



**CONFIDENTIAL  
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ORIGINAL	
N.H.P.U.C. Case No.	DG 13-257
Exhibit No.	# 1
Witness	Panel 1
DO NOT REMOVE FROM FILE	

September 16, 2013

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

Re: **Northern Utilities, Inc. -- DG 13 , 2013 / 2014 Winter Season  
Cost of Gas and Associated Charges Filing**

Dear Director Howland,

Northern Utilities, Inc. ("Northern" or the "Company") hereby submits an original and seven copies of the Exhibits and Direct Testimony of Christopher A. Kahl, Francis X. Wells and Joseph F. Conneely in support of the Company's 2013-2014 Winter Season Cost of Gas ("COG") Adjustment filing and other associated proposed tariff changes.

Northern respectfully requests approval for the following Tariff Sheets:

Supplement No. 2, First Revised Page 2 (Rate Summary),  
Supplement No. 2, First Revised Page 3 (Rate Summary),  
Supplement No. 2, First Revised Page 4 (Rate Summary),  
Fifty-third Revised Page 38 (COG),  
Seventy-third Revised Page 39 (COG),  
Nineteenth Revised Page 56 (LDAC<sup>1</sup>),  
Thirteenth Revised Page 154 (Appendix A),  
Twelfth Revised Page 169 (Appendix C), and  
Sixth Revised Page 170-b (Appendix D).

The above listed Tariff Sheets are issued September 16, 2013 by Mark H. Collin, Treasurer, to be effective November 1, 2013.

Supplement No. 2, First Revised Pages 2, 3 and 4, (Rate Summaries) have been updated to reflect the proposed COG and LDAC rates.

Fifty-third Revised Page 38 (COG) is the statement of the Company's anticipated direct and indirect costs of gas.

Seventy-third Revised Page 39 (COG) contains the calculations of the proposed COG Adjustment Rates for Residential and General Service Firm Sales Customers.

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<sup>1</sup> LDAC: Local Distribution Adjustment Charge.

*(Faint red stamp)*

Nineteenth Revised Page 56 (LDAC) contains proposed rates for the Company's RLIARA Rate, DSM Rate, and ERC Rate, all of which are components of the Company's Local Distribution Adjustment Clause Rate. Support for the ERC Component was filed under separate cover on September 13, 2013.

Thirteenth Revised Page 154 (Appendix A), Schedule of Administrative Fees and Charges; the Supplier Balancing Charge has been updated to reflect the Company's latest balancing resources and associated capacity costs, and the Peaking Service Demand Charge has been updated to reflect the Company's Peaking resources and associated costs.

Twelfth Revised Page 169 (Appendix C) contains the proposed Capacity Assignment Allocators.

Sixth Revised Page 170-b (Appendix D) contains the Firm Sales Service Re-Entry Fee Bill Adjustment. Support for this charge was provided to the Commission in the Company's annual report filed under separate cover on September 16, 2013.

The proposed 2013 / 2014 Winter Season COG rate for residential customers is \$0.8567 per therm, \$0.1175 per therm or 16% percent higher than the 2012/2013 Winter Season COG rate. The proposed LDAC for a residential customer is \$0.0446, a decrease of \$0.0105 per therm, or 19% lower than the 2012 / 2013 Winter Season LDAC. The typical bill for a residential heating customer for the 2013 / 2014 Winter Season is projected to be \$906.56; this is higher than the 2012 / 2013 Winter Season bill of \$826.11 by \$80.45 or 10%.

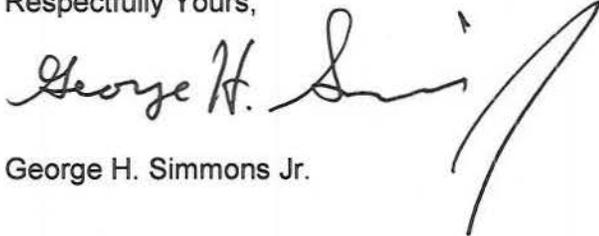
Please note that six (6) pages of the filing contain CONFIDENTIAL data: peaking demand cost estimates (Schedule 5-A, p. 5 of 6); asset management agreement revenue (Schedule 5A, p. 6 of 6); liquified natural gas ("LNG") transportation/delivery terms and conditions and LNG trucking/transportation costs (Attachment to Schedule 5A, pp. 13-15 of 44); and the projected value of asset management agreements (Schedule 5B, p. 5 of 7). The Confidential material has been segregated into separate sealed envelopes included with the filing. The Company submits that this material falls within the provisions of Puc 201.06(a)(26), and it is relying upon the procedures outlined in Puc 201.06 and 201.07 to protect confidentiality.

The Company will submit to the Commission its revised 2013 / 2014 Winter Season COG filing reflecting then current costs a few weeks before the November 1, 2013 effective date.

Please be advised that Rachel Goldwasser, Esq. of Orr & Reno has been engaged to represent Northern in this proceeding.

If you have any questions or need additional information, please contact me or Rachel Goldwasser.

Respectfully Yours,

A handwritten signature in black ink, appearing to read "George H. Simmons Jr.", with a large, sweeping flourish extending to the right.

George H. Simmons Jr.

Enclosures

CC: Alexander Speidel, Staff Counsel (with confidential material)  
Susan Chamberlin, Consumer Advocate (with confidential material)  
Rachel Goldwasser, Orr & Reno (with confidential material)