



October 16, 2019

BY OVERNIGHT 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

NHPUC 17OCT'19AM9:58

Re: DE 19-043 Unitil Energy Systems, Inc.
Revised Schedule TRD-1 per PUC Audit Issue #1

Dear Director Howland:

On February 28, 2019, Unitil Energy Systems, Inc. ("UES" or "Company") filed its Step Adjustment, to be effective May 1, 2019, pursuant to the Settlement Agreement approved in Docket No. DE 16-384. Please find enclosed an original and six (6) copies of the Company's Revised Schedule TRD-1, as described below.

The Public Utilities Commission's Audit Staff ("Audit") reviewed the 2018 capital additions identified in the Company's February 28, 2019 filing. Based on the Audit recommendations the Company is now filing a Revised Schedule TRD-1. In Audit Issue #1, it was recommended that UES "should reduce the ending plant balance of \$340,808,317 to reflect meter retirements not taken in the test-year. In addition, the ending accumulated depreciation figure of \$123,439,500 should also be reduced to reflect the increase in retirements." The Company agrees with Audit's recommendation. Going forward, the Company will implement the practice of processing meter retirements within the year in which they are disposed of, in order to accurately reflect the ending plant balance each year.

As noted in the Company's response to Audit Issue #1, the revenue requirement is unchanged from the February 28, 2019 filing.

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

Sincerely,

A handwritten signature in black ink that reads "Gary Epler".

Gary Epler
Attorney for Unitil Energy Systems, Inc.

Gary Epler
Chief Regulatory Counsel
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Enclosure

cc: Donald M. Kreis, Consumer Advocate