

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

Docket No. DG 20-105

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty

Petition for Permanent Rates

Technical Statement of Erica L. Menard

March 6, 2023

A. Purpose of Technical Statement

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty, (“the Company” or “Liberty”) files this technical statement in support of its request for Commission approval of rates and associated tariff pages that vary from the rates approved in Order No. 26,654 (July 27, 2022), and of other tariff page changes.

B. Background

In Order No. 26,602 (Apr. 5, 2022), the Commission approved Liberty’s request to implement a \$4 million step adjustment for effect August 1, 2021, based on the terms of the Settlement Agreement in this docket. Since the 2022 approval occurred after the 2021 effective date, the Commission asked Liberty to make a filing by June 1, 2022, proposing a recoupment mechanism to collect the approved \$4 million over a future 12-month period beginning August 1, 2022, representing the revenue that Liberty would have collected from August 1, 2021, through August 1, 2022.

Liberty made the June 1 filing, and, in Order No. 26,654, the Commission approved the August 1, 2022, rates that will collect the \$4 million over the following 12 months.

As recited in the February 17 Procedural Order, the Company made its compliance filing following Order No. 26,654 to implement the rates approved in that order. However, the compliance filing included rates that varied slightly from those approved in Order 26,654, which the Company later explained was due to a mathematical error in the supporting schedules that calculated the rates. That is, the Company’s compliance filing included the “correct” rates.

The Commission thus asked the Company to make this filing to formally request approval of the corrected rates, supported by this technical statement and corrected schedules.

The Company also proposes in this filing to correct some errors in the previously filed tariff pages, as explained below.

C. Proposed Rates

The rates approved in Order No. 26,654 were based on the June 1, 2022, pre-filed testimony of Catherine A. McNamara, with attachments, which included the proposed recoupment mechanism to collect \$4 million in distribution revenue effective August 1, 2022.

Attachment CAM-1, Bates 011 through 017 contained a schedule of current rates and proposed rates by rate class to reflect the Step 1 increase effective August 1, 2022.

The rates and corresponding tariff pages that Liberty now proposes to be corrected were identified in the Tariff Administrator's September 15, 2022, letter of non-compliance as follows:

- Tariff pages 65 and 89 (Rate class G-44):
All over 100 therms per 30-day rate approved 0.4509, compliance tariff 0.4510.
- Tariff page 69 (Rate class G-46): Winter Period:
All therms per 30-day month approved 0.3659, compliance tariff 0.3658.
- Tariff pages 79 and 89 (Rate class G-55):
Customer Charge Per Meter approved 80.64, compliance tariff 80.70.

Liberty is seeking approval of the "compliance tariff" rates above. The explanations follow.

Section 6.F (Page 9) of the Company's tariff defines the Managed Expansion Program ("MEP") Premium as the markup for all MEP rates above the rates that would otherwise be applied. The MEP Premium is 30%. Rate Classes G-44, G-46, and G-55 are MEP rates based on G-41, G-43, and G-51 rates, respectively.

Commission Order No. 26,654 approved the base distribution rates as outlined in Attachment CAM-1. For certain components in MEP rate classes G-44, G-46, and G-55, the Company is requesting approval of the following revised rates, which are derived by applying a 30% premium to the approved base rates in G-44, G-46, and G-55.

- Tariff pages 65 and 89 (Rate class G-44), for the all over 100 therms per 30-day rate, the base G-41 rate is 0.3469 per therm. A 30% premium results in a rate of 0.4510 per therm when rounded to four decimal places. Liberty is requesting approval of 0.4510.
- Tariff page 69 (Rate class G-46), for the Winter Period all therms per 30-day rate, the base G-43 rate is 0.2814 per therm. A 30% premium results in a rate of 0.3658 per therm when rounded to four decimal places. Liberty is requesting approval of 0.3658.
- Tariff pages 79 and 89 (Rate class G-55), for the Customer Charge Per Meter, the base G-51 rate is 62.08 per Meter. A 30% premium results in a rate of 80.70 per meter when rounded to two decimal places. Liberty is requesting approval of 80.70.

Liberty revised Attachment CAM-1 and CAM-2 previously filed on June 1, 2022, and files them with this technical statement as support for the revised rates and the compliance tariff pages filed on August 16, 2022.

D. Other proposed changes

As part of the January 19, 2023, response to the Tariff Administrator's September 15, 2022, letter of non-compliance, the Company identified necessary adjustments to other tariff pages unrelated to the rates approved for effect on August 1, 2022. Liberty also seeks approval of those adjustments as filed in the August 16, 2022, compliance tariff filing, as described below.

Revised proposed clean and redline tariff pages 87 and 89 (Fourteenth revised) and page 88 (Fifteenth revised) reflect the following changes.

- The proposed Fourteenth 87 and 89 submitted on August 16, 2022, required updates to the winter period header as follows:
 - The winter period header should read April 1, 2022, to April 30, 2022, instead of April 1, 2021, to April 30, 2022. The last change to the winter period was the April 2022 COG update filed on March 24, 2022, and reflected in Tenth Revised Pages 87 and 89 as authorized by NHPUC Order No. 26,541 dated October 29, 2021, in Docket No. DG 21-130.
 - Winter rates are not applicable for the August 1, 2022, rate, however, the Company made the correction to be compliant with the order last authorizing the winter period rate changes.
- The proposed clean Fourteenth Revised Page 89 submitted on August 16, 2022, required updates to Rate G-44 as follows:
 - Rate G-44, the summer period's first usage block is defined in the tariff on Page 65 as first 20 therms. The proposed clean Fourteenth Revised Page 89 submitted on August 16, 2022, incorrectly defined the first block for the summer period as 40 therms instead of 20 therms.
- The proposed Fifteenth Revised Page 88 submitted on August 16, 2022, required updates to Rate R-4 and G-42 to reflect rates authorized by NHPUC Order No. 26,542 dated October 29, 2021, in Docket No. DG 21-132 and by NHPUC Order No. 26,579 dated February 10, 2022, in Docket No. DE 20-092.
 - Rate R-4 Winter period cost of gas rate should read \$1.3659 instead of \$2.4835 and the total rate should read \$1.8075 instead of \$2.9251.
 - Rate G-42 Winter period customer charge per month per meter should read \$171.19 instead of \$0.00 and the total rate should read \$171.19 instead of \$0.00.
 - Winter rates are not applicable for the August 1, 2022, rate, however, the Company made the correction to be compliant with the orders last authorizing the winter period rate changes.

E. Compliance Tariff

In the Company's June 1, 2022, recoupment proposal filing, the Company did not include a clean and redline proposed tariff pages. As part of the August 16, 2022, tariff compliance filing, the Company did provide clean and redline proposed tariff pages for effect on August 1, 2022. The Company has no further changes to that compliance tariff filing as all changes identified above have been incorporated. The Company requests approval of the changes identified in this technical statement and as supplied in Attachments CAM-1 (revised) and CAM-2 (revised) and the compliance tariff filed on August 16, 2022.