

STATE OF NEW HAMPSHIRE

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October 20, 2020

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, NH 03301

Re: DE 20-023 Unutil Energy Systems, Inc.
2019 Annual Major Storm Cost Reserve Fund Report
Final Audit Report

Dear Ms. Howland:

Enclosed for filing, please find an electronic copy of Staff's 2019 Final Audit Report (2019 Audit Report) in the above captioned docket. Unutil Energy Systems, Inc. (UES, or the Company) filed its Annual Major Storm Cost Reserve (MSCR) Fund Report for the 12 months ending December 31, 2019, pursuant to Order No. 25,351 (April 24, 2012) in Docket DE 11-277. That order required UES to file annual reports on the MSCR Fund, updating the status of the MSCR Fund resulting from cost recovery for qualifying major storms.

The Audit Report identifies one issue (Issue #1) at the end of the report. Issue #1 relates to the Company's inclusion of \$3,969 in charges to Calypso Communications for storm calls, duty coverage, email monitoring, web updates, scheduling, planning, reporting, and messaging that should have been deferred until the Company's next general rate case. The Audit Report treats these expenses as general communications expenses that should be recovered through distribution rates. UES agreed to move those expenses from the MSCR Fund to the deferral account. Audit Staff concurred with the Company. Accordingly, Staff finds that no further process is required and recommends that this docket be closed.

Copies of this letter and attachment have been mailed electronically to parties on the service list for this docket. Please let me know if you have any questions.

Very truly yours,

Lynn Fabrizio

Lynn Fabrizio, Esq.
Staff Attorney

cc: Service List (electronically)

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