



**CONFIDENTIAL
MATERIAL
IN COMM FILE**

September 7, 2011

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: Docket No. DE 09-137

Dear Director Howland:

On behalf of Unitil Energy Systems, Inc. ("UES" or "Company"), enclosed is the Company's Smart Grid Pilot Program Report on Cost Tracking ("Report"), containing information concerning the program costs of the Time-Of-Use ("TOU") Pilot approved by the Commission in Docket DE 09-137. In Order No. 25,079, the Commission approved the settlement agreement between the Company, Commission Staff and the Office of Consumer Advocate, which provided, among other things, that UES will recover its share of incremental TOU program costs as a component of its Non-G1 default service rate over one year, commencing with the default service period beginning November 1, 2010.¹ The Company agreed to provide cost information 60 days prior to the beginning of the recovery period.

In addition, the Company is also including information on the costs incurred to date under the Commercial and Industrial Critical Peak Pricing Pilot Program (C&I CPP Pilot) approved in this docket by letter date February 15, 2011.

Please note that one page of Appendix 1 of the Report contains Confidential information. Accordingly, the Confidential version of that page of Appendix 1 is provided in separate sealed envelopes. A redacted version of that page of Appendix 1 is also provided. A Motion for Protective Treatment is enclosed.

Please also note that Appendix 2 of the Report is approximately 350 pages long. Accordingly, enclosed are only two (2) hard copies of Appendix 2. Seven copies (the original plus six copies) of the rest of the filing is provided. UES requests a waiver, pursuant to Puc 201.05, of the filing

Gary Epler
Chief Regulatory Counsel

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Hampton, NH 03842-1720

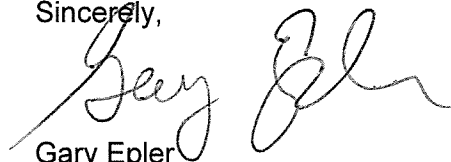
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¹ In a Secretarial Letter issued on May 25, 2010, the Commission granted UES's request to postpone the TOU Pilot until the summer of 2011. The Pilot ran from June 1, 2011 through August 31, 2011.

requirement of Puc 203.02(a)(1) of submittal of seven (7) hard copies of Appendix 2. However, for the convenience of the Commission, seven disks, each containing an electronic copy the complete filing, are provided.

Please do not hesitate to contact me directly if you have any questions concerning this request.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Epler", written over a horizontal line.

Gary Epler
Attorney for Unitil Energy Systems, Inc.

cc: Suzanne Amidon, Staff Counsel
Meredith Hatfield, Consumer Advocate