

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DE-11-105

UNITIL ENERGY SYSTEMS, INC.

PETITION TO INTERVENE BY THE RIVERWOODS
COMPANY, AT EXETER, NEW HAMPSHIRE

The RiverWoods Company at Exeter, New Hampshire (“RiverWoods”) brings this Petition to intervene pursuant to Puc 203.02 and RSA 541-A:32. The petition for declaratory ruling filed in this matter by Unitil Energy Systems, Inc. (“Unitil”) centers on Unitil’s liability to RiverWoods for damages arising from a defective Unitil electrical meter. As the party that potentially would be most affected by Unitil’s petition, RiverWoods easily meets the standard for being granted intervener status. Further, it is critical that RiverWoods be permitted to intervene so it can: (a) address the threshold question (not raised by Unitil) of whether the Commission has jurisdiction to adjudicate Unitil’s liability to RiverWoods, which is the subject of a pending civil suit filed in Rockingham County Superior Court; and (b) respond to Unitil’s argument that its liability is limited by RSA 365:2. In support of this Petition, RiverWoods states as follows:

1. RiverWoods operates a continuing care retirement community in Exeter. It provides a full range of residential and health care services to approximately 600 retired and elderly residents.

2. This matter arises from a defective electrical meter that Unitil installed at RiverWoods in September 2004. During the ensuing six years, this meter overstated RiverWoods’ electricity consumption by approximately 100%. The meter error caused RiverWoods’ elderly residents to be erroneously billed and to pay for more than \$1.8 million in electricity they did not receive or use.

3. In or about February 2011, Unitil first disclosed the meter error to RiverWoods. At that time, Unitil represented it accepted complete responsibility for the problem and would pay full restitution for overpayments made by RiverWoods. Further, RiverWoods recently learned that, in a letter dated April 7, 2011, Unitil's outside counsel represented that the PUC "directed Unitil to repay" RiverWoods for the full \$1.8 million, and demanded recovery of this amount from the manufacturer of the meter. Despite this, Unitil paid only \$611,900 in restitution to RiverWoods. To date it has refused to pay the balance owed, which totals nearly \$1.2 million. It thus appears that Unitil is only prepared to voluntarily "honor" its obligation to RiverWoods' elderly residents if it can cover its own liability by collecting from third parties – whether an equipment manufacturer, or other Unitil customers.

4. After efforts to resolve this matter with Unitil reached an impasse, on June 20, 2011, RiverWoods filed a Writ of Summons in Rockingham County Superior Court in a matter styled The RiverWoods Company at Exeter, New Hampshire v. Unitil Energy Systems, Case No. 2011-cv-___. (A copy of the Writ of Summons is attached hereto as Exhibit A.) RiverWoods asserts claims for negligence, unjust enrichment, violation of RSA 358-A, and breach of contract. It seeks recovery for damages incurred as a result of Unitil's failure to properly install and maintain the electrical meter, together with interest, costs, and attorneys' fees.

5. On May 13, 2011, Unitil petitioned the Commission for a declaratory ruling regarding Unitil's liability for the overpayments RiverWoods made as a result of Unitil's defective meter. On June 7, 2011, the Commission issued an Order directing parties seeking to intervene pursuant Puc 203.17 to petition to intervene by June 21, 2011.

6. Puc 203.17 provides that petitions to intervene "shall" be granted pursuant to RSA 541-A:32. This statute, in turn, provides in part that a petition to intervene in a pending

administrative proceeding “shall” be granted if “[t]he petition states facts demonstrating that the petitioner’s rights, duties, privileges and immunities or other substantial interests may be affected by the proceeding.” RSA 541-A:23, I(b).

7. It is clear that RiverWoods’ “substantial interests” may be affected by this proceeding. Unitil seeks a ruling as to whether its liability to RiverWoods is governed by RSA 365:29, which provides that a PUC reparation order, issued in response to a complaint over an illegal or discriminatory rate or fare charged by a utility, can only cover payments made within two years of the complaint.

8. Were Unitil to obtain a ruling from the Commission that RSA 365:29 applies, this could have a direct and substantial impact on RiverWoods. Unitil likely would attempt to use the ruling to shield it from paying restitution to RiverWoods beyond the \$611,900 already paid. Accordingly, RiverWoods should be granted intervener status pursuant to Puc 203.17 and RSA 541-A:32, so that it can fully protect its interests this matter.

9. It is RiverWoods’ position that the question of Unitil’s liability for overpayments and damages as a result of the defective meter is not within the Commission’s jurisdiction, and instead is a matter to be answered in the civil case pending before the Rockingham County Superior Court. Upon being granted intervener status, RiverWoods will file a motion to stay or dismiss any aspect of this proceeding that concerns Unitil’s liability to RiverWoods. RiverWoods does not contest, and does not have an interest in, Unitil’s ability to obtain a ruling from the Commission on the entirely separate issue of whether Unitil may recoup from other customers any portion of the amount it owes RiverWoods.

10. Regarding the substantive issues raised by Unitil, it is RiverWoods’ position that RSA 365:29 is inapposite and cannot be invoked by Unitil. This matter concerns defective

equipment for which Unitil is solely responsible (as it has acknowledged to RiverWoods) that caused RiverWoods to be billed for electricity it did not receive or use. It does not concern a dispute over the electricity rate or fare charged.

11. The interests of justice would be best served and the orderly and the prompt and orderly conduct of this proceeding would not be impaired by the participation of RiverWoods as an intervening party.

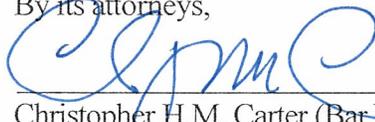
WHEREFORE, RiverWoods respectfully requests that the Commission:

- A. Grant it full intervener status in this proceeding; and
- B. Grant such other and further relief as is just and reasonable.

Respectfully submitted,

THE RIVERWOODS COMPANY OF EXETER,
NEW HAMPSHIRE

By its attorneys,

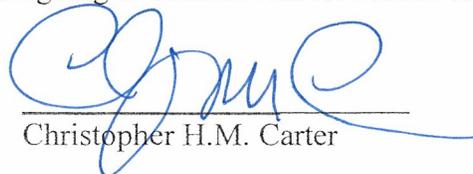


Christopher H.M. Carter (Bar No. 12452)
Hinckley, Allen & Snyder LLP
11 South Main Street, Suite 400
Concord, NH 03301-4846
Tel. No.: 603.225.4334
Email: ccarter@haslaw.com

Dated: June 21, 2011

CERTIFICATE OF SERVICE

I hereby certify that a copy of the foregoing document was forwarded to all counsel of record.



Christopher H.M. Carter

933783

The State of New Hampshire

SUPERIOR COURT

ROCKINGHAM COUNTY

() COURT

(X) JURY

WRIT OF SUMMONS

The RiverWoods Company at Exeter, New Hampshire
7 RiverWoods Drive
Exeter, NH 03833

v.

Unitil Energy Systems, Inc.
6 Liberty Lane West
Hampton, NH 03842

The Sheriff or Deputy of any County is ordered to summon each defendant to file a written appearance with the Superior Court at the address listed below by the return day of this writ which is the first Tuesday of AUGUST, 2011,
YEAR MONTH

The PLAINTIFF(S) state(s):

See attached Special Declaration

and the Plaintiff(s) claim(s) damages within the jurisdictional limits of this Court.

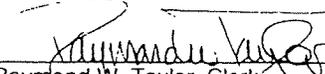

INDORSER (sign and print name)
Christopher H.M. Carter

6/20/11
DATE OF WRIT

NOTICE TO THE DEFENDANT

The Plaintiff listed above has begun legal action against you. You do not have to physically appear in Court on the return day listed above since there will be no hearing on that day. However, if you intend to contest this matter, you or your attorney must file a written appearance form with the Clerk's Office by that date. (Appearance forms may be obtained from the Clerk's Office.) You will then receive notice from the Court of all proceedings concerning this case. If you fail to file an appearance by the return day, judgment will be entered against you for a sum of money which you will then be obligated to pay.

Tina Nadeau
Witness, ~~Robert Taylor~~, Chief Justice, Superior Court.


Raymond W. Taylor, Clerk
NH Superior Court Rockingham County
10 Route 125
Brentwood, NH

Mailing Address:
P.O. Box 1258
Kingston, NH 03848-1258
(603) 642-5256


SIGNATURE OF PLAINTIFF/ATTORNEY

Christopher H.M. Carter, Esq. (Bar #12452)

PRINTED/TYPED NAME

Hinckley Allen & Snyder LLP

11 South Main Street, Suite 400
ADDRESS

Concord, NH 03301

/(603) 225-4334
PHONE

STATE OF NEW HAMPSHIRE

ROCKINGHAM, SS.

SUPERIOR COURT

Docket No. _____

The RiverWoods Company at Exeter, New Hampshire

v.

Unitil Energy Systems, Inc.

SPECIAL DECLARATION

Plaintiff, The RiverWoods Company at Exeter, New Hampshire, submits this Special Declaration in support of its Writ of Summons in this matter.

I. INTRODUCTION

RiverWoods seeks damages arising from over \$1.8 million in overpayments that it was erroneously directed to make on behalf of its elderly residents between 2004 and 2011, as a direct result of Defendant Unitil Energy Systems' installation of faulty electricity metering equipment at one of RiverWoods' residential facilities. As a result of Unitil's faulty metering equipment, RiverWoods received monthly bills that overstated its electricity consumption by approximately 100%. Unitil alone was responsible for the metering error, which remained undisclosed until February 2011. Unitil accepted full responsibility for the error and, at first, promised to repay RiverWoods in full for the overpayments. Regrettably, Unitil reversed course. It ultimately agreed to repay only one-third of the overpayments, and has refused to voluntarily repay the balance of at least \$1,189,805 that remains owed. By this action, RiverWoods seeks recovery of this amount, together with interest, costs and attorneys fees it has incurred due to Unitil's unlawful conduct in this matter.

II. PARTIES

1. Plaintiff, The RiverWoods Company at Exeter, New Hampshire (“RiverWoods”) is a New Hampshire not-for-profit corporation with a principal place of business at 7 RiverWoods Drive, Exeter, NH 03833.

2. Defendant Unitil Energy Systems, Inc. (“Unitil”) is, upon information and belief, a New Hampshire business corporation with a place of business at 6 Liberty Lane West, Hampton, NH 03842-1720.

III. JURISDICTION AND VENUE

3. The Court has personal jurisdiction over Unitil, which conducts business in New Hampshire, and the events giving rise to this case occurred in this state.

4. Venue is appropriate in this Court pursuant to RSA 507:9.

IV. FACTS

5. RiverWoods operates a continuing care retirement community in Exeter. It provides a full range of residential and health care services to approximately 600 retired and elderly residents.

6. The RiverWoods retirement community has three campuses: “The Woods,” which opened in 1994, “The Ridge,” which opened in 2004, and “The Boulders,” which opened in 2010.

7. Unitil is in the business of the transmission, distribution, and retail sale of electricity and natural gas.

8. Since approximately 1994, Unitil has had a contract to deliver electricity to RiverWoods. Pursuant to the parties’ contractual agreement, Unitil is responsible for the installation and maintenance of the electricity transmission and metering equipment that is used

to deliver electricity to RiverWoods. Unitil is required to use metering equipment that accurately measures RiverWoods' consumption of electricity. The Unitil consumption measurements are used to generate monthly billing statements sent to RiverWoods.

9. In or about September 2004, during the construction of The Ridge campus, Unitil installed electricity transmission equipment at The Ridge. The equipment includes electrical meters and a so-called current transformer, or "CT." The CT is used to measure a customer's electrical usage. In essence, the customer's electrical usage, as measured by the CT, is multiplied by a set ratio, or "meter constant," to determine the customer's billable usage.

10. Unitil owns the electricity meter and CT at The Ridge campus. Unitil is responsible for the installation, maintenance and repair of this equipment.

11. Unknown to RiverWoods, the CT that Unitil installed at The Ridge campus was not calibrated properly. The CT was programmed to have a meter constant of "600," when it should have had a meter constant of "300." As a result of this error, The Ridge's calculated energy usage was double the facility's actual usage.

12. From November 2004 until February 2011, the monthly electricity bills RiverWoods received in connection with The Ridge campus were approximately double what the bills should have been. The total overpayments made by RiverWoods during this period as a result of Unitil's faulty electricity meter totaled at least \$1,801,504.

13. After RiverWoods opened The Boulders campus in June 2010, it discovered a significant disparity between the electricity consumption at this facility and at The Ridge. This was not logical, since the two campuses are of comparable size and have essentially the same electrical equipment. In November 2010, RiverWoods asked Unitil to investigate the problem and test the metering equipment installed at The Ridge and The Boulders.

14. Through its investigation, Unitil discovered that the CT equipment at The Ridge had been miscalibrated, and that this had caused RiverWoods to be overcharged by nearly twice the proper amount since September 10, 2004. From that date through January 2011, RiverWoods was billed a total amount of \$3,613,338. It is undisputed that at least \$1,801,504 of this amount should not have been billed. It further is undisputed that RiverWoods paid this full amount, and is entitled to recovery of the same.

15. Unitil's management immediately recognized that Unitil was fully responsible for the metering error and overbillings, and for repaying RiverWoods in full for the amount it had overpaid. Thus, on February 10, 2011, one of Unitil's billing administrators, Jennifer Nelson, made the following computer entry in RiverWoods' file:

FEBRUARY 2011 IT WAS DISCOVERED THAT THE METERING FOR THIS ACCOUNT HAD AN ERROR IN THAT THE CT WAS MARKED INCORRECTLY BY THE MANUFACTURER AND AS A RESULT WE DETERMINED THAT THE CUSTOMER WAS BEING BILLED TWICE THE CONSUMPTION/CHARGES THAT SHOULD HAVE BEEN BILLED – **WE WILL CREDIT THE CUSTOMER EXACTLY ½ OF ALL CHARGES MINUS THE CUSTOMER CHARGE AND MISC CHARGE ALL THE WAY BACK TO THE CUSTOMERS INT DATE OF 9/10/04 – SIGNIFICANT CREDIT REFUND IS PENDING.**

See Exhibit A (3/9/11 email from Jennifer Nelson to Lisa Gove) (emphasis added).

16. In fact, Unitil did not "credit" RiverWoods as represented in Ms. Nelson's notes.

17. On February 17, 2011, Unitil first disclosed the metering error to RiverWoods. Despite having already determined the financial impact of this error on RiverWoods' residents, Unitil inexplicably declined to share this information with RiverWoods.

18. For weeks Unitil's senior management stalled and delayed, alleging they could not quantify RiverWoods' loss before reviewing each of the 76 bills that RiverWoods received during the period in question, and asking for RiverWoods' "patience and understanding." See

Exhibit B (2/18/11 letter from Tim Noonis to Kevin Goyette); Exhibit C (2/25/11 letter from Tim Noonis to Justine Vogel); Exhibit D (3/4/11 letter from Tim Noonis to Kevin Goyette). During this time, when RiverWoods requested that Unitil at least provide general confirmation as to the extent of the overbillings, so that RiverWoods could adjust its utility budgets accordingly, Unitil's senior management was evasive, replying: "Unfortunately I am unable to confirm the metering ratio inaccuracy until the analysis is completed." Exhibit E (3/4/11 email from Tim Noonis to Kevin Goyette).

19. In mid-March 2011, Unitil finally disclosed that the metering error had resulted in overbillings to RiverWoods totaling approximately \$1.8 million. At that time, Unitil advised it had been communicating "informally" with the New Hampshire Public Utilities Commission ("PUC") about the issue of repaying RiverWoods. Unitil stated unequivocally that it intended to repay RiverWoods in full. For example, on March 23, 2011, Unitil informed RiverWoods: "I can also confirm that under our proposal *Unitil will provide RiverWoods with a full refund.*" See Exhibit F (3/23/11 email from Cindy Carroll to Justine Vogel) (emphasis added).

20. Unitil also assured RiverWoods that it was proceeding in good faith and that the parties' interests were completely aligned. Thus, in an April 6, 2011 email, Unitil's Senior Business Development Executive, Tim Noonis, represented to RiverWoods: "*Please bear with us just a bit longer and we will see this through together.*" Exhibit G (4/6/11 email from Tim Noonis to Justine Vogel) (emphasis added).

21. Despite these representations, Unitil reversed course and adopted the position that it would not accept full responsibility for its admitted error. Unitil alleged, among other things, that RiverWoods was not entitled to full recovery due to provisions of RSA 365:29, which provides that a PUC reparation order, issued in response to complaint over an illegal or

discriminatory rate or fare charged by a utility, can only cover payments made within two years of the complaint. RSA 365:29 is inapposite, of course, since this matter clearly does not concern a dispute over an illegal or discriminatory rate or fare charged by a utility; it concerns Unitil's liability for an equipment malfunction that caused RiverWoods and its elderly residents to be billed and to pay for electricity they did not receive or use.

22. On May 13, 2011, Unitil paid partial restitution in the amount of \$611,900, representing only one-third of the total amount overpaid by RiverWoods as a result of Unitil's metering error. Unitil has refused to pay the balance owed, which totals at least \$1,189,805.

Count I
(Breach of Contract)

23. RiverWoods repeats and realleges the allegations in the above paragraphs as if stated fully herein.

24. Since approximately 1994, Unitil has had a contract with RiverWoods pursuant to which Unitil distributes electricity to the RiverWoods facilities in Exeter, New Hampshire.

25. Pursuant to the parties' contractual agreement, Unitil is responsible for the installation and maintenance of the electricity transmission and metering equipment that is used to distribute electricity to RiverWoods, and that records electricity consumption in order to generate monthly bills sent to RiverWoods.

26. Unitil breached its contract with RiverWoods by installing electricity transmission equipment that grossly miscalculated the energy used by RiverWoods, by submitting monthly bills that overcharged RiverWoods, and by failing to immediately and fully pay restitution to RiverWoods for overpayments caused by Unitil's metering error.

27. Unitil is liable to RiverWoods for damages incurred as a result of Unitil's breach of contract.

Count II
(Negligence)

28. RiverWoods repeats and realleges the allegations in the above paragraphs as if stated fully herein.

29. Unitil had a duty to correctly install, read, maintain, and/or operate the electrical transmission and metering equipment on the RiverWoods facilities.

30. Unitil breached that duty in that it negligently installed, read, maintained, and/or operated the electrical equipment on the RiverWoods facilities.

31. As a proximate result of Unitil's negligence, RiverWoods has suffered significant damages.

32. RiverWoods is entitled to full compensation for the damages it has suffered, together with interest, fees and costs.

Count III
(Unjust Enrichment)

33. RiverWoods repeats the allegations in the above paragraphs as if stated fully herein.

34. Unitil has been unjustly enriched by charging RiverWoods for electricity RiverWoods did not use and by refusing to fully repay RiverWoods the full amount of overpayments caused by Unitil's metering error.

35. It would be manifestly unjust to allow Unitil to retain the benefit of any such overcharges.

36. RiverWoods is entitled to a full and complete refund of the amount it overpaid as a result of overcharges by Unitil.

Count IV
(Violation of RSA 358-A)

37. RiverWoods repeats and realleges the allegations in the above paragraphs as if stated fully herein.

38. Unitil is engaged in trade or business within the meaning of RSA 358-A.

39. Unitil committed unfair and deceptive business practices in violation of RSA 358-A by, *inter alia*, installing improperly calibrated electricity metering equipment at the RiverWoods facilities; causing RiverWoods to be overbilled in excess of \$1.8 million over a six year period; failing to promptly identify and correct the metering error; refusing to promptly disclose the financial impact of the metering error, even when that information was known to Unitil; and representing to RiverWoods that it would pay full restitution for the overpayments arising from its metering error, and, after RiverWoods had relied on said representations, abruptly changing course and raising baseless claims as to why Unitil purportedly is not liable for paying full restitution.

40. As a result of its violations of RSA 358-A, Unitil is liable to RiverWoods for double or treble damages, as well as for costs and reasonable attorneys' fees.

#933462

EXHIBIT A

From: Lisa Gove [mailto:lgove@riverwoodsrc.org]
Sent: Wednesday, March 09, 2011 10:49 AM
To: 'Kevin Goyette'
Subject: FW: Unitil Bill

fyi

From: Nelson, Jennifer [mailto:nelson@unitil.com]
Sent: Wednesday, March 09, 2011 10:45 AM
To: 'Lisa Gove'
Subject: RE: Unitil Bill

Hi Lisa,

The supervisor is aware of this. I just wanted to let you know that there was a meter change in 7/2008, so we are double checking to see if the problem started then, or back in 2004. I have given your phone number and email over to a Tim Noonis. You might get a phone call from him so he can explain in detail what had happened.

Thanks
Jennifer

From: Lisa Gove [mailto:lgove@riverwoodsrc.org]
Sent: Wednesday, March 09, 2011 9:08 AM
To: Nelson, Jennifer
Subject: RE: Unitil Bill

Thanks for the info! I will go ahead and enter the rest of the statements for payment.

Lisa

5/31/2011

From: Nelson, Jennifer [mailto:nelson@unitil.com]
Sent: Wednesday, March 09, 2011 9:07 AM
To: 'Lisa Gove'
Subject: RE: Unitil Bill

Well....good and bad....good is you will be getting a huge credit on this account.. .bad, we have been billing wrong for a while now....Please see notes:

FEBRUARY 2011 IT WAS DISCOVERED THAT THE 2/10/11
METERING FOR THIS ACCOUNT HAD AN ERROR 2/10/11
IN THAT THE CT WAS MARKED INCORRECTLY 2/10/11
BY THE MANUFACTURER AND AS A RESULT WE 2/10/11
DETERMINED THAT THE CUSTOMER WAS BEING 2/10/11
BILLED TWICE THE CONSUMPTION/CHARGES 2/10/11
THAN SHOULD HAVE BEEN BILLED -
. WE WILL BE CREDIT THE CUSTMR 2/10/11
EXACTLY 1/2 OF ALL CHARGES MINUS THE 2/10/11
CUSTOMER CHARGE AND MISC CHARGES ALL THE 2/10/11
WAY BACK TO THE CUSTOMRS INT DATE OF 2/10/11
9/10/04 - SIGNIFICANT CREDIT REFUND IS 2/10/11
PENDING -CP 2/10/11

Once all the billing has been corrected, I will let you know what the ending credit will be...this might take some time to get done.

Thanks
Jennifer

From: Lisa Gove [mailto:lgove@riverwoodsrc.org]
Sent: Wednesday, March 09, 2011 8:51 AM
To: Nelson, Jennifer
Subject: RE: Unitil Bill
Importance: High

Hi Jennifer,

I just opened up the attachment and the bill is the same one I received for last month. Do you have one for the billing period 1/20 to 2/18? That is the date range on all of the other statements I received last week.

Thanks!

Lisa
(603) 658-3097

From: Nelson, Jennifer [mailto:nelson@unitil.com]
Sent: Wednesday, March 09, 2011 8:48 AM
To: 'Lisa Gove'
Subject: Unitil Bill

Thanks
Jennifer

5/31/2011

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 9.0.872 / Virus Database: 271.1.1/3492 - Release Date: 03/09/11 02:25:00

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 9.0.872 / Virus Database: 271.1.1/3492 - Release Date: 03/09/11 02:25:00

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 9.0.872 / Virus Database: 271.1.1/3492 - Release Date: 03/09/11 02:25:00

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 8.5.449 / Virus Database: 271.1.1/3492 - Release Date: 03/08/11 17:49:00

EXHIBIT B

From: Noonis, Tim [mailto:noonis@unitil.com]
Sent: Friday, February 18, 2011 4:39 PM
To: kgoyette@riverwoodsrc.org
Subject: Unitil meeting summary

Hi Kevin...here is the summary you asked for. Please let me know if you need anything else in the near term. Tim

Tim Noonis
Unitil
noonis@unitil.com
603-294-5123

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 8.5.449 / Virus Database: 271.1.1/3451 - Release Date: 02/23/11 11:32:00

5/31/2011



We deliver.
It's that simple.

2/18/2011

Mr. Kevin Goyette
Chief Financial Officer
Riverwoods
7 Riverwoods Dr.
Exeter, NH 03833

Dear Kevin,

I am following up to your request for a summary of the main points from our meeting yesterday regarding the metering equipment issue at the Riverwoods facility known as "The Ridge".

Here are the highlights of our discussion:

1. I have been working with Tim Bishop of Riverwoods on identifying ways of reducing the energy consumption at your different facilities. The Ridge in particular seemed to have a higher consumption than your other facilities. Through the monitoring of your sub-panels at the Ridge, we were able to identify that there were mislabeled manufactured equipment that led to billing inaccuracies.
2. In order to meter large customer loads, utilities must install instruments that transform large current flows into measurable quantities by our meters. This device is called a current transformer or CT. The output of the CT's are a ratio of the actual load. The meter uses this reduced current output to measure energy usage. In order to determine billable usage, this ratio (or meter constant) is multiplied by the metered values to calculate actual usage.
3. The CT's installed at the Ridge were mis-labeled by the manufacturer. Unitil used the CT ratio provided by the manufacturer as a basis for billing the Ridge account. This billing inaccuracy existed since the metering equipment was installed in September of 2004.
4. Our metering personnel performed additional testing of the metering installation at the Ridge including the CT's and all of the ancillary metering equipment to ensure everything is working properly, and there was nothing physically or mechanically wrong with the equipment.

Corporate Office

6 Liberty Lane West
Hampton, NH 03842-1720

Phone: 603-772-0775
Fax: 603-773-6605

Email: corp@unitil.com

5. In addition to testing the metering equipment at the Ridge, we took the initiative to test the meters and the CTs at the Woods and the Boulders to ensure they are functioning and billing correctly. There were no problems at these sites.
6. We have corrected the metering constant in our billing system for the Ridge and we will hold your February bill until the historical billing analysis can be completed.
7. There were 76 billing periods that were affected and each bill has multiple components per billing cycle. Each bill will have to be individually reviewed and corrected. We estimate that this will take 3 to 4 weeks to complete. We thank you for your patience while we perform this analysis.
8. To complicate matters, The Ridge account went out on competitive supply starting in 2006 so there are issues that need to be worked out with your 3rd party supplier (TransCanada). We appreciate your approval for us to work directly with them on this billing analysis.
9. At this point we expect the correction will be in Riverwoods favor. Once our analysis is completed we would like to meet again to discuss the results.

Kevin, I hope this accurately summarizes our discussion yesterday. Thank you for your patience and understanding in this matter.

Sincerely,

A handwritten signature in black ink that reads "Tim Noonis". The signature is written in a cursive style with a long, sweeping horizontal line extending to the right from the end of the name.

Tim Noonis
Sr. Business Development Executive
Unitil

EXHIBIT C

From: Noonis, Tim [mailto:noonis@unitil.com]
Sent: Friday, February 25, 2011 4:20 PM
To: jvogel@riverwoodsrc.org
Cc: kgoyette@riverwoodsrc.org
Subject: Unitil - Ridge billing update

Justine, here is the latest on the Ridge billing situation. Tim

Tim Noonis
Unitil
noonis@unitil.com
603-294-5123

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 8.5.449 / Virus Database: 271.1.1/3465 - Release Date: 02/25/11 07:34:00

5/31/2011



We deliver.
It's that simple.

2/25/11

Justine Vogel
Chief Executive Officer
Riverwoods
7 Riverwoods Drive
Exeter, NH 03833

Dear Justine,

As you are aware, I met with Kevin Goyette last week regarding the billing inaccuracy that occurred at the Ridge.

Kevin asked that I update you weekly regarding the progress that we are making to rectify the account billing.

With Kevin's permission, we contacted your 3rd party supplier, TransCanada. We have notified TransCanada that there has been a billing inaccuracy on your account and TransCanada and Unitil are sharing billing information on the Ridge account.

As I conveyed to Kevin, the analysis of the billing is complex and must be done for each of the individual 76 billing periods.

We estimate that this will take another 2 to 3 weeks to complete. We realize this is a substantial amount of time but want to make sure we are thorough and get it right.

Thank you for your patience while we perform our analysis.

If you have any questions in the interim, please call me at 294-5123.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Noonis".

Tim Noonis
Sr. Business Development Exec.

cc: Kevin Goyette

Corporate Office

6 Liberty Lane West
Hampton, NH 03842-1720

Phone: 603-772-0775
Fax: 603-773-6605

Email: corp@unitil.com

EXHIBIT D

From: Noonis, Tim [mailto:noonis@unitil.com]
Sent: Friday, March 04, 2011 3:40 PM
To: jvogel@riverwoodsrc.org; kgoyette@riverwoodsrc.org
Subject: The Ridge - Unitil update

Hi Justine & Kevin, please find attached the latest update on the Ridge. Please call me with any questions or concerns. Tim

Tim Noonis
Unitil
noonis@unitil.com
603-294-5123

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 8.5.449 / Virus Database: 271.1.1/3481 - Release Date: 03/04/11 07:34:00

5/31/2011



3/4/11

Justine Vogel
Chief Executive Officer
Riverwoods
7 Riverwoods Drive
Exeter, NH 03833

Dear Justine,

I am contacting you with an update on Unitil's efforts to resolve the billing inaccuracy for the Ridge campus.

During this past week, we have obtained the billing information from TransCanada for the billing periods of July 21st, 2006 through January 19th, 2011.

We now have sufficient information to begin our analysis.

I realize that Riverwoods is eager for a swift resolution of this issue. As you may imagine, this is a delicate and complex transaction requiring thorough analysis and consideration.

I thank you for your continued patience while we carefully analyze the data.

If you have any questions in the interim, please contact me at 294-5123.

Sincerely,

A handwritten signature in black ink, appearing to read "Tim Noonis".

Tim Noonis
Sr. Business Development Exec.

Corporate Office

6 Liberty Lane West
Hampton, NH 03842-1720

Phone: 603-772-0775
www.unitil.com

EXHIBIT E

From: Kevin Goyette [mailto:kgoyette@riverwoodsrc.org]
Sent: Friday, March 04, 2011 4:48 PM
To: 'Noonis, Tim'
Subject: RE: The Ridge - Unitil update

Tim.

I understand the sensitive nature but this is a major inconvenience impacting our 600 residents. I will be back in touch next week to discuss how Unitil will be able to provide us with the correct meter information.

-Kevin

Kevin P. Goyette
Chief Financial Officer
The RiverWoods Company
(603) 658-3035 phone
(603) 778-9623 fax

From: Noonis, Tim [mailto:noonis@unitil.com]
Sent: Friday, March 04, 2011 4:36 PM
To: Kevin Goyette
Subject: RE: The Ridge - Unitil update

Hi Kevin, unfortunately I am unable to confirm the metering ratio inaccuracy until the analysis is completed. I apologize for the inconvenience in the forecasting of your utility budgets. Perhaps a hybrid value based on the square footage might be a short term solution. Tim

Tim Noonis
Unitil
noonis@unitil.com
603-294-5123

From: Kevin Goyette [mailto:kgoyette@riverwoodsrc.org]
Sent: Friday, March 04, 2011 4:01 PM
To: Noonis, Tim
Cc: jvogel@riverwoodsrc.org
Subject: RE: The Ridge - Unitil update

5/31/2011

Importance: High

Tim.

I am formulating the utility budgets this weekend and really need to have good information so that I can set the correct rates. Can you at least confirm the amount that your factor was off on the meter read? 50%?

Thanks.

-Kevin

Kevin P. Goyette
Chief Financial Officer
The RiverWoods Company
(603) 658-3035 phone
(603) 778-9623 fax

From: Noonis, Tim [mailto:noonis@unitil.com]
Sent: Friday, March 04, 2011 3:40 PM
To: jvogel@riverwoodsrc.org; kgoyette@riverwoodsrc.org
Subject: The Ridge - Unitil update

Hi Justine & Kevin, please find attached the latest update on the Ridge. Please call me with any questions or concerns. Tim

Tim Noonis
Unitil
noonis@unitil.com
603-294-5123

No virus found in this incoming message.
Checked by AVG - www.avg.com
Version: 8.5.449 / Virus Database: 271.1.1/3481 - Release Date: 03/04/11 07:34:00

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Checked by AVG - www.avg.com
Version: 8.5.449 / Virus Database: 271.1.1/3481 - Release Date: 03/04/11 07:34:00

5/31/2011

EXHIBIT F

From: Carroll, Cindy [mailto:carroll@unitil.com]
Sent: Wednesday, March 23, 2011 2:33 PM
To: 'Justine Vogel'
Cc: 'Kevin Goyette'; Noonis, Tim
Subject: RE: RiverWoods

Justine,

Thank you for your note. I have had a chance to discuss your information requests with the internal team working with the NHPUC Staff on the proposal we have pending and they advise that: (1) yes, we can and will provide RiverWoods with a copy of the analysis that we have submitted to the NHPUC once we have received feedback from Staff about the proposal. It is our intention to be transparent to RiverWoods with regard to this calculation/analysis. We may, however, ask that the analysis be treated confidentially, depending upon our discussions with NHPUC Staff; (2) I can also confirm that under our proposal Unitil will provide RiverWoods with a full refund; it should not be necessary for you to seek refunds from other parties; and (3) Since our meeting on 3/7 the NHPUC Staff has asked for a follow-up meeting with Unitil to discuss the proposal and we are currently in the process of scheduling that meeting. We are doing what we can to schedule the meeting as soon as possible to expedite the matter.

Thank you for your patience as we move through the process with the PUC Staff. We will provide you with an update on Friday however, should you have any additional questions please do not hesitate to contact me.

Best,
Cindy

Cindy L. Carroll – Director, Business Development
Unitil Corp. | 325 West Road | Portsmouth, NH 03801
o: 603.294.5120 | f: 603.294.5220
carroll@unitil.com | www.unitil.com

From: Justine Vogel [mailto:jvogel@riverwoodsrc.org]
Sent: Monday, March 21, 2011 4:34 PM
To: Carroll, Cindy
Cc: 'Kevin Goyette'; Noonis, Tim
Subject: RiverWoods

Cindy – since our meeting Kevin and I have been in discussion with our Board, our auditors and our attorneys.

5/31/2011

Some good questions and suggestions have arisen from these discussions. Pursuant to those discussions, we have some requests:

- Will you provide us with a copy of what Unitil submitted to the PUC in regard to the calculation/analysis for the overbilling and the PUC approval. This will serve as backup for our auditors to support the payment and also allow us to complete the appropriate level of fiduciary oversight regarding the calculation.
- Can you confirm that the reason the PUC has to authorize the refund is because you are proposing that the full refund be made by Unitil instead of RW having to seek refunds from the three parties (Unitil, TransCanada and the SNH)?
- Can you provide an update to any discussion or timing that you have had with the PUC since our meeting of 3/7?

Thank you and I look forward to hearing from you.

Justine

Justine Vogel
President and CEO
The RiverWoods Company
603 658 3005 (O)
603 686 0235 (C)
603 778 9623 (F)

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5/31/2011

EXHIBIT G

From: Noonis, Tim [mailto:noonis@unitil.com]
Sent: Wednesday, April 06, 2011 4:20 PM
To: Justine Vogel
Cc: Epler, Gary
Subject: RE: Ridge billing update

Justine,

The analysis and information that we have provided to the NH PUC Staff to date was for our initial and informal discussions with them.

We would prefer to submit to Riverwoods copies of the actual documents that will be filed with the NH PUC. The analysis that will be formally presented to the Commission for their consideration as a part of the official filing may be slightly different than the information provided during our informal discussions with Staff.

I realize that you have made a commitment to your Board to perform your own analysis and are anxious to begin however; to ensure that you are presenting them with the final and formally filed information I ask that you allow us two more weeks to complete our filing and officially submit it to the NH PUC; we will promptly provide Riverwoods with duplicate copies.

We are acutely aware of the inconvenience that this billing inaccuracy has caused Riverwoods. Please bear with us just a bit longer and we will see this through together.

Sincerely,

Tim

Tim Noonis
Unitil
noonis@unitil.com
603-294-5123

From: Justine Vogel [mailto:jvogel@riverwoodsrc.org]
Sent: Wednesday, April 06, 2011 3:25 PM
To: Noonis, Tim
Cc: kgoyette@riverwoodsrc.org
Subject: RE: Ridge billing update

Tim – I was expecting more. I understood Cindy's prior email to indicate that you would send us a copy of what you had submitted already.

Justine

From: Noonis, Tim [mailto:noonis@unitil.com]
Sent: Wednesday, April 06, 2011 2:57 PM
To: jvogel@riverwoodsrc.org
Cc: kgoyette@riverwoodsrc.org
Subject: Ridge billing update

Hi Justine, I apologize for the delay. Our discussions with the NH PUC continue to be a delicate and complex issue. Tim

Tim Noonis
Unitil
noonis@unitil.com
603-294-5123