

## **DOE PROPOSED GUIDELINES for LDAC, EnergyNorth and Liberty-Keene COG-Supply Default Schedules**

These proposed Guidelines, applicable to all of the New Hampshire Department of Energy (“DOE” or “the Department”)’s Proposed Default Schedules with Liberty Utilities (EnergyNorth Natural Gas) Corp. (“Liberty,” “Liberty Gas,” “EnergyNorth,” “Liberty-Keene” or “the Company”), are proposed as follows.<sup>1</sup> References to “the Parties” includes Liberty Gas and The Department only. Due to the OCA’s unanticipated absence on July 14, 2023, the OCA’s position is not known.

### **Guidelines:**

1. The Parties propose a template separating the track of Liberty’s local distribution adjustment clause (LDAC) filing from the cost of gas-supply (hereinafter “COG-S”) filings. DOE proposes the abbreviation “COG-S” to distinguish the separate “supply only” filings from what has traditionally been referred to as “the COG filing” which included supply and LDAC calculations.
2. The LDAC is determined in the EnergyNorth Winter filing, and applicable to the Liberty-Keene Winter and Summer rates.
3. The LDAC and the EnergyNorth COG-S will be determined in the same docket. Liberty-Keene will have separate dockets for Winter (a/k/a “On Peak”) and Summer (a/k/a “Off Peak”), for a total of three dockets.
4. The parties anticipate that having additional time to review the LDAC filing, which can include complex issues, will result in a more efficient and orderly process.
5. Keeping one EnergyNorth Docket for LDAC and COG-S also avoids the procedural complexities that may arise from consolidating separate LDAC and COG-S dockets for November 1 rates should testimony, adjustments, or changes be relevant to both the EnergyNorth COG-S and EnergyNorth LDAC.
6. Unlike the Joint Report in Docket No. DG 21-130, when schedules are separate, the parties shall not raise LDAC matters in the COG-S discovery process, although for reasons identified above (including but not limited to trigger filings) the parties may raise COG-S issues in the LDAC discovery process. For the unified schedule, discovery may include both COG-S and LDAC at any time.
7. According to Liberty Gas, the limiting factor in making the LDAC filing available earlier than August 20th is the internal availability of the demand forecast for the upcoming year. According to Liberty Gas, the Company does not finalize the demand forecast, which is necessary for the calculation of all the proposed LDAC and COG rates, until late July.

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<sup>1</sup> The guidelines come from the Company and the Department’s *Joint Reports*, unless otherwise specified. See Joint Reports filed December 27, 2021 in Dkts. No. 21-130 and No. 21-132).

8. The proposed default schedule is built upon calendar dates, not days-of-the-week. In the event that any of the proposed dates falls on a weekend or holiday, then the next business day will be the due date. See NH Admin Rule Puc 202.03(b). Any needed changes to the proposed default schedule (due to other conflicts) shall be initiated by the party with the conflict, and agreed to by Liberty, the Department and OCA, in advance, in writing (inclusive of email) and filed with the PUC by the Party initiating the change, along with a request for approval. See Guideline 20. Data Requests that go out on a Friday will be issued no later than 1 p.m.
9. The proposed schedule includes intervals for filing data requests (DRs) and responses to DRs that may be shorter than the 10 calendar days specified in NH Admin. Rule Puc 203.09(f).
10. Given that the gas market can be volatile, the Parties agree that it is sometimes appropriate for Liberty Gas to update the proposed COG-S rates and/or LDAC rates after the initial filing to reduce the risk of a large over-or-under collection over the course of the winter (or summer) season. Therefore, the Parties proposed that the Company be permitted to make one updated filing no later than the dates specified in each schedule, to reflect changes in natural gas pricing, or correct a filing error if necessary. The identified update deadlines (specific to each COG-S and the LDAC) reasonably balance the occasional need for more current natural gas pricing against the administrative burdens imposed by making updates filings thereafter. See Guideline 14.
11. The Department proposes the following, distinct from the Joint Repot in Docket DG 20-131. For efficiency and to minimize updates in advance of hearing, the Company shall give priority to accommodating any fluctuation in natural gas pricing through an adjustment in a trigger filing for rates to be effective in December or May for EnergyNorth and in December or June for Liberty-Keene. Trigger filings may be filed no less than five days before the end of the month in which the EnergyNorth Winter rate and the Liberty-Keene Winter and Summer rates are set, and potentially no less than five days before the end of the month preceding the month in which the EnergyNorth COG-S Summer rate goes into effect.
12. The Parties agree that the Company may consider filing motion(s) with the New Hampshire Public Utilities Commission (the “Commission”) for authority to exceed the 25% cap on increases in the approved COG-S rate. In that instance, the Parties agree that DOE shall be allowed at least 10 business days in which to review and comment upon such a filing. The Parties agree that the Company will give DOE as much advanced notice of such a filing, including but not limited to reference to such a possibility in the prior month’s trigger filing. (“Trigger filing” includes both the update required in typical cost of gas orders and rate changes within the permitted threshold, if any such changes are made)
13. Any updated LDAC or COG-S filing will be accompanied by Liberty-Gas’ short narrative explanation of the changes made and will contain a “clean” and “red-lined or annotated copy of schedules and proposed tariff pages.
14. Significant changes may warrant separate treatment. If any necessary changes are identified after the specified “update deadline,” in each docket the Company agrees to promptly identify

those changes in discussions with the parties and at hearing and to file any necessary post-hearing updates before November 1 or February 1, as applicable

15. The Parties ask the Commission to give the Department a minimum of ten business days to review Liberty's compliance tariffs for the LDAC/COG-S filings before the Commission issues a letter of compliance. The Parties ask the Commission to grant the Department a minimum of three business days to review EnergyNorth (and Liberty-Keene's) trigger filings (including proposed tariff pages) before the Commission issues a letter of compliance.
16. Finally, when LDAC and COG-Supply (COG-S) filings are made, the Company will make a good faith effort to identify any LDAC and COG-S issues that are likely too complex to be resolved in the compressed COG-S docket, or even in the LDAC framework.<sup>2</sup> The Company will seek to "carve out" any issues identified as "too complex" and to address them on a separate timeline in the respective docket or in a separate docket, provided such separate treatment does not prejudice any party's rights. The Parties would then ask the Commission to approve a process to separately adjudicate such an issue on a different timeline.
17. The Parties ask the Commission to address a motion to defer or "carve out" adjudication on a particular issue as promptly as possible, to conserve Commission and the Parties' time and resources, including preparation time.
18. The Department notes that any supplemental or corrected pages that the Company may provide to the Department's Audit Division, if they result in changes to what the Company has filed with the Commission (in the docket and/or through e-filing), must be filed in the relevant LDAC/COG-Supply dockets in order to be properly considered, and ought to be simultaneously filed with both the Audit Division and the Commission in the first instance, to update the Company's filing with the Audit Division.
19. If approved by the Commission, the Company shall include proposed tariff pages in its LDAC and COG-S filings. When so directed by the Commission, the Company shall file compliance tariff pages thereafter. See NH Code Admin Rules Part Puc 1605.
20. The Company shall include a proposed procedural schedule that is consistent with these guidelines and the default schedule with its initial filing, adjusted for the actual calendar dates and scheduling conflicts if any, that exist at the time. The Parties shall work together so the Company may file an assented-to schedule with its filing (potentially including but not limited to additional data requests or technical sessions if necessary) whenever possible. If no consensus is reached, alternative proposed schedules may be filed.

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<sup>2</sup> Recent examples of such complex issues that are better resolved outside of a COG-S docket include the Revenue Decoupling Adjustment Factor currently being adjudicated in Docket No. DG 22-041 and the prudence of the Liberty-Keene CNG contracts/historic demand charges as addressed in Docket No. Dg 20-152. See Order No. 26,480 (May 14, 2021). Absent agreement, nothing in these guidelines precludes any party from asking the Commission to carve out an issue for consideration on a separate schedule or in a separate docket.