

BEFORE THE NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

UNITIL ENERGY SYSTEMS, INC.)
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Petitioner)
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DOCKET NO. DE 24-077

**COMPANY’S MOTION FOR WAIVER OF REVENUE DECOUPLING
ADJUSTMENT CAP**

NOW COMES Unitil Energy Systems, Inc., (“UES” or “Company”) and respectfully moves the New Hampshire Public Utilities Commission (“Commission”) to allow a waiver of the Revenue Decoupling Adjustment (“RDA”) cap (“the cap”) of three percent of distribution revenues, which was applied and presented in the Company’s initial filing made on May 24, 2024 in the above captioned matter. In support of its Motion, the Company states:

1. UES is a New Hampshire corporation and public utility primarily engaged in the distribution of electricity in the capital and seacoast regions of New Hampshire.
2. On May 24, 2024, UES filed its annual Revenue Decoupling Adjustment Factor (“RDAF”) Reconciliation, which the Commission docketed as DE 24-077. The Company filed its annual Stranded Cost Recovery and External Delivery Charge (“EDC”) Reconciliation on June 14, 2024, along with a Motion to Consolidate the two proceedings. The Commission docketed this matter as DE 24-080.
3. The Settlement Agreement approved by the Commission in DE 21-030, set a recovery cap to the Company’s annual RDA in an amount equal to three percent of distribution revenues. The cap limits the impact of the RDAF on customer bills.

4. The Company did not initially seek a waiver of the cap in this filing, in order to consider the bill impacts associated with its annual EDC and Stranded Costs filing that were unknown at the time of the initial filing in DE 24-077.
5. The Company has now made its EDC filing and the bill impacts show a significant decrease in rates. The Company now believes that a waiver of the RDA cap is appropriate in order to avoid carrying costs associated with the amount deferred subject to the cap, in combination with the overall decrease in bill impacts to be seen on August 1 when combining the rates proposed in both DE 24-077 and DE 24-080.
6. Specifically, based on changes to the SCC and EDC, UES is proposing a net rate decrease of \$0.01924 per kWh for effect August 1, 2024. The impact to the August 1, 2024 RDAF, comparing the currently effective domestic class RDAF of \$0.00186 per kWh to the RDAF of \$0.00429 per kWh provided in this proposal, is an increase of \$0.00243 per kWh. Thus, a waiver of the cap under the current circumstances will have a minimal impact to the overall rate reduction customers will experience on August 1, 2024. Assuming the waiver of the cap is approved, a typical residential customer on default service using 650 kWh per month would now see a decrease of \$12.30 or 8.1 % versus current rates.
7. Additionally, based on the current prime interest rate of 8.50%, the rate used in the RDAF reconciliation, interest for one year on the \$1,144,178 deferral included in the initial filing is approximately \$97,000.

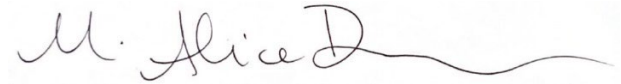
8. The Company has submitted the Supplemental Testimony of Linda S. McNamara, along with Sch. LSM-1 SUPP and LSM-3 SUPP, which further explain and outline the calculations associated with the Company's proposal.
9. On page 25 of the Commission's Order in DE 21-030 the Commission found that Unitil has "demonstrated that it possesses the acumen to properly manage an RDM program in the context of its electric utility operations" and that the cap "is within the zone of reasonableness in the balancing of shareholder and ratepayer interests," and finally that the cap "is expected to produce distribution rates that are just and reasonable when properly implemented."
10. Approval of the Company's request for a waiver of the RDA cap is not prohibited by the Settlement Agreement at Section 4.3 and is warranted based on the Company's demonstrated ability to properly manage its RDM program, and will maintain the balance of shareholder and ratepayer interests, as well as continue to produce rates that are just and reasonable.
11. The Company's proposal is in the public interest as it avoids carrying charges, while still implementing rates on August 1 that will show a total reduction in rates to all customer classes.

WHEREFORE, by and through counsel, UES respectfully requests that the
Commission:

1. GRANT the Company's request for waiver of the three percent cap on RDA recovery set by the Settlement Agreement approved by the Commission in DE 21-030; and
2. GRANT such other relief as may be just and equitable.

Respectfully submitted,

UNITIL ENERGY SYSTEMS, INC.
By its Attorney:

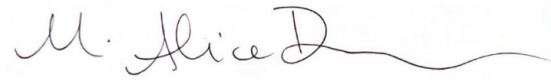
A handwritten signature in black ink that reads "M. Alice D." followed by a long, wavy horizontal line.

Alice Davey
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CERTIFICATE OF SERVICE

I certify that I have caused copies of Unitil Energy Systems, Inc.'s, "Motion to Consolidate" to be served on the New Hampshire Department of Energy and Office of the Consumer Advocate.

Dated this 20th day of June, 2024.

A handwritten signature in cursive script that reads "M. Alice D." followed by a long horizontal flourish. The signature is written in black ink on a white background.

Alice Davey