



June 9, 2022

Daniel Goldner, Chairman
New Hampshire Public Utilities Commission
21 S. Fruit Street, Suite 10
Concord, NH 03301-2429

RE: DE 22-026: Amendment to Step Adjustment Filing (Puc 203.10)

Dear Chairman Goldner:

In connection with the above-referenced matter I attach for filing with the Commission Unitil Energy Systems, Inc.'s amended Step Adjustment filing. Puc 203.10 permits amendments to documents filed with the Commission provided that notice of the request to amend is provided to all persons on the service list and the amendment shall encourage the just resolution of the proceeding and will not cause undue delay. The Company has conferred with the DOE, which agrees with and assents to the amendment.

On February 28, 2022, in Docket 21-030, Unitil Energy Systems, Inc. ("Unitil" or the "Company") filed a petition, testimony, and accompanying documentation in support of the Company's request for a Step Adjustment effective June 1, 2022, consistent with the terms of the Settlement Agreement. The Commission subsequently opened a separate docket to adjudicate this matter, DE 22-026.

On May 13, 2022, the Company submitted updated schedules to reflect a clarification to the Company's approved revenue requirement in DE 21-030. Also on May 13, 2022, the Commission issued an order directing the Company to file updated schedules to incorporate a revised 11-month collection period, no later than Wednesday, June 8, 2022. The Company filed updated schedules in compliance with the Commission's Order on June 6, 2022. The Company also submitted Hearing Exhibits on June 6, 2022.

On June 8, 2022, the Department of Energy (the "DOE") submitted comments on the Company's Step Adjustment filing as well as a series of Hearing Exhibits. With respect to 2021 costs related to the Company's Exeter Distribution Operations Center ("DOC"), the DOE's comments indicated an intent to "re-state its arguments for rate recovery exclusion that were laid out [in] the base rate case" including issues of prudence related to the entire DOC. The DOE also submitted, as Hearing Exhibit 4, the testimony of Jay E. Dudley from DE 21-030.

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The Company, understanding these matters to have been settled in DE 21-030, promptly contacted the DOE to discuss its concerns about the DOC as expressed in the DOE's comments, as well as the Company's concerns about including Mr. Dudley's testimony from the prior settled docket as an Exhibit in this case. Simply, the Company has no meaningful opportunity to rebut or otherwise respond to that testimony in this proceeding. In any event, the parties resolved issues related to the DOC by way of compromise in the DE 21-030 matter.

In recognition of the DOE's concerns about the DOC costs, the Company has agreed to amend its Step Adjustment filing to exclude all costs associated with the DOC. The Company will not seek recovery of 2021 and 2022 costs associated with the DOC construction project in the 2022 or 2023 step adjustment proceedings, and will endeavor to work with the DOE to address such costs in advance of Unitil's next base rate case. It is the Company's understanding that the DOE will withdraw Hearing Exhibit 4 as it is currently filed.

As noted above, the Company conferred with the DOE, the only other party with an appearance in this docket, regarding the above-described amendment. This amended filing is being provided to the service list as it is published on the Commission website. This amendment will encourage the just resolution of the proceeding and will not cause undue delay because it will limit the number of issues to be addressed at hearing and afford the parties additional time to discuss 2021 costs associated with the DOC.

Enclosed with this letter are the Company's revised schedules reflecting the amendment described above. The Company will submit these attachments separately as Hearing Exhibits to the Clerk in advance of the hearing in this matter.

Please do not hesitate to contact me should you have any questions regarding this updated filing.

Sincerely,



Patrick H. Taylor

Attorney for Unitil Energy Systems, Inc.

cc: Service List (by e-mail)