

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 22-045

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

Winter 2022/2023 Cost of Gas and Summer 2023 Cost of Gas

DG 22-057

**LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP.
d/b/a LIBERTY-KEENE DIVISION**

Winter 2022/2023 Cost of Gas

**Supplemental Order on Cost of Gas and Local Distribution
Adjustment Charge Rates**

O R D E R N O. 26,737

November 30, 2022

I. BACKGROUND

On October 31, 2022, the Commission issued Order No. 26,715 in Docket No. DG 22-045, establishing Cost of Gas (COG) rates for the 2022–2023 winter period and for the 2023 summer period for Liberty’s customers exclusive of Keene division customers, as well as Local Distribution Adjustment Charge (LDAC) rates for all Liberty customers. On the same date, the Commission issued Order No. 26,716 in Docket No. DG 22-057 establishing COG rates for the 2022- 2023 winter period for Liberty’s Keene division customers.

On November 15, 2022, in Docket Nos. DG 22-045 and 22-057 Liberty filed compliance tariffs. On November 17 and 18, Liberty made updated compliance tariff filings in each docket, respectively. Among other changes, these compliance tariffs identified that certain COG rates in Order No. 26,715 and applicable to Liberty’s commercial and industrial customers based on load factor were incorrectly applied to

the wrong load factor category, and that the LDAC rates established in Order No. 26,715 were too high because an inaccurate energy efficiency charge was applied.

On November 22, 2022, the Department of Energy (DOE) filed position statements in the respective dockets, agreeing that the changes identified in Liberty's tariff compliance filings contained the correct rates and stated that the rates approved by Order No. 26,715 should be clarified. The DOE also raised an additional issue regarding the definition of "prime rate." According to the DOE, Orders 26,715 and 26,716 erroneously referenced the Federal Reserve Statistical Release of Selected Interest Rates, when applicable Commission rules require the prime interest rate reported by the Wall Street Journal be applied.

On November 23, 2023, in Docket Nos. DG 22-045 and 22-057 Liberty filed monthly COG adjustment, with corresponding tariff pages.

On November 28, 2022, the DOE filed further position statements in each respective docket, recommending citations be added to various tariff pages and noting that Liberty incorrectly updated the Keene division summer 2023 rates in a proposed Tariff No. 11 Twentieth Revised Page 88.

The Orders and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-045.html> and <https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-057.html>.

II. COMMISSION ANALYSIS

We issue a supplemental order in this instance to highlight the fact that the rates approved in Order Nos. 26,715 and 26,716 were derived from the record adduced in these proceedings, and based on Liberty's filings and the DOE's review of those filings. As such, this order substantively changes rates established following

hearing, and is not correcting Commission scrivener errors. We specifically note that on October 24, 2022 in Docket DG 22-045, Liberty produced record request responses that should have accurately represented the rates it requested for effect on November 1, 2022. *See* Tab 21. The DOE reviewed and verified these responses. *See* Tab 24. The Commission discovered and corrected several errors in those responses, such as the C&I LDAC charge being reported as \$0.888, not \$0.0888 in the record request. However, it is apparent that additional errors remained, and the rates approved by the Commission therefore contained inaccuracies. We approve the correction of these rates based on Liberty and the DOE's supplemental filings and our further review of the record. We note that the Commission's ability to approve and set accurate rates is dependent, in the first instance, on accurate filings and accurate filing updates by Liberty.

With respect to the "prime rate" applied to over- or under-collections, we also modify the respective ordering clauses to be consistent with N.H. Code of Admin Rules, Puc 1202.13. It appears that this error was also present in the Commission COG Orders for Liberty for at least the past five COG years, and no party brought this to the Commission's attention prior to this year. *See* Order Nos. 26,541 at 12 (October 29, 2021); 26,419 at 9 (October 30, 2020); 26,306 at 9 (October 31, 2019); 26,188 at 8 (November 1, 2018); and 26,066 at 9 (October 31, 2017).

Finally, we further require Liberty to file new compliance tariff pages consistent with this order, including removing the changes to Liberty's Keene division Summer 2023 rates, which were not established by Order No. 26,716.

Based upon the foregoing, it is hereby

ORDERED, that the tables in the first ordering clause of Order No. 26,715 are modified to read as follows:

	Winter 2022- 2023	Winter Maximum Rates	LDAC
Residential	\$1.4300	\$1.7875	\$0.1086
C& I - LLF (High winter use)	\$1.4301	\$1.7876	\$0.0872
C& I - HLF(Low winter use)	\$1.4296	\$1.7870	\$0.0872

	Summer 2023	Summer Maximum Rates	LDAC
Residential	\$1.02690	\$1.28363	\$0.1086
C& I - LLF (High winter use)	\$1.02710	\$1.28388	\$0.0872
C& I - HLF(Low winter use)	\$1.02660	\$1.28325	\$0.0872

and it is

FURTHER ORDERED, that the fifth ordering clause in Order No. 26,715 is modified to read as follows:

that Liberty's LDAC per therm rates effective for service rendered on or after November 1, 2022, through October 31, 2023, are \$0.1086 and \$0.0872 for residential and C&I customers respectively, subject to interim adjustment of the LDAC as set forth herein above;

and it is

FURTHER ORDERED, that the over- or under-collection accruing pursuant to Liberty's COG and LDAC rates shall accrue interest at the prime interest rate as reported by the Wall Street Journal on the first date of the month preceding the first month of the quarter; and it is

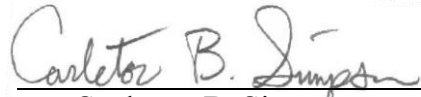
FURTHER ORDERED, that Liberty shall file annotated tariff pages as required by N.H. Code Admin. R., Puc 1603 conforming to this order within fifteen (15) days of

the date of this order, including updating all applicable tariff page filings to reflect this order.

By order of the Public Utilities Commission of New Hampshire this thirtieth day of November, 2022.



Daniel C. Goldner
Chairman



Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket#: 22-045

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Service List - Docket Related

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