

THE STATE OF NEW HAMPSHIRE

BEFORE THE

PUBLIC UTILITIES COMMISSION

DOCKET NO. DG 17-104

SUPPLEMENTAL PETITION OF NORTHERN UTILITIES, INC. TO MODIFY PART VII, DELIVERY TERMS AND CONDITIONS OF ITS TARIFF

Northern Utilities, Inc. (“Northern”) respectfully submits this supplemental petition to the New Hampshire Public Utilities Commission (“Commission”) requesting changes to capacity assignment provisions, and certain related provisions, of the Delivery Service Terms and Conditions, Part VII of the Company’s Tariff.

The Company submitted its Initial Petition on June 20, 2017. As a result of subsequent technical sessions and conversations involving Commission Staff, the Office of the Consumer Advocate, and the intervenor, Direct Energy, the Company has made certain amendments to its initial request. Northern has conferred with Direct Energy and understands that Direct Energy supports this Revised Petition.

In support of this Supplemental Petition, Northern states as follows:

1. Northern is a public utility providing natural gas service to customers in twenty (20) municipalities in the southeastern and seacoast regions of New Hampshire.

2. The Delivery Service Terms and Conditions, Part VII of the Company’s Tariff, set forth the terms under which customers may purchase their gas supply from retail suppliers. Included with these terms are those governing the process of capacity assignment, which is the allocation of capacity held by the Company to third-party Suppliers servicing the Company’s customers. The Company assigns capacity either by releasing it directly to Suppliers, who then

enter into replacement contracts directly with pipeline or storage operators, or in the form of Company-Managed supply.

3. As explained in its Initial Petition, the Company generally seeks to modify the capacity assignment provisions in its Terms and Conditions relating to: (a) the amount of capacity assigned by the Company to each Delivery Service customer; (b) the customers that are exempt from assignment; (c) the resources that are subject to assignment and the form that such assignment takes; and (d) Delivery Service customer eligibility to receive Sales Service and associated stay period and migration fee requirements.

4. In its Initial Petition and the supporting testimony of Robert S. Furino, Northern proposed that Section 11.3.6 of the Company's tariff be revised to require the review of TCQs for all capacity assigned Delivery Service customers on an annual basis and to update those TCQs that fall outside of a bandwidth. Specifically, the Company proposed that if a Customer's newly calculated TCQ differs by more than 5 percent from that Customer's established TCQ, the TCQ would be updated.

5. In two technical sessions with all parties to this Docket, several discussions with the Company, and comments submitted to the Commission, Direct Energy expressed a concern that application of a 5 percent bandwidth may be burdensome to Direct Energy and its customers. In recognition of this concern, the Company now proposes to update a Company's TCQ if the Customer's newly calculated TCQ differs by more than ten (10) percent from that Customer's established TCQ.

6. The Company also proposes to defer implementation of its proposed annual TCQ review and update process until August 1, 2018 to enable marketers such as Direct Energy time to explain the process and any potential impacts to their customers. Thus, beginning August 1,

2018, the Company will recalculate each Customer's TCQ annually in accordance with Section 11.3.2 of its Delivery Service Terms and Conditions and issue new TCQs for the upcoming November 1 through October 31 period for those Customers who have newly calculated TCQ higher or lower than the prior TCQ by more than ten percent (10%).

7. Finally, during the course of this proceeding the Company determined that it had already transitioned to the use of meters capable of storing daily reads, which are accessible monthly. Because this meets the Company's data collection and planning needs, the Company no longer proposes, as it did in its Initial Petition, that new and existing capacity exempt customers install daily metering.

8. In support of this Supplemental Petition, the Company submits Attachments 1 and 2. Attachment 1 provides a redlined tariff page showing the changes requested in this Supplemental Petition. These redlines are shown against the clean version of the proposed tariff that the Company provided as Appendix B to the testimony of Robert S. Furino. Attachment 2 is a redlined update of Appendix C to the testimony of Robert S. Furino and provides a table of all proposed changes to the Company's Delivery Service Terms and Conditions.

9. The Company notes that this filing supplements its Initial Petition. It is not intended to supersede the Company's Initial Petition, except to the extent that it revises or removes the above-specified elements of the Initial Petition.

WHEREFORE, Northern respectfully requests that the Commission:

- A. Approve the Company's proposed changes to of the Delivery Service Terms and Conditions, Part VII of the Company's Tariff; and
- B. Grant such further relief as the Commission deems just and necessary.

Dated at Hampton, NH on this 22nd day of September, 2017.

Respectfully submitted,

Northern Utilities, Inc.

By Its Attorney,



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