

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

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<b>NORTHERN UTILITIES, INC.</b>	)	<b>DOCKET NO. DG 21-131</b>
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**MOTION FOR CLARIFICATION OF ORDER NO. 26,626**

Northern Utilities, Inc., (“Northern” or the “Company”) submits this Motion requesting clarification of certain rulings in Order No. 26,626 (May 12, 2022) regarding adjustments to Northern’s Cost of Gas (“COG”) rate.

In support of its Motion, Northern states the following:

1. As the Commission has noted, the COG adjustment mechanism allows the Company to pass gas commodity costs on to its customers directly and efficiently without mark-up or profit. COG rates are initially set using projected costs and sales for the upcoming winter period, which runs from November 1 through April 30, and the summer period which runs from May 1 through October 31. Through the COG adjustment mechanism, once the initial rates are set, Northern may, without additional Commission action, increase the COG rates by up to 25 percent above the initially approved rate, and to decrease the COG rate as far as necessary.
2. Following Order No. 26,539 (October 29, 2021) setting the initial COG rate for 2021-2022, Northern has filed monthly reports noting the ongoing over or under-collections of COG costs, relative to the projected balances, and has identified any adjustments to the COG rate deemed necessary in light of changes in gas commodity prices. In its

April 22, 2022 report Northern noted that due to an under-collection driven by “substantially higher NYMEX prices” it was “increasing rates by their maximum amount, 25 percent above the initially approved rate.” April 22, 2022 Report in Docket No. DG 21-131 at 11. On May 10, 2022, Northern submitted a motion and supporting information noting that Northern had already increased the rate to the maximum extent permitted without further Commission action, and that given the persistently high NYMEX prices Northern would experience a material under-collection of gas costs without an adjustment to the COG rate. Therefore, Northern requested that the Commission adjust the underlying COG rate.

3. As part of its May 10, 2022 request, Northern also requested that “the Commission continue to allow adjustments to the rate without further Commission action consistent with existing and past practice.” May 10, 2022 Motion of Northern in DG 21-131 at 3. On May 12, 2022, the Commission issued Order No. 26,626 on a *nisi* basis and granted the Company’s request to amend the COG rate effective June 1, 2022. The Company appreciates the Commission’s attention to, and efficient resolution of, its rate adjustment request. In reviewing Order No. 26,626, the Company did not find any indication, however, that the Commission would either allow or forbid further adjustments to the rate without additional Commission action consistent with existing practice. Accordingly, to clarify the matter and avoid any potential for a future misunderstanding, by this motion the Company requests that the

Commission clarify that in issuing Order No. 26,626 adjusting the COG rate, the Company is authorized to make further adjustments to the rate approved by the Commission upward by 25 percent, or downward so far as necessary, without further Commission action consistent with past practice and Commission rulings.

### **Conclusion**

For the foregoing reasons, Northern requests that the Commission clarify Order No. 26,626 to authorize additional adjustments to the COG rate without further Commission action consistent with existing and past practice, 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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May 16, 2022

**CERTIFICATE OF SERVICE**

I certify that I have caused copies of this Motion to be served on the service list in  
Docket No. DG 21-131

Dated: May 16, 2022.



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Matthew J. Fossum