

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

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

Procedural Order Re: Request to Correct the June 2, 2022, Compliance Letter

On October 25, 2021, in Docket DG 21-130, the Commission held a hearing on Liberty's Winter 2021/2022 Cost of Gas and Summer 2022 Cost of Gas filing. At hearing, the Department of Energy (DOE) made an oral motion to suspend any finding of prudence or finality in this docket, specifically referencing over/under reconciliations for the Revenue Decoupling Adjustment Factor (RDAF), an input into the Local Distribution Adjustment Clause (LDAC) charge.

On October 27 and 28, 2021, In Dockets DG 21-130 and DG 21-132, Liberty, DOE, and the Office of the Consumer Advocated (OCA) each filed briefs relating to the RDAF calculation issue and on DOE's oral motion. DOE's brief was styled as a motion to suspend.

On October 29, 2021, in Docket DG 21-130, the Commission issued Order No. 26,541 (October 29, 2021) Establishing Cost of Gas Rates; and in Docket DG 21-132, the Commission issued Order No. 26,542 (October 29, 2021) Establishing Cost of Gas Rates. In those Orders, the Commission included specific language approving cost of gas (COG) and LDAC rates on a provisional and interim basis. See Order No. 26,541 at 11–12; Order No. 26,542 at 9–10.

In response to each subsequent tariff filing made by Liberty, the Commission issued tariff compliance or non-compliance letters on a provisional basis. Each of these letters contained the same clause: "it has been confirmed that these rates are temporary, interim, and provisional until such time as the issue of the applicability and interpretation of Liberty's

NHPUC No. 11 tariff is resolved. *See* Order No. 26,541 (October 29, 2021) and Order No. 26,542 (October 29, 2021). At such time that the tariff issue is resolved, the Commission will conduct a review and confirm the permanent rates in effect.” *See, e.g.*, NHPUC Letters in Dockets DG 21-130 and DG 21-132 dated November 30, 2021, December 15, 2021, December 16, 2021, December 28, 2021, January 25, 2022, February 22, 2022, and March 31, 2022.

On April 15, 2022, the Commission issued Order No. 26,611, an Order Addressing Tariff Applicability and Interpretation and Scheduling Prehearing Conference. In Order No. 26,611, the Commission withdrew a tariff non-compliance letter issued September 13, 2021, in Docket No. DG 21-105. With respect to Docket Nos. DG 21-130 and DG 21-132, the Commission scheduled a prehearing conference to address, among other things, “[w]hether a reconciliation adjustment(s) to the RDAF factor, as approved on a temporary, interim, and provisional basis pursuant to Order Nos. 26,541 and 26,542, is necessary and appropriate, and if so in what amount[.]”

The Commission has continued to issue tariff compliance or non-compliance letters on a provisional basis since April 15, 2022, in response to new tariff filings that include RDAF/LDAC charges.


On June 2, 2022, Liberty filed a letter in Docket No. 21-130, noting that the provisional tariff compliance letters continue to indicate that “[i]t has been confirmed that these rates are temporary, interim, and provisional until such time as the issue of the applicability and interpretation of Liberty’s NHPUC No. 11 tariff is resolved.” Liberty requested that the Commission correct the June 2, 2022, compliance letter and confirm that tariff pages filed May 13, 2022, have been found to be compliant and are approved, without qualification.


In response to Liberty’s request, we note that Order No. 26,611 clarified the applicability and effective date of NHPUC No. 11 – Gas, Tariff for Gas Service, including that


the text of NHPUC No. 11 – Gas, Tariff for Gas Service does not authorize the recalculation of monthly Revenue Decoupling Adjustments recorded prior to August 1, 2021. Order No. 26,611 did not, however, resolve whether the currently effective LDAC/RDAF charge for the period November 1, 2021 through October 31, 2022, based on the decoupling year ending October 31, 2021 (including revenue decoupling adjustments), and implemented pursuant to Order No. 26,541 are correct; and if not, whether a reconciliation adjustment is appropriate. Pursuant to Order No. 26,611, the Commission still needs to conduct a review to confirm these rates. Therefore, the temporary, interim, and provisional language derived from Order Nos. 26,541 and 26,542 continues to apply. As the Commission stated in Order No. 26,541, “We find it just and reasonable to fix interim, adjustable, and reconcilable COG rates because we do not have a record in this docket sufficient to set final COG rates.” Order No. 26,541 at 8 (October 29, 2021). In Order No. 26,611, the Commission scheduled a prehearing conference on July 12, 2022, at 9:00 a.m. to hear from the parties on the status of this issue, including the necessity of a reconciliation adjustment or adjustments to the LDAC/RDAF charges.

We therefore conclude that the provisional tariff letters issued since April 15, 2022, continue to apply pursuant to Order Nos. 26,541 and 26,542, and that the prehearing conference scheduled on July 12, 2022, will inform the Commission as to whether or not a LDAC/RDAF charge reconciliation adjustment needs to be implemented, and if so during this or a future COG term. All parties will be afforded the opportunity to address these topics at hearing.

So ordered, this thirtieth day of June, 2022.


Daniel C. Goldner
Chairman


Pradip K. Chattopadhyay
Commissioner


Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket# : 21-130

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