

June 17, 2020

VIA ELECTRONIC FILING

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

RE: Unitil Energy Systems, Inc.

Annual Stranded Cost Recovery and External Delivery Charge

Reconciliation and Rate Filing

Docket No. DE 20-

Dear Director Howland:

On behalf of Unitil Energy Systems, Inc. ("UES"), enclosed is UES's Annual Stranded Cost Recovery and External Delivery Charge Reconciliation and Rate filing. In support of the tariff changes requested, the filing includes the direct testimonies and schedules of Linda S. McNamara, Lisa S. Glover, and Douglas J. Debski.

Proposed Tariff Changes

UES is proposing the following tariffs for effect August 1, 2020:

- Forty-Third Revised Page 4 and 5, Summary of Delivery Service Rates
- Sixty-Third Revised Page 6, Summary of Low-Income Electric Assistance Program Discounts
- Twenty-Third Revised Page 65, Calculation of the Stranded Cost Charge
- Thirteenth Revised Page 66, External Delivery Charge, Schedule EDC
- Twenty-Fifth Revised Page 67, Calculation of the External Delivery Charge

The proposed rates listed in the filed tariffs and supported by the enclosed testimony and schedules are summarized in the table below.

<u>Class</u>	Stranded Cost Charge	External Delivery Charge
Residential	(\$0.00025)/kWh	\$0.03613/kWh
General Service G2 (kWh rates)	(\$0.00025)/kWh	\$0.03613/kWh
General Service G2	(\$0.05)/kW and (\$0.00005)/kWh	\$0.03613/kWh
Large General Service	(\$0.06)/kVA and (\$0.00006)/kWh	\$0.03613/kWh
Outdoor Lighting	(\$0.00025)/kWh	\$0.03613/kWh

For customers taking Default Service, the average class bill impacts as a result of these proposed rates, versus current rates, are an approximate 6.7 percent increase for the residential class, 7.7 percent increase for the general service classes, 10.9 percent increase for the large general service class, and 3.4 percent increase for the Outdoor lighting class.

In order to gauge the bill impacts of these proposed changes, it is important to recall that as a result of the recent change in Default Service rates approved by the Commission in docket DE 20-039, effective June 1, 2020, customer bills decreased significantly. For example, a residential customer using 650 kWh per month experienced a bill decrease of approximately 17 percent, going from a May 2020 bill of \$128.11 to a June 2020 bill of \$106.38. The increase proposed in this filing, to take effect on August 1, 2020, would result in a bill increase of \$7.14 or 6.7 percent, resulting in an August bill for 650 kWh of \$113.52. Compared to rates in effect last August (2019), a residential customer using 650 kWh per month will see a bill increase of \$3.56 or 3.2 percent (last year's bill of \$109.96 compared to \$113.52). Default Service rates will undoubtedly change once again in December 2020, but the amount of that change is unknown at this time. Comparing the entire 12 month period of 2019 to 2020, however, residential 650 kWh bills are projected to be relatively flat or slightly lower for 2020 versus 2019.

If you should have any questions or comments concerning this filing, please do not hesitate to contact our office. Thank you for your consideration of this matter.

Sincerely,

Gary Epler

Attorney for Unitil Energy Systems, Inc.

Enclosures

cc: D. Maurice Kreis, Esq., Consumer Advocate (by email only)

