory filing to take place on September 26, 2014.

The Company's petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at http://www.puc.nh.gov/Regulatory/Docketbk/2014/14-061.html.

The filing raises, <u>inter alia</u>, issues related to whether the resulting rates are just and reasonable as required by RSA 378:5 and 7, and whether UES is procuring default service consistent with the principles of the electric utility restructuring statute (RSA 374-F:3, V (c)-(e)) and Orders No. 24,511 and 24,921 as modified by Order No. 25,397. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, pursuant to N.H. Code Admin. Rules Puc 203.12, that a Hearing be held before the Commission located at 21 South Fruit Street, Suite 10, Concord, New Hampshire on April 10, 2014 at 10:00 a.m.; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, UES shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than March 24, 2014, in a newspaper with general circulation in those portions of

the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before April 7, 2014; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to UES and the Office of the Consumer Advocate on or before April 7, 2014, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Code Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before April 10, 2014.

By order of the Public Utilities Commission of New Hampshire this eighteenth day of March, 2014.

Lynn Fabrizio

Assistant Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

Executive.Director@puc.nh.gov amanda.noonan@puc.nh.gov epler@unitil.com grant.siwinski@puc.nh.gov ocalitigation@oca.nh.gov steve.mullen@puc.nh.gov susan.chamberlin@oca.nh.gov suzanne.amidon@puc.nh.gov tom.frantz@puc.nh.gov

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FILING INSTRUCTIONS:

a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND

EXEC DIRECTOR

NHPUC

21 S. FRUIT ST, SUITE 10 CONCORD NH 03301-2429

- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.