

September 16, 2022

BY E-MAIL

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

Re: Northern Utilities, Inc. -- DG 22-XXX 2022 / 2023 Annual Cost of Gas and Associated Charges Filing

Dear Chair Goldner:

Enclosed please find redacted and confidential versions of Northern Utilities, Inc.'s ("Northern" or the "Company") proposed 2022 / 2023 Annual Cost of Gas ("COG") Adjustment filing and other proposed rate and tariff changes.

Northern respectfully requests approval for the following Tariff Sheets:

Fifth Revised Page 40 (COG);
Fifth Revised Page 41 (COG);
Twelfth Revised Page 42 (COG);
Fifteenth Revised Page 43 (COG);
Ninth Revised Page 62 (LDAC);
Sixteenth & Seventeenth Revised Page No. 86 (Rate Summaries);
Fifteenth & Sixteenth Revised Page No. 88 (Rate Summaries);
Sixth Revised Page 141 (Appendix A);
Fifth Revised Page 153 (Appendix C); and
Fifth Revised Page 158 (Appendix D).

The above listed Tariff Sheets are issued September 16, 2022 by Robert B. Hevert, Senior Vice President to be effective November 1, 2022 and May 1, 2023.

Fifth Revised Page 40 (COG) is a statement of the Company's anticipated direct and indirect costs of gas for the 2022 / 2023 Winter Period.

Fifth Revised Page 41 (COG) is a statement of the Company's anticipated direct and indirect costs of gas for the 2023 Summer Period.

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Twelfth Revised Page 42 (COG) contains the calculations of the proposed 2022 / 2023 Winter Period COG Adjustment Rates for Residential and General Service (C&I) Sales Customers.

Fifteenth Revised Page 43 (COG) contains the calculations of the proposed 2023 Summer Period COG Adjustment Rates for Residential and General Service (C&I) Sales Customers.

Ninth Revised Page 62 (LDAC) contains proposed rates for the Company's GAP, EEC, LRR, PTAM, ITMC, REC, RPC, RAAM, and ERC, all of which are components of the Company's Local Distribution Adjustment Charge (LDAC) Rate. Support for the ERC will be filed under separate cover.

Sixteenth Revised Page 86 and Fifteenth Revised Page 88, (Rate Summaries) have been updated to reflect the proposed 2022-2023 Winter Period COG and LDAC Rates.

Seventeenth Revised Page 86 and Sixteenth Revised Page 88 (Rate Summaries) have been updated to reflect the proposed 2023 Summer Period COG and LDAC Rates.

Sixth Revised Page 141 (Appendix A), Schedule of Administrative Fees and Charges, has been updated to reflect the Company's latest proposed Supplier Balancing Charge, Company Allowance Calculation and Peaking Service Demand Charge.

Fifth Revised Page 156 (Appendix C) lists the proposed Capacity Assignment Allocators.

Fifth Revised Page 158 (Appendix D) includes the proposed Re-entry Rate and Conversion Rate for November 2022 through April 2023, and for May through October 2023.

The proposed 2022 / 2023 Winter Season COG rate for Residential customers is \$1.1357 per therm and the proposed 2023 Summer Season COG rate for Residential customers is \$0.6927 per therm. The proposed LDAC Rate for Residential customers is \$0.1845 per therm.

The typical bill for a Residential heating customer for the 2022 / 2023 Winter Season is projected to be \$1,441.68. This is higher than the 2021 / 2022 Winter Season bill by \$260.42 or 22%. The typical bill for a Residential heating customer for the 2023 Summer Season is projected to be \$356.34. This is higher than the 2022 Summer Season bill by \$8.87 or 2.55%.

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¹ This bill impact includes changes to the Company's COG, LDAC and Distribution Base Rates.



Please note the following pages of this filing contain the following CONFIDENTIAL data: delivered city-gate costs and delivered cost per dekatherm (Attachment NUI-FXW-12, pages 1 and 2 of 2); peaking demand cost estimates (Attachment NUI-FXW-5, page 5 of 6); asset management agreement ("AMA") revenue (Attachment NUI-FXW-5, page 6 of 6); natural gas commodity price forecast (Attachment NUI-FXW-10, page 1 of 3); the projected value of capacity assignment and AMA revenues (Attachment NUI-FXW-6, page 5 of 7); LNG inventory costs (Attachment NUI-CAK-7); total commodity cost and per unit commodity cost by supply source (Attachment NUI-FXW-8, pages 1 and 3 of 3); reconciliation costs and volumes (Attachment NUI-CAK-10, Form III, Schedule 4, pages 3 and 4 of 4); and detailed basis price information (Attachment NUI-FXW-9, pages 1 through 10 and 13 through 15 of 15). The Company submits that this material falls within the provisions of Puc 201.06(a)(26), and it is relying upon the procedures outlined in Puc 201.06 and 201.07 to protect confidentiality.

If you have any questions or need additional information, please contact me.

Sincerely,

Matthew J. Fossum Senior Counsel

CC: Faisal Deen Arif, New Hampshire Department of Energy
Mary Schwarzer, New Hampshire Department of Energy
Donald Kreis, New Hampshire Office of the Consumer Advocate

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