

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

June 23, 2017 - 10:00 a.m.
Concord, New Hampshire

18 JUL '17 8:14:45

RE: DG 17-069
LIBERTY UTILITIES (ENERGYNORTH
NATURAL GAS) CORP. d/b/a LIBERTY
UTILITIES - KEENE DIVISION:
Revised Tariff NHPUC No. 1, Page 17,
for Standard Heat Content Value.
(Prehearing conference)

PRESENT: John S. Clifford, Esq.
(Presiding as Hearings Examiner)

Sandy Deno, Clerk

APPEARANCES: Reptg. Liberty Utilities (EnergyNorth
Natural Gas) Corp. d/b/a Liberty
Utilities - Keene Division:
Michael J. Sheehan, Esq.

Reptg. PUC Staff:
Alexander F. Speidel, Esq.

Court Reporter: Steven E. Patnaude, LCR No. 52

**CERTIFIED
ORIGINAL TRANSCRIPT**

I N D E X**PAGE NO.****STATEMENTS OF PRELIMINARY
POSITION BY:**

Mr. Sheehan 5

Mr. Speidel 7

QUESTIONS BY:

Hearings Examiner Clifford 8

P R O C E E D I N G

HEARINGS EXAMINER CLIFFORD: Okay.

Good morning, everyone. Please be seated.
We'll open the hearing in the prehearing
conference in Docket DG 17-068 [DG 17-069], the
Liberty Utilities Keene Division. I'm John
Clifford. I've been appointed as the Hearing
Examiner for this matter pursuant to RSA
363:17.

I'll note that, on April 24th, 2017
-- or, 2017, Liberty Utilities (EnergyNorth
Natural Gas) Corp. doing business as Liberty
Utilities Keene filed a petition to revise its
Tariff Number 1, at Page 17, regarding the
standard heat content. Liberty plans on
converting from a system that delivers
propane/air to a system that delivers natural
gas, and the adjustments to Page 17 are
designed to accommodate that conversion.

An Order of Notice was issued on May
24th, 2017 setting the prehearing conference
for today. The notice was to be set for
publication no later than June 5th.

And I note that an affidavit of

{DG 17-069} [Prehearing Conference] {06-23-17}

1 publication was filed on June 8th, advising the
2 Commission that notice was published in the
3 Keene Sentinel on May 31st, 2017.

4 I'll also note for the record that
5 there are no outstanding motions.

6 And we'll take appearances.

7 MR. SHEEHAN: Good morning, Mr.
8 Clifford. Mike Sheehan, for Liberty Utilities
9 (EnergyNorth Natural Gas).

10 HEARINGS EXAMINER CLIFFORD: Thank
11 you.

12 MR. SPEIDEL: Good morning, Attorney
13 Clifford. This is Alexander Speidel
14 representing the Staff of the Commission.

15 HEARINGS EXAMINER CLIFFORD: And I
16 note that there are no witnesses or
17 outstanding -- excuse me, petitioners present.
18 Anyone here aware of any motions to intervene
19 having been filed?

20 MR. SHEEHAN: I have not heard of
21 any.

22 HEARINGS EXAMINER CLIFFORD: Okay.
23 So, let's go on to the positions of the
24 Parties. Attorney Sheehan, would you kindly

1 express the position of the Company?

2 MR. SHEEHAN: Sure. From the
3 Company's perspective, this docket is
4 requesting, in effect, a ministerial change in
5 its tariff, Page 17, really to describe how we
6 will calculate therms of natural gas to be
7 billed to customers who will be served by the
8 new CNG facility we are building.

9 We do not consider this to be a
10 change in any rates, fares, charges, or
11 policies -- or prices. We will still charge
12 the same PUC approved per therm rate for both
13 natural gas and what's the existing propane/air
14 system.

15 The Company does not believe this
16 docket should examine the prudence of our
17 decision to convert to compressed natural gas.
18 That would be for a rate case or perhaps a cost
19 of gas proceeding where those CNG costs will
20 likely lie.

21 The Company does not believe this is
22 a proceeding to determine whether we can serve
23 natural gas. We believe strongly that we have
24 the authority to serve natural gas of any kind,

1 including natural -- excuse me. We believe we
2 have authority to serve gas of any kind,
3 including natural gas, as our tariff, dating
4 back 150 years, provides for the right to serve
5 gas. And that issue is raised in Docket
6 17-068.

7 Finally, we do not believe this is a
8 proceeding to examine the safety of the CNG
9 facility. The Safety Division always has the
10 right and the authority to inspect, to monitor,
11 and to take steps it believes are necessary to
12 make sure we do that CNG facility properly.

13 We are providing Staff with updates
14 of the development of the Keene facility, the
15 process through the City of Keene, the
16 drawings, the designs, etcetera. I have
17 reported to Staff, and I'll report now, we have
18 received all the approvals we need from the
19 City of Keene. The Planning Board approval and
20 the discontinuance of Production Avenue. We
21 have a few checklist things to do to complete
22 that approval, but the City actions are done.

23 Therefore, the only issue we believe
24 is before the Commission is whether the

1 language inserting how we will calculate a bill
2 for natural gas is appropriate and reasonable.

3 Thank you.

4 HEARINGS EXAMINER CLIFFORD: Thank
5 you.

6 Attorney Speidel, does Staff have any
7 position at this time?

8 MR. SPEIDEL: Yes, Attorney Clifford.
9 Just off the top, you had made mention in the
10 beginning of the prehearing conference that
11 this is regarding Docket Number "DG 17-068",
12 it's actual "DG 17-069". Just wanted to make
13 sure that correction went into the record. 068
14 is the companion Declaratory Judgment Petition.

15 HEARINGS EXAMINER CLIFFORD: That's
16 right. I looked at that docket yesterday,
17 because there was -- they were -- they're
18 related. And I understand that. So, thanks
19 for pointing out that correction.

20 MR. SPEIDEL: No problem. In general
21 terms, as mentioned in the Order of Notice,
22 actually it would be more properly described as
23 an "Order spending the proposed tariff and
24 scheduling a prehearing conference", there is

{DG 17-069} [Prehearing Conference] {06-23-17}

1 currently a review period regarding this
2 instant DG 17-069 Petition until August the
3 24th of 2017. And the Staff has not yet
4 developed a initial position regarding the
5 minor technical adjustments to the tariff that
6 are presented within this Petition.

7 We do, however, wish to indicate that
8 the Commission is considering the companion
9 Declaratory Judgment Petition, in DG 17-068,
10 and a lot resolves around how the Commission
11 rules on that issue.

12 So, at the present time, Staff would
13 like to state for the record that we are
14 reviewing this tariff revision, and we also
15 will key off of however the Commission rules in
16 the companion Declaratory Judgment proceeding
17 to guide our approach to how to examine the
18 Keene conversion process and some of these
19 proposals that the Company is making.

20 So, that would summarize Staff's
21 current position.

22 HEARINGS EXAMINER CLIFFORD: And
23 do -- this question is addressed to both of
24 you, but I know you have a technical session to

1 follow, I believe, today that's noted in that
2 notice. And do you foresee a procedural
3 schedule coming out of that, and a perhaps
4 further motion to suspend for an additional
5 period of time beyond the August deadline?

6 MR. SPEIDEL: I don't know. It would
7 be premature to say that we'd necessarily file
8 a motion to suspend further beyond August.

9 And, as far as the technical session
10 is concerned, the principals from the Safety
11 Division and the Gas & Water Division are
12 currently occupied doing other things. So, I
13 think what I'll do is I'll reach out to counsel
14 for the Company, probably next week, and talk
15 over some potentialities for a procedural
16 schedule. But there's no substantive work to
17 be done today.

18 HEARINGS EXAMINER CLIFFORD: Okay.
19 Anything further?

20 *[No verbal response.]*

21 HEARINGS EXAMINER CLIFFORD: Okay.
22 Then, we will adjourn, stand adjourned, and
23 I'll issue a formal Hearings Examiner Report in
24 due course.

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MR. SPEIDEL: Thank you.

*(Whereupon the prehearing
conference was adjourned at
10:06 a.m.)*