

REDACTED

THE STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION



Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities – Keene Division
Additional Winter 2017/2018 Cost of Gas Costs

Docket No. DG 17-141

Technical Statement of David B. Simek

October 11, 2017

A. Purpose of Technical Statement.

The purpose of this technical statement is to: (1) make the Commission aware of additional costs that were inadvertently omitted from the August 29, 2017, Winter 2017/2018 Cost of Gas (COG) filing in Docket No. DG 17-141; and (2) describe the Company's proposed cost recovery for these additional costs.

B. Reasons for Additional Winter 2017/2018 Costs of [REDACTED].

The Company has installed a temporary compressed natural gas (CNG) facility to serve some commercial customers who are currently served by the so-called "high pressure" line of the existing propane-air system. The temporary CNG facility is the first step in the Company's plan to convert the entire Keene system to CNG and liquefied natural gas (LNG) over the coming years. The temporary CNG supply costs are included as part of the total supply-mix used to supply Keene customers gas for the Winter 2017/2018 period. The Company has contracted Xpress Natural Gas LLC for the CNG supply.

The master agreement with Xpress Natural Gas LLC includes a monthly fixed demand charge of [REDACTED], which began in July 2017. The demand charges for the four months of July 2017 – October 2017 were inadvertently omitted from the Winter 2017/2018 COG filing. Since these costs are being incurred to serve winter demand in order to eliminate the need to run the blower system, the annual cost should be recovered through the Winter COG rate.

C. Cost Recovery Proposal.

The impact of this omission is an increase in the Winter 2017/2018 beginning COG rate of \$0.0382 per therm. The projected total bill seasonal savings for a typical residential non-fixed price heating customer from the 2016/2017 winter season is projected to be \$153.43 once these costs are added to the COG rate. The originally filed projected seasonal savings was \$22.55 higher at \$175.98. The Company decided to address the rate impact in the monthly reconciliation process rather than refiling the Winter 2017/2018 COG rate. Therefore, there may be a minor adjustment to the rate during the winter season to recover these costs.