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March 12, 2012

BY HAND DELIVERY

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



**Re: Docket No. DE 10-188
Northern Utilities, Inc. 2011 Carryover Funds**

Dear Secretary Howland:

In accordance with Order No. 25,315 (Jan. 9, 2012), enclosed please find Northern Utilities, Inc.'s ("Northern" or the "Company") updated budgets and goals for its 2012 energy efficiency programs.

During its 2011-2012 winter Cost of Gas proceedings, the Company alerted the Commission that it may not spend all of its 2011 energy efficiency funds. In Order No. 25,282 (Oct. 2011), the Commission required the Company to address this underspending via the CORE Docket (Docket No. DE 10-188). In Order No. 25,315, the Commission approved a partial settlement agreement in the CORE Docket which required the Company to provide the parties with "the final amount of 2011 unspent energy efficiency funds (carryover funds) [it] will include in the 2012 budget" and which also required the Company to file updated program budgets and goals for the 2012 program year. Order No. 25,315 at 5, 11.

Northern has determined that its 2011 carryover consists of \$90,000 from the Residential Sector and \$60,000 from the C&I Sector. Based on the Company's projected market demand for energy efficiency projects in 2012, at this time the Company will not seek to return any of these funds to customers through the 2012-2013 winter Cost Of Gas proceedings. Instead, the Company plans to expend these funds in 2012 and has allocated the funds as follows:

Lawrence A. Kelly
(Of Counsel)

Residential Programs	Amount Allocated
New Home Construction with Energy Star	\$50,000
Residential High-Efficiency Heating, Water Heating and Controls	\$15,000
Income-Eligible	<u>\$25,000</u>
TOTAL RESIDENTIAL	\$90,000
Commercial Programs	Amount Allocated
New Equipment and Construction	\$45,000
Large C&I	<u>\$15,000</u>
TOTAL C&I	\$60,000

Please find enclosed updated budget and savings tables that reflect the above.

Yours truly,


Rachel Aslin Goldwasser

RAG/bmc

cc: Service List (electronic copies)
Daniel Ramage (by regular mail)

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