



NHPUC 02MAR18AM10:16

February 20, 2018

**BY OVERNIGHT MAIL AND E-MAIL**

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

Re: DG 17-070 Northern Utilities, Inc.  
Petition for Rate Increase: Third Report of Rate Case Expenses

Dear Director Howland:

In compliance with Part Puc 1905.01, Estimated Rate Case Expenses, Northern Utilities, Inc., or the "Company") hereby submits its third 90-day Report of Rate Case Expenses in the above-referenced docket. Please note, the Company has not yet received invoices from the Commission's Staff or the Office of Consumer Advocate's ("OCA") outside consultants to date.

Attachment 1 describes the categories of rate case expenses. As described therein, the costs are primarily for outside consulting and temporary help services to assist with the preparation and presentation of the Company's rate case and the Company's development of studies on various matters required to establish appropriate rates for the Company's customers, as well as to assist the Company in providing responses to selective information requests submitted by Staff and the OCA. The Company obtained competitive bids from outside consultants in order to contain costs and provide a basis to evaluate the overall reasonableness of rate case expenses.

In addition to these services, the Company's internal staff plays a significant role in rate case preparation (gathering data, researching information, preparing analyses, bill frequencies, customer bill impacts, revising tariffs, and preparing the filing, for example). Internal staff is also heavily involved in responding to information requests and preparing responses for filing. To date, the Company's internal legal counsel is handling legal-related aspects of this proceeding. No internal Company staff costs are included in rate case expenses.

Attachment 2 provides the procurement process used by the Company to engage and employ outside consultants rendering services on behalf of Northern Utilities, Inc. in this rate case. The Company's procurement process for its outside consultants includes issuing a Request for Proposals, analyzing the bids, selecting the winning bidder, and executing engagement letters. The fee proposals, availability, qualifications and experience of each bidder, technical approach, and proposal quality are all considered in its selection of the winning bidder.

---

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](http://www.unitil.com)

Attachment 3 is a schedule which provides a breakdown of actual rate case expenses paid to date by service provider and projected rate case expenses as filed in the Company's initial filing, for each expense category.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Epler".

Gary Epler  
Attorney for Unitil

Enclosures

cc: Paul Dexter, Esq., Staff Counsel  
Donald Kreis, Esq., Consumer Advocate