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July 1, 2022

Daniel C. Goldner, Chairman
New Hampshire Public Utilities Commission
21 South Fruit Street
Concord, NH 03301

Re: DG 20-105; Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty;
Petition for Permanent Rates – First Step Adjustment; Department of Energy Response to
Recoupment Plan

Dear Chairman Goldner:

In Order No. 26,603 issued April 5, 2022 in the proceeding, the Commission approved Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty's first step adjustment in base distribution rates for effect August 1, 2022, designed to collect \$4 million per year in additional revenues. The order also required Liberty to propose a recoupment plan to recover additional revenues as though the first step adjustment had been effective August 1, 2021.

Liberty filed a recoupment plan on June 1, 2022. The plan calls for Liberty to increase rates on August 1, 2022 to collect an additional \$8 million in base revenue for one year (starting August 1, 2022), and then to reduce rates (and revenues) on August 1, 2023 by \$4 million per year, so that a \$4 million step adjustment will remain in place until Liberty's next base rate case. Liberty made no proposal to collect any carrying charges or interest to account for the one-year delay in implementing the step adjustment.

The Department of Energy has reviewed the recoupment plan and has no objection to the plan as filed and does not request additional time to investigate. The Department understands that the plan will essentially put Liberty in the position it would have been in had the first step adjustment been implemented in August 2021, as called for in the settlement that we (as Commission Staff at the time) signed and which the Department of Energy continues to support. As stated at the January 18, 2022 hearing on this step adjustment, the Department believes the underlying investments covered by this step adjustment were prudently incurred and the plant additions are used and useful.

Consistent with the Commission's *Temporary Changes in Filing Requirements* (March 17, 2020) this letter is being filed only in electronic form.

Sincerely,

/s/ *Paul B. Dexter*

Paul B. Dexter

Staff Attorney/Hearings Examiner

Cc: Service List,