

STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION

Docket No. DG 21-130

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

**Winter 2021/2022 Cost of Gas and Summer 2022 Cost of Gas**

**Motion to Increase Summer 2022 Cost of Gas Rates**

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty, through counsel, respectfully moves the New Hampshire Public Utilities Commission to increase its Summer 2022 cost of gas rates for service rendered as of June 1, 2022, to rates that are calculated based on current market conditions, as described below.

In support of this motion, Liberty states as follows.

1. In Order No. 26,541 (Oct. 29, 2021), the Commission approved cost of gas (“COG”) rates for the Summer 2022 period, which included a residential COG rate of \$0.5587 per therm. The Commission also authorized the Company to increase that rate by up to 25% (or reduce it as far as necessary) without further Commission approval, to adjust for market conditions in order to reduce any over- or under-collection. Thus, the highest residential COG rate the Company can charge during the Summer 2022 period through such permitted monthly adjustments, without further Commission order, is \$0.6984 per therm.
2. If recalculated today, using current market pricing, the Summer 2022 residential COG rate, effective June 1, 2022, would be \$1.2295 per therm, which is higher than the maximum allowed by Order No. 26,541. The commercial and industrial (“C&I”) rates would similarly be above the allowed maximum.

3. The Company exercised its authority to begin the summer period on May 1, 2022, at the highest COG rate allowed under the Order, which is \$0.6984 per therm for residential customers, and similarly began the summer C&I rates at the allowed maximum.<sup>1</sup>
4. The Company projects that the current market prices, although volatile with substantial swings both up and down, will remain at roughly the current level for the balance of the 2022 summer period, which is well above what was projected in the fall of 2021. Thus, the Company projects a substantial under-collection of approximately \$9,606,269 over the Summer 2022 period unless the Commission authorizes an increase above the rates approved in Order 26,541.
5. As explained in the Supplemental Direct Testimony of Deborah Gilbertson, this rise in market prices, which gives rise to the projected under-collection, has been caused by a significant increase in gas costs due to the war in Ukraine and associated impacts on the world supply of natural gas and other fuels. As Ms. Gilbertson explains, the prices Liberty pays for its natural gas are tied to the worldwide market and are thus affected by these events beyond the Company's control.
6. Given this projected under-collection, the Company requests authority to increase its cost of gas rates above those approved in Order No. 26,541 to allow the recovery of the current costs of gas over the Summer 2022 period.
7. Thus, the Supplemental Direct Testimony of Catherine McNamara proposes new Summer COG rates, calculated in the customary manner using current market pricing, to begin June 1,

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<sup>1</sup> The April 24, 2022, "trigger filing" in this docket that adjusted the May 1, 2022, rates also informed the Commission that these rates have already exceeded the 25% cap authorized in Order No. 26,541 and that the Company "will be filing an interim Summer 2022 Cost of Gas to request approval to exceed the 25% cap for the summer period because the calculated cost of gas rate is \$0.3671/therm higher than the maximum allowed rate of \$0.6984."

2022. With the rate increases requested in this filing, the projected under collection would be fully eliminated by the end of the Summer period.

8. The proposed rates for June 1, 2022, are in the table below:

	Proposed Rates June - October 2022
Residential	\$1.2295
C&I High Winter Use	\$1.2303
C&I Low Winter Use	\$1.2284

9. The Commission approved a similar mid-period increase for Liberty's cost of gas rates in Order No. 25,633 (Feb. 28, 2014), when commodity prices similarly rose higher than expected due to an abnormally cold winter. The Commission also just approved a mid-period increase for Northern Utilities in Order No. 26,626 (May 12, 2022) also based on the increases in commodity prices.

10. The proposed rate increases are in the public interest because it will allow the Company to minimize the projected under-collection in the same time frame in which customers incurred the costs for gas, as well as mitigate the rate impact on customers by spreading the recovery over a greater period of time.

11. Based on the foregoing, and the Supplemental Direct Testimony of Ms. Gilbertson and Ms. McNamara, the Company requests that the Commission authorize an increase in its cost of gas rates effective June 1, 2022.

WHEREFORE, Liberty respectfully requests that the Commission:

- A. Approve the cost of gas rates contained in the table above, for effect June 1, 2022;
- B. Grant such further relief as is just and equitable.

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

By its Attorney,



Date: May 20, 2022

By: \_\_\_\_\_  
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Certificate of Service

I hereby certify that on May 20, 2022, a copy of this motion has been electronically forwarded to the service list.



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Michael J. Sheehan