

Unitil Energy Systems, Inc.
Docket No. DE 23-002
Proposed Purchase of Receivables Program
Community Power Coalition of New Hampshire Data Requests Set 1

Received: 5/4/23
Request No. CPCNH 1-3

Date of Response: 5/19/23
Witness: Elena Demeris, Christopher Goulding,
Gary Mathews

Request:

RE: UES Response to DOE 1-7. Terms and Conditions for Competitive Suppliers, Section III.6(B)(4)b: Under “Consolidated Billing Service and POR Program,” UES describes the discount percentage rate (DPR) and the formula it intends to use for computing the DPR.

- (a) How will UES hold customer payments it receives until payment is made to a Supplier?
- (b) What restrictions will exist on the use UES may make of customer payments it receives prior to making payment to a Supplier?
- (c) How does the DPR account for the time value of money for period UES will hold customer payments from the time payment is received by UES until payment is made to the Competitive Supplier?
- (d) If the DPR does not include the time value for the period UES will hold customer funds received prior to payment for such amounts to Competitive Suppliers, why is that appropriate?

Response:

- (a) The Company’s proposal is to make a single monthly payment on the last Business Day of the calendar month to each participating Competitive Supplier for all POR customers billed on their behalf during the prior calendar month of service. The Company will pay the supplier the full amounts due from Customers for Generation Service, less the DPR.

The Company does not receive a payment from a customer when they bill customers. As established in the Company’s last rate case in Docket No. DE 21-030, on average, there is a 40.70 days revenue lag¹ between when a customer is billed and when the Company receives payment from customers. The proposal made by the Company accounts for this delay by remitting billed revenues in one month on the last day of the subsequent month.

- (b) Please refer to the response to (a)

¹ Docket No. DE 21-030, Exhibit DJH-2, Page 2 of 3 lines 6 (Collection Lag of 39.02 days) + lines 8 (Collection to Receipt of Available Funds of 1.68 days).

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- (c) Please refer to the response to (a)
- (d) Please refer to the response to (a)

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Received: 5/4/23
Request No. CPCNH 1-7

Date of Response: 5/19/23
Witness: Elena Demeris, Christopher Goulding

Request:

Reference: UES Response to DOE 1-7. Terms and Conditions for Competitive Suppliers, Section III.6(B)(4)b.(iii)(3): Over the last three years, how has the rate for short-term borrowing for UES' needs compared with the prime rate?

Response:

Please see CPCNH 1-7 Attachment 1 for a comparison of the Short Term Borrowing rate and the Quarterly Prime Rate in accordance with PUC 1202.13. Please note that the rate cited in Terms and Conditions for Competitive Suppliers, Section III.6(B)(4)b.(iii)(3) is not, strictly speaking, the actual prime rate, but a quarterly rate based on the prime rate in effect the first day of the month preceding the calendar quarter. The quarterly prime rate is posted on the PUC web: <https://www.puc.nh.gov/Consumer/PrimeRates.html>

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Comparison of Short Term Borrowing Rate and Quarterly Prime Rate

	Jan-20	Feb-20	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20
Short Term Borrowing Rate	2.813%	2.813%	2.813%	2.813%	2.813%	2.813%	2.813%	2.813%	2.813%	2.813%	2.813%	2.813%
Quarterly Prime Rate per PUC 1202.13	4.750%	4.750%	4.750%	4.750%	4.750%	4.750%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%

	Jan-21	Feb-21	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug-21	Sep-21	Oct-21	Nov-21	Dec-21
Short Term Borrowing Rate	1.256%	1.239%	1.233%	1.237%	1.225%	1.210%	1.219%	1.216%	1.209%	1.210%	1.214%	1.229%
Quarterly Prime Rate per PUC 1202.13	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%

	Jan-22	Feb-22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Sep-22	Oct-22	Nov-22	Dec-22
Short Term Borrowing Rate	1.231%	1.264%	1.504%	1.684%	2.028%	2.505%	3.154%	3.525%	3.976%	4.579%	5.097%	5.497%
Quarterly Prime Rate per PUC 1202.13	3.250%	3.250%	3.250%	3.250%	3.250%	3.250%	4.000%	4.000%	4.000%	5.500%	5.500%	5.500%

Note: The quarterly prime rate per PUC 1202.13 is the prime rate effective the first day of the month preceding the calendar quarter.

[New Hampshire Public Utilities Commission \(nh.gov\)](http://www.nh.gov)

Unitil Energy Systems, Inc.
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Proposed Purchase of Receivables Program
Department of Energy Data Requests Set 1

Received: 4/7/23
Request No. DOE 1-8

Date of Response: 4/21/23
Witness: Christopher Goulding/Elena Demeris

Request:

Please provide a copy of the amended tariff terms and condition of service for competitive suppliers as well as the amended competitive supplier trading partner agreement.

Response:

Please see DOE 1-8 Attachment 1 for a redlined copy of the amended tariff terms and conditions showing changes to the current tariff exclusively to implement the POR program. Please see DOE 1-8 Attachment 2 for a redlined copy of the amended competitive supplier trading partner agreement **showing changes to the current agreement exclusively to implement the POR program.**¹

The Company's amended terms and conditions and amended trading partner agreement are based, in large part, on the terms and conditions and supplier service agreement applicable to and approved for the POR Program of Unitil's Massachusetts affiliate, Fitchburg Gas and Electric Light Company. As noted in the Company's initial testimony, Fitchburg Gas and Electric Light Company has developed, implemented, and currently administers a POR Program in Massachusetts. The Company leveraged its experience operating the Massachusetts POR Program in the design of the POR Program proposed in this docket.

Maintaining consistency between the Company's Massachusetts and New Hampshire POR programs is in the best interest of the Company, customers, and participating competitive suppliers to facilitate orderly business transactions between counterparties, minimize implementation and administrative costs for the Program, and commence the POR Program in a timely manner.

¹ The form of Trading Partner Agreement is currently a part of the Company's Electric Delivery Tariff. However, Unitil understands that it is an outlier in this respect, as the other electric utility companies do not include their supplier service agreement in their respective tariffs. In order to align Unitil's practices with the other electric utilities, the Company will propose to remove the form of Trading Partner Agreement from its Electric Delivery Tariff.