

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 12-003

UNITIL ENERGY SYSTEMS, INC.

2012 Default Service Solicitations

ORDER OF NOTICE

On January 6, 2012, Unitil Energy Systems, Inc. (UES) filed its 2012 schedule for power supply procurement for its default service customers. The schedule indicates the customer class, the request for proposal (RFP) issue date, indicative bid due date, final bid due date, regulatory filing date, the date when Commission approval is anticipated, and the date service is proposed to begin. According to the schedule, UES will be issuing RFPs on January 31, 2012 for a three-month power supply for its large commercial and industrial (G1) customers and one one-year block of power for its residential and small commercial (non-G1) customers for service beginning May 1, 2012.

UES solicits default service power supply for both the G1 and non-G1 customer groups pursuant to a Settlement Agreement approved by the Commission in Docket No. DE 05-064. *See* Order No. 24,511 (September 9, 2005) 90 NH PUC 378 and as modified by Order No. 24,921 (December 12, 2008) 93 NH PUC 594. Under the terms of the Settlement Agreement, UES solicits 100% of default service requirements for its G1 customers on a quarterly basis, requesting a three-month default service power supply. UES then develops fixed monthly default service rates based on the approved bid. For its non-G1 customers, UES procures default service supply using a “laddered” portfolio. Using the portfolio approach, UES solicits bids in four blocks, two two-year blocks and two one-year blocks, each representing 25% of non-G1

power supply requirements. UES sets the non-G1 rate every six months based on the price of power in the portfolio.

According to UES's letter, the Company's 2012 schedule will involve hearings in the following months for the associated RFPs for power supply procurement:

<u>Month</u>	<u>RFP</u>
March 2012	Three-month supply for G1 customers for May through July, 2012; and one one-year (25% of total requirements) supply block for Non-G1 customers for May 2012 through April 2013;
June 2012	Three-month supply for G1 customers for August through October, 2012;
September 2012	Three-month supply for G1 customers for November 2012 through January 2013; and one two-year (25% of total requirements) supply block for Non-G1 customers for November 2012 through October 2014; and
December 2012	Three-month supply for G1 customers for February 2013 through April 2014.

The Commission designates Docket No. DE 12-003 as the docket number for all of UES's 2012 solicitations.

The petition and subsequent docket filings, other than information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2012/12-003.html>.

The filing raises, *inter alia*, issues related to whether the resulting rates are just and reasonable as required by RSA 378:5 and 7; and whether UES has procured default service consistent with the principles of the electric utility restructuring statute (RSA 374-F:3,(V)(c)-(e)) and Orders No. 24,511 and 24,921. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that Hearing, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on March 14, 2012 at 10:00 a.m.; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, UES shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than February 16, 2012, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before March 14, 2012; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.17, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to UES and the Office of the Consumer Advocate on or before March 9, 2012, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by N.H. Code Admin. Rule Puc 203.17 and RSA 541-A:32,I(b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before March 14, 2012.

By order of the Public Utilities Commission of New Hampshire this thirtieth-first day of January, 2012.


Debra A. Howland
Executive Director

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 12-003-1 Printed: February 02, 2012

FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND
EXECUTIVE DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.