



November 6, 2023

BY ELECTRONIC MAIL

Matthew C. Young, Hearings Examiner/Staff Attorney
Department of Energy
21 South Fruit Street, Suite 10
Concord, NH 03301

Re: INV 2023-01 Investigative Proceeding Relative to Default Energy Procurement

Dear Attorney Young:

On behalf of Unitil Energy Systems, Inc. (the "Company"), enclosed are the Company's responses to Department of Energy's (the "Department") fourth set of questions in the above-referenced investigation.

The following response contains confidential and commercially sensitive information: DOE IQ 4-001 (the "Confidential Document"). Specifically, the Confidential Document includes the names of suppliers participating in the Company's solicitations.

RSA 91-A:5(IV) expressly exempts from public disclosure requirements any records pertaining to "confidential, commercial or financial information." RSA 91-A:5, IV; *Union Leader Corp. v. New Hampshire Housing Finance Authority*, 142 N.H. 540 (1997). The information in the Confidential Document is competitively sensitive commercial information because public disclosure of that information would provide bidders with detailed insight into the Company's procurement process, including the number and identities of bidders and bidders could use this information to tailor their bids to the detriment of the Company and its customers. Disclosure of the confidential information would adversely affect the Company and its customers because bidders would be discouraged from responding to the Company's solicitations if doing so would result in the release of commercially sensitive and confidential business information. This could have the effect of increasing costs to the Company, and ultimately to customers, if the Company

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cannot procure or negotiate for cost-effective products and services because it cannot assure protective treatment of confidential bid information. *See Granite State Electric Company*, DE 12-023 (Mar. 27, 2021) at 9 (finding that disclosing bidder price information would likely impede the utility company’s ability to engage suppliers in competitive bidding in the future, which would, in turn, make it more difficult to obtain its supply needs at competitive prices and might thereby increase rates to customers); *North Atlantic Energy Corporation*, Order No. 23,986 (June 5, 2022) at 10 (“[P]ublic disclosure of bids, bid analyses, financial assessments, and data related to the auction would chill future auction transactions, thereby limiting the results that might otherwise have been achieved.”). Simply put, the information in the Confidential Document must remain confidential to preserve the Company’s ability to cost-effectively procure products and services for the benefit of customers.

Please do not hesitate to contact me if you have any questions regarding the enclosed, confidential materials.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Matthew Campbell". The signature is written in a cursive style with a large, stylized initial "M".

Matthew C. Campbell
Senior Counsel

Enclosures
CC: Office of the Consumer Advocate

Unitil Energy Systems, Inc.
INV 2023-001
DOE SET 4 QUESTIONS

Date Request Received: 10/31/23
Request No. DOE IQ 4-002

Date of Response: 11/6/23
Contact: Linda McNamara

Request:

Please provide the annual energy reconciliation adjustment factor by class and service period over the past five years.

Response:

The reconciliation amount used in each of Unitil Energy Systems, Inc.'s semi-annual default service charge filings is determined once per year. The dollar amount used for the rate effective June 1 (now August 1) and December 1 (now February 1) is calculated as part of the June 1 (August 1) rate filing.

As described in the filing, the annual reconciliation amount is allocated between the two rate periods on an equal per kWh basis using estimated kWh purchases. Sometimes, the estimated kWh purchases used in this allocation can be updated when the Company prepares its December 1 (February 1) rate filing which can influence the resulting per kWh charge. However, the underlying dollar amount remains unchanged.

As provided in the table below, there is a reconciliation amount associated with the Non-G1 Class power supply charge, Non-G1 Class RPS charge, G1 Class power supply charge, and the G1 Class RPS charge.

As filed in Docket:	Default Service Charge effective:	Non-G1 Class		G1 Class	
		Power Supply Reconciliation (\$/kWh)	RPS Reconciliation (\$/kWh)	Power Supply Reconciliation (\$/kWh)	RPS Reconciliation (\$/kWh)
DE 18-035	6/1/2018	(\$0.00090)	(\$0.00279)	\$0.00117	(\$0.00266)
DE 18-035	12/1/2018	(\$0.00084)	(\$0.00261)	\$0.00091	(\$0.00207)
DE 19-049	6/1/2019	(\$0.00160)	(\$0.00333)	(\$0.00007)	(\$0.00342)
DE 19-049	12/1/2019	(\$0.00160)	(\$0.00333)	(\$0.00007)	(\$0.00342)
DE 20-039	6/1/2020	(\$0.00031)	\$0.00247	(\$0.00397)	\$0.00151
DE 20-039	12/1/2020	(\$0.00031)	\$0.00247	(\$0.00351)	\$0.00133
DE 21-041	6/1/2021	(\$0.00186)	(\$0.00033)	\$0.00210	(\$0.00058)
DE 21-041	12/1/2021	(\$0.00187)	(\$0.00033)	\$0.00198	(\$0.00055)
DE 22-017	6/1/2022	(\$0.00166)	(\$0.00320)	\$0.00789	(\$0.00290)
DE 22-017	12/1/2022	(\$0.00124)	(\$0.00238)	\$0.00594	(\$0.00218)
DE 23-054	8/1/2023	(\$0.00042)	(\$0.00256)	\$0.01288	(\$0.00133)