

Northern Utilities, Inc.
Docket No. DG 11-069

March 29, 2012 Hearing Record Requests

Received: March 29, 2012
Request No. RR-1

Date of Response: April 3, 2012
Witness: Douglas Debski

ORIGINAL
N.H.P.U.C. Case No. DG 11-069
Exhibit No. Exhibit 8
DO NOT REMOVE FROM FILE

Request RR-1:

Please provide an updated Report of Proposed Changes which shall reflect final settlement agreement figures for Distribution charges, Distribution Step Adjustment, changes in the COG and LDAC – with the Rate Case Expense and the Reconciliation of Permanent Charges (Recoupment) itemized. Also please provide bill impacts in the format of the Cost of Gas filings for a residential heating customer.

Response:

Please see RR-1 Attachment 1 which provides an updated Report of Proposed Changes including the itemized changes requested. Please note the originally filed Report of Proposed Changes had an inadvertent footnote for column (E) because the the Step Adjustment of \$1.43 million was not included in that version.

RR-1 Attachment 2 provides the version of bill impacts submitted in Cost of Gas Adjustment filings for a residential heating customer. This format specifically identifies impacts from distribution, COG and LDAC increases as a result of the rate case settlement agreement. Annual COG increases are \$0.0050 per therm for changes in indirect gas costs, working capital allowance and bad debt. LDAC increases are \$0.0040 for the RLIARA (\$0.0007 for increase in low income discounts, \$0.0033 for non-distribution portion of Regulatory Assessment), \$0.0046 for the rate case expense (RCE) and \$0.0123 for the reconciliation of permanent charges (RPC).

State of New Hampshire
Public Utilities Commission
Concord
Report of Proposed Rate Changes (\$000)

Northern Utilities, Inc. -- New Hampshire Division
Tariff No. 10

Effective Date: May 1, 2012

(A) <u>Class of Service</u>	(B) <u>Effect of Proposed Change</u>	(C) <u>Average Number of Customers</u>	(D) <u>Total Current Revenue</u>	(E) <u>Distribution Revenue Change</u>	(F) <u>Distribution Step Adj Revenue Change</u>	(G) <u>COG Change</u>	(H) <u>LDAC RLIARA Change</u>	(I) <u>LDAC RCE Change</u>	(J) <u>LDAC RPC Change</u>	(K) <u>Proposed Distribution, LDAC & COG Revenue Changes</u>	(L) <u>Total Revenue Under Proposed Rates</u>	(M) <u>Proposed Change Revenue</u>	(N) <u>Percent Change Revenue</u>
Residential Heating - R5	Increase	19,308	\$24,168	\$1,451	\$423	\$76	\$61	\$70	\$187	\$2,268	\$26,436	\$2,268	9.4%
Residential Low Income Heating - R10	Increase	954	\$794	\$25	\$7	\$3	\$2	\$3	\$8	\$48	\$842	\$48	6.1%
Residential Non-Heating - R6	Increase	1,621	\$665	\$59	\$17	\$2	\$1	\$2	\$4	\$85	\$750	\$85	12.8%
Residential Low Income Non-Heating - R11	Increase	33	\$16	\$1	\$0	\$0	\$0	\$0	\$0	\$1	\$18	\$1	9.1%
Subtotal Residential	Increase	21,916	\$25,643	\$1,536	\$448	\$81	\$65	\$74	\$199	\$2,403	\$28,046	\$2,403	9.4%
Commercial & Industrial Low Annual & High Winter Use G-40	Increase	4,416	\$12,434	\$561	\$164	\$43	\$34	\$39	\$105	\$945	\$13,379	\$945	7.6%
Commercial & Industrial Medium Annual & High Winter Use G-41	Increase	543	\$14,102	\$258	\$120	\$54	\$43	\$50	\$133	\$658	\$14,760	\$658	4.7%
Commercial & Industrial High Annual & High Winter Use G-42	Increase	30	\$6,728	\$92	\$47	\$27	\$22	\$25	\$67	\$281	\$7,009	\$281	4.2%
Commercial & Industrial Low Annual & Low Winter Use G-50	Increase	969	\$2,656	\$136	\$39	\$11	\$9	\$10	\$27	\$233	\$2,889	\$233	8.8%
Commercial & Industrial Medium Annual & Low Winter Use G-51	Increase	234	\$4,108	\$92	\$38	\$19	\$15	\$18	\$47	\$230	\$4,338	\$230	5.6%
Commercial & Industrial High Annual & Low Winter Use G-52	Increase	27	\$11,349	\$125	\$64	\$57	\$46	\$52	\$140	\$484	\$11,833	\$484	4.3%
Subtotal Commercial & Industrial	Increase	6,219	\$51,377	\$1,264	\$473	\$211	\$169	\$194	\$519	\$2,831	\$54,208	\$2,831	5.5%
Total	Increase	28,135	\$77,021	\$2,800	\$921	\$292	\$234	\$269	\$718	\$5,234	\$82,254	\$5,234	6.8%

(D) Revenue under previous permanent seasonal rates assuming all customers take Company supplied gas service.

(E) Distribution revenue change reflecting low income discounts. Would be \$2,838 if not reflecting low income discounts.

(F) Step Adjustment Revenue reflecting low income discounts. Would be \$933 if not reflecting low income discounts.

(G) Changes in Cost of Gas of \$0.0050/thm due to changes in indirect gas costs, working capital allowance and bad debt.

(H) Changes in the RLIARA component of the LDAC due to increased low income funding of \$0.0007/thm and the reassignment of the non-distribution portion of Regulatory Assessment of \$0.0033/thm.

(I) Changes in the Rate Case Expense proposed at \$0.0046/thm.

(J) Changes in the Reconciliation of Permanent Charges proposed at \$0.0123/thm.

(K) Sum of Columns E through J

(L) Column D + Column K

(M) Column L - Column D

NORTHERN UTILITIES, INC. - NEW HAMPSHIRE DIVISION

Typical Residential Heating Bill - 1,250 therms/year

Comparison of 2010-11 Distribution, COG and LDAC Rates verses 2012-2013 New Distribution, COG and LDAC Rates due to Rate Case Settlement only.

Typical Usage: therms		Nov 2012	Dec 2012	Jan 2013	Feb 2013	Mar 2013	Apr 2013	Winter	May 2012	June 2012	July 2012	August 2012	Sept 2012	October 2012	Summer	Annual
		109	150	187	188	166	132	932	90	55	30	30	42	71	318	1,250
Winter 2012-2013																
Customer Charge	units @ \$	13.73														
First	50 units @	\$0.4410														
Over	50 units @	\$0.3829														
	COG 1 ¹	\$1.1037														
	COG 2 ¹	\$1.0788														
	COG 3 ¹	\$1.1249														
	COG 4 ¹	\$1.1655														
	COG 5 ¹	\$1.1665														
	COG 6 ¹	\$1.1665														
Winter Period 2012-2013 Avg. COG		\$1.1345														
	LDAC \$	\$0.0665														
	RLIARA \$	\$0.0083														
	DSM \$	\$0.0359														
	ERC \$	\$0.0054														
	RCE \$	\$0.0046														
	RPC \$	\$0.0123														
Summer 2012																
Customer Charge	units @ \$	13.73														
First	50 units @	\$0.4410														
Over	50 units @	\$0.4410														
	COG 1 ¹	\$0.6595														
	COG 2 ¹	\$0.6019														
	COG 3 ¹	\$0.7330														
	COG 4 ¹	\$0.7330														
	COG 5 ¹	\$0.7330														
	COG 6 ¹	\$0.7330														
Summer Period 2012 Avg. COG		\$0.6989														
	LDAC \$	\$0.0506														
	RLIARA \$	\$0.0095														
	DSM \$	\$0.0185														
	ERC \$	\$0.0057														
	RCE \$	\$0.0046														
	RPC \$	\$0.0123														
TOTAL		\$185.92	\$245.84	\$311.03	\$320.42	\$284.87	\$229.93	\$1,578.02	\$117.33	\$73.87	\$50.47	\$50.47	\$65.16	\$100.68	\$457.98	\$2,036.00
Typical Usage: therms		Nov 2010	Dec 2010	Jan 2011	Feb 2011	Mar 2011	Apr 2011	Winter	May 2010	June 2010	July 2010	August 2010	Sept 2010	October 2010	Summer	Annual
		109	150	187	188	166	132	932	90	55	30	30	42	71	318	1,250
Winter 2010 - 2011																
Customer Charge	units @ \$	9.50														
First	50 units @	\$0.4102														
Over	50 units @	\$0.2990														
	COG 1	\$1.0987														
	COG 2	\$1.0736														
	COG 3	\$1.1199														
	COG 4	\$1.1615														
	COG 5	\$1.1615														
	COG 6	\$1.1615														
Winter Period 2010-2011 Avg. COG		\$1.1295														
	LDAC \$	\$0.0436														
	RLIARA \$	\$0.0043														
	DSM \$	\$0.0359														
	ERC \$	\$0.0054														
	RCE \$	\$0.0046														
	RPC \$	\$0.0123														
Summer 2010																
Customer Charge	units @ \$	9.50														
First	50 units @	\$0.4102														
Over	50 units @	\$0.2990														
	COG 1	\$0.6545														
	COG 2	\$0.5969														
	COG 3	\$0.7280														
	COG 4	\$0.7280														
	COG 5	\$0.7280														
	COG 6	\$0.7280														
Summer Period 2010 Avg. COG		\$0.6939														
	LDAC \$	\$0.0297														
	RLIARA \$	\$0.0055														
	DSM \$	\$0.0185														
	ERC \$	\$0.0057														
	RCE \$	\$0.0046														
	RPC \$	\$0.0123														
TOTAL		\$172.38	\$227.79	\$288.92	\$298.21	\$265.07	\$213.87	\$1,466.24	\$103.55	\$65.97	\$44.54	\$44.54	\$58.55	\$90.09	\$407.23	\$1,873.46
DISTRIBUTION																
Distribution Change		\$10.72	\$14.16	\$17.26	\$17.35	\$15.50	\$12.65	\$87.64	\$11.45	\$8.48	\$5.15	\$5.15	\$5.52	\$8.75	\$42.51	
Distribution % Change of total		6.22%	6.22%	5.98%	5.82%	5.85%	5.91%	5.98%	11.06%	9.82%	11.57%	11.57%	9.43%	9.72%	10.44%	
COG																
COG Change		\$0.54	\$0.75	\$0.93	\$0.94	\$0.83	\$0.66	\$4.66	\$0.45	\$0.28	\$0.15	\$0.15	\$0.21	\$0.36	\$1.59	
COG % Change of total		0.32%	0.33%	0.32%	0.32%	0.31%	0.31%	0.32%	0.43%	0.42%	0.34%	0.34%	0.36%	0.39%	0.39%	
LDAC																
LDAC Change		\$2.28	\$3.14	\$3.91	\$3.93	\$3.47	\$2.76	\$19.48	\$1.88	\$1.15	\$0.63	\$0.63	\$0.88	\$1.48	\$6.65	
LDAC % Change of total		1.32%	1.38%	1.35%	1.32%	1.31%	1.29%	1.33%	1.82%	1.74%	1.41%	1.41%	1.50%	1.65%	1.63%	
Total Change		\$13.54	\$18.05	\$22.11	\$22.22	\$19.80	\$16.07	\$111.78	\$13.78	\$7.90	\$5.93	\$5.93	\$6.61	\$10.59	\$50.75	\$162.53
% Change of total		7.86%	7.92%	7.65%	7.45%	7.47%	7.51%	7.62%	13.31%	11.98%	13.32%	13.32%	11.29%	11.76%	12.46%	8.68%

A Residential Heating Bill Customer is defined as a single family detached home using gas for heat, hot water and cooking
1- Includes \$0.0050 to reflect increase to working capital, bad debt, and indirect costs.