

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 23-014

UNITIL ENERGY SYSTEMS, INC.

Petition for Approval of Step Adjustment Filing

COMMENCEMENT OF ADJUDICATIVE PROCEEDING AND NOTICE OF HEARING

On February 14, 2023, Unitil Energy Systems, Inc. (UES) filed a petition for a step adjustment requesting a revenue requirement increase in the amount of \$1,212,421. In support of its petition, UES filed proposed revised tariff pages, exhibits, and schedules. The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are available on the Commission's website at

<https://www.puc.nh.gov/Regulatory/Docketbk/2023/23-014.html>.

I. BACKGROUND AND PROCEDURAL HISTORY

On May 3, 2022, the Commission issued Order No. 26,623 in Docket No. DE 21-030, which approved, in part, the settlement agreement filed on February 11, 2022 between, among other parties in that docket, UES and the New Hampshire Department of Energy (Settlement Agreement). In addition to providing for an increase in UES's permanent distribution rates, the Settlement Agreement allowed UES to request two step adjustments to increase UES's revenue requirement to account for non-growth system investments for calendar years 2021 and 2022, respectively. Settlement Agreement at 3-4. On July 28, 2022, the Commission approved UES's request for the first step adjustment, with rates effective August 1, 2022, in Order No. 26,656 in Docket No. DE 22-026.

Under the Settlement Agreement, the second step adjustment is to be “based on a 2022 non-growth investment level of no more than \$26,738,022.” *Id.* at 3. The deadline for filing the second step adjustment was February 14, 2023. *Id.* at 4. On that date, UES filed a petition for approval of the second step adjustment. In its petition, UES requested that the Commission approve a step adjustment for a revenue requirement increase in the amount of \$1,212,421 related to 2022 investments. Per the terms of the Settlement Agreement, the step adjustment, if approved, will take effect on June 1, 2023 on a service rendered basis. *Id.* at 3.

II. ISSUES PRESENTED

The filing presents, *inter alia*, the following issues: whether the step adjustment is consistent with the terms of the Settlement Agreement; whether the plant additions UES constructed in 2022 were prudent, and used and useful, as required by RSA 378:28; whether UES appropriately calculated the proposed revenue requirement related to the 2022 investments, including, but not limited to, all calculations related to depreciation and the proper accounting of all revenue requirement categories; and whether the resulting rates are just and reasonable, as required by RSA 374:2, RSA 378:5 and RSA 378:7. Accordingly, an adjudicative proceeding will be convened to address these issues.

The Commission will be conducting any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should file a written request with the Commission’s Clerk’s Office no later than fifteen (15) days prior to the prehearing conference or

hearing date. If the Commission determines that one or more individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that an adjudicative proceeding be commenced for the purpose of reviewing and resolving the foregoing issues pursuant to RSA chapter 541-A, RSA 378:28, RSA 374:2, RSA 378:5 and RSA 378:7, and the Commission's procedural rules; and it is

FURTHER ORDERED, that the Commission will hold a hearing in this matter at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on April 20, 2023, at 1:30 p.m. Three hours shall be allotted for this hearing; and it is

FURTHER ORDERED, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is

FURTHER ORDERED, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to UES 1 and any other parties on the service list, on or before March 31, 2023. The petition shall state the facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before April 7, 2023; and it is

FURTHER ORDERED, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this


proceeding with the Commission. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, all Commission rules requiring the filing of paper copies are suspended until further notice. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

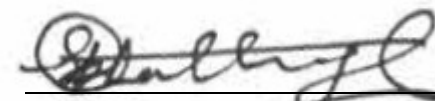
FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or ClerksOffice@puc.nh.gov. All requests to the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

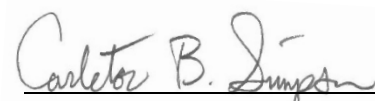
FURTHER ORDERED, that pursuant to N.H. Admin. R., Puc 203.12, UES shall notify all entities and individuals desiring to be heard at this hearing by publishing a copy of this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before March 28, 2023. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

FURTHER ORDERED, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

So ordered, this tenth day of March, 2023.


Daniel C. Goldner
Chairman


Pradip K. Chattopadhyay
Commissioner


Carleton B. Simpson
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

Service List - Docket Related

Docket#: 23-014

Printed: 3/10/2023

Email Addresses

ClerksOffice@puc.nh.gov
Energy-Litigation@energy.nh.gov
ocalitigation@oca.nh.gov
taylorp@unitil.com