

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 22-017

UNITIL ENERGY SYSTEMS, INC.

2022 Schedule for Default Service

**Order *Nisi* Approving Petition for Modifications to
Default Service Procurement Timeline**

ORDER NO. 26,679

September 9, 2022

In this order, we hereby approve the Unitil Energy Systems, Inc. (UES) petition to adjust its Default Service (DS) procurement timeline by approving an energy supply solicitation for eight (8) months for December 2022-July 2023 rather than the previously set six months, and by approving ongoing six (6)-month DS procurement periods of August 1 through January 31 and February 1 through July 31 from August 1, 2023, onwards.

I. BACKGROUND

On April 1, 2022, the Commission approved UES's petition for its 2022 schedule for DS in Order No. 26,601. In that Order, UES brought forward power supply contracts to serve its DS customers for the period June 1, 2022, through November 30, 2022. Order No. 26,601.

Subsequently, on July 29, 2022, UES filed a petition, styled as a "Motion for Expedited Ruling on Default Service Procurement Timeline," seeking adjustments to its DS procurement program (UES Petition). UES proposed, in response to recent energy market volatility, to adjust its procurement time frame for DS solicitations to embrace an eight (8)-month period, December 1, 2022, through July 31, 2023. UES Petition at 3. This one-time adjustment for 2022-2023 would enable UES to have,

beginning with the August 1, 2023, to January 31, 2024, procurement period, ongoing six-month DS procurement periods of August 1 to January 31, and February 1 through July 31, each year. UES Petition at 3-4.

In support of its petition, UES submitted the technical statement of Jeffrey M. Pentz and Linda S. McNamara, personnel employed with UES's service company affiliate, Unitil Service Corp., together with related attachments presenting revised DS rate structures reflecting the newly-proposed periods. UES stated that the proposed shift to an August-to-January and February-to-July DS procurement structure would: match the procedures used by the other investor-owned electric utilities in the State (Liberty and Eversource); mitigate expected high DS energy prices for the winter months by splitting the peak winter months into two DS periods; and generally smooth the differences in UES's DS rates between winter and summer months. UES Petition at 2-5. UES also pointed to the enhanced ability of the Commission to make informed comparisons of DS rates across New Hampshire peer electric utilities with all three being on the same DS procurement schedule, and also, a one-time expected DS rate benefit of a 16 percent reduction in the UES DS rate, or 3.6 cents per Kilowatt-hour, for the longer (8-month) DS rate period of December 1, 2022, through July 31, 2023. *Id.* at 4-5.

To prepare for the Commission's review and potential approval of its proposal, UES stated that it would issue two solicitations for its upcoming DS procurement period, one for December through May, and the other, for the proposed December through July, periods, and proceed with the appropriate set of bids based on the Commission's disposition of this matter. *Id.* at 3.

On August 2, 2022, the New Hampshire Department of Energy (DOE), filed a written statement supporting the UES Petition for the reasons delineated by UES. No

other filings or comments were received by the Commission regarding the UES Petition.

II. COMMISSION ANALYSIS

For the reasons outlined by UES and the DOE, we agree that UES's proposed modifications to its DS procurement schedules, pursuant to the terms and conditions delineated in the UES Petition, are warranted, and will result in just and reasonable rates. *See* RSA Chapters 374 and 378; *see also* RSA 374-F:3, V(c). In particular, we appreciate UES's efforts to ameliorate the impact of peak winter rates by splitting peak winter periods between two DS procurement periods, and by enhancing comparability in DS rates among the investor-owned electric utilities in our State.

Based upon the foregoing, it is hereby

ORDERED *NISI*, that the UES Petition is APPROVED, and the modifications to the DS schedule for UES, with an initial eight (8)-month DS period of December 1, 2022, through July 31, 2023, and subsequent DS periods of August 1 through January 31, and February 1 through July 31, beginning on August 1, 2023, are APPROVED; and it is

FURTHER ORDERED, that UES shall cause a copy of this order to be published on its website within one business day of this order, and to be documented by affidavit filed with the Commission on or before September 14, 2022; and it is

FURTHER ORDERED, that persons interested in responding to this order be notified that they may submit their comments or file a written request for hearing, stating the reason and basis for a hearing, no later than September 19, 2022, for the Commission's consideration; and it is

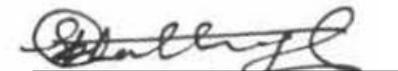
FURTHER ORDERED, that any person interested in responding to such comments or request for hearing shall do so no later than September 22, 2022; and it is

FURTHER ORDERED, that this order shall be effective September 26, 2022, unless UES fails to satisfy the publication obligation set forth above or the Commission provides otherwise in a supplemental order issued prior to the effective date.

By order of the Public Utilities Commission of New Hampshire this ninth day of September, 2022.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner

Service List - Docket Related

Docket# : 22-017

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