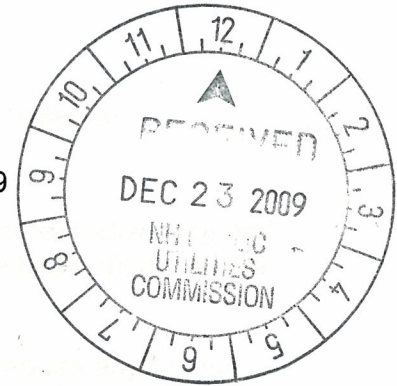




December 22, 2009



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

Re: Northern Utilities, Inc. – New Hampshire Division, 2008 - 2009 Winter Period  
Revised Cost of Gas (COG) Adjustment Reconciliation

Dear Director Howland:

Enclosed are an original and eight copies of Northern Utilities, Inc. -- New Hampshire Division's ("Northern" or "the Company") 2008 - 2009 Winter Period Revised Cost of Gas Adjustment Reconciliation (Form III). The revised reconciliation includes the following changes:

A revised 2008/2009 winter period beginning balance in conformance with Commission Order No. 25,038, dated October 31, 2009 in Docket DG 07-033;

Revised revenues for each month of the 2008/2009 winter period reflecting unbilled or accrued revenue as required by Commission Order No. 25,038, dated October 31, 2009 Docket DG 07-033;

Revised 2008/2009 winter period direct gas cost expense as reflective of the recently completed Commission Staff audit;

Revised Working Capital Allowance for the 2008/2009 winter period in accordance with Commission Order No. 25,028, dated October 22, 2009 in Docket DG 07-072; and

Revised Bad Debt Allowance resulting from the revised 2008/2009 winter period direct gas cost expense.

Form III, Schedules 1 through 4, of the attached revised reconciliation contain the accounting of six months of recoveries and costs assigned to the winter period. The schedules illustrate the Company's under-collection of \$1,820,411 as follows:

Schedule 1 provides the summary of the winter period ending balance;

Schedule 2 shows the deferred gas cost activity, allowable costs and revenues for the period May 2008 through May 2009, including interest;

Schedule 3 shows the summary of winter period accrued revenue, billed revenue and calendarized revenue;

Frederick J. Stewart  
Manager Regulatory Services

6 Liberty Lane West  
Hampton, NH 03842

Phone: 603-773-6534  
Fax: 603-773-6734

stewart@unitil.com

Schedule 4 (2 pages) presents the monthly detail of purchase gas costs allocated to the winter period; and

Attachment A presents the reconciliation of the working capital allowance and recoveries. Attachment B shows the reconciliation of the bad debt allowance and collections.

If you have any questions regarding this reconciliation or if you require any further information, please contact me.

Very truly yours,



Frederick J. Stewart

Enclosure

cc: Matthew Fossum, Staff Counsel  
Meredith Hatfield, Consumer Advocate  
Susan Geiger, Esq.