



March 4, 2014

**BY HAND DELIVERY and E-MAIL**

Ms. Debra A. Howland  
 Executive Director and Secretary  
 New Hampshire Public Utilities Commission  
 21 S. Fruit Street, Suite 10  
 Concord, NH 03301-2429

Re: DE 14-\_\_\_\_ Unitil Energy Systems, Inc

NHPUC MAR04'14 PM 4:00

ORIGINAL	
N.H.P.U.C. Case No.	DE 14-063
Exhibit No.	#1
Witness	Pang / 1
DO NOT REMOVE FROM FILE	

Tariff Filing: Step Adjustment Effective May 1, 2014 pursuant to the Settlement Agreement approved in Docket No. DE 10-055

Dear Director Howland:

Enclosed for filing on behalf of Unitil Energy Systems, Inc. ("UES" or "Company") are an original and six (6) copies of the following tariffs proposed to be applied on service rendered on and after May 1, 2014.

Nineteenth Revised Page 4-5, Summary of Delivery Service Rates  
 Twenty-Seventh Revised Page 6, Summary of Low Income Electric Assistance Program Discounts  
 Eighth Revised Page 48, Domestic Delivery Service, Schedule D  
 Seventh Revised Page 51, Eighth Revised Pages 52-53, General Delivery Service, Schedule G  
 Seventh Revised Page 59-60, Outdoor Lighting Service, Schedule OL

Copies of the redlined tariffs are also attached.

As described in the attached Explanation of Filing, these tariff pages are intended to implement the provisions of the Settlement Agreement approved by the New Hampshire Public Utilities Commission in Docket No. DE 10-055 which provides for a step adjustment effective May 1, 2014. The step adjustment reflects 75 percent of actual changes to non-Reliability Enhancement Program ("REP") net plant in service between December 31, 2012 and December 31, 2013, with adjustments for the REP and Vegetation Management Program ("VMP").

In addition, as a result of the success of its storm hardening pilot program, UES proposes to make its Storm Resiliency Program permanent at the current funding level of \$1,423,000. Since this amount is already reflected in rates, there are no modifications for this in the step adjustment for effect May 1, 2014. In connection with this request, the

Gary Epler  
 Chief Regulatory Counsel  
 epler@unitil.com

6 Liberty Lane West  
 Hampton, NH 03842

T 603.773.6440 F 603.773.6640  
 www.unitil.com

LINKED

Company hereby files its Storm Resiliency Pilot Program Report including an addendum discussing 2013 pilot implementation and results.

In support of the step adjustment, the filing contains the following reports and schedules:

Explanation of Filing  
REP and VMP Annual Report 2013  
Schedule 1: Calculation of Changes in Non-REP Net Plant in Service  
Schedule 2: May 1, 2014 Step Adjustment Revenue Requirement  
Schedule 3: Rate Design  
Schedule 4: Bill Impacts  
2013 Storm Resiliency Pilot Program Results

UES is prepared to provide any additional details as may be required.

This filing also includes the information required by the Settlement Agreement related to earnings sharing<sup>1</sup> (Schedule 5) and exogenous events.<sup>2</sup> As described in the Explanation of Filing, there are no rate changes required associated with earnings sharing or exogenous events.

As shown on Schedule 4, page 1, a residential customer on Default Service using 600 kWh will see a bill increase of \$1.13 per month or 1.1% as result of the step adjustment. Bill impacts for other rate classes are similar, but vary based on consumption level and pattern. These bill impacts do not reflect the proposed credit to the External Delivery Charge which changes on August 1, 2014.

Please do not hesitate to contact me if you have any questions concerning this filing.

Sincerely,



Gary Epler  
Attorney for Unitil Energy Systems, Inc.

Enclosures

cc: Susan Chamberlin, Consumer Advocate (3 copies)

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<sup>1</sup> Settlement Agreement, Section 5

<sup>2</sup> Settlement Agreement, Section 11