

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 24-065

UNITIL ENERGY SYSTEMS, INC.

2024 Default Service Solicitations

Order *Nisi* Approving Energy Service Rates

O R D E R N O. 27,093

January 16, 2025

In this order, the Commission approves, on a *nisi* basis, the Unitil Energy Systems, Inc. (UES or the Company) default energy service rates¹ for effect for the six-month period of February 1, 2025, through July 31, 2025. These rates were updated by the Company, to incorporate certain technical adjustments, pursuant to the terms of Commission Order No. 27,086 (December 12, 2024) issued in this docket, which approved UES's default energy service solicitation process and resulting contracts with third-party energy suppliers for a majority portion of the energy service load. This update was provided by the Company on December 20, 2024, with an additional Tariff filing regarding Time of Use (TOU) and low-income discounted rates made by the Company on January 15, 2025.

The updated rate is 8.306 cents per kilowatt hour (kWh) to be charged to the UES Small Customer Group, which includes residential customers taking energy service from UES. This rate incorporates a credit of 0.807 cents per kWh associated with the Company's Renewable Portfolio Standard (RPS) compliance accounting. This is a reduction from the 10.506 cents per kWh energy service rate for the Small

¹ Bills for customers on default service are composed of three parts: power supply, transmission, and distribution. The energy service rates for default service customers refer to the power supply component only.

Customer Group that has been in place for the August 1, 2024 through January 31, 2025 energy service rate period.

For a residential customer using 617 kWh per month (the mean residential customer on the UES system), the result will be a decrease in the monthly bill from \$131.74 to \$118.17, or \$13.57 (10.3 percent) less, compared to the six-month period ending January 31, 2025.

I. BACKGROUND

The procedural history and Commission rulings made in the earlier phases of this proceeding may be reviewed in Order No. 27,086. This Order, the Company's energy service petition, and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted on the Commission's website at

<https://www.puc.nh.gov/Regulatory/Docketbk/2024/24-065.html>.

In summary, the Commission made a ruling in Order No. 27,086 that necessitated the Company's refile of its proposed energy service rates to incorporate required adjustments. This ruling required that the Company place the Small\Medium customer groups' (non-G1) Power Supply Charge reconciliation balance of \$320,715 (\$226,040 for the Small Customer Group and \$94,675 for the Medium Customer Group), and the Large Customer Group (G1) Power Supply reconciliation balance of \$362,824, into deferral accounts, with the Tariff-specified carrying charges to be assessed; and that the Company provide a recalculation of its energy service Tariff rate elements, including Time of Use (TOU) rates and expected energy service bill impacts based upon this deferral, to be filed no later than December 20, 2024. Order No. 27,086 at 10. The Commission further indicated that the question of treatment of

energy-service-related deferrals in UES's rates would be definitively addressed in a future adjudication. *Id.*

The Company filed these adjusted energy service rates in a filing made with the Commission on December 20, 2024, which included proposed energy service Tariff pages and bill-impact information, as ordered by the Commission. The Company made a further filing presenting updated TOU and low-income discounted rates on January 15, 2025. The Company had represented in an earlier phase of this proceeding that it had included, in accordance with the settlement agreement dated July 16, 2009 in Docket No. DE 09-009, as amended on December 6, 2011, a bill credit associated with UES's RPS requirements accounting under RSA 362-F. For the upcoming six-month rate period to July 31, 2025, the Company proposed a fixed RPS credit to Small and Medium Customer Group customers (non-G1), which includes residential and some commercial UES energy service customers, of 0.807 cents per kWh, and a fixed RPS credit to (G1) Large Customer Group customers of 0.154 cents per kWh.

The energy service rates for the (G1) Large Customer Group vary by month, and are subject to variable monthly adders, derived by the third-party supplier, that are unknown at this time.

II. COMMISSION ANALYSIS

As held in Order No. 27,086, we find that UES's solicitation and bid evaluation procedures, and application of the ISO-New England market-based procurement component for the Small and Medium Customer Groups, conform to the process approved by the Commission in Order No. 27,059 (October 7, 2024). (In Order No. 27,059, UES received approval, in response to a Commission initiative, for a 30 percent market-based procurement tranche for servicing its Small and Medium Customer Group load, to help reduce costs for UES default energy service customers).

We also approve the Company's application of the Order No. 27,086 directive for reconciliation charges, and its calculation of the RPS credits (including embedded Renewable Energy Credit price estimates) subject to the proviso that they are subject to reconciliation on any further review by the New Hampshire Department of Energy, the Commission, and the Company itself, and the outcome of the future adjudication referenced above. We also approve the Company's TOU and low-income discounted rate adjustments and other ancillary energy service rate adjustments presented in its December 20 and January 15 filings as just and reasonable, and in conformity with the governing standards.

Based upon the foregoing, it is hereby

ORDERED NISI, subject to the effective date below, that the UES energy service rates for the six-month period beginning February 1, 2025, are hereby APPROVED as filed and discussed herein above; and it is

FURTHER ORDERED, that UES is authorized to use its price estimates of renewable energy certificates in its calculation of energy service rates; and it is

FURTHER ORDERED, that UES shall file conforming tariff pages, incorporating the new energy service rates, all as approved herein, within 20 days of the effective date of this order, consistent with N.H. Code Admin. Rules, Puc 1603; and it is


FURTHER ORDERED, that UES shall cause a copy of this order *nisi* to be published on its website no later than the close of business on January 17, 2025, to be documented by affidavit filed with this office on or before January 24, 2025; 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 January 27, 2025, 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 January 30, 2025; and it is **FURTHER ORDERED**, that this order shall be effective February 1, 2025, 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 sixteenth day of January, 2025.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner

Service List - Docket Related

Docket#: 24-065

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