

BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

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NORTHERN UTILITIES, INC.)	DOCKET NO. DG 21-__
Petitioner)	
)	

**PETITION FOR APPROVAL OF RATE RECOVERY MECHANISM FOR
PROPERTY TAXES**

Northern Utilities, Inc., (“Northern” or the “Company”) submits this Petition requesting approval of the New Hampshire Public Utilities Commission (“Commission”) of its proposal for a property tax recovery mechanism and the recovery of the increase in property taxes associated with changes in RSA 72:8-d and RSA 72:8-e.

In support of its Petition, Northern states the following:

Petitioner

Northern is a New Hampshire corporation and public utility primarily engaged in the business of distributing natural gas in various cities and towns in southeastern New Hampshire and portions of southern and central Maine. Pursuant to the acquisition of Northern in 2008, approved by the Commission in Order No. 24,906 in DG 08-048 on October 10, 2008, Northern is wholly-owned by Unitil Corporation (“Unitil”), a New Hampshire corporation and public utility holding company.

Background

On June 21, 2019, the Governor of the State of New Hampshire signed HB 700, which established a methodology for valuing utility distribution assets for property tax purposes, codified as RSA 72:8-d and 72:8-e. Part of that law established a new

methodology for assessing utility property, and a five-year phase-in period to fully transition to that new methodology. The first property tax year of the phase-in period was the tax year beginning April 1, 2020. The law also requires the Commission to establish by order a rate recovery mechanism for the property taxes paid by a public utility. The Company hereby submits its proposal for a property tax recovery mechanism and recovery of the increase in property taxes associated with the change in law.

Description of Exhibits

Attached to this Petition are the following Exhibits:

Exhibit CJG-1: Testimony of Christopher J. Goulding

Schedule CJG-1 through 3: Schedules of Christopher J. Goulding

Proposed Tariffs

The Company is proposing to recover the increase in property taxes associated with HB 700 in a new rate component included in the Company's Local Distribution Adjustment Clause ("LDAC"). The new rate component, the Regulatory Cost Adjustment Mechanism ("RCAM") will also include recovery of the portion of the regulatory assessment not recovered in base rates, which is currently recovered in the Gas Assistance Program & Regulatory Assessment ("GAPRA"). Revisions to the LDAC tariff are included as Schedule CJG-2.

Conclusion

For all of the foregoing reasons, Northern requests that the Commission grant it the approvals requested in this Petition, and for such other relief as the Commission may deem necessary and proper.

Respectfully submitted,

NORTHERN UTILITIES, INC.
By its Attorney:



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June 21, 2021

CERTIFICATE OF SERVICE

I certify that I have caused copies of Northern Utilities, Inc.'s, "Petition for Approval of Recovery Mechanism for Property Taxes" to be served on the following parties or individuals:

D. Maurice Kreis (via electronic mail)
Office of Consumer Advocate
21 S. Fruit Street, Suite 18
Concord, NH 03301-2429

Dated at Hampton, New Hampshire this 21th day of June, 2021.

A handwritten signature in black ink, appearing to read "Gary Epler". The signature is fluid and cursive, with the first name "Gary" and last name "Epler" clearly distinguishable.

Gary Epler