



November 23, 2016



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

Re: Northern Utilities, Inc., New Hampshire Division - Docket DG 16-819
November 2016 Monthly Cost of Gas Report

Dear Director Howland:

Pursuant to the Commission's Order No. 25,959 in Docket DG 16-819, enclosed is Northern Utilities - New Hampshire Division's ("Northern" or the "Company") current calculation of its projected over or under collection of gas costs for the 2016 / 2017 winter season. The Company is also providing a summary of its hedging transactions and monthly inventory interest calculation, both updated through October 2016.

Northern's projected over / under collection calculation compares the current projected April 30, 2017 end of winter season balance to the corresponding balance projected in the Company's September 16, 2016 Cost of Gas Adjustment filing ("target balance"). The current end of period calculation has been updated to reflect the Company's actual November 1, 2016 balance and gas futures prices as of November 17, 2016.

As shown in the attached calculation, Northern's current projected end of period balance varies from the target balance by (\$672,842). This projected over-collection of gas costs produces a negative variance of 3.4% of total projected winter season gas costs.

Accordingly, pursuant to its tariff, the Company has enclosed for filing the following Tariff Pages reflecting a decrease in its Cost of Gas Adjustment Rates:

Fifteenth Revised Page 43,
Sixteenth Revised Page 96,
Sixteenth Revised Page 97.

These Tariff Pages are issued November 23, 2016, to be effective on December 1, 2016. Red-line versions of these Tariff Pages are also enclosed.

The impact of the December 1 change in the Cost of Gas Adjustment Rate on the typical residential heating customer for the 2016 / 2017 winter season will be

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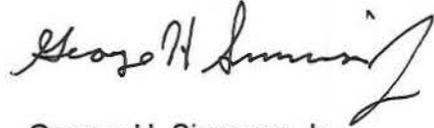
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\$15.60 or 1.47 percent less than the winter period bill at the Company's current Cost of Gas Adjustment Rate.

In mid to late December, Northern will submit Seventeenth Revised Tariff Pages 96 and 97, to be effective on January 1, 2017. These tariff pages will reflect a change to the Local Distribution Adjustment Clause Rate as well as any additional changes to the Cost of Gas Adjustment Rate as allowed in the Commission's Approval Order No. 25,959.

If you have any questions regarding this filing, please do not hesitate to contact me or Chris Kahl at (603)773-6425.

Very truly yours,

A handwritten signature in black ink, appearing to read "George H. Simmons Jr.", written in a cursive style.

George H. Simmons Jr.

Enclosures

cc: Alex Speidel, Staff Counsel
Donald Kreis, Consumer Advocate