

David B. Simek Manager, Rates & Regulatory Affairs O: 603-216-3514

E: David.Simek@libertyutilities.com

December 22, 2017

Via ERF and US Mail

Debra A. Howland **Executive Director New Hampshire Public Utilities Commission** 21 S. Fruit Street, Suite 10 Concord, NH 03301-2429

> RE: DG 17-135 Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a/ Liberty Utilities 2017/2018 Winter Period Cost of Gas – January 2018 Monthly COG Adjustment

Dear Ms. Howland:

On behalf of Liberty Utilities (EnergyNorth Natural Gas) Corp. (the "Company") and in accordance with New Hampshire Public Utilities Commission (the "Commission") Order No. 26,066 (October 31, 2017) in Docket DG 17-135, I enclose for filing the Company's current (January) calculation of its projected over or under collection of gas costs for the 2017/2018 winter season ending April 30, 2018.

The calculation reflects the actual November 2017 through April 2018 NYMEX settled forward prices as of December 18, 2017. The resulting projected under collection of approximately \$1,089,163 is 1.84% of the total revised anticipated gas costs for the 2017/2018 winter season.

Liberty elects to not implement the increase of \$0.0167 per therm for the January 1st billing cycle.

The current and revised cost of gas rates are summarized in the following table.

| | Cost of Gas Rates | | | | | | | | |
|---------------------------------------|---------------------|--------------|----------|--|--|--|--|--|--|
| | Current Rate | Revised Rate | Change | | | | | | |
| Residential | \$0.6445 | \$0.6445 | \$0.0000 | | | | | | |
| Commercial/Industrial High Winter Use | \$0.6433 | \$0.6433 | \$0.0000 | | | | | | |
| Commercial/Industrial Low Winter Use | \$0.6560 | \$0.6560 | \$0.0000 | | | | | | |

Please note this report has been filed via the Commission's Electronic Report Filing System.

Debra A. Howland DG 17-135 Page 2

Thank you for your assistance with this matter. Please do not hesitate to call if you have any questions.

Sincerely,

David B. Simek

Enclosures

Cc; Service List

ENERGYNORTH NATURAL GAS, INC.

Calculation of the Projected Over or Under Collection of the 2017 - 2018 Winter Cost of Gas Filing DG 17-135

January 1, 2018

| Under/(Over) Collection as of 12/1/17 | | \$ (2,095,125) |
|--|----------------|-------------------|
| Forecasted firm Residential therm sales 1/1/18 - 4/30/18 | 41,250,533 | : |
| Residential Cost of Gas Rate per therm | \$ (0.6445) | 1 |
| Forecasted firm C&I High Winter Use therm sales 1/1/18 - 4/30/18 | 21,749,126 | |
| C&I- High Winter Use Cost of Gas Rate per therm | \$ (0.6433) | |
| Forecasted firm C&I Low Winter therm sales 1/1/18 - 4/30/18 | 2,281,221 | |
| C&I- Low Winter Use Cost of Gas Rate per therm | \$ (0.6560) | |
| Forecasted firm Residential therm sales 12/17 | 7,989,089 | |
| Residential Cost of Gas Rate per therm | \$ (0.6445) | |
| Forecasted firm C&I High Winter Use therm sales 12/17 | 4,397,970 | |
| C&I- High Winter Use Cost of Gas Rate per therm | \$ (0.6433) | |
| Forecasted firm C&I Low Winter Use therm sales 12/17 | 450,708 | |
| C&I- Low Winter Use Cost of Gas Rate per therm | \$ (0.6560) | |
| Forecast recovered costs at current rate 12/1/17 - 4/30/18 | | (50,347,509) |
| Estimated FPO Premium 12/1/17 - 4/30/18 | | (96,392) |
| Revised projected gas costs 12/1/17 - 4/30/18 | | 53,718,390 |
| Estimated interest charged (credited) to customers 12/1/17 - 4/30/18 | | (90,201) |
| Projected under / (over) collection as of 4/30/18 (A) | - | \$ 1,089,163 |

| Actual Gas Costs through 12/1/17 | \$ 5,461,014 | |
|--|------------------|------------------|
| Revised projected gas costs 12/1/17 - 4/30/18 | \$ 53,718,390 | |
| Estimated total adjusted gas costs 11/1/17 - 4/30/18 (B) | | \$ 59,089,203 |

| 1 | | | |
|---|--|-------|--|
| | | | |
| | Under/ (over) collection as percent of total gas costs (A/B) | 1.84% | |
| | | - 1 | |

| Projected under / (over) collections as of 12/31/17 (A) | \$ | 1,089,163 |
|--|----------------|----------------------------|
| Forecasted firm therm sales 1/1/17 - 4/30/18 | | 65,280,880 |
| Change in rate used to reduce forecast under/(over) collection | \$ | 0.0167 |
| Current Cost of Gas Rate Revised Cost of Gas Rate Cap - Residential Cost of Gas Rate | \$ \$ \$ | 0.6445 0.6612 0.8056 |

Revised as follows:

The revised projected gas costs include the November 2017 - April 2018 NYMEX settled strip prices as of December 18, 2017.

Compliance rates per New Hampshire Public Utilities Commission Order Number 26,066 dated October 31, 2017 in Docket DG 17-135: The Company may adjust the approved residential cost of gas rate of \$0.6445 per therm upwards by no more than 25% or \$0.1611 per therm. The adjusted residential cost of gas rate shall not be more than \$0.8056 per therm.

ENERGYNORTH NATURAL GAS, INC.

Projected Over or Under Collection

| Total Gas Costs Adjustments and Indirect Costs Refunds & Adjustments COG Bad Debt Inventory Financing Transportation Revenue Off System and Capacity Release Fixed Price Option Admin. Bad Debt Costs Working Capital Misc Overhead Production & Storage Total Indirect Costs Interest Total Gas Costs plus Indirect Costs Refunds & Adjustment Beginning Under/(Over) Total Gas Costs Adjustments and Indirect Costs Refunds & Adjustments Refunds & Adjustment Refunds & Adjustments Refunds & Adjustment Refunds & Adjustment Refunds & Adjustment Refunds & Adjustment Refunds & Adjustments Refunds & Adjustment Refunds & Adjust | Without Rate Adjustment | Beginning | Γ | Nov-17 | | Dec-17 | | Jan-18 | | Feb-18 | | Mar-18 | | Apr-18 | | Total Peak |
|---|-------------------------------------|--------------|----|-------------|----|------------|----|--------------|----|--------------|----|--------------|----|------------|----|----------------|
| Adjustments and Indirect Costs Reducted & Adjustments COG Bad Delta (Reducted & Adjustments) COG Bad Delta (Reducted & Reducted & Adjustments) COG Bad Delta (Reducted & Reducted & Adjustments) COG Bad Delta (Reducted & Reducted & Adjustment) COG Bad Delta (Reducted & Reducted & Reducted & Adjustment) COG Bad Delta (Reducted & Reducted & Redu | | Under/(Over) | | (Actual) | (| Estimate) | (| Estimate) | (| (Estimate) | (| Estimate) | 1 | (EStimate) | | Total Feak |
| Refunds & Adjustments \$ | Total Gas Costs | | \$ | 4,841,718 | \$ | 9,577,092 | \$ | 15,406,858 | \$ | 14,988,483 | \$ | 9,000,288 | \$ | 3,017,496 | \$ | 56,831,936 |
| Returns & Adjustment COG Bad Dett Inventory Financing Cord Bad Dett Inventory Financing Cord Bad Dett Cord Bad D | | | | | | | | | • | | • | | • | | œ | |
| Inventory Financing | | | \$ | 227.016 | \$ | - | \$ | - | \$ | - | Þ | - | Ф | - | Φ | 227.016 |
| Transportation Revenue Broker Revenue Cotton Admin. Broker Revenue Cotton Admin. Broker Revenue Cotton Admin. State Cotton Adm | | | | 227,010 | | - | | _ | | - | | - | | - | | - |
| Broker Revenue | | | 1 | - | | (21,262) | | (26,357) | | (27,346) | | (24,544) | | (20,672) | | \ ' ' ' |
| Pixed Price Option Admin. Bad Debt Costs S4,136 378,7767 17,986,176 17,034 11,654 18,936 16,224 17,034 11,654 18,936 18,238 16,238 18,338,636 18,331,861 3 | | | | - | | | | | | , , , | | , | | | | ` ' ' |
| Sear Price Option Admin. Sear | | | | - | | | | (340,295) | | (337,728) | | (404,503) | | (380,450) | | |
| Septiment Sept | | | | - E4 136 | | , | | 530 992 - | | - 573 004 | | 486 518 | | 335 381 | | , , |
| Misc Overhead 331,861 331,86 | | | | | | | | | | | | , | | , | | |
| Nov-17 Cachinate Seginning Under/(Over) | | | | 0,200 | | | | | | | | | | | | 10,128 |
| Total Indirect Costs S | I . | | | 331,861 | | | | -, | | | | , | | | | |
| Total Gas Costs plus Indirect Costs Cost | ů | | \$ | | \$ | 254,717 | \$ | 490,587 | \$ | 459,256 | \$ | 404,619 | \$ | 118,994 | \$ | 2,347,469 |
| Total Forecasted Sales Volumes A,699,293 12,837,767 17,996,016 19,423,880 16,492,140 11,368,843 82,817,940 17,344,656 57,882,986 11,620,670 12,541,635 10,648,342 7,344,656 57,882,986 11,620,670 12,541,635 10,648,342 7,344,656 57,882,986 11,620,670 12,541,635 10,648,342 7,344,656 57,882,986 11,620,670 12,541,635 10,648,342 7,344,656 57,882,986 11,620,670 12,541,635 10,648,342 7,344,656 57,882,986 10,648,342 7,344,656 10,648,342 7,344,656 10,648,342 7,344,656 10,648,342 7,344,656 10,648,342 7,344,656 10,648,342 7,344,656 10,648,342 7,344,656 10,648,342 | Interest | | | (1,028) | | (20,667) | | (19,910) | | (14,135) | | (14,865) | | (20,624) | \$ | (91,229) |
| Total Forecasted Collections | Total Gas Costs plus Indirect Costs | \$ (116,026) | | 5,459,986 | | 9,811,143 | | 15,877,535 | | 15,433,604 | | 9,390,042 | | 3,115,865 | \$ | 58,972,149 |
| Total Forecasted Collections | Tatal Foregotted Sales Volumes | | | 4 600 203 | | 12 837 767 | | 17 996 016 | | 19 423 880 | | 16.492.140 | | 11.368.843 | | 82,817,940 |
| Nov-17 | | | | | | | | | | | | | | | \$ | |
| Beginning Under/(Over) | Total Forosactos Companient | | | | | | | | | | | | | | | |
| Total Gas Costs Adjustments and Indirect Costs Refunds & Adjustments COG Bad Debt Inventory Financing Transportation Revenue Broker Revenue Off System and Capacity Release Fixed Price Option Admin. Bad Debt Costs Working Capital Misc Overhead Production & Storage Total Indirect Costs (116,026) Total Gas Costs plus Indirect Costs (116,026) Total Gas Costs plus Indirect Costs (116,026) Total Forecasted Sales Volumes Total Forecasted Sales Volumes \$ 4,841,718 \$ 9,577,092 \$ 15,406,858 \$ 14,988,483 \$ 9,000,288 \$ 3,017,496 \$ 56,831,936 Estimate) (Estimate) (Starce) (20,67) (12,181) (27,454) (20,672) (120,181) (27,464) (247,474) (20,672) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,181) (120,1 | With Rate Adjustment | | | | | | | | | E-1- 40 | | 14 40 | | A = 4 1 0 | | |
| Total Gas Costs Adjustments and Indirect Costs Refunds & Adjustments COG Bad Debt Inventory Financing Transportation Revenue Broker Revenue Off System and Capacity Release Fixed Price Option Admin. Bad Debt Costs Working Capital Misc Overhead Production & Storage Total Indirect Costs (1,028) (20,667) (1,028) (20,667) (10,028) (23,016) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (24,747) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (24,747) (27,346) (24,544) (20,672) (120,181) (27,346) (24,544) (20,672) (120,181) (24,747 | | , , | | | | | | | | | | | | | | Total Peak |
| Adjustments and Indirect Costs Refunds & Adjustments COG Bad Debt Inventory Financing Transportation Revenue Broker Revenue Off System and Capacity Release Fixed Price Option Admin. Bad Debt Costs Working Capital Misc Overhead Production & Storage Total Indirect Costs Interest Total Forecasted Sales Volumes Adjustments and Indirect Costs \$ | | Under/(Over) | | (Actual) | , | (Esumate) | | (EStilliate) | | (LStillate) | | (LStillate) | | (Louindio) | | 7 01011 7 0011 |
| Refunds & Adjustments COG Bad Debt COG Bad Debt Inventory Financing Transportation Revenue Broker Revenue Off System and Capacity Release Fixed Price Option Admin. Bad Debt Costs Working Capital Misc Overhead Production & Storage Total Indirect Costs Refunds & Adjustments \$ | Total Gas Costs | | \$ | 4,841,718 | \$ | 9,577,092 | \$ | 15,406,858 | \$ | 14,988,483 | \$ | 9,000,288 | \$ | 3,017,496 | \$ | 56,831,936 |
| Refultos & Adjustments COG Bad Debt Inventory Financing Transportation Revenue Broker Revenue Off System and Capacity Release Fixed Price Option Admin. Bad Debt Costs Working Capital Misc Overhead Production & Storage Total Indirect Costs Interest COG Bad Debt 227,016 227,016 1 (21,262) (26,357) (27,346) (24,544) (20,672) (120,181) (120,181) (| 1 - | | | | | | | | • | | • | | • | | • | |
| COG Bad Debt Inventory Financing | | | \$ | - 227.016 | \$ | - | \$ | - | \$ | - | Ф | - | Ф | - | Φ | 227.016 |
| Transportation Revenue Broker Revenue Off System and Capacity Release Fixed Price Option Admin. Bad Debt Costs Working Capital Production & Storage Total Indirect Costs Total Gas Costs plus Indirect Costs Total Forecasted Sales Volumes - (21,262) (26,357) (27,346) (24,544) (20,672) (120,181) - (1327,000) (14,036) (18,636) (94,708) 3,254 (155,421) (427,474) - (161,963) (18,636) (94,708) 3,254 (155,421) (427,474) - (327,000) (340,295) (337,728) (404,503) (380,450) (1,789,975) - 45,000 | | | 1 | 227,016 | | - | | - | | _ | | - | | - | | - |
| Broker Revenue Off System and Capacity Release Fixed Price Option Admin. Bad Debt Costs Working Capital Misc Overhead Production & Storage Total Indirect Costs Total Gas Costs plus Indirect Costs Broker Revenue - (161,963) (18,636) (94,708) 3,254 (155,421) (427,474) - (327,000) (340,295) (337,728) (404,503) (380,450) (1,789,975) - 45,000 45,000 45,000 45,000 45,000 45,000 45,000 45,000 1,664 - 2,333 2,518 2,138 1,474 10,128 - 1,664 2,333 2,518 2,138 1,474 10,128 - 1,664 2,333 2,518 2,138 1,474 10,128 - 1,664 2,333 2,518 2,138 1,474 10,128 - 1,664 331,861 331,861 331,861 331,861 331,861 331,861 331,861 331,861 331,861 31,91,165 - Total Indirect Costs - (161,963) (18,636) (94,708) 3,254 (155,421) (427,474) - (327,000) (340,295) (337,728) (404,503) (380,450) (1,789,975) - 45,000 - 45,000 | | | 1 | _ | | (21,262) | | (26,357) |) | (27,346) | | (24,544) | | (20,672) | | (120,181) |
| Oil System and Capacity Release - 45,000 - - - 45,000 Bad Debt Costs 54,136 378,714 530,882 573,004 486,518 335,381 2,358,636 Working Capital 6,283 7,703 10,798 11,654 9,895 6,821 53,154 Misc Overhead - 1,664 2,333 2,518 2,138 1,474 10,128 Production & Storage 331,861 331,861 331,861 331,861 331,861 331,861 331,861 331,861 31,991,165 Total Indirect Costs (1,028) (20,667) (19,910) (14,135) (14,865) (19,597) (90,202) Total Gas Costs plus Indirect Costs (116,026) 5,459,986 9,811,143 15,877,535 15,433,604 9,390,042 3,116,892 58,973,176 Total Forecasted Sales Volumes | 1 | | | - | | (161,963) | | (18,636) |) | (94,708) | | , | | | | |
| Fixed Price Option Admin. Bad Debt Costs S4,136 378,714 530,882 573,004 486,518 335,381 2,358,636 Working Capital 6,283 7,703 10,798 11,654 9,895 6,821 53,154 | Off System and Capacity Release | | | - | | | | (340,295) |) | (337,728) | | (404,503) | | (380,450) | | |
| Bad Debt Costs St, 10 34, 10 10, 798 11,654 9,895 6,821 53,154 Working Capital Misc Overhead Production & Storage Total Indirect Costs 1,664 2,333 2,518 2,138 1,474 10,128 Production & Storage Total Indirect Costs 331,861 331,861 331,861 331,861 331,861 331,861 331,861 331,861 331,861 318,941 1,991,165 Interest (1,028) (20,667) (19,910) (14,135) (14,865) (19,597) (90,202) Total Gas Costs plus Indirect Costs (116,026) 5,459,986 9,811,143 15,877,535 15,433,604 9,390,042 3,116,892 58,973,176 Total Forecasted Sales Volumes 4,699,293 12,837,767 17,996,016 19,423,880 16,492,140 11,368,843 82,817,940 | | | | | | , | | - | | - 572.004 | | - 496 E19 | | 225 201 | | , |
| Working Capital Misc Overhead Production & Storage Total Indirect Costs - 1,664 331,861 2,333 331,861 2,518 331,861 2,138 331,861 1,474 331,861 10,128 331,861 Interest (1,028) (20,667) (19,910) (14,135) (14,865) (19,597) (90,202) Total Gas Costs plus Indirect Costs \$ (116,026) 5,459,986 9,811,143 15,877,535 15,433,604 9,390,042 3,116,892 \$ 58,973,176 Total Forecasted Sales Volumes 4,699,293 12,837,767 17,996,016 19,423,880 16,492,140 11,368,843 82,817,940 | 1 | t | | • | | | | , | | | | , | | | | |
| Production & Storage | | | | 0,203 | | , | | , | | | | | | | | |
| Total Indirect Costs \$ 619,296 \$ 254,717 \$ 490,587 \$ 459,256 \$ 404,619 \$ 118,994 \$ 2,347,469 Interest \$ (1,028) (20,667) (19,910) (14,135) (14,865) (19,597) \$ (90,202) Total Gas Costs plus Indirect Costs \$ (116,026) 5,459,986 9,811,143 15,877,535 15,433,604 9,390,042 3,116,892 \$ 58,973,176 Total Forecasted Sales Volumes \$ 4,699,293 12,837,767 17,996,016 19,423,880 16,492,140 11,368,843 82,817,940 | 1 | | | 331.861 | | , | | , | | | | | | 331,861 | | 1,991,165 |
| Total Gas Costs plus Indirect Costs \$ (116,026) 5,459,986 9,811,143 15,877,535 15,433,604 9,390,042 3,116,892 \$ 58,973,176 Total Forecasted Sales Volumes 4,699,293 12,837,767 17,996,016 19,423,880 16,492,140 11,368,843 82,817,940 | | | \$ | | \$ | 254,717 | \$ | 490,587 | \$ | 459,256 | \$ | 404,619 | \$ | 118,994 | \$ | 2,347,469 |
| Total Forecasted Sales Volumes 4,699,293 12,837,767 17,996,016 19,423,880 16,492,140 11,368,843 82,817,940 | Interest | | | (1,028) | | (20,667) | | (19,910) |) | (14,135) | | (14,865) | | (19,597) | \$ | (90,202) |
| Total Forecasted Sales Volumes 4,699,293 12,837,767 17,996,016 19,423,880 16,492,140 11,368,843 82,817,940 | Total Gas Costs plus Indirect Costs | \$ (116,026 | | 5,459,986 | | 9,811,143 | | 15,877,535 | | 15,433,604 | | 9,390,042 | | 3,116,892 | \$ | 58,973,176 |
| 10tal Forecasted Sales Volumes 4,035,555 12,057,757 14,004,004 10,003,761 7,524,516 \$ 58,973,176 | | | | 4 600 203 | | 12 837 767 | | 17 996 016 | | 19 423 880 | | 16.492.140 | | 11,368,843 | | 82,817,940 |
| | 1 | | | , , | | | | | | | | | | | \$ | |