

THE STATE OF NEW HAMPSHIRE



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July 10, 2012

RE: DE 12-171, Unutil Energy Systems, Inc.
Order No. 25,385

To the Parties:

Enclosed are revised pages 2 and 3 of Order No. 25,385 (June 29, 2012). On page 2, the correct year for the Order referenced in the first line is 2002 (not 2012). In the last full paragraph on page 2, there are three changes. In the line that begins "increases for G2 customers" the credit should be \$0.00001 (not \$0.00046), and in the next line the credit should be \$0.00001 (not \$0.00041). The last reference in the paragraph should be to G1 customers (not G2 customers). And, in the last line of page 2, a credit of \$0.01 per kw (not \$0.24).

On page 3, line one changes to of \$0.02 per kW (not KWh).

All other portions of this Order remain unchanged. Please substitute the enclosed revised pages to your copy of Order No. 25,385.

Very truly yours,

A handwritten signature in black ink that reads "Debra A. Howland".

Debra A. Howland
Executive Director

Enclosures
cc: Service List
Docket File

approved by the Commission in Order No. 24,072 (October 25, 2002) in Docket No. DE 01-247, and by the Federal Energy Regulatory Commission. The CRPs are paid by UES as a condition to UPC waiving certain contractual rights against UES in connection with pre-existing power supply agreements. The CRPs are equal to the sum of the following categories of costs: (1) the portfolio sales charge, (2) the residual contract obligations, (3) the Hydro-Quebec support payments, and (4) true-ups from prior periods. The filing states that UPC's last portfolio sales charge was made in October 2010, and the last residual contract obligation buyout payment was made in September 2009.

The SCC obligations are calculated first based on a uniform energy-based per kilowatt hour (kWh) charge and then applied to each class based on the appropriate rate design. In addition to the energy-based SCC, customers in the G2 and the G1 classes incur a demand-based SCC. For these classes, UES used the ratio of demand and energy revenue under current rates to develop the demand and energy components of the SCC for effect August 1, 2012.

UES said that the uniform energy-based SCC rate, which is applied equally to all customer classes other than G2 and G1, is increasing by \$0.00016 per kWh. The resulting proposed energy-based SCC rates for the period beginning August 1, 2012 are as follows: increases for residential customers from a credit of \$0.0004 per kWh to a rate of \$0.00012; increases for G2 customers from a credit of \$0.00001 per kWh to a rate of \$0.00002 per kWh for G2 customers; and increases for G1 customers from a credit of \$0.00001 per kWh to a rate of \$0.00003 per kWh for G1 customers.

The proposed demand-based SCC rate for G1 and G2 customers is also increasing. For G2 customers, the demand-based SCC rate will increase from a credit of \$0.01 per kW to a rate

of \$0.02 per kW. For G1 customers, the demand charge will increase from a credit of \$0.01 per kilovolt-ampere (kVA) to a rate of \$0.03 per kVA. UES attributed the increase to a change in the prior period balance. UES also included an adjustment to the SCC related to the customer billing adjustment pending in Docket No. DE 11-105. Regarding this customer billing adjustment, UES stated that it proposes to include \$36,423 in each of the next three SCC rates. The \$36,423 includes interest at the rate of 3.25%.

The EDC includes costs associated with transmission, including third party transmission provider costs, regional transmission and operating entities, transmission-based fees and assessments, administrative costs associated with the renewable source option program, and various administrative, consulting and legal costs. UES calculated an increase of approximately \$4 million for the upcoming EDC rate period of August 2012 through July 2013 over the current EDC rate period of August 2011 through July 2012. UES attributed the increase to two factors: (1) higher third party transmission providers (Northeast Utilities Network Integration Transmission Service) costs and (2) higher regional transmission and operating entities cost for the upcoming period. UES calculated a proposed EDC rate of \$0.01757 per kWh for the period beginning August 1, 2012, which represents an increase of \$0.00278 per kWh as compared to the current EDC rate of \$0.01479 per kWh.

RSA 378:6 provides that pending any investigation of a rate schedule which does not represent a general rate change, the Commission may suspend the taking effect of such tariff filing for up to 3 months in order to investigate whether the proposed rates are just, reasonable and otherwise consistent with applicable law. We determine that such suspension and investigation are necessary under RSA 378:6.

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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