

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 21-131

NORTHERN UTILITIES, INC.

2021/2022 Cost of Gas

Order *Nisi* Approving Rate Adjustment

O R D E R N O. 26,626

May 12, 2022

On May 10, 2022, Northern Utilities, Inc. (Northern) filed a May 2022 Monthly Cost of Gas Report and a Motion for Amendment to Cost of Gas Rate. Pursuant to Order No. 26,539 (October 29, 2021) in Docket No. DG 21-131, Northern filed its calculation of its projected over or under-collection of gas costs and an amended cost of gas (“COG”) rate filing for the 2021-2022 summer season. The calculation for the 2022 summer season, reflected NYMEX futures prices as of May 9, 2022, and produced an anticipated under-recovery of gas costs. Northern’s April 2022 Monthly Report indicated that COG rates were increased by their maximum level of 25 percent as authorized by the Commission in Order No. 26,539.

Therefore, due to the persistently high prices and to address the under-collection, Northern has requested that the Commission authorize an additional increase in the COG rate to the maximum allowed by Order No. 26,539. According to Northern, this increase is solely due to continuing increases in NYMEX natural gas prices. Northern is proposing to increase its summer period COG rates to reflect an increase in the projected cost of gas of \$1,935,343. Northern projects that the impact of the proposed June 1 change in COG rates on the typical residential heating customer for the 2021-2022 summer season will be an increase of \$22.82 or

7.2 percent more than the summer period bill at Northern's current COG rate.

The petition and subsequent docket filings, other than information for which confidential treatment is requested of or granted by the Commission, are posted to the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-131.html>.

The Commission is authorized to fix rates after a hearing, upon determining that rates, fares, and charges are just and reasonable. RSA 378:7. In circumstances where a utility seeks to increase rates, the utility bears the burden of proving the necessity of the increase pursuant to RSA 378:8. In determining whether rates are just and reasonable, the Commission must balance the customers' interest in paying no higher rates than are required against the investors' interest in obtaining a reasonable return on their investment. *Eastman Sewer Company, Inc.*, 138 N.H. 221, 225 (1994).

In this case Northern's COG rates are pass through changes due to increases in the NYMEX natural gas prices. We have reviewed the supporting testimony of the Northern witness and the accompanying report of projected NYMEX prices for the summer period and find the resulting COG rate reasonable. We will therefore approve the amended COG rate for effect June 1. We issue this order on a nisi basis in order to allow interested parties to comment on the order.

Based upon the foregoing, it is hereby

ORDERED NISI, that subject to the effective date below,

FURTHER ORDERED, that the summer COG rates of per therm effect June 1, 2022, are approved as follows:

Customer Class	June 1, 2022 Summer COG
Residential	\$0.9126
C&I Low Winter Use	\$0.8690
C&I High Winter Use	\$0.9395

; and it is

FURTHER ORDERED, that the Petitioner shall cause a copy of this order to be published on its website, such publication to be no later than one business day after this order is issued, and to be documented by affidavit filed with this office on or before May 16, 2022; and it is

FURTHER ORDERED, that all persons interested in responding to this order be notified that they may submit their comments or file a written request for a hearing which states the reason and basis for a hearing no later than May 20, 2022, for the Commission's consideration; and it is

FURTHER ORDERED, that any party interested in responding to such comments or request for hearing shall do so no later than May 25, 2022; and it is

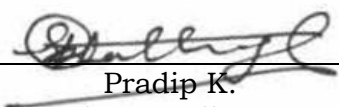
FURTHER ORDERED, that this order shall be effective June 1, 2022, unless the Petitioner fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date; and it is

FURTHER ORDERED, that the Petitioner shall file a compliance tariff with the Commission on or before June 1, 2022, in accordance with N.H. Code Admin. Rules Puc 1603.02(b).

By order of the Public Utilities Commission of New Hampshire this twelfth day
of May, 2022.



Daniel C. Goldner
Chairman



Pradip K.
Chattopadhyay
Commissioner



F. Anne Ross
Special Commissioner

Service List - Docket Related

Docket# : 21-131

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