

DE07-059

THE STATE OF NEW HAMPSHIRE



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PUBLIC UTILITIES COMMISSION

21 S. Fruit Street, Suite 10
Concord, N.H. 03301-2429

April 18, 2007



Debra A. Howland
Executive Director and Secretary
New Hampshire Public Utilities Commission
21 South Fruit Street Suite 10
Concord, NH 03301

Re: Unitil Energy Systems, Inc.
2006 Lead Lag Study
Recommendation for Investigation

Dear Ms. Howland:

On March 16, 2007, Unitil Energy Systems, Inc. (UES) filed testimony of Robyn A. Tafoya and a 2006 lead/lag study in Docket No. 07-013 *Unitil Energy Systems, Inc. Default Service Solicitation*. At hearing, Staff expressed concern regarding: i) net lag increases relative to the 2005 study for both G1 and Non-G1 customers; ii) the 11 day difference between the net lag for an average UES customer and an average Granite State Electric Company customer; and iii) the fact that Staff did not have sufficient time to review UES' lead/lag before hearing. *See* Hearing Transcript (Tr.) of March 21, 2007 at 63-65.

Staff has conducted an initial review of UES' 2006 lead/lag study and recommends that the Commission open a new docket so that a thorough investigation of the assumptions, methodology and other issues related to the study be conducted. Staff believes that opening a docket will allow the investigation to proceed independently of UES' default service filings.

Thank you for your attention to this matter. Please let me know if you have any questions.

Sincerely,

Suzanne G. Amidon
Staff Attorney/Hearings Examiner

cc: Gary Epler, Esq.

Office of Consumer Advocate