

ORIGINAL
N.H.P.U.C. Case No. DG 11-069
Exhibit No. Exhibit 8
DATE: APR 3 2012
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Northern Utilities, Inc.
Docket No. DG 11-069

March 29, 2012 Hearing Record Requests

Received: March 29, 2012
Request No. RR-1

Date of Response: April 3, 2012
Witness: Douglas Debski

Request RR-1:

Please provide an updated Report of Proposed Changes which shall reflect final settlement agreement figures for Distribution charges, Distribution Step Adjustment, changes in the COG and LDAC – with the Rate Case Expense and the Reconciliation of Permanent Charges (Recoupment) itemized. Also please provide bill impacts in the format of the Cost of Gas filings for a residential heating customer.

Response:

Please see RR-1 Attachment 1 which provides an updated Report of Proposed Changes including the itemized changes requested. Please note the originally filed Report of Proposed Changes had an inadvertent footnote for column (E) because the the Step Adjustment of \$1.43 million was not included in that version.

RR-1 Attachment 2 provides the version of bill impacts submitted in Cost of Gas Adjustment filings for a residential heating customer. This format specifically identifies impacts from distribution, COG and LDAC increases as a result of the rate case settlement agreement. Annual COG increases are \$0.0050 per therm for changes in indirect gas costs, working capital allowance and bad debt. LDAC increases are \$0.0040 for the RLIARA (\$0.0007 for increase in low income discounts, \$0.0033 for non-distribution portion of Regulatory Assessment), \$0.0046 for the rate case expense (RCE) and \$0.0123 for the reconciliation of permanent charges (RPC).

State of New Hampshire
 Public Utilities Commission
 Concord
Report of Proposed Rate Changes (\$000)

Northern Utilities, Inc. -- New Hampshire Division
 Tariff No. 10

Effective Date: May 1, 2012

(A) <u>Class of Service</u>	(B) <u>Effect of Proposed Change</u>	(C) <u>Average Number of Customers</u>	(D) <u>Total Current Revenue</u>	(E) <u>Distribution Revenue Change</u>	(F) <u>Distribution Step Adj Revenue Change</u>	(G) <u>COG Change</u>	(H) <u>LDAC RLIARA Change</u>	(I) <u>LDAC RCE Change</u>	(J) <u>LDAC RPC Change</u>	(K) <u>Proposed Distribution, LDAC & COG Revenue Changes</u>	(L) <u>Total Revenue Under Proposed Rates</u>	(M) <u>Proposed Change Revenue</u>	(N) <u>Percent Change Revenue</u>
Residential Heating - R5	Increase	19,308	\$24,168	\$1,451	\$423	\$76	\$61	\$70	\$187	\$2,268	\$26,436	\$2,268	9.4%
Residential Low Income Heating - R10	Increase	954	\$794	\$25	\$7	\$3	\$2	\$3	\$8	\$48	\$842	\$48	6.1%
Residential Non-Heating - R6	Increase	1,621	\$665	\$59	\$17	\$2	\$1	\$2	\$4	\$85	\$750	\$85	12.8%
Residential Low Income Non-Heating - R11	Increase	33	\$16	\$1	\$0	\$0	\$0	\$0	\$0	\$1	\$18	\$1	9.1%
Subtotal Residential	Increase	21,916	\$25,643	\$1,536	\$448	\$81	\$65	\$74	\$199	\$2,403	\$28,046	\$2,403	9.4%
Commercial & Industrial Low Annual & High Winter Use G-40	Increase	4,416	\$12,434	\$561	\$164	\$43	\$34	\$39	\$105	\$945	\$13,379	\$945	7.6%
Commercial & Industrial Medium Annual & High Winter Use G-41	Increase	543	\$14,102	\$258	\$120	\$54	\$43	\$50	\$133	\$658	\$14,760	\$658	4.7%
Commercial & Industrial High Annual & High Winter Use G-42	Increase	30	\$6,728	\$92	\$47	\$27	\$22	\$25	\$67	\$281	\$7,009	\$281	4.2%
Commercial & Industrial Low Annual & Low Winter Use G-50	Increase	969	\$2,656	\$136	\$39	\$11	\$9	\$10	\$27	\$233	\$2,889	\$233	8.8%
Commercial & Industrial Medium Annual & Low Winter Use G-51	Increase	234	\$4,108	\$92	\$38	\$19	\$15	\$18	\$47	\$230	\$4,338	\$230	5.6%
Commercial & Industrial High Annual & Low Winter Use G-52	Increase	27	\$11,349	\$125	\$64	\$57	\$46	\$52	\$140	\$484	\$11,833	\$484	4.3%
Subtotal Commercial & Industrial	Increase	6,219	\$51,377	\$1,264	\$473	\$211	\$169	\$194	\$519	\$2,831	\$54,208	\$2,831	5.5%
Total	Increase	28,135	\$77,021	\$2,800	\$921	\$292	\$234	\$269	\$718	\$5,234	\$82,254	\$5,234	6.8%

(D) Revenue under previous permanent seasonal rates assuming all customers take Company supplied gas service.
 (E) Distribution revenue change reflecting low income discounts. Would be \$2,838 if not reflecting low income discounts.
 (F) Step Adjustment Revenue reflecting low income discounts. Would be \$933 if not reflecting low income discounts.
 (G) Changes in Cost of Gas of \$0.0050/thm due to changes in indirect gas costs, working capital allowance and bad debt.
 (H) Changes in the RLIARA component of the LDAC due to increased low income funding of \$0.0007/thm and the reassignment of the non-distribution portion of Regulatory Assessment of \$0.0033/thm.
 (I) Changes in the Rate Case Expense proposed at \$0.0046/thm.
 (J) Changes in the Reconciliation of Permanent Charges proposed at \$0.0123/thm.
 (K) Sum of Columns E through J
 (L) Column D + Column K
 (M) Column L - Column D

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE DIVISION

Typical Residential Heating Bill - 1,250 therms/year

Comparison of 2010-11 Distribution, COG and LDAC Rates verses 2012-2013 New Distribution, COG and LDAC Rates due to Rate Case Settlement only.

	Nov 2012	Dec 2012	Jan 2013	Feb 2013	Mar 2013	Apr 2013	Winter	May 2012	June 2012	July 2012	August 2012	Sept 2012	October 2012	Summer	Annual	
Typical Usage: therms	109	150	187	188	166	132	932	90	55	30	30	42	71	318	1,250	
Winter 2012-2013																
Customer Charge	\$ 13.73	\$ 13.73	\$ 13.73	\$ 13.73	\$ 13.73	\$ 13.73	\$ 82.38									
First 50 units @	\$0.4410	\$22.05	\$22.05	\$22.05	\$22.05	\$22.05	\$132.30	\$13.73	\$22.05	\$13.23	\$13.73	\$13.73	\$22.05	\$111.13		
Over 50 units @	\$0.3829	\$22.59	\$38.29	\$52.46	\$52.84	\$44.42	\$241.99	\$17.64	\$2.21	\$0.00	\$0.00	\$0.00	\$9.26	\$29.11		
COG 1'	\$1.1037	\$120.30		\$210.36			\$120.30	\$59.36						\$59.36		
COG 2'	\$1.0798		\$161.79				\$161.79							\$33.10		
COG 3'	\$1.1249			\$219.30			\$210.36		\$33.10	\$21.99				\$21.99		
COG 4'	\$1.1685				\$193.64		\$219.30				\$21.99			\$30.79		
COG 5'	\$1.1685					\$153.98	\$193.64					\$30.79		\$21.99		
COG 6'	\$1.1685						\$153.98						\$52.04	\$30.79		
Winter Period 2012-2013 Avg. COG	\$1.1345						\$153.98						\$52.04	\$52.04		
LDAC \$	\$ 0.0665						\$ 7.74							\$3.02		
RLIARA \$	\$ 0.0083	\$0.90	\$1.25	\$1.55	\$1.56	\$1.38	\$1.10	\$0.86	\$0.52	\$0.29	\$0.29	\$0.40	\$0.67	\$3.02		
DSM \$	\$ 0.0359	\$3.91	\$5.39	\$6.71	\$6.75	\$5.96	\$4.74	\$1.67	\$1.02	\$0.56	\$0.56	\$0.78	\$1.31	\$5.88		
ERC \$	\$ 0.0054	\$0.59	\$0.81	\$1.01	\$1.02	\$0.90	\$0.71	\$0.51	\$0.31	\$0.17	\$0.17	\$0.24	\$0.40	\$1.81		
RCE \$	\$ 0.0046	\$0.50	\$0.69	\$0.86	\$0.86	\$0.76	\$0.61	\$0.41	\$0.25	\$0.14	\$0.14	\$0.19	\$0.33	\$1.46		
RPC \$	\$ 0.0123	\$1.34	\$1.85	\$2.30	\$2.31	\$2.04	\$1.62	\$1.11	\$0.68	\$0.37	\$0.37	\$0.52	\$0.87	\$3.91		
TOTAL	\$185.92	\$245.84	\$311.03	\$320.42	\$284.87	\$229.93	\$1,578.02	\$117.33	\$73.87	\$50.47	\$50.47	\$65.16	\$100.68	\$457.98	\$2,036.00	
Winter 2010-2011																
Customer Charge	\$ 9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$57.00	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$9.50	\$57.00		
First 50 units @	\$0.4102	\$20.51	\$20.51	\$20.51	\$20.51	\$20.51	\$123.06	\$20.51	\$20.51	\$12.31	\$17.23	\$20.51	\$20.51	\$103.37		
Over 50 units @	\$0.2990	\$17.64	\$29.90	\$40.96	\$41.26	\$34.68	\$188.97	\$11.96	\$1.50	\$0.00	\$0.00	\$0.00	\$6.28	\$19.73		
COG 1	\$1.0987	\$119.76		\$209.42			\$119.76	\$58.91						\$32.83		
COG 2	\$1.0736		\$161.04				\$119.76		\$32.83					\$21.84		
COG 3	\$1.1199			\$218.36			\$161.04			\$21.84				\$21.84		
COG 4	\$1.1615				\$192.81		\$209.42				\$21.84			\$21.84		
COG 5	\$1.1615					\$153.32	\$192.81					\$30.58		\$30.58		
COG 6	\$1.1615						\$153.32						\$51.69	\$51.69		
Winter Period 2010-2011 Avg. COG	\$1.1295						\$153.32						\$51.69	\$51.69		
LDAC \$	\$ 0.0436						\$ 4.01							\$1.75		
RLIARA \$	\$ 0.0043	\$0.47	\$0.65	\$0.80	\$0.81	\$0.71	\$0.57	\$0.50	\$0.30	\$0.17	\$0.17	\$0.23	\$0.39	\$1.75		
DSM \$	\$ 0.0359	\$3.91	\$5.39	\$6.71	\$6.75	\$5.96	\$4.74	\$1.67	\$1.02	\$0.56	\$0.56	\$0.78	\$1.31	\$5.88		
ERC \$	\$ 0.0054	\$0.59	\$0.81	\$1.01	\$1.02	\$0.90	\$0.71	\$0.51	\$0.31	\$0.17	\$0.17	\$0.24	\$0.40	\$1.81		
RCE \$	\$ 0.0046	\$0.50	\$0.69	\$0.86	\$0.86	\$0.76	\$0.61	\$0.41	\$0.25	\$0.14	\$0.14	\$0.19	\$0.33	\$1.46		
RPC \$	\$ 0.0123	\$1.34	\$1.85	\$2.30	\$2.31	\$2.04	\$1.62	\$1.11	\$0.68	\$0.37	\$0.37	\$0.52	\$0.87	\$3.91		
TOTAL	\$172.38	\$227.79	\$288.92	\$298.21	\$265.07	\$213.87	\$1,466.24	\$103.55	\$65.97	\$44.54	\$44.54	\$58.55	\$90.09	\$407.23	\$1,873.46	
DISTRIBUTION																
Distribution Change	\$10.72	\$14.16	\$17.26	\$17.35	\$15.50	\$12.65	\$87.64	\$11.45	\$6.48	\$5.15	\$5.15	\$5.52	\$8.75	\$42.51		
Distribution % Change of total	6.22%	6.22%	5.98%	5.82%	5.85%	5.91%	5.98%	11.06%	9.82%	11.57%	11.57%	9.43%	9.72%	10.44%		
COG																
COG Change	\$0.54	\$0.75	\$0.93	\$0.94	\$0.83	\$0.66	\$4.66	\$0.45	\$0.28	\$0.15	\$0.15	\$0.21	\$0.36	\$1.59		
COG % Change of total	0.32%	0.33%	0.32%	0.32%	0.31%	0.31%	0.32%	0.43%	0.42%	0.34%	0.34%	0.36%	0.39%	0.39%		
LDAC																
LDAC Change	\$2.28	\$3.14	\$3.91	\$3.93	\$3.47	\$2.76	\$19.48	\$1.88	\$1.15	\$0.63	\$0.63	\$0.88	\$1.48	\$6.65		
LDAC % Change of total	1.32%	1.38%	1.35%	1.32%	1.31%	1.29%	1.33%	1.82%	1.74%	1.41%	1.41%	1.50%	1.65%	1.63%		
Total Change	\$13.54	\$18.05	\$22.11	\$22.22	\$19.80	\$16.07	\$111.78	\$13.78	\$7.90	\$5.93	\$5.93	\$6.61	\$10.59	\$50.75	\$162.53	
% Change of total	7.86%	7.92%	7.65%	7.45%	7.47%	7.51%	7.62%	13.31%	11.98%	13.32%	13.32%	11.29%	11.76%	12.46%	8.68%	

A Residential Heating Bill Customer is defined as a single family detached home using gas for heat, hot water and cooking
 1- Includes \$0.0050 to reflect increase to working capital, bad debt, and indirect costs.