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

DG 22-045

Winter 2022–2023 and Summer 2023 Cost of Gas (COG and LDAC)

Department of Energy Data Requests - Set 2

Date Request Received: 9/9/22 Date of Response: 9/15/22

Request No. DOE 2-4 Respondent: Deborah Gilbertson

REQUEST:

<u>Reference</u>: DOE COG filing (September 2, 2022), Gilbertson Testimony Bates Page 029-31; Schedule 11A through 11D Bates Page 103-106

With regard to Gilbertson Testimony,

- A) Please confirm that Schedule 11A and 11B, which state "for the Month of May 21-October 21" at line 9, references the forecast for the "peak period" i.e., the Winter period -- the months November 1, 2022- April 30, 2023. If not, please explain. Please confirm Schedule 11C and 11D are also for the peak period. *See* Gilbertson Testimony, Bates Pages 029-31.
- B) Please identify the Summer 2023 forecast schedules for the normal and design year volumes. The Summer schedules referenced in testimony seem to be missing; please provide them. *See* Gilbertson Testimony, Bates Pages 029-031.
- C) Please explain why the forecasted sendout requirements are "down" for both the "normal" and "design" peak forecasts, and higher for the "normal" and "design" off-peak forecasts. Is this related to the revised weather data for a 30-year period instead of a 40-year period? If not, why not, and what explains the decrease?
- D) Testimony includes a statement with regard to Schedule 11B as follows "For the current peak period forecast, design weather requirements are approximately 10 percent greater than normal sendout requirements for weather that is 10 percent colder than normal." Has the "percent greater" figure changed as compared to last year (using the 40-year weather period)? What was the prior percentage for design days last year (using the 40-year period?)
- E) Testimony states "The resulting lower HDD [for the peak period] will reduce the amount of gas the company will be required to contract for to meet a Design Day." Please compare the number of therms necessary for an HDD of 71.6 (last year), and for an HDD of 69.4 (this year); what is the annual incremental difference? At the forecast COG, what is the anticipated financial savings for this reduction in therm volume?

F) Please identify the impact by HDD for the off-peak period. At the forecast COG, what is the anticipated financial impact?

RESPONSE:

- A) Yes, lines 9 and 49 of Bates 103 and 104 should be removed. Those schedules represent the forecast for the peak period, which is November 1, 2022, through April 30, 2023.
- B) The Summer schedules, 11A and 11B, are located on Bates 175 and 176 of the COG filing. Additionally, as is the case in response A, lines 9 and 49 of those schedules should be removed.
- C) For the Winter 2022–2023 and Summer 2023 Cost of Gas filing and upcoming Integrated Resource Plan filing, the Company made certain enhancements to its demand forecast process to improve the forecast results, simplify the process, and align it more closely with Liberty's other jurisdictions. While the general demand forecast methodology remains the same, the Company made a change to how it allocates monthly to daily demand. Although the overall annual demand forecast increased relative to the demand forecast in the Winter 2021–2021 and Summer 2022 Cost of Gas filing, the change to the allocation process resulted in a slightly different pattern in annual demand.
- D) Yes, it is approximately the same percentage for both the 30-year data set and the 40-year data set.
- E) Last year on a design day using an HDD of 71.6, the number of firm sales therms that were required to meet a design day was 1,283,926. This year using an HDD of 69.4, the number of firm sales therms necessary to meet a design day is 1,237,481. The difference of about 46,500 therms, or approximately 4,650 MMBtu; 4,650 MMBtu priced at Zone 6 Gas Daily would equate to approximately \$360,000 if one were to use Zone 6 pricing data from August 23, 2022.
 - For a design year, the impact is only 309,270 therms (or 31,000 MMBtu) over the course of a full year (.24%). This impact is negligible.
- F) For the off-peak period, the cost of gas is not impacted by weather spikes, therefore the impact by HDD is negligible.