



March 31, 2021

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

Re: DG 18-103: Northern Utilities, Inc. Compliance Filing - Kingston

Dear Ms. Howland:

In compliance with the Commission's Order No. 26,178 in the above-reference Docket,¹ Northern Utilities, Inc. ("Northern" or the "Company") provides this report on the first year of operations for the Company's pipeline extension in Kingston, New Hampshire.

The Commission's Order 26,178 granted, *inter alia*, the Company's request to expand its franchise territory in the Town of Kingston, NH. The Company made its request in connection with a planned pipeline expansion to provide gas service to Benevento Bituminous Products, LLC's ("Benevento") asphalt plant. In Order 26,178, the Commission directed the Company to "file actual costs and revenues for the first year of operation and an updated DCF analysis within 30 days following the first year of operations, with actual costs and revenue margins for the first year and estimated costs and margins for the following four years." Order 26,178 at 16. Northern first gassed the main extension in Kingston on March 2, 2020. The Company now provides actual costs and revenues for the first year of operation and an updated DCF analysis as required by the Commission's Order.

Updated Exhibit CC-4, the Company's DCF model for the Kingston extension, is enclosed with this letter. This Exhibit provides all of the information requested in Order 26,178. The updated model demonstrates that the economics of the Benevento project continue to be favorable by showing that the original customer contribution results in a positive net present value of \$2,519. Because this model is a confidential and proprietary "live" excel model, the Company is submitting an accompanying Motion for Confidential Treatment. Northern notes that the Commission previously granted confidential treatment to Updated Exhibit CC-4 in Order 26,178.

¹ Northern Utilities, Inc., Order Granting Franchise Authority at 14 (October 3, 2018).

Thank you for your assistance with this matter. Please do not hesitate to contact me with any questions that you may have regarding this filing.



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