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May 11, 2007

OFFICES IN: MANCHESTER CONCORD PORTSMOUTH

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

Re: DG 07-033 and DG 07-050; EnergyNorth Natural Gas, Inc., D/B.A. KeySpan Energy Delivery New England, Motion to Consolidate Dockets on a Limited Basis

Dear Ms. Howland:

Enclosed for filing with the Commission are an original and six copies of EnergyNorth Natural Gas, Inc. d./b/a KeySpan Energy Delivery New England's Motion to Consolidate Dockets on a Limited Basis with regard to the above-entitled matters.

Sincerely,

-Stop n V. Camerino

Steven V. Camerino

SVC:cb Enclosures



STATE OF NEW HAMPSHIRE BEFORE THE PUBLIC UTILITIES COMMISSION

Re: Northern Utilities, Inc. Docket No.. DG 07-033

Re: KeySpan Energy Delivery New England Docket No. DG 07-050

Motion to Consolidate Dockets on a Limited Basis

EnergyNorth Natural Gas, Inc. d/b/a KeySpan Energy New England ("KeySpan") hereby moves the Commission to consolidate Dockets DG 07-033 and DG 07-050 on a limited basis. In support of this Motion, KeySpan states as follows:

- 1. On April 27, 2007, the Commission issued Order No. 24,743 in Docket DG 07-033 ("Northern COG docket") regarding the cost of gas rate for Northern Utilities ("Northern"). In that order, the Commission stated that it intended to consider post hearing briefs regarding the rate of return used to determine the working capital allowance included in Northern's cost of gas recovery mechanism, in addition to considering testimony by the Commission staff and Northern that had been presented at a hearing on April 23, 2007. In its order of notice in Docket DG 07-050 ("KeySpan docket") issued on March 20, 2007, the Commission indicated that it expects to consider substantially the same issue as it relates to KeySpan.
- 2. Prior to the April 23 hearing and order in the Northern COG docket, the Commission staff, KeySpan and Office of Consumer Advocate ("OCA") had substantially agreed to a procedural schedule that permitted for discovery and the prefiling of testimony to allow parties to the KeySpan docket an opportunity to develop the rate of return issue as well as other issues relating to KeySpan's indirect gas costs.

That schedule was subsequently finalized and submitted to the Commission after the prehearing conference in the KeySpan docket.

- 3. If the Commission were to decide the rate of return issue with regard to Northern in the Northern COG docket, it is likely that such a decision would be highly influential if not dispositive with regard to how the Commission ultimately decides to resolve the issue in the KeySpan docket.
- 4. Requiring KeySpan to litigate the rate of return issue in the timeframe established in the Northern COG docket would deprive KeySpan of the opportunity for discovery and to create a factual record to support its position. A factual record would greatly benefit the Commission by providing it a better understanding of the risks faced by KeySpan and other gas utilities relating to the recovery of working capital in particular and gas costs in general and how those risks relate to other utilities for which the Commission has established an allowed rate of return or carrying charge on working capital associated with commodity costs.
- 5. No party will be prejudiced by consolidating the Northern docket and the KeySpan docket.
- 6. Consideration of the rate of return issue in a single docket that fully develops the issue and related facts and policy considerations through normal discovery and testimony will enable the Commission to comply with considerations of fairness and due process, will be more orderly and efficient, and will assist the Commission in reaching a more carefully considered result.
- 7. By this motion, KeySpan is seeking to consolidate the Northern COG docket and the KeySpan docket only to the extent of the rate of return issue. For purposes of administrative efficiency, KeySpan would not object to having Northern

made a mandatory party to the KeySpan docket and taking administrative notice of relevant materials from the Northern docket.

- 8. KeySpan does not believe that its concerns regarding due process and adequate consideration of the rate of return issue can be addressed by requiring it to comply with the briefing schedule that has been established in the Northern docket, and KeySpan therefore believes that that schedule should be held in abeyance or cancelled as it relates to that issue.
- 9. Counsel for KeySpan has contacted counsel for Northern, the
 Commission Staff and the Office of Consumer Advocate regarding the relief requested in
 this motion. Counsel for Northern has consented to such relief. Counsel for the
 Commission staff and the Consumer Advocate do not consent to such relief.

WHEREFORE, KeySpan respectfully requests that, pursuant to N.H. Code of Admin. Rules Puc 203.19, the Commission:

- A. Consolidate Dockets DG 07-033 and DG 07-050 with regard to the rate of return issue described above or, in the alternative, make Northern Utilities a mandatory party to Docket DG 07-050 with regard to the rate of return issue;
- B. Cancel or hold in abeyance the briefing schedule in DG 07-033 as it relates to the rate of return issue;
- C. If the Commission determines it to be necessary, schedule a hearing to address the potential consolidation of Dockets DG 07-033 and 07-050;
- D. Grant such other and further relief as the Commission determines to be consistent with the public interest.

Respectfully submitted,

EnergyNorth Natural Gas, Inc. d/b/a KeySpan Energy Delivery New England

By its Attorneys

McLANE, GRAF, RAULERSON & MIDDLETON PROFESSIONAL ASSOCIATION

Date: May 11, 2007

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CERTIFICATE OF SERVICE

I certify that a copy of the foregoing Motion has been forwarded this 11th day of May, 2007 to the service list in the above-captioned proceedings.

Steven V. Camerino