



**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 15-353

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

Winter 2015-2016 Cost of Gas

Order Approving Cost of Gas Rates and Other Charges

ORDER NO. 25,833

October 30, 2015

APPEARANCES: Ronald J. Ritchie, Esq., for Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities; Susan Chamberlin, Esq., Consumer Advocate, on behalf of residential ratepayers; and Alexander F. Speidel, Esq., for the Staff of the Public Utilities Commission.

In this order, the Commission approves Liberty Utilities (EnergyNorth Natural Gas) Corp.'s proposed 2015-2016 winter cost of gas rate and fixed-price option rate, which are \$0.7516 per therm and \$0.7716 per therm, respectively, and the proposed residential local delivery adjustment charge of \$0.1014 per therm. For non-fixed-price customers, the cost of gas rate is \$0.2025 per therm lower than the weighted average residential cost of gas rate of \$0.9541 per therm in effect during the 2014-2015 winter period. The local delivery adjustment charge is being increased by \$0.0077 per therm. The impact of the cost of gas rate decrease, coupled with other proposed rate changes and previously approved increases in base distribution rates, is an overall decrease in the typical residential heating customer's winter costs over last winter of approximately \$73, or 7.7 percent, assuming gas supply conditions are as the company projects and normal weather conditions prevail.

7. iNATGAS

At the hearing, in response to OCA and Staff questioning, Liberty provided some factual details regarding delays in the commencement of operations until the spring of 2016 by iNATGAS, a Liberty customer located in Concord. Tr. at 15-23; 32-34. Liberty confirmed that the delay would actually result in lower forecasted demand and lower demand-related costs for Liberty's residential and C&I customers in this upcoming winter COG period. Tr. at 15-16. Liberty expects iNATGAS to commence operations by June 1, 2016, and provided a narrative explanation of the contractual and financial safeguards in place to protect Liberty's investment to date, of approximately \$3 million, in iNATGAS-related physical plant. Tr. at 15; 17-23. Liberty committed to continue sharing information with Staff regarding the status of iNATGAS.

Tr. at 54.

B. OCA

The OCA stated that it did not object to the COG rate proposal made by Liberty.

Tr. at 52.

C. Staff

Staff expressed its support for approval of the 2015-2016 COG and LDAC rates as filed, subject to reconciliation. Tr. at 52. Staff also indicated that it would continue to monitor the iNATGAS situation. *Id.* Regarding the Concord gasholder at the MGP site, Staff expressed its position that only direct environmental remediation costs should be recoverable through customer rates, and that historical preservation efforts were beyond the scope of recoverable costs. Tr. at 53.