

**STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DG 23-067**

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

**Request for Change in Distribution Rates**

**Prehearing Order**

On September 21, 2023, the Commission held a prehearing conference in this matter pursuant to New Hampshire Code of Administrative Rules, Puc 203.15, and the Commission's Commencement of Adjudicative Proceeding Order No. 26,877 (August 25, 2023), which was attended by representatives of: Liberty Utilities (EnergyNorth Natural Gas) Corp d/b/a Liberty (Liberty); the New Hampshire Department of Energy (DOE); and the Office of the Consumer Advocate (OCA). During the prehearing conference, the Commission addressed matters that included the following:

1. Sufficiency of Notice

Liberty, as ordered by the Commission in Order No. 26,877, filed a timely affidavit of publication with the Commission on August 31, 2023, attesting to the fact that Liberty published Order No. 26,877 on its website on August 28, 2023, and in the Manchester Union Leader on August 30, 2023.

2. Requests to Intervene

No request to intervene was filed with the Commission as of the date of the prehearing conference (September 21), nor has a late-filed request to intervene been filed as of the date of this Prehearing Order (October 19).

3. Clarification of Issues Presented

Liberty provided an executive summary presentation of its rate case proposals

at the prehearing conference and responded to Commission inquiries regarding the presentation. See Transcript of September 21, 2023 Prehearing Conference (Tr.) at 26-46. The Commission made inquiries and indicated areas of interest presented by this proceeding in Order No. 26,877. The OCA and the DOE provided their own elaborations of their initial positions, which are summarized below.

The DOE indicated that it was concerned by the scale of Liberty's proposed rate increase, insofar as it would be more than double the size of the last two Liberty rate increase requests combined. Tr. at 7-8. To assess the reasons for this increase, the DOE stated that it would review Liberty's investments in utility plant. Tr. at 8. The DOE also flagged issues relating to the timing of Liberty's investments in its computer systems; the treatment of \$8.5 million in decoupling revenue during the test year; treatment of revenues that are received through the LDAC, but relate to the Gas Assistance Program Customers; and the appropriateness of Liberty's proposed return on equity, with the DOE's initial position being that it is "too high." Tr. at 8-12. Furthermore, the DOE raised issues of concern regarding specific rate treatments for Liberty's "iNATGAS" customer; the Liberty proposal for three, instead of the usual two, step adjustments; issues with the proposed \$24 million conversion of the Keene Division system from propane-air to natural gas; and the \$10 million Liberty proposal for cybersecurity investments. Tr. at 12-14.

The OCA stated at the prehearing conference that it shared the DOE's concern regarding the size of the proposed rate increase, and that the OCA would explore the potential for an alternative rate design approach for Liberty, based on input generated by OCA's consultant. Tr. at 15.

On further reflection, and with the input of the DOE and OCA before us, the Commission hereby rules that it will take special attention to the various matters of

concern presented by the DOE and the OCA in this proceeding, with ratemaking treatment of decoupling revenues, application of the RLIAP provisions of the Liberty tariff, and related matters to be explored comprehensively. This is an elaboration of the comprehensive list of issues presented in Order No. 26,877.

#### 4. Discovery

The DOE indicated to the Commission at the prehearing conference that it had propounded two sets of data requests on Liberty, with the assistance of its technical consultant, Blue Ridge Consulting. Tr. at 14. The OCA stated that it had retained Larkin & Associates as its technical consultant to assist with discovery work. Tr. at 15. More rounds of discovery were planned as part of the jointly-proposed procedural schedule filed with the Commission on September 28, 2023 (discussed in Part 6 below).

As part of this Prehearing Order, the Commission hereby requests that the DOE file copies of its outbound discovery propounded on Liberty and other parties with the Commission to facilitate the Commission's monitoring of this proceeding and to avoid redundancy in the Commission's issuance of record requests.

#### 5. Pending Motions

The DOE and OCA indicated at the prehearing conference that they had no objections to Liberty's two motions for protective treatment filed for material submitted in connection with this proceeding, that relating to compensation information for Liberty's directors and officers, and technical spreadsheet information filed by Liberty pursuant to Order No. 26,877. The Commission will issue an Order dispositioning these Liberty motions in the near future.

#### 6. Procedural Schedule, Including Final Hearing Date(s) and Amount of Time Required

At the prehearing conference, Chairman Goldner noted that the one-year

deadline for resolution of Liberty's rate case proposal in this proceeding would be July 26, 2024, and that the Commission would request a procedural schedule proposal from Liberty, the DOE, and OCA by October 16, 2023. Tr. 19.

On September 28, 2023, the parties (Liberty, DOE, and OCA) filed a joint procedural schedule proposal with the Commission. For simplicity and brevity, the Commission hereby APPROVES the proposed schedule, with slight modifications presented in RED, with follow-up explanation below, as just, reasonable, and in the public interest. We also approve the parties' proviso that all data request responses will be due 10 business days from the issuance of the data requests, unless otherwise specified.

**Jointly-Proposed, Commission-Approved Procedural Schedule**

Rolling Data Requests to Liberty Began	September 7, 2023
Final Set of First Round of Data Requests	September 29, 2023
Final Responses to First Round of Data Req's	October 13, 2023
DOE Testimony on Temporary Rates Settlement	October 20, 2023
Technical Sessions	October 20 and 23, 2023 (10:00 a.m. to 4:00 p.m. both days)
Second Round of Rolling Data Requests	October 25, 2023
Hearing on Temporary Rates	October 27, 2023 at 9:00 a.m.
Final Set of Second Round of Data Requests	November 7, 2023
Final Responses to Second Round of Discovery	November 22, 2023
Technical Sessions	December 4 and 5, 2023 (10:00 a.m. to 4:00 p.m. both days)
Rolling Technical Session Data Requests	December 7, 2023
Final Set of Technical Session Data Req's	December 12, 2023

Final Responses on Technical Session Data Req's	January 4, 2024
DOE, OCA, and Intervenor Testimony	February 21, 2024
Company Data Requests to DOE, OCA, and Intervenor	March 1, 2024
<b>COMMISSION STATUS CONFERENCE</b>	<b>MARCH 6, 2024 9:00 a.m. to 12:00 p.m.</b>
DOE, OCA, and Intervenor Responses	March 15, 2024
Settlement Conferences/Technical Sessions	March 20, 21, and 22, 2024 (10 a.m. to 4 p.m. all days)
Liberty Rebuttal Testimony-if needed	April 3, 2024
Settlement Conferences/Technical Sessions	April 16, 17, and 18, 2024 (10 a.m. to 4 p.m. all days)
Target Date for Filing a Settlement	April 25, 2024
<b>HEARINGS</b>	May 14, 2024 (May 15 available if Second Day Needed), start at 9 a.m.
	<b>NO HEARINGS WEEK OF MAY 20</b>
	June 4, 2024 (June 5 available if Second Day Needed), start at 9 a.m.
	June 11, 2024 (June 12 available if Second Day Needed), start at 9 a.m.

The Commission wishes to elaborate on its insertion of a Status Conference on March 6, 2024. The Commission believes that this would be helpful to prepare for the upcoming spring hearings in this matter insofar as the parties could provide feedback on the scope of outstanding issues. Also, the Commission cannot schedule a hearing for this matter during the week of May 20, 2024 due to other commitments, but believes that this hearing framework, with the subject-matter presentations to be driven by the parties for each "slot," will offer sufficient time and spacing for addressing this case.

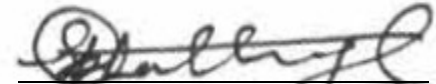
7. Temporary Rates

Matters pertaining to Liberty's temporary rate proposal will be addressed at the Upcoming October 27, 2023 hearing on temporary rates, and subsequent Commission order regarding same.


So ordered, this nineteenth day of October, 2023.



Daniel C. Goldner  
Chairman



Pradip K. Chattopadhyay  
Commissioner



Carleton B. Simpson  
Commissioner

## Service List - Docket Related

Docket#: 23-067

Printed: 10/19/2023

Email Addresses

---

ClerksOffice@puc.nh.gov  
Ashraful.Alam@energy.nh.gov  
Faisal.DeenArif@energy.nh.gov  
Cherishe.Barbee@libertyutilities.com  
Toby.Bishop@brattle.com  
BremserAW@bv.com  
Ann.Bulkley@brattle.com  
CaytonD@bv.com  
CroftM@bv.com  
Michael.J.Crouse@oca.nh.gov  
Tyler.Culbertson@libertyutilities.com  
johndefever@yahoo.com  
Energy-Litigation@energy.nh.gov  
paul.b.dexter@energy.nh.gov  
Shawn.Eck@libertyutilities.com  
thomas.c.frantz@energy.nh.gov  
maureen.karpf@libertyutilities.com  
James.King@libertyutilities.com  
tklaes@blueridgecs.com  
donald.m.kreis@oca.nh.gov  
Molly.M.Lynch@energy.nh.gov  
Morgan.MacGregor@libertyutilities.com  
Bradford.Marx@libertyutilities.com  
Alyssa.Maston@libertyutilities.com  
Erica.Menard@libertyutilities.com  
tmlarkinassociates@gmail.com  
dmullinax@blueridgecs.com  
Tracy.Musto@libertyutilities.com  
amanda.o.noonan@energy.nh.gov  
ocalitigation@oca.nh.gov  
Lauren.Preston@libertyutilities.com  
Mary.Purvis@libertyutilities.com  
jralston@keeganwerlin.com  
Todd.Schavrien@libertyutilities.com  
Jill.Schwartz@libertyutilities.com  
mary.e.schwarzer@energy.nh.gov  
michael.sheehan@libertyutilities.com

david.simek@libertyutilities.com  
SosnickKA@bv.com  
heather.tebbetts@libertyutilities.com  
Greg.Tillman@libertyutilities.com  
Chris.Wall@brattle.com  
Gregory.Waller@libertyutilities.com  
jrw@psu.edu  
Adam.Yusuf@Libertyutilities.com