

ORIGINAL
N.H.P.U.C. Case No. <u>DG 13-198</u>
Exhibit No. <u>1</u>
Witness <u>S. Frink</u>
DO NOT REMOVE FROM FILE

THE STATE OF NEW HAMPSHIRE
before the
PUBLIC UTILITIES COMMISSION

EnergyNorth Natural Gas, Inc. d/b/a Liberty Utilities, and National Grid USA
Investigation into Line Extension Policy Matters

Docket No. DG 13-198

Partial Settlement Regarding 2013 Construction Season

This Partial Settlement is entered into on this 7th day of August 2013, by EnergyNorth Natural Gas, Inc. d/b/a Liberty Utilities (Liberty), the Office of the Consumer Advocate (OCA), and the Staff of the Public Utilities Commission (hereinafter referred to collectively as "Liberty, OCA, and Staff"). This Partial Settlement seeks to avoid interrupting Liberty's ongoing 2013 construction season and projects, particularly service line extension projects undertaken during the 2013 construction season, and to enable Liberty to proceed during this time with confidence that the OCA and Staff would not recommend that the Commission impose sanctions for such activity. The following terms of partial settlement apply from the date of Commission approval of this settlement until the earlier date of (1) December 31, 2013, or (2) the date of Commission approval of the final disposition of the investigation docketed in DG 13-198 (Settlement Period).

TERMS OF PARTIAL SETTLEMENT

- (1) For residential service line extensions of 100 feet or less, Liberty, OCA, and Staff agree that Liberty may continue to assess a \$900 flat fee to residential customers during the Settlement Period.
- (2) Liberty, OCA, and Staff agree that no fines and or penalties should be assessed against Liberty by the Commission for Liberty's use of the \$900 flat fee for residential customers during the Settlement Period.
- (3) Liberty, OCA, and Staff agree that, for residential customers seeking line extensions of more than 100 feet, and for all commercial and industrial customers' service line extension requests, Liberty will make new customer offers and agreements for service extensions pursuant to the current terms of Section 7 of Liberty's Tariff/the Line Extension Policy, with Contributions In Aid Of Construction (CIAC) figures applied and calculated by Liberty during the Settlement Period.
- (4) Liberty, OCA, and Staff agree, for these CIAC calculations made for commercial and industrial customers, and those CIAC calculations made for service extensions for residential customers longer than 100 feet, that no fines and or penalties should be assessed against Liberty by the Commission for any CIAC calculation errors made by Liberty during the Settlement Period.

(5) Liberty, OCA, and Staff agree that, if it is found that a Liberty residential customer has been over-assessed for CIAC during the Settlement Period, such a residential customer shall be entitled to refunds from Liberty for such over-assessment. Liberty, OCA, and Staff also agree that no repayment may be sought by Liberty from residential customers for any under-assessment of CIAC amounts. This Partial Settlement provision shall not be applicable to Liberty's commercial and industrial customers; instead, the recoupment provisions of Section 7 of Liberty's Tariff/the Line Extension Policy shall govern for commercial and industrial CIAC calculations.

(6) Liberty, OCA, and Staff agree that all outstanding contracts for service extensions, as of the date of the Settlement's execution by the settling parties, shall be honored by Liberty pursuant to their original terms, including price (such as the \$900 flat fee). Liberty, OCA and Staff agree that no fines or penalties should be assessed by the Commission for Liberty's performance of these contracts.

MISCELLANEOUS PROVISIONS

Liberty, OCA and Staff agree to the following miscellaneous provisions:

(7) Binding on Parties. Liberty, OCA and Staff agree to support the terms and conditions contained herein. Liberty, OCA, and Staff understand that this Partial Settlement is subject to Commission approval.

(8) Integrated Terms of Settlement. The effectiveness of this Partial Settlement is conditioned upon the Commission adopting this Partial Settlement in its entirety, without condition or modification. If the Commission does not approve this Partial Settlement in its entirety and without modification or condition, Liberty, OCA, and Staff shall have an opportunity to amend or terminate this Partial Settlement. If terminated, this Partial Settlement shall be deemed withdrawn and shall not constitute a part of the record in any proceeding or used for any purpose.

(9) Procedure. Liberty, OCA and Staff shall request that the Commission consider this Partial Settlement at the prehearing conference to be held on August 8, 2013, and shall make a witness or witnesses available as necessary to answer questions in support of this Partial Settlement, or provide such other support as the Commission requests. Liberty, OCA, and Staff agree to cooperate, in good faith, in the development of such other information as may be necessary to support and explain the basis of this Partial Settlement and to supplement the record accordingly.

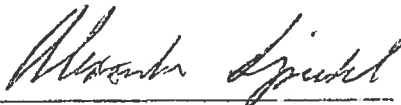
(10) No Precedent. By executing this Partial Settlement, neither Liberty, nor OCA, nor Staff shall be deemed to have accepted or consented to the facts, principles, methods, or theories employed in arriving at the terms of the Partial Settlement, and except to the extent expressly set forth in this Partial Settlement, Liberty, OCA and Staff shall not be deemed to have agreed that such a Partial Settlement is appropriate for resolving any other issues in the investigation conducted in this proceeding in Docket No. DG 13-198, or in any other proceeding. Liberty, OCA and Staff are free to take different positions on any of the issues and/or remedies included in this Partial Settlement in other future proceedings, or regarding disposition of matters beyond the scope of this Partial Settlement within the investigation docketed in DG 13-198.

(11) Confidentiality. This Partial Settlement is the product of confidential settlement negotiations. The content of these negotiations, including any documents prepared during the course of such negotiations for the purpose of reaching a settlement, shall be privileged and all offers of settlement shall be without prejudice to the position of any party presenting such offer.

(12) Execution. This Partial Settlement may be executed by Liberty, OCA and Staff in several counterparts, through original and/or facsimile signature, and as executed shall constitute one agreement.

Respectfully submitted,

Staff of the Public Utilities Commission

By: 
Alexander Speidel, Esq.
Staff Attorney

Liberty Utilities

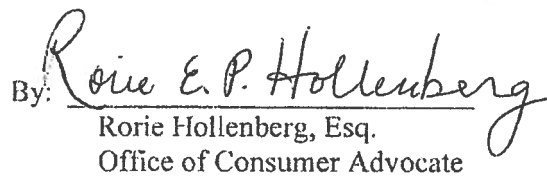
By:



Kevin Baum, Esq.
Devine, Millimet & Branch, P.A. for
EnergyNorth Natural Gas, Inc. d/b/a
Liberty Utilities

Office of the Consumer Advocate

By:



Rorie Hollenberg, Esq.
Office of Consumer Advocate