

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

**Unitil Energy Systems, Inc.
DG 19-_____**

**Petition For Approval of
Proposed Time of Use Study**

Pursuant to RSA 362-A:9(XVI) and the New Hampshire Public Utilities Commission's (the "Commission") June 23, 2017 Order Accepting Settlement Provisions, Resolving Settlement Issues, and Adopting a New Alternative Net Metering Tariff, Order No. 26,029, DE 16-576 ("June 2017 Net Metering Order"), Unitil Energy Systems, Inc. ("UES" or "the Company") respectfully petitions the Commission for approval of a proposed time of use study to gather and analyze data that will inform the Company, the Commission and stakeholders in the consideration of potential time of use rate structures (the "TOU Study"). In support of this Petition, UES states as follows:

1. In its June 2017 Net Metering Order, the Commission directed Unitil to "develop and propose a TOU pilot program, open to both residential and small commercial customers and to both distributed generation ("DG") and non-DG customers, with a statistically significant number of participants in each category to ensure the data and results generated by the program are statistically valid." (June 2017 Net Metering Order at 62.) The Commission found that "a well-designed TOU pilot program should generate detailed data regarding customer behavior and utility cost and rate impacts related to time-varying rates, and that data can inform future net metering and general rate designs, including a potential transition to TOU rate alternatives for all customer rate classes." (*Id.*)

2. In response to the Commission's directive, UES has developed a proposed TOU Study. Details concerning the proposed TOU Study are provided in the prefiled Direct Testimony of Robert S. Furino that accompanies this Petition. As Mr. Furino explains, UES took an approach when designing the TOU Study that, among other things:

- (a) best allows UES and stakeholders to assess (and implement, if appropriate) TOU rates;
- (b) fills in key gaps regarding data and analysis needed to develop and assess TOU and the future structure of net metering;
- (c) builds on and leverages UES' deployment of advanced metering systems and data sharing efforts;
- (d) offers some form of TOU pricing to all customers;
- (e) represents a targeted and cost-effective use of investment dollars; and
- (f) integrates stakeholder input and facilitates learning for all parties.

In addition, the proposed TOU Study will assess the Company's technical ability to efficiently implement metering and billing of the selected TOU rate design(s) and will assess requirements needed to provide competitive electric power suppliers the opportunity to offer power supply to customers under TOU rates, to the extent competitive electric suppliers are interested in offering TOU rates. The TOU Study will also explore ways to explain and promote TOU rates, while assessing customer acceptance of TOU rates and interest among vendors in providing products and services that will help customers take advantage of TOU rates.

3. The Company's proposed TOU Study will involve two primary components: (i) a table top quantitative analysis of TOU rate structures; and (ii) an

assessment of key TOU rate-related questions and topics that is primarily qualitative. The proposed TOU Study will involve significant stakeholder participation, including quarterly updates and meetings, and will culminate in a final report (“Final Report”) that summarizes the results of analysis, highlights key conclusions and recommendations, and proposes next steps regarding a TOU rollout, if appropriate.

4. The TOU Study is predicted to be conducted during approximately the 12-month period following Commission approval.

5. The Commission’s June 2017 Net Metering Order confirmed that UES would “be permitted to recover prudently-incurred costs of required metering upgrades, study expenses, and pilot program implementation.” (June 2017 Net Metering Order at 51.)

6. UES does not expect to incur costs related to metering upgrades. The Company’s budget for estimate for external consulting costs associated with the TOU study is up to \$500,000. UES proposes to recover its actual TOU Study-related costs through its external delivery charge (“EDC”), which is charged to all customers reconciled on an annual basis. The Company projects that a typical residential customer who consumes 650 kWh per month would pay an extra \$0.27 monthly, or \$3.28 annually, to fund the TOU Study. The Final Report will include estimates of additional expenses for any recommendation to implement TOU rates.

7. UES believes that its proposed TOU Study is consistent with the directives in the Commission’s June 2017 Net Metering Order and will provide important and meaningful data to the Company, the Commission and stakeholders relevant to decisions related to TOU rates.

For all of the reasons stated in this Petition, as well as the accompanying

Direct Testimony of Robert S. Furino, UES respectfully requests that the

Commission:

- A. Approve the Company's proposed TOU Study;
- B. Approve the Company's cost recovery proposal for the TOU Study;
and
- C. Grant such other approvals and relief as may be just, necessary and appropriate in the circumstances.

Dated: February 12, 2019



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Certificate of Service

I hereby certify that on this 12th day of February, 2019, a copy of this Petition has been sent by electronic mail to the New Hampshire Office of Consumer Advocate.

Dated: February 12, 2019



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