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## Via First Class Mail and Electronic Mail

June 26, 2015

HPUC 29JUN15\*11:24

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

**Re: DG 15-090 Northern Utilities, Inc. 2015 Summer Cost of Gas – PNGTS  
Refund Methodology**

Dear Ms. Howland:

Pursuant to the schedule established by the Public Utilities Commission (“Commission”) at the hearing in the above matter June 2, 2015, a writing purporting to evidence the settlement agreement of the parties is to be filed today, June 26, 2015. This letter anticipates the filing of that settlement.

Sprague Operating Resources, LLC (“Sprague”) and Global Montello Group Corp. (“Global”) find they are unable to participate in any settlement that may be filed. The reasons for this are simple.

The Commission will recall, as is summarized on page 37 of the June 2 hearing transcript, that Commission Staff was acutely concerned with transportation customers migrating to sales service in order to take advantage of the price disparity and to obtain the PNGTS refund if the marketers’ proposal for a one-time refund payment was adopted. At the time, as is represented by undersigned counsel’s summation regarding the settlement on page 42, *and to which no other party objected*, Northern had represented that it did not have the ability to stop migrating customers from taking advantage of the price discrepancy between sales and transport service if the marketers’ proposal was adopted. This was a key criterion in motivating the marketers to settlement, and a representation upon which they relied.

This letter will inform the Commission that, during the negotiations over the final written settlement, there arose a bona fide question of whether Northern actually does

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not have the ability to protect sales customers. This is an important factual issue: if Northern has the ability to protect sales customers from Staff's concerns about reverse migration and gaming by transportation customers, the marketers' request for a one-time payment is reasonable.

As a result, Sprague and Global cannot support the settlement. Sprague and Global respectfully request (1) the Commission establish a date by which the marketers may file their opposition to the settlement; and (2) if in its judgment further proceedings are necessary, direct that a procedural schedule be established to ensure a complete and just record.

Thank you for your assistance with this filing. If you have any questions, please do not hesitate to contact me.

Sincerely,



Patricia M. French

Enclosure (7 copies of letter)

cc: Service List in DG 15-090 (via electronic mail only)