

STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

RE: LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP. D/B/A LIBERTY
UTILITIES

DOCKET NO. DG 14-180

Petition for Temporary Rates

NOW COMES Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (“Liberty Utilities” or the “Company”), pursuant to RSA 378:27 and petitions the New Hampshire Public Utilities Commission (the “Commission”) to fix, determine and prescribe, effective with service rendered on and after September 1, 2014, reasonable temporary rates pending the Commission’s final determination on the Company’s request for a permanent rate increase in this docket. In support hereof, the Company states as follows:

1. On July 2, 2014, and in accordance with Puc 1604.05, the Company filed a Notice of Intent to File Rate Schedules with the Commission and the Office of Consumer Advocate. Contemporaneous with this Petition for Temporary Rates, the Company is filing proposed revised tariff pages to Tariff NHPUC No. 8 – Gas and supporting testimony and schedules proposing changes to the Company’s permanent rates that are intended to yield an increase of \$13,442,972 in annual operating revenues in order to afford the Company an opportunity to earn a reasonable return on its investment necessary to provide service to its customers. The Company is also requesting that the Commission grant a step increase for investments made through March 31, 2015, which would result in additional annual revenue of \$2,649,554.

2. As set forth in the joint pre-filed testimony of Steven E. Mullen and Howard S. Gorman in Support of Temporary Rates, the Company's return on its distribution assets as of March 31, 2014 was 4.49%, compared to its last authorized return of 7.31%, or 282 basis points below its authorized return. This under-earning is primarily the result of the Company's continued investment of significant amounts in non-revenue producing capital projects that are necessary for the provision of safe and reliable gas service. Unless temporary rate relief is granted, the Company will not earn a reasonable return on the cost of its property used and useful in the public service, thereby resulting in a confiscation of the Company's property.

3. The reports on file with the Commission and supporting documentation filed in connection with this case demonstrate the Company is entitled to an increase in rates in order to have an opportunity to earn a reasonable rate of return. The Company is requesting that the Commission authorize it to increase rates on a temporary basis in order to generate an additional \$8,379,060 in annual operating revenues. This proposed increase is consistent with the requirements of RSA 378:27, which provides that "temporary rates shall be sufficient to yield not less than a reasonable return on the cost of property of the utility used and useful in the public service less accrued depreciation..."

4. The temporary rate relief requested by this petition will increase customers' total annual bills as follows:

- For a residential heating customer (Rate R-3) using 797 therms per year, the increase is \$64.28, or 5.16%;
- For a low annual use, high winter use commercial/industrial customer (Rate G-41) using 2,073 therms per year, the increase is \$154.78, or 4.75%;
- For a medium annual use, high winter use commercial/industrial customer (Rate G-42) using 15,270 therms per year, the increase is \$820.80, or 3.84%; and

- For a medium annual use, low winter use commercial/industrial customer (Rate G-52) using 16,365 therms per year, the increase is \$568.22, or 3.04%

A comparison of current rates versus the proposed temporary rates is included as Attachment SEM/HSG-TEMP-2. *See also* Report of Proposed Rate Changes. To the extent necessary to support this petition, the Company incorporates by reference the testimony and supporting materials filed in support of its request for permanent rate relief.

5. The temporary rates proposed are just and reasonable, and therefore should be authorized by the Commission.

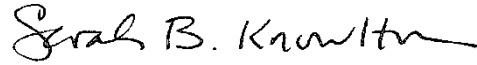
WHEREFORE, Liberty Utilities respectfully requests that the Commission:

- A. Grant this Petition for Temporary Rates, allowing the Company an increase in the amount of \$8,379,060 in annual operating revenue to be effective with service rendered on and after September 1, 2014;
- B. Order such temporary rates to remain in effect until a final determination of the Company's request for a permanent rate increase, and;
- C. Grant such other relief as is just and reasonable and consistent with the public interest.

Respectfully submitted,

LIBERTY UTILITIES (ENERGYNORTH NATURAL
GAS) CORP. D/B/A LIBERTY UTILITIES

By its Attorney,



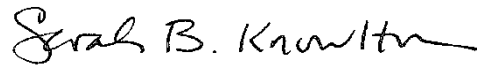
Date: August 1, 2014

By: _____

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Certificate of Service

I hereby certify that on August 1, 2014, a copy of this Petition for Temporary Rates has been forwarded to the service list in this docket.



Sarah B. Knowlton