

## RATE CASE EXPENSE CATEGORIES

**Accounting Cost of Service Study (ACSS):** Atrium Economics (Atrium) prepared testimony and exhibits on behalf of Unitil Energy Systems, Inc. (“Company”) for the Company’s proposed ACSS. Atrium will provide additional services such as answering discovery propounded on the ACSS, assisting the Company in any settlement discussions and drafting Company briefs.

**Marginal Cost Study (MCS):** Atrium prepared testimony and exhibits on behalf of Unitil Energy Systems, Inc. for the Company’s proposed MCS. Atrium will provide additional services such as answering discovery propounded on the MCS, assisting the Company in any settlement discussions and drafting Company briefs.

**Rate Design:** Atrium prepared testimony and exhibits on behalf of Unitil Energy Systems, Inc. for the Company’s proposed rate design study. Atrium will provide additional services such as answering discovery propounded on rate design, assisting the Company in any settlement discussions and drafting Company briefs.

**Revenue Decoupling:** ScottMadden, Inc. (“ScottMadden”) prepared testimony and exhibits on behalf of Unitil Energy Systems, Inc. for the Company’s proposed Revenue Decoupling Mechanism (“RDM”). ScottMadden will provide additional services such as answering discovery propounded on RDM, assisting the Company in any settlement discussions and drafting Company briefs.

**Depreciation:** Gannett Fleming prepared testimony and exhibits on behalf of Unitil Energy Systems, Inc. for the Company’s proposed depreciation study. Gannett Fleming will provide additional services such as answering discovery propounded on depreciation, assisting the Company in any settlement discussions and drafting Company briefs.

**Return on Equity (ROE):** ScottMadden prepared testimony and exhibits on behalf of Unitil Energy Systems, Inc. for the Company’s proposed ROE. ScottMadden will provide additional services such as answering discovery propounded on the ROE, assisting the Company in any settlement discussions and drafting Company briefs.

**Commission Expenses:** These expenses include Commission invoices submitted to the Company for work provided by contract consultants on behalf of the Commission in this full rate case proceeding, DE 21-030.

**Administration and Miscellaneous:** Various expenses such as printing and couriering of Company filings, discovery, and other documents, publishing orders of notice, hearings transcripts, etc.

**Unitil Energy Systems, Inc. ("UES")****2021 Base Rate Case Outside Consultant Procurement Procedure**

UES will procure outside expertise to prepare several specialized studies for an electric base rate case filing. It will procure this expertise using a competitive bid process by issuing a Request For Proposals (RFP) and analyzing proposed bids as described below.

When evaluating and scoring (5 is highest; 1 is lowest) consultant bids for each scope of work within the RFP considerations may include, but are not limited to, the following:

**1. Corporate Capability (Experience)**

- Overall corporate capability
- Does the Company have a previous positive experience with bidder?
- Corporate experience with similar issues
- Does the bidder demonstrate knowledge about the subject matter?
- Has the bidder provided this type of service before?
- Will the bidder utilize experienced staff on this project?

**2. Project Team Capability (Experience)**

- Qualification of proposed staff
- Qualification of proposed staff in area subject matter
- Has proposed staff provided this type of service before?
- Has a Project Manager been identified?
- Have references for the Project Manager been identified/provided

**3. Technical Approach (Quality)**

- Response to the RFP requirements
- Does the work breakdown indicate bidder understands scope of assignment, and is it appropriate and complete?
- Was a work breakdown of project tasks and staff assigned to each task provided?
- Did response include an outline of the planned schedules and workpapers that will support the findings and recommendations?
- Proposed innovative approaches

**4. Overall Proposal (Quality)**

- Is the proposal clearly written?
- Does the proposal fully respond to the task area?
- Does the proposal indicate bidder fully understands all issues and tasks associated with task area?
- Is the proposal concise?

**5. Pricing (Cost)**

- Proposed price for the work
- Proposed unit rates, including markup

**6. Commercial Review (Availability)**

- Minor commercial impediments
- Major commercial impediments
- Has the bidder indicated they have adequate resources to meet the deadline(s)?
- Has the bidder provided a schedule that meets necessary deadlines?

**7. Interviews, if any.**

When selecting and procuring winning consultant bid(s) considerations may include, but are not limited to, the following:

**8. Selecting Consultant**

- List consultant scores (by individual and/or combined scope of work)
- Compare consultant scores
- Select highest scoring consultant(s)

**9. Procuring Consultant(s)**

- Enter Rate Case Consulting Services Agreement with consultant winner(s)
- Notify consultants not selected

**DE 21-030**  
**Unitil Energy Systems, Inc. 2021 Base Rate Case**  
**Report of Rate Case Expenses**

	<b>Estimate April 2, 2021 Filing</b>	<b>Actual invoiced as of March 28, 2022</b>
<b><u>Cost Studies and Rate Design</u></b>		
Atrium Economics [1]	\$ 215,000	\$ 305,473
<b><u>Revenue Decoupling</u></b>		
ScottMadden	45,000	47,000
<b><u>Return on Equity</u></b>		
ScottMadden	110,000	126,490
<b><u>Depreciation</u></b>		
Gannett Fleming	80,000	34,880
<b><u>Administration and Miscellaneous</u></b>		
Printing, Publishing, Transcripts, Courier etc.	5,000	4,755
<b><u>Commission Expenses</u></b>		
Commission Consultants [1]	300,000	88,241
<b>TOTAL RATE CASE EXPENSES</b>	<b><u>\$ 755,000</u></b>	<b><u>\$ 606,839</u></b>

[1] Includes costs for DE 20-170 related to the proposals in DE 21-030