



January 25, 2011

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



Re: Northern Utilities, Inc., New Hampshire Division - Docket DG 10-250
January 2011 Monthly Cost of Gas Report

Dear Director Howland:

Pursuant to the Commission's Order No. 25,162 in Docket DG 10-250, enclosed are an original and one copy of Northern Utilities - New Hampshire Division's (The Company) current calculation of its projected over or under collection of gas costs ending April 30, 2011 for the 2010/2011 winter period. The Company is also providing reports updated through December 2010 of Northern's: (a) summary of its hedging transactions and (b) monthly inventory interest calculation.

The calculation, which reflects gas futures prices as of January 19, 2011 produces an anticipated under-recovery as of April 30, 2011 of \$577,058 or 2.26 percent of the total anticipated gas costs for the winter 2010/2011 period. The calculation also reflects the reduction in Granite State Gas Transmission, Inc. changes from the projected rate of \$3.55 per dth to the settlement rate of \$2.80 per dth effective January 1, 2011.

Accordingly, pursuant to its tariff, the Company has enclosed for filing the following Tariff Pages reflecting an increase in its Cost of Gas Rates:

Fifty-fourth Revised Page 39;
Forty-ninth Revised Page 94; and
Forty-ninth Revised Page 95.

These Tariff Pages are issued January 25, 2011 to be effective for usage on and after February 1, 2011. Red-line versions of these Tariff Pages also are enclosed.

The impact of the February 1 change in the Cost of Gas Rate on the typical residential heating customer for the 2010/2011 winter period will be \$20.22 or 1.4 percent more than the winter period bill at current rates.

Frederick J. Stewart
Manager Regulatory Services

6 Liberty Lane West
Hampton, NH 03842

Phone: 603-773-6534
Fax: 603-773-6734

stewart@unitil.com

NHPUC JAN25'11 AM 9:50

If you have any questions regarding this filing, please do not hesitate to contact me.

Very truly yours,



Frederick J. Stewart

Enclosures

cc: Alexander Speidel, Staff Counsel
Meredith Hatfield, Consumer Advocate
Susan Geiger, Esq.