STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DG 17-070

Northern Utilities, Inc.

Distribution Rate Case Step Adjustment

SUPPLEMENTAL ORDER OF NOTICE FOR STEP ADJUSTMENT

On February 28, 2019, Northern Utilities, Inc. (Northern or the Company) filed a distribution rate case step adjustment for effect May 1, 2019. The filing was made pursuant to a settlement agreement approved in Northern's most recent distribution rate case. *See* Order No. 26,129 (May 2, 2018).

The settlement agreement provided that this 2019 step increase would be based on the investments in Eligible Facilities (as defined in the settlement agreement) in 2018, up to a revenue increase of \$2,215,273. The Company's request is for \$1,431,349, based on gross plant investments in Eligible Facilities in 2018 of \$10,031,783. By implementing this step adjustment, under the terms of the settlement agreement, Northern's next general base distribution rate increase must be based on a test year of no earlier than 2020.

The proposed step adjustment would increase the monthly bill of a residential heating customer using 71 therms per month in the winter about \$2.80 per month, or about 2.1 percent, in winter months. In summer months, a residential heating customer using 14 therms per month would experience an increase of about \$1.20 per month, or about 3.4 percent.

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at www.puc.state.nh.us/Regulatory/Docketbk/2017/17-070.html.

The filing raises, <u>inter alia</u>, issues related to whether the step adjustment is in conformity with the settlement agreement, is appropriately calculated, and results in just and reasonable rates pursuant to RSA 378:5 and 378:7, and whether the proposed rates will yield a just and reasonable rate of return on the prudent cost of plant, equipment, and capital improvements used and useful in Northern's provision of service to the public, as required by RSA 378:28. 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 a Hearing, pursuant to N.H. Code Admin. Rules Puc 203.12, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on April 9, 2019 at 2:00 pm, and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, Northern shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than March 19, 2019, 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 April 4, 2019; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Northern and the Office of the Consumer Advocate on or before April 2, 2019, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities, or other substantial interest may be affected by the proceeding, consistent with N.H. Code Admin. Rules Puc 203.17. Parties to the earlier phase of Docket No. DG 17-070 continue to be parties and do not need to petition to intervene for this phase; and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before April 9, 2019.

By order of the Public Utilities Commission of New Hampshire this twelfth day of March, 2019.

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Debra A. Howland

Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

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