

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 09-053

NORTHERN UTILITIES, INC. d/b/a UNITIL

Request to Modify Energy Efficiency Program Components

Order Scheduling Hearing

O R D E R N O. 25,112

June 11, 2010

On May 21, 2009, the Commission issued Order No. 24,968 approving Northern Utilities, Inc.'s (Northern) 20-month energy efficiency program for May 1, 2009 through December 31, 2010. The order also approved a provision that would permit Northern to adjust program parameters and recommend changes to its program.

On February 18, 2010, Northern filed a request to modify its energy efficiency program. Specifically, it seeks to exceed, by 20%, its originally proposed budget for the Residential Gas Networks® program component of its Energy Efficiency program. Northern stated that it has had an overwhelmingly positive response to the program over the past several months. Northern also seeks to transfer \$70,000 from its Energy Star Homes program to its Residential Gas Networks® program; effectively closing the Energy Star Homes program. Northern stated the latter program has seen limited activity given the state of the economy. Northern also proposes closing the Residential Gas Networks® program after the depletion of the transferred funds.

On May 5, 2010, Staff filed a letter recommending the Commission grant Northern's request. Staff stated that it had conducted discovery concerning the potential for customer confusion due to starting and stopping the Residential Gas Networks® program. Staff also inquired of Northern's decision to transfer funds between programs rather than increase its

budget. Staff was satisfied with Northern's response that the budget impact of keeping the program going would necessitate seeking Commission approval to increase customer rates and it did not wish to do that. Northern also explained that it had notified interested parties of the decision to close the Gas Networks® program so as to minimize any customer confusion.

On May 14, 2010, the Office of the Consumer Advocate (OCA) filed a letter recommending Northern temporarily increase the Residential Conservation Charge (RCC) to customers to fund an increase in the budget for the Residential Gas Networks® program. OCA stated that the budget originally approved by the Commission for the Residential Gas Networks® program would increase approximately \$289,000, from \$141,000 to \$430,000, if the program were continued at its present implementation rate. This would represent a 205% increase in the budget for this program and would increase the RCC to \$0.0177 per therm.

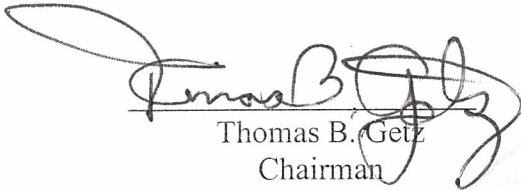
The Commission has reviewed Northern's filing as well as Staff and OCA's recommendations and concludes that additional information is necessary before it can determine whether the subject programs ought to be closed or continued with increased budgets. To that end, a technical session and a hearing will be held on the subject of whether Northern's proposal ought to be granted or, in the alternative, whether the RCC should be increased to support the Residential Gas Networks® program for the duration of Northern's present energy efficiency plan.


Based upon the foregoing, it is hereby

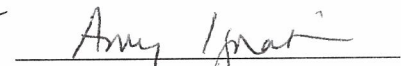
ORDERED, that a hearing be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on July 13, 2010 at 1:30 p.m.; and it is

FURTHER ORDERED, that Northern, the Staff of the Commission and any interested parties are authorized to conduct discovery and hold a Technical Session at the Commission on June 30, 2010 at 9:00 a.m.


By order of the Public Utilities Commission of New Hampshire this eleventh day of June, 2010.


Thomas B. Getz
Chairman


Clifton C. Below
Commissioner


Amy Ignatius
Commissioner

Attested by:


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