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STATE OF NEW HAMPSHIRE



DEPARTMENT OF ENERGY 21 S. Fruit St., Suite 10 Concord, N.H. 03301-2429

December 29, 2022

Daniel C. Goldner, Chairman Public Utilities Commission 21 S. Fruit Street Concord, NH 03301-2429

Re: DG 22-045 Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a/ Liberty Winter 2022-23 and Summer 2023 Cost of Gas, DOE Position on Liberty's December Monthly Gas Report for Cost of Gas Rates Proposed to be Effective January 1, 2023.

Dear Chairman Goldner:

The Department of Energy (DOE) files this letter to explain the DOE's position on a December 29, 2022 filing, which Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty ("Liberty" or "the Company") referenced as "Winter 2022-2023 Cost of Gas—January 2023 Monthly Cost of Gas Adjustment," and which DOE understands to be the Company's *December* Monthly Cost of Gas Adjustment for *Rates Proposed to be Effective January 1, 2023.*"

DOE acknowledges that so long as the proposed rates are consistent with Order No. 26,715 (October 31, 2022) *as modified by* Order No. 26,737 (November 30, 2022) and illustrate no more than the Company's exercise of the authority granted to it by the Commission in Order No. 26,715 to increase rates as much as 25% or lower rates without restriction, the proposed rates shall be effective January 1, 2023, subject to reconciliation in the winter 2023-24 cost of gas docket. In addition, so long as authority for any other change depicted in the tariff pages is referenced in the footer, said tariff pages may reflect other changes.

In the opinion of DOE, the citations in the footers of Liberty EnergyNorth's December 29, 2022 filing are incomplete. The reference to Order No. 26,715 ought to include a sequential reference to "Order No. 26,737 (November 30, 2022)" inasmuch as Order No. 26,737 modified several significant aspects of Order No. 26,715.¹

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¹ In Order No. 26,737, the Commission accepted Liberty's unusual *post-hearing* correction of energy efficiency charges Liberty incorrectly calculated in its October 7, 2022 filing and accepted Liberty's clarification regarding high winter use and low winter use cost of gas per therm rates. Prior to the Commission's November 30, 2022 ruling, the DOE also recommended that the Commission accept Liberty's corrected LDAC figures and Liberty's clarified commercial and industrial rates.

To the extent that the December 29, 2022 filing provides updated tariff pages, consistent with a cost of gas per therm adjustment described in the Company's December 22, 2022 filing, (to be effective January 1, 2023) the tariff pages appear accurate. For example, to address a projected under collection for the Winter 2022-23 period of \$4.7 million, tariff pages increase non-heating and heating residential rates from \$1.2551 per therm to \$1.3292 per therm². <u>Compare</u> Liberty's December 22, 2022 cover letter <u>with</u> the Eighteenth Revised Page 87 filed December 29, 2022.

In addition, the December 29, 2022 tariff pages accurately show the LDAC rate proposed to be in effect as of January 1, 2023, as revised by an increase in the energy efficiency charge, pursuant to *NiSi* Order No. 26,745 (December 14, 2022) in Docket No. DE 22-081. *See, e.g.*, Eighteenth Revised Page 87 (showing residential LDAC rate increased from \$0.1086 to \$0.1113, effective January 1, 2023).

Consistent with the Commission's current policy, this letter is being filed solely in electronic format. Thank you for your attention to this matter.

Respectfully Submitted,

/s/ Mary E. Schwarzer

Mary.E. Schwarzer Staff Attorney/Hearings Examiner Department of Energy

Cc: Docket (electronic service) Enclosures

² In concluding the December 29, 2022 tariff pages are accurate, DOE assumes the "high winter use" rates referenced in the Company's December 22, 2022 cover letter correspond to Commercial/Industrial rates G-41 through G-43 in the tariff pages filed December 29, and that the "low winter use rates" referenced in the December 22 cover letter correspond to the Commercial/Industrial rates G-51 through G-54 in the tariff pages filed December 29. Liberty's original filing mixed-up those categories, and later clarified them. *See* Liberty's November 15, 2022 cover letter (Liberty identifies mix-up). DOE has no independent verification regarding whether G-51 through G-54 are "low winter use" rates.

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Docket #: 22-045

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