



**CONFIDENTIAL
MATERIAL
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VIA ELECTRONIC FILING AND OVERNIGHT DELIVERY

October 17, 2013

DO NOT REMOVE
Witness
EXHIBIT NO.
N.H. PUBLIC UTILITIES COMMISSION

Case No. DG 13-257
Exhibit #3
Witness Panel 1

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

PUC OCT17'13 PM 2:33

Re: **Northern Utilities, Inc. – Revised Proposed Cost of Gas Adjustment for the 2013-2014 Winter Period, November 2013 through April 2014; DG 13-257**

Dear Director Howland:

Enclosed please find an original and seven (7) copies of Northern Utilities Inc.'s ("Northern" or the "Company") Updated Cost of Gas ("COG") Adjustment Filing for the 2013-2014 Winter Period. The updates incorporated into this filing are consistent with discussions that Northern had with the Commission Staff at the October 7, 2013 technical session held at the Commission's office.

Included in the filing are clean and red-lined versions of the tariff pages necessary to implement the proposed COG Adjustment rates for the 2013-2014 Winter Period as follows:

- 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 (LDAC¹),
- Thirteenth Revised Page 154 (Appendix A),
- Twelfth Revised Page 169 (Appendix C), and
- Sixth Revised Page 170-b (Appendix D).

The revised filing reflects a recalculated COG that uses NYMEX futures gas prices, as of October 14, 2013. A discussion of revisions is included with this filing and provides a summary of the updates and the impacts of this filing.

George H. Simmons Jr.
Manager Regulatory Services

6 Liberty Lane West
Hampton, NH 03842-1720

Phone: 603-773-6534
Fax: 603-773-6734

Email: simmons@unitil.com

¹ LDAC: Local Distribution Adjustment Charge.

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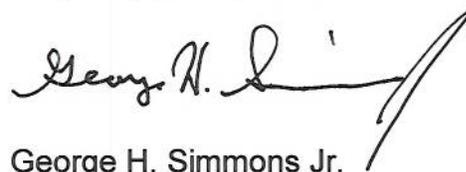
The revised tariff pages provide for a COG for the residential heating class of \$0.8530 per therm. The revised COG rate represents a decrease of \$0.0037 per therm from the initially-filed September 16th proposed residential COG rate.

The typical residential heating customer's total bill for the 2013-2014 Winter Period, using 609 therms, will be \$906.93. This is \$80.81 or 9.78 percent higher than the bill for the 2012-2013 Winter Period.

Please note that one (1) page of the filing, peaking demand cost estimates (Schedule 5A, p. 5 of 6) contains CONFIDENTIAL data. Six (6) copies of the filing containing the CONFIDENTIAL material are enclosed and appropriately identified. 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.

If you have any questions regarding this filing, please do not hesitate to contact me or Chris Kahl.

Very truly yours,

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

George H. Simmons Jr.

Enclosures

CC: Michael Sheehan, Staff Counsel
Susan Chamberlin, Consumer Advocate
Rachel Goldwasser, Orr & Reno