

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

UNITIL ENERGY SYSTEMS, INC.

DE 24-077

**Petition for Approval of Revenue Decoupling Adjustment Factor
and Proposed Tariff Changes**

DE 24-080

**Petition for Approval of Annual Stranded Cost Recovery and
External Delivery Charge Reconciliation and Proposed Tariff Changes**

SUPPLEMENTAL ORDER OF NOTICE

On May 24, 2024, the Commission issued an order of notice in Docket No. DE 24-077 regarding Unitil Energy Systems, Inc.'s (UES) proposed adjustment to its revenue decoupling adjustment factor (RDAF) for effect on August 1, 2024, which scheduled a hearing on July 30, 2024. Consistent with the June 25, 2024 procedural order consolidating Docket Nos. DE 24-077 and DE 24-080, this order of notice supplements the original notice to include additional issues that the Commission will be addressing at the July 30 hearing. All docket filings, other than any information subject to confidential treatment, are available on the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2024/24-077.html> and <https://www.puc.nh.gov/Regulatory/Docketbk/2024/24-080.html>.

I. BACKGROUND AND PROCEDURAL HISTORY

On June 14, 2024, in Docket No. DE 24-080, UES filed a petition for approval of its proposed adjustments to its stranded cost charge (SCC) and external delivery charge (EDC) for effect on August 1, 2024, as well as a motion to consolidate Docket Nos. DE 24-077 and DE 24-080. The Commission granted the motion to consolidate on June 25, 2024.

In addition to the proposed RDAF in Docket No. DE 24-077, the Commission will consider UES's proposed SCC and EDC rates in these consolidated dockets. The SCC is a rate mechanism through which UES recovers the stranded costs of its wholesale supplier and affiliate, Unitil Power Corporation, from retail customers. UES has proposed an SCC of \$0.00013 per kilowatt hour (kWh) applicable to all classes effective August 1, 2024. This would be an increase of \$0.00023 per kWh from current rates.

The EDC is used to recover the costs UES incurs associated with providing transmission services outside of UES's system and other costs for energy and transmission related services. UES is also authorized to utilize the EDC to recover or refund the following other rate elements:

- the recovery of the working capital associated with other flow-through operating expenses and non-distribution portion of the annual New Hampshire Department of Energy (DOE) assessment;
- the approved special assessments associated with the expenses of experts employed by the DOE and the Office of the Consumer Advocate;
- the approved prudently incurred costs associated with the alternative net metering tariff approved in Docket No. DE 16-576;
- the over- or under-collections from its Vegetation Management Program, Storm Resiliency Program, and Reliability Enhancement Program;
- the reconciliation of the prior year's local property tax recovery included in distribution rates and the actual property tax expense for the calendar year;
- the rebate of excess Regional Greenhouse Gas Initiative auction proceeds;
- net metering and group host costs, with corresponding offsets for any wholesale market revenue attributable to net-metered facilities;

- the wheeling revenue received by UES; and
- the return of Excess Accumulated Deferred Income Tax from 2018 through 2020.

For effect on August 1, 2024, UES proposed an EDC rate of \$0.02539 per kWh applicable to all classes. The proposed rate represents a \$0.01947 per kWh decrease from the currently effective rate of \$0.04486 per kWh.

II. ADDITIONAL ISSUES PRESENTED

The filing presents, *inter alia*, the following additional issues: whether UES has accurately calculated the components underlying the SCC and EDC, as well as the resulting rates; and whether the resulting rates would be just and reasonable as required by RSA 374:2, RSA 378:5, and RSA 378:7. These issues will be addressed in this adjudicative proceeding.

The Commission will be conducting any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should file a written request with the Commission's Clerk's Office no later than fifteen (15) days prior to the hearing date. If the Commission determines that one or more individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that UES's proposed tariffs are suspended for a period not to exceed three (3) months pursuant to RSA 378:6, I(b), pending investigation and further order of the Commission; and it is

FURTHER ORDERED, that the Commission will hold a hearing in this matter at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on July 30, 2024, at 9:00 a.m. One day shall be allotted for this hearing; and it is

FURTHER ORDERED, that this adjudicative proceeding will review and resolve the foregoing additional issues pursuant to RSA chapter 541-A, RSA 374:2, RSA 378:5, RSA 378:7, and the Commission's procedural rules; and it is

FURTHER ORDERED, that the DOE shall file its position regarding UES's petition to adjust the SCC and EDC, including the reasons for this position, on or before July 23, 2024; and it is

FURTHER ORDERED, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is

FURTHER ORDERED, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to UES and any other parties on the service list, on or before July 15, 2024. The petition shall state the facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17. The Commission notes that this order extends the original deadline for intervention in the May 24, 2024 order of notice; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before July 25, 2024. The Commission notes that this order

extends the original deadline for objecting to intervention in the May 24, 2024 order of notice; and it is

FURTHER ORDERED, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the Commission. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, all Commission rules requiring the filing of paper copies are suspended until further notice. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or ClerksOffice@puc.nh.gov. All requests to the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

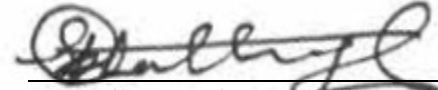
FURTHER ORDERED, that pursuant to N.H. Admin. R., Puc 203.12, UES shall notify all entities and individuals desiring to be heard at this hearing by publishing a copy of this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before July 11, 2024. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

FURTHER ORDERED, that any hearings in this matter shall be conducted in accordance with the previously issued hearing guidelines.

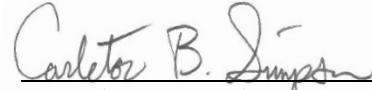
So ordered, this third day of July, 2024.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Carleton B. Simpson
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

Service List - Docket Related

Docket#: 24-077

Printed: 7/3/2024

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Service List - Docket Related

Docket#: 24-080

Printed: 7/3/2024

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