

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities

DG 16-852

Petition for Expansion of Franchise to the Town of Hanover and City of Lebanon,  
New Hampshire

OCA Data Requests - Set 2

Date Request Received: 5/26/17  
Request No. OCA 2-10

Date of Response: 6/2/17  
Respondent: William Clark

**REQUEST:**

Reference response to OCA 1-44 and OCA 1-45. According to the Company's response in OCA 1-44(a), it appears that the Company agrees that variation in CNG and LNG commodity prices would impact the ability to attract new gas customers. If this understanding is correct, please explain the basis for the Company's response in OCA 1-45(b) that an analysis modeling higher CNG and LNG prices is not relevant to this franchise petition, despite its impact on the Company's ability to attract new customers.

**RESPONSE:**

The Company agrees that upward variations in CNG and LNG commodity prices could have an impact on the ability to attract new customers in the short term. However, OCA 1-45 posed a scenario with a 50% increase in CNG and LNG prices. Based on long-term natural gas price forecasts (as provided in the response to Arwen/Chaffee 1-13), and with CNG and LNG pricing being indexed off natural gas, the Company does not anticipate such major commodity price increases as being realistic. Thus, the Company determined that such a scenario is not relevant to the petition.