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February 21, 2017



Via ERF and US Mail

Debra A. Howland
 Executive Director
 New Hampshire Public Utilities Commission
 21 S. Fruit Street, Suite 10
 Concord, NH 03301-2429

**RE: DG 16-812 Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities
 Keene Division
 2016/2017 Winter Period Cost of Gas –March 2017 Monthly COG Adjustment**

Dear Ms. Howland:

On behalf of Liberty Utilities (EnergyNorth Natural Gas) Corp. - Keene Division (the "Company") and in accordance with New Hampshire Public Utilities Commission (the "Commission") Order No. 25,960 (October 28, 2016) in Docket DG 16-812 and Order No. 25,986 (February 7, 2017) also in Docket DG 16-812, I enclose for filing the Company's current (March) calculation of its projected over or under collection of gas costs for the 2016/2017 Winter season ending April 30, 2017.

The calculation reflects the NYMEX closing prices as of February 13, 2017. The resulting projected over collection of approximately \$187,640 is approximately 17% of the total revised anticipated gas costs for the 2016/2017 winter season.

The Company does elect to implement the decrease of \$0.4944 per therm for the March 1st billing cycle.

The current and revised cost of gas rates are summarized in the following table.

Cost of Gas Rate		
<u>Current Rate</u>	<u>Revised Rate</u>	<u>Change</u>
\$1.7694	\$1.2750	\$0.4944

Please note this report has been filed via the Commission's Electronic Report Filing System.

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Thank you for your assistance with this matter. Please do not hesitate to call if you have any questions.

Sincerely,

A handwritten signature in black ink that reads "David B. Simek". The signature is written in a cursive style with a large, stylized 'S' at the end.

David B. Simek

Enclosures

cc: Service List

LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP D/B/A LIBERTY UTILITIES - KEENE DIVISION

(OVER)/UNDER COLLECTION - NOVEMBER 2016 THROUGH APRIL 2017

	<u>PRIOR</u>	<u>ACTUAL NOV-16</u>	<u>ACTUAL DEC-16</u>	<u>ACTUAL JAN-17</u>	<u>FORECAST FEB-17</u>	<u>FORECAST MAR-17</u>	<u>FORECAST APR-17</u>	<u>TOTAL</u>
<u>COSTS</u>								
1 FIRM SENDOUT (therms)		135,739	222,619	217,786	233,328	182,406	112,281	1,104,158
2 COMPANY USE (therms)		4,351	6,700	5,810	5,845	4,302	3,780	30,788
3 TOTAL SENDOUT (therms)		140,090	229,319	223,596	239,173	186,708	116,061	1,134,947
4 COST PER THERM		\$0.7994	\$0.8954	\$0.9275	\$0.9799	\$1.0077	\$1.0179	\$0.9387
5 DIRECT PROPANE PURCHASED COSTS		\$111,986	\$205,323	\$207,389	\$234,355	\$188,142	\$118,134	\$1,065,328
6 DIRECT PROPANE PRODUCED COSTS		\$0	\$0	\$0	\$0	\$0	\$0	\$0
7 PROPANE COST ADJUSTMENTS		\$7,497	\$17,710	(\$15,239)	\$0	\$0	\$0	\$9,968
8 UNBILLED PROPANE COSTS (NET)		(\$184,232)	(\$120,508)	\$2,871	\$25,000	\$70,000	\$206,869	(\$0)
9 TOTAL PROPANE COSTS		(\$64,749)	\$102,525	\$195,021	\$259,355	\$258,142	\$325,003	\$1,075,296
<u>REVENUES</u>								
10 FPO SALES (therms)		16,851	30,764	46,138	54,130	54,069	40,822	242,772
11 NON-FPO SALES (therms)		66,855	114,064	180,932	162,389	162,207	122,465	808,913
12 TOTAL SALES		83,706	144,828	227,070	216,519	216,276	163,286	1,051,685
13 FPO RATE PER THERM		\$1.5352	\$1.5352	\$1.5352	\$1.5352	\$1.5352	\$1.5352	\$1.5352
14 NON-FPO RATE PER THERM		\$1.5152	\$1.6165	\$1.7694	\$1.7694	\$1.7694	\$1.7694	\$1.7267
15 FPO REVENUES		\$25,869	\$47,229	\$70,830	\$83,100	\$83,007	\$62,669	\$372,704
16 NON-FPO REVENUES		\$101,287	\$184,295	\$320,120	\$287,332	\$287,009	\$216,689	\$1,396,732
17 TOTAL REVENUES		\$127,156	\$231,524	\$390,950	\$370,432	\$370,016	\$279,358	\$1,769,436
18 (OVER)/UNDER COLLECTION		(\$191,905)	(\$129,000)	(\$195,929)	(\$111,076)	(\$111,874)	\$45,645	(\$694,139)
19 INTEREST AMOUNT		\$1,313	\$912	\$583	(\$203)	(\$552)	(\$657)	\$1,396
20 TOTAL (OVER)/UNDER COLLECTION	\$505,104	(\$190,593)	(\$128,087)	(\$195,346)	(\$111,279)	(\$112,426)	\$44,988	(\$187,640)
21 FORECASTED (OVER)/UNDER COLLECTION (before rate change)								(\$187,640)
22 DIVIDED BY REMAINING FORECASTED NON-FPO SALES FOR PERIOD								379,562
23 CHANGE TO NON-FPO COG RATE REQUIRED TO ELIMINATE FORECASTED OVER/UNDER COLLECTION								(\$0.4944)
24 CURRENT NON-FPO COST OF GAS RATE 21-Feb-17								\$1.7694
25 BEGINNING WINTER PERIOD NON-FPO COST OF GAS RATE								\$1.5152
26 MAXIMUM ALLOWABLE NON-FPO COST OF GAS RATE								\$1.8940
27 MAXIMUM ALLOWABLE INCREASE								\$0.3788
28 REVISED NON-FPO COST OF GAS RATE								\$1.2750

LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP D/B/A LIBERTY UTILITIES - KEENE DIVISION DOES ELECT TO IMPLEMENT A \$0.4944 DECREASE TO THE NON-FPO COST OF GAS RATE.

	<u>NOV-16</u>	<u>DEC-16</u>	<u>JAN-17</u>	<u>FEB-17</u>	<u>MAR-17</u>	<u>APR-17</u>
29 Mont Belvieu Futures Prices (per gallon)						
30 Winter COG Filing - 09/14/16 quotations	\$0.4931	\$0.4994	\$0.5056	\$0.5038	\$0.4944	\$0.4844
31 December 1 Rate Update - 11/17/16 quotations		\$0.5156	\$0.5256	\$0.5244	\$0.5081	\$0.4981
32 January 1 Rate Update - 12/13/16 quotations		\$0.6231	\$0.6300	\$0.6292	\$0.6100	\$0.5983
33 February 1 Rate Update - 1/18/17 quotations			\$0.7296	\$0.7300	\$0.6788	\$0.6494
34 March 1 Rate Update - 2/13/17 quotations				\$0.7998	\$0.7444	\$0.6713

LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP D/B/A LIBERTY UTILITIES - KEENE DIVISION

Calculation of the Cost of Gas Rate

Period Covered: Winter Period November 1, 2016 through April 30, 2017

Projected Gas Sales - therms		1,014,258
Total Anticipated Cost of Propane Sendout		\$1,130,275
Add: Prior Period Deficiency Uncollected Interest	\$394,761 \$11,757	
Deduct: Prior Period Excess Collected Interest	\$0 \$0	
Prior Period Adjustments and Interest		\$406,518
Total Anticipated Cost		<u>\$1,536,793</u>

Cost of Gas Rate

Non-Fixed Price Option Cost of Gas Rate (per therm)	<u>\$1.5152</u>
Fixed Price Option Premium	\$0.0200
Fixed Price Option Cost of Gas Rate (per therm)	<u>\$1.5352</u>
Non-Fixed Price Option Cost of Gas Rate - Beginning Period (per therm)	\$1.5152
Mid Period Adjustment - December 1, 2016	\$0.1013
Mid Period Adjustment - January 1, 2017	\$0.1529
Mid Period Adjustment - March 1, 2017	(\$0.4944)
Revised Non-Fixed Price Option Cost of Gas Rate - Effective March 1, 2017 (per therm)	<u><u>\$1.2750</u></u>

Pursuant to tariff section 17(d), the Company may adjust the approved cost of gas rate upward on a monthly basis to the following rate:

Maximum Cost of Gas Rate - Non-Fixed Price Option (per therm)	<u><u>\$1.8940</u></u>
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Issued: February 21, 2017
Effective: March 1, 2017

Issued By: /s/ James M. Sweeney
James M. Sweeney
President

In Compliance with DG 16-812, Orders No. 25,960 and No. 25,986