

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 19-145

**LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.
d/b/a LIBERTY UTILITIES**

2019/2020 COST OF GAS

ORDER OF NOTICE

On September 3, 2019, Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities (Liberty or the Company) submitted a Winter 2019/2020 and Summer 2020 cost of gas (COG) filing outlining its proposed COG and fixed price option (FPO) rates for the winter period (November 1, 2019 through April 30, 2020), the summer period (May 1, 2020 through October 31, 2020), and proposed local delivery adjustment clause (LDAC) charges for the period of November 1, 2019 through October 31, 2020. Liberty filed testimony, revised tariff pages, and schedules, in support of the proposed rates. The COG submission and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://puc.nh.gov/Regulatory/Docketbk/2019/19-145.html>.

The proposed winter 2019/2020 residential COG rate is \$0.6203 per therm (FPO rate \$0.6403 per therm), a \$0.0430 per therm decrease compared to last winter's weighted average residential COG rate of \$0.6633 per therm. The proposed changes to Liberty's residential COG rate and LDAC charges are expected to decrease a residential heating customer's winter bill by approximately \$30, or 7 percent over the entire winter period using a weighed monthly average.

The proposed winter 2019/2020 commercial and industrial (C&I) high winter use COG rate is \$0.6190 per therm and the proposed C&I low winter use COG rate is \$0.6258 per therm.

The changes in the COG rates for high and low winter users are expected to decrease C&I customers' winter bills approximately 11 percent over the entire winter period using a weighted monthly average. The proposed firm transportation winter COG rate is \$0.0009 per therm compared to last year's rate of \$0.0005 per therm.

The proposed summer COG rate for 2020 is \$0.4520 per therm for residential customers, a \$0.0423 per therm decrease compared to last summer's weighted average residential COG rate of \$0.4943 per therm. The proposed changes to Liberty's residential COG rate and LDAC charges are expected to decrease a residential heating customer's summer bill by approximately \$10, or 12 percent over the entire summer period using a weighted monthly average.

Liberty proposes summer 2020 COG rates of \$0.4474 per therm for C&I high winter use customers and \$0.4591 per therm for C&I low winter use customers, which are both decreases from the 2019 summer rates.

A variety of components makes up the proposed LDAC charges of \$0.0635 per therm for residential customers and \$0.0494 per therm for C&I customers, compared to the \$0.0836 per therm and \$0.0772 per therm rate, respectively, currently in effect. The proposed charge to recover environmental remediation costs is \$0.0153 per therm, compared to the \$0.0161 per therm rate currently in effect. The proposed energy efficiency and conservation charge is \$0.0640 per therm for residential customers and \$0.0426 for C&I customers, compared to the respective \$0.0450 per therm and \$0.0387 per therm rates currently in effect. The proposed revenue decoupling adjustment factor is a credit of (\$0.0298) per therm for residential customers and (\$0.0225) per therm for C&I customers, compared to what is essentially a \$0.0000 per therm rate currently in effect, given that decoupling was first implemented in 2018. *See* Order 26,122 at 43-46, 53-55 (April 27, 2018) (approving decoupling); Order No. 26,187 at 11 (November 2,

2018) (addressing Liberty's motion for rehearing). The proposed charge to recover expenses and lost revenues related to the residential low income assistance program is \$0.0123 per therm, compared to the \$0.0130 per therm rate currently in effect. The Lost Revenue Adjustment Mechanism is proposed at \$0.0001 per therm for residential and C&I customers, compared to the respective \$0.0003 per therm and \$0.0001 per therm rates currently in effect. The proposed rate case expense factor is a charge of \$0.0017 per therm, compared to the \$0.0092 per therm currently in effect.

Liberty is updating its Company Allowance (for lost and unaccounted for gas and Company use of gas) for the period of November 2019 through October 2020 from 1.8 to 1.9 percent. Liberty also proposes changes to its supplier balancing charges, peaking demand charges, capacity allocator percentages, and short-term borrowing limits.

The filing raises, inter alia, issues related to RSA 374:2, and RSA 378, including: the justness and reasonableness of rates; the forecasting of sales, supplier prices, and transportation prices; the calculation of indirect gas costs; purchasing decisions related to the current and past supplies; capacity/revenue projections related to transportation services and released capacity; the reconciliation of prior period costs and revenues; and the prudence and recovery of environmental remediation. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that a hearing be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on October 11, 2019 at 1:30 p.m., and it is

FURTHER ORDERED, that Liberty, the Staff of the Commission, and any Intervenors hold a Technical Session to review the filing on September 16, 2019 at 9:00 a.m.; and it is;

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, Liberty shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than September 12, 2019, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before October 9, 2019; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Liberty and the Office of Consumer Advocate on or before, September 12, 2019, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Code Admin. Rules Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before October 9, 2019.

By order of the Public Utilities Commission of New Hampshire this sixth day of September, 2019.



Debra A. Howland
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

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