

11 South Main Street, Suite 500 | Concord, NH 03301 Tel: 603.226.0400 | www.mclane.com OFFICES IN: MANCHESTER CONCORD PORTSMOUTH WOBURN, MA

Carol J. Holahan Direct Dial: (603).230.4429 Email: carol.holahan@mclane.com Licensed in MA and NH

September 7, 2011

Via Electronic Mail and Hand Delivery

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

Re: DE 10-188 – EnergyNorth Natural Gas, Inc. d/b/a National Grid NH

Dear Ms. Howland:

On behalf of EnergyNorth Natural Gas, Inc., d/b/a National Grid NH ("the Company"), I am writing to inform the Commission that, as authorized in Section II(E)(2) of the Settlement Agreement approved by Order 24,995, the Company intends to carry forward funds from its 2010 gas energy efficiency budget to its 2011 program year.

Specifically, the Company will carry forward from its 2010 Residential budget a total of \$380,888. The Company intends to keep these funds within the Residential sector, and will allocate \$54,181 to the High Efficiency Heating, Water-Heating, Controls Program, \$227,121 to the Energy Audit with Home Performance and Weatherization Program, \$22,444 to New Home Construction with Energy Star Program, and \$77,142 to the Low Income Program.

The Company also had \$1,353,234 remaining from its 2010 Commercial and Industrial budget which will be returned to Commercial and Industrial customers in the next Local Distribution Adjustment Clause (LDAC) filing. The Company will not be seeking performance incentives on those funds that are carried forward to 2011.

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Thank you for your attention to this matter. Should you have any questions, please do not hesitate to call.

Very truly yours,

Carol J. Holahan

cc: Service List

Adele Leighton (by electronic mail)

Celia O'Brien, Esq.