

Docket No. IR 20-089
PUC Staff Information Data Request Set 1
Unitil Energy Systems, Inc.

Received: September 18, 2020
Request No. Staff 1-2

Date of Response: September 28, 2020
Witness: Christopher Goulding

Request:

Please describe all types of late payment charge (LPC) the Company charges. Provide the revenue amount for all LPCs reflected in current rates, the date current rates went into effect, and the actual annual revenue from all LPCs for years 2016 through 2019. Explain how the LPCs in current rates has been determined.

Response:

The late payment charge revenue is driven by interest on unpaid customer account balances. Per the Terms and Condition (T&C's) for Electric Service for UES, each bill for Distribution Service shall be due by the date included on the bill, generally twenty-five (25) days from the date postmarked on the bill. Bills paid after the due date will be subject to interest charges in accordance with NHPUC 1203.08 and Section 5.E of the T&C's.

Section 5.E: Unless otherwise stated in a Rate Schedule, bills for which valid payment has not been received within twenty-five (25) days from the postmark date shall be considered past due and accrue interest on any unpaid balance, including any outstanding interest charges. Such interest rate shall be determined in accordance with NHPUC 1203.08. Such interest charge shall be paid from the date thereof until the date of payment. Interest on past due accounts is calculated as follows:

- 1% per month for Domestic Schedule D customers
- 1.5% per month for General Schedule G customers

The Company's current rates were established in Docket No. DE 16-384. In Docket No. DE 16-384, temporary rates were approved for effect July 1, 2016 and permanent rates were approved for effect May 1, 2017. The level of late payment charge revenue included in the revenue requirement approved via settlement in that docket was \$481,633. This amount was equal to the actual late payment charge revenues for 2015.

The actual late payment charge revenues for 2016 through 2019 were:

- 2016: \$397,636
- 2017: \$264,291
- 2018: \$343,959
- 2019: \$275,537

Docket No. IR 20-089
PUC Staff Information Data Request Set 1
Northern Utilities, Inc.

Received: September 18, 2020
Request No. Staff 1-2

Date of Response: September 28, 2020
Witness: Christopher Goulding

Request:

Please describe all types of late payment charge (LPC) the Company charges. Provide the revenue amount for all LPCs reflected in current rates, the date current rates went into effect, and the actual annual revenue from all LPCs for years 2016 through 2019. Explain how the LPCs in current rates has been determined.

Response:

The late payment charge revenues are driven by interest on unpaid customer account balances. Per Section II.12 of the General Terms and Conditions for Gas Service for Northern Utilities, bills are due and payable upon presentation. A late payment charge shall be assessed at a rate of one percent per month or fraction thereof on balances unpaid within thirty days after the billing date. When bills are paid by remittance through the mail, the postmark on the envelope will be considered as the date of payment.

The Company's current rates were established in Docket No. DG 17-070. In Docket No. DG 17-070, temporary rates were approved for effect August 1, 2017 and permanent rates were approved for effect May 1, 2018. The level of late payment charge revenue included in the revenue requirement approved via settlement in that docket was \$104,863. This amount was equal to the actual late payment charge revenues for 2016.

The actual late payment charge revenues for 2016 through 2019 were:

- 2016: \$104,863
- 2017: \$97,464
- 2018: \$94,695
- 2019: \$76,773