

February 17, 2010

**BY OVERNIGHT MAIL**

Debra A. Howland, Executive Director and Secretary  
New Hampshire Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, NH 03301-2429

RE: Northern Utilities, Inc.  
Gas Energy Efficiency Program, Docket DG 09-053  
NH Residential Gas Networks Budget

Dear Director Howland:

Please accept this letter on behalf of Northern Utilities, Inc. ("Unitil" or the "Company") notifying the New Hampshire Public Utilities Commission that the Company has exceeded its originally proposed budget for the Residential Gas Networks program component of its Gas Energy Efficiency Program approved in docket DG 09-053 (Order No. 24,968). This has occurred due to an overwhelmingly positive response to the program over the past several months. The Company respectfully requests approval to exceed its original budget by more than 20 percent and to meet the budget increase by transferring funds from other residential programs which are not expected to be fully subscribed. At the same time, the Company is initiating steps to close the program as of the end of February, in order to prevent significant overspending for the residential segment during the current program period ending December 2010.

Attached to this letter please find a statement of current gas energy efficiency program spending as of January 31, 2010. As indicated, due to the overwhelming response to the Residential Gas Networks program, Unitil has exceeded its budget for the 2009 program year by \$60,000. With Commission approval, we would like to shift \$70,000 from the Energy Star Homes Program to the Residential Gas Networks program, increasing the originally approved budget by a total of 46 percent.

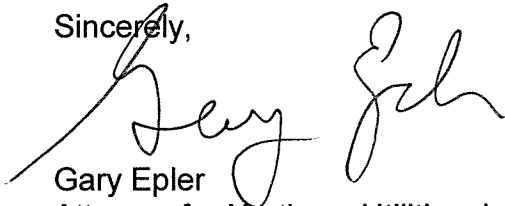
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Unitil's plan is to close the Residential Gas Networks Program at the end of February. Please note however, that even with the closure and the transfers above, it is likely that the overage in the Residential Gas Networks budget will continue to rise, as we expect rebate forms will continue to arrive through the end of March.

Please do not hesitate to contact me if you have any questions concerning this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Epler", written over the word "Sincerely,".

Gary Epler  
Attorney for Northern Utilities, Inc.

Enclosure

cc: Marcia A. B. Thunberg, Staff Counsel  
Meredith A. Hatfield, Consumer Advocate  
Eric Steltzer, Office of Energy and Planning  
Alan Linder, Esq.  
Daniel Feltes, Esq.  
Dana Nute, NHCAA