



CONFIDENTIAL
MATERIAL
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DG 19-154



FILED ELECTRONICALLY AND VIA HAND DELIVERY

September 17, 2019

NHPUC 17SEP'19PM2:46

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

Re: Northern Utilities, Inc. -- DG 19 , 2019 / 2020 Annual Cost of Gas and Associated Charges Filing

Dear Director Howland,

Enclosed please find an original, one redacted and six (6) confidential copies of Northern Utilities, Inc. ("Northern" or the "Company") proposed 2019 / 2020 Annual Cost of Gas ("COG") Adjustment filing and other proposed rate and tariff changes.

Northern respectfully requests approval for the following Tariff Sheets:

Second Revised Page 40 (COG);
Second Revised Page 41 (COG);
Fifth Revised Page 42 (COG);
Fourth Revised Page 43 (COG);
Third Revised Page 62 (LDAC);
Sixth Revised Page No. 85 (Rate Summaries);
Fifth Revised Page No. 86 (Rate Summaries);
Sixth Revised Page No. 87 (Rate Summaries);
Fifth Revised Page No. 88 (Rate Summaries);
Second Revised Page 141 (Appendix A);
Second Revised Page 153 (Appendix C); and
Second Revised Page 158 (Appendix D).

The above listed Tariff Sheets are issued September 17, 2019 by Christine Vaughan, Senior Vice President to be effective November 1, 2019 and May 1, 2020.

Second Revised Page 40 (COG) is a statement of the Company's anticipated direct and indirect costs of gas for the 2019 / 2020 Winter Period.

Second Revised Page 41 (COG) is a statement of the Company's anticipated direct and indirect costs of gas for the 2020 Summer Period.

Fifth Revised Page 42 (COG) contains the calculations of the proposed 2019 / 2020 Winter Period COG Adjustment Rates for Residential and General Service (C&I) Sales Customers.

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Fourth Revised Page 43 (COG) contains the calculations of the proposed 2020 Summer Period COG Adjustment Rates for Residential and General Service (C&I) Sales Customers.

Third Revised Page 62 (LDAC) contains proposed rates for the Company's RLIARA, EEC, LRR, and ERC, all of which are components of the Company's Local Distribution Adjustment Charge (LDAC) Rate. Support for the ERC was filed under separate cover on September 17, 2019. The proposed LDAC Rate presented on Third Revised Page 62 is \$0.0706 for Residential customers and \$0.0359 for C&I customers.

Sixth Revised Pages 85 and 87 (Rate Summaries) have been updated to reflect the proposed 2019 / 2020 Winter Period COG and LDAC Rates.

Fifth Revised Pages 86 and 88, (Rate Summaries) have been updated to reflect the proposed 2020 Summer Period COG and LDAC Rates.

Second Revised Page 141 (Appendix A), Schedule of Administrative Fees and Charges, has been updated to reflect the Company's latest proposed Supplier Balancing Charge, Company Allowance Calculation and Peaking Service Demand Charge.

Second Revised Page 156 (Appendix C) lists the proposed Capacity Assignment Allocators.

Second Revised Page 158 (Appendix D) includes the proposed Re-entry Rate and Conversion Rate for November 2019 through April 2020, and for May 2020 through October 2020.

The proposed 2019 / 2020 Winter Season COG rate for Residential customers is \$0.5861 per therm, \$0.2488 per therm or 29% percent lower than the weighted average 2018 / 2019 Winter Season COG rate. The proposed 2020 Summer Season COG rate for Residential customers is \$0.2768 per therm, \$0.0411 per therm or 12.9% percent lower than the weighted average 2019 Summer Season COG rate.

The proposed LDAC Rate for Residential customers is \$0.0706, an increase of \$0.0031 per therm over the 2018 / 2019 Winter Season LDAC.

The typical bill for a Residential heating customer for the 2019 / 2020 Winter Season is projected to be \$979.29. This is lower than the 2018 / 2019 Winter Season bill by \$133.81 or 12%.¹ The typical bill for a Residential heating customer for the 2020 Summer Season is projected to be \$263.95. This is lower than the 2019 Summer Season bill by \$4.99 or 1.9%.

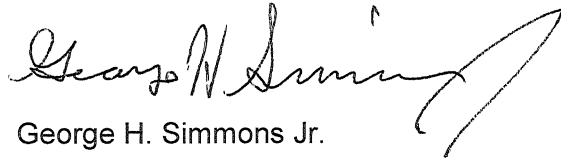
Please note the following pages of this filing contain the following CONFIDENTIAL data: delivered city-gate costs and delivered cost per dekatherm (Schedule 24-FXW, pages 1 and 2 of 2); peaking demand cost estimates (Schedule 20-FXW, page 5 of

¹ This bill impact includes changes to the Company's COG, LDAC and Distribution Base Rates.

6); asset management agreement revenue (Schedule 20-FXW, page 6 of 6); natural gas commodity price forecast (Schedule 30-FXW, page 1 of 26); the projected value of asset management agreements (Schedule 21-FXW, page 5 of 7); LNG inventory costs (Schedule 10-CAK); total commodity cost and per unit commodity cost by supply source (Schedule 23-FXW, pages 1 and 3 of 3); reconciliation costs and volumes (Schedule 13-CAK Form III, Schedule 4, pages 3 and 4 of 4); and detailed basis price information (Schedule 25-FXW, pages 1 through 8 and 11 through 15 of 15, and Schedule 26-FXW, pages 1 through 6 of 6). The Company submits that this material falls within the provisions of Puc 201.06(a)(26), and it is relying upon the procedures outlined in Puc 201.06 and 201.07 to protect confidentiality.

If you have any questions or need additional information, please contact me.

Respectfully Yours,

A handwritten signature in black ink, appearing to read "George H. Simmons Jr.", with a large, sweeping flourish at the end.

George H. Simmons Jr.

Enclosures

CC: D. Maurice Kreis, Consumer Advocate (with confidential material)

Northern Utilities, Inc.

New Hampshire Division

2019 / 2020 WINTER & SUMMER SEASON PROPOSED COST OF GAS ADJUSTMENT

WINTER RATES TO BE EFFECTIVE NOVEMBER 1, 2019

SUMMER RATES TO BE EFFECTIVE MAY 1, 2020

FILED SEPTEMBER 17, 2019