



David B. Simek  
 Manager, Rates & Regulatory Affairs  
 O: 603-216-3514  
 E: [David.Simek@libertyutilities.com](mailto:David.Simek@libertyutilities.com)

December 22, 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 17-135 Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a/ Liberty Utilities  
 2017/2018 Winter Period Cost of Gas – January 2018 Monthly COG Adjustment**

Dear Ms. Howland:

On behalf of Liberty Utilities (EnergyNorth Natural Gas) Corp. (the “Company”) and in accordance with New Hampshire Public Utilities Commission (the “Commission”) Order No. 26,066 (October 31, 2017) in Docket DG 17-135, I enclose for filing the Company’s current (January) calculation of its projected over or under collection of gas costs for the 2017/2018 winter season ending April 30, 2018.

The calculation reflects the actual November 2017 through April 2018 NYMEX settled forward prices as of December 18, 2017. The resulting projected under collection of approximately \$1,089,163 is 1.84% of the total revised anticipated gas costs for the 2017/2018 winter season.

Liberty elects to not implement the increase of \$0.0167 per therm for the January 1<sup>st</sup> billing cycle.

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

|                                       | Cost of Gas Rates   |                     |               |
|---------------------------------------|---------------------|---------------------|---------------|
|                                       | <u>Current Rate</u> | <u>Revised Rate</u> | <u>Change</u> |
| Residential                           | \$0.6445            | \$0.6445            | \$0.0000      |
| Commercial/Industrial High Winter Use | \$0.6433            | \$0.6433            | \$0.0000      |
| Commercial/Industrial Low Winter Use  | \$0.6560            | \$0.6560            | \$0.0000      |

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

Debra A. Howland  
DG 17-135  
Page 2

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, prominent "S" at the end.

David B. Simek

Enclosures  
Cc; Service List

**ENERGYNORTH NATURAL GAS, INC.**

Calculation of the Projected Over or Under Collection of the  
2017 - 2018 Winter Cost of Gas Filing  
DG 17-135

January 1, 2018

|  |             |                |
|--|-------------|----------------|
| Under/(Over) Collection as of 12/1/17                                |             | \$ (2,095,125) |
| Forecasted firm Residential therm sales 1/1/18 - 4/30/18             | 41,250,533  |                |
| Residential Cost of Gas Rate per therm                               | \$ (0.6445) |                |
| Forecasted firm C&I High Winter Use therm sales 1/1/18 - 4/30/18     | 21,749,126  |                |
| C&I- High Winter Use Cost of Gas Rate per therm                      | \$ (0.6433) |                |
| Forecasted firm C&I Low Winter therm sales 1/1/18 - 4/30/18          | 2,281,221   |                |
| C&I- Low Winter Use Cost of Gas Rate per therm                       | \$ (0.6560) |                |
| Forecasted firm Residential therm sales 12/17                        | 7,989,089   |                |
| Residential Cost of Gas Rate per therm                               | \$ (0.6445) |                |
| Forecasted firm C&I High Winter Use therm sales 12/17                | 4,397,970   |                |
| C&I- High Winter Use Cost of Gas Rate per therm                      | \$ (0.6433) |                |
| Forecasted firm C&I Low Winter Use therm sales 12/17                 | 450,708     |                |
| C&I- Low Winter Use Cost of Gas Rate per therm                       | \$ (0.6560) |                |
| Forecast recovered costs at current rate 12/1/17 - 4/30/18           |             | (50,347,509)   |
| Estimated FPO Premium 12/1/17 - 4/30/18                              |             | (96,392)       |
| Revised projected gas costs 12/1/17 - 4/30/18                        |             | 53,718,390     |
| Estimated interest charged (credited) to customers 12/1/17 - 4/30/18 |             | (90,201)       |
| Projected under / (over) collection as of 4/30/18 (A)                |             | \$ 1,089,163   |

|  |               |
|--|---------------|
| Actual Gas Costs through 12/1/17                         | \$ 5,461,014  |
| Revised projected gas costs 12/1/17 - 4/30/18            | \$ 53,718,390 |
| Estimated total adjusted gas costs 11/1/17 - 4/30/18 (B) | \$ 59,089,203 |

|  |       |
|--|-------|
| Under/ (over) collection as percent of total gas costs (A/B) | 1.84% |
|--|-------|

|  |              |
|--|--------------|
| Projected under / (over) collections as of 12/31/17 (A)        | \$ 1,089,163 |
| Forecasted firm therm sales 1/1/17 - 4/30/18                   | 65,280,880   |
| Change in rate used to reduce forecast under/(over) collection | \$ 0.0167    |
| Current Cost of Gas Rate                                       | \$ 0.6445    |
| Revised Cost of Gas Rate                                       | \$ 0.6612    |
| Cap - Residential Cost of Gas Rate                             | \$ 0.8056    |

Revised as follows:

The revised projected gas costs include the November 2017 - April 2018 NYMEX settled strip prices as of December 18, 2017.

Compliance rates per New Hampshire Public Utilities Commission Order Number 26,066 dated October 31, 2017 in Docket DG 17-135: The Company may adjust the approved residential cost of gas rate of \$0.6445 per therm upwards by no more than 25% or \$0.1611 per therm. The adjusted residential cost of gas rate shall not be more than \$0.8056 per therm.

**ENERGYNORTH NATURAL GAS, INC.**  
 Projected Over or Under Collection

| <b>Without Rate Adjustment</b>             | <b>Beginning Under/(Over)</b> | <b>Nov-17 (Actual)</b> | <b>Dec-17 (Estimate)</b> | <b>Jan-18 (Estimate)</b> | <b>Feb-18 (Estimate)</b> | <b>Mar-18 (Estimate)</b> | <b>Apr-18 (Estimate)</b> | <b>Total Peak</b> |
|--|-------------------------------|------------------------|--------------------------|--------------------------|--------------------------|--------------------------|--------------------------|-------------------|
| <b>Total Gas Costs</b>                     |                               | \$ 4,841,718           | \$ 9,577,092             | \$ 15,406,858            | \$ 14,988,483            | \$ 9,000,288             | \$ 3,017,496             | \$ 56,831,936     |
| <b>Adjustments and Indirect Costs</b>      |                               | \$ -                   | \$ -                     | \$ -                     | \$ -                     | \$ -                     | \$ -                     | \$ -              |
| Refunds & Adjustments                      |                               | -                      | -                        | -                        | -                        | -                        | -                        | 227,016           |
| COG Bad Debt                               |                               | 227,016                | -                        | -                        | -                        | -                        | -                        | -                 |
| Inventory Financing                        |                               | -                      | -                        | -                        | -                        | -                        | -                        | -                 |
| Transportation Revenue                     |                               | -                      | (21,262)                 | (26,357)                 | (27,346)                 | (24,544)                 | (20,672)                 | (120,181)         |
| Broker Revenue                             |                               | -                      | (161,963)                | (18,636)                 | (94,708)                 | 3,254                    | (155,421)                | (427,474)         |
| Off System and Capacity Release            |                               | -                      | (327,000)                | (340,295)                | (337,728)                | (404,503)                | (380,450)                | (1,789,975)       |
| Fixed Price Option Admin.                  |                               | -                      | 45,000                   | -                        | -                        | -                        | -                        | 45,000            |
| Bad Debt Costs                             |                               | 54,136                 | 378,714                  | 530,882                  | 573,004                  | 486,518                  | 335,381                  | 2,358,636         |
| Working Capital                            |                               | 6,283                  | 7,703                    | 10,798                   | 11,654                   | 9,895                    | 6,821                    | 53,154            |
| Misc Overhead                              |                               | -                      | 1,664                    | 2,333                    | 2,518                    | 2,138                    | 1,474                    | 10,128            |
| Production & Storage                       |                               | 331,861                | 331,861                  | 331,861                  | 331,861                  | 331,861                  | 331,861                  | 1,991,165         |
| <b>Total Indirect Costs</b>                |                               | \$ 619,296             | \$ 254,717               | \$ 490,587               | \$ 459,256               | \$ 404,619               | \$ 118,994               | \$ 2,347,469      |
| Interest                                   |                               | (1,028)                | (20,667)                 | (19,910)                 | (14,135)                 | (14,865)                 | (20,624)                 | \$ (91,229)       |
| <b>Total Gas Costs plus Indirect Costs</b> | \$ (116,026)                  | 5,459,986              | 9,811,143                | 15,877,535               | 15,433,604               | 9,390,042                | 3,115,865                | \$ 58,972,149     |
| Total Forecasted Sales Volumes             |                               | 4,699,293              | 12,837,767               | 17,996,016               | 19,423,880               | 16,492,140               | 11,368,843               | 82,817,940        |
| Total Forecasted Collections               |                               | 7,439,085              | 8,288,597                | 11,620,670               | 12,541,635               | 10,648,342               | 7,344,656                | \$ 57,882,986     |
| <b>With Rate Adjustment</b>                | <b>Beginning Under/(Over)</b> | <b>Nov-17 (Actual)</b> | <b>Dec-17 (Estimate)</b> | <b>Jan-18 (Estimate)</b> | <b>Feb-18 (Estimate)</b> | <b>Mar-18 (Estimate)</b> | <b>Apr-18 (Estimate)</b> | <b>Total Peak</b> |
| <b>Total Gas Costs</b>                     |                               | \$ 4,841,718           | \$ 9,577,092             | \$ 15,406,858            | \$ 14,988,483            | \$ 9,000,288             | \$ 3,017,496             | \$ 56,831,936     |
| <b>Adjustments and Indirect Costs</b>      |                               | \$ -                   | \$ -                     | \$ -                     | \$ -                     | \$ -                     | \$ -                     | \$ -              |
| Refunds & Adjustments                      |                               | -                      | -                        | -                        | -                        | -                        | -                        | 227,016           |
| COG Bad Debt                               |                               | 227,016                | -                        | -                        | -                        | -                        | -                        | -                 |
| Inventory Financing                        |                               | -                      | -                        | -                        | -                        | -                        | -                        | -                 |
| Transportation Revenue                     |                               | -                      | (21,262)                 | (26,357)                 | (27,346)                 | (24,544)                 | (20,672)                 | (120,181)         |
| Broker Revenue                             |                               | -                      | (161,963)                | (18,636)                 | (94,708)                 | 3,254                    | (155,421)                | (427,474)         |
| Off System and Capacity Release            |                               | -                      | (327,000)                | (340,295)                | (337,728)                | (404,503)                | (380,450)                | (1,789,975)       |
| Fixed Price Option Admin.                  |                               | -                      | 45,000                   | -                        | -                        | -                        | -                        | 45,000            |
| Bad Debt Costs                             |                               | 54,136                 | 378,714                  | 530,882                  | 573,004                  | 486,518                  | 335,381                  | 2,358,636         |
| Working Capital                            |                               | 6,283                  | 7,703                    | 10,798                   | 11,654                   | 9,895                    | 6,821                    | 53,154            |
| Misc Overhead                              |                               | -                      | 1,664                    | 2,333                    | 2,518                    | 2,138                    | 1,474                    | 10,128            |
| Production & Storage                       |                               | 331,861                | 331,861                  | 331,861                  | 331,861                  | 331,861                  | 331,861                  | 1,991,165         |
| <b>Total Indirect Costs</b>                |                               | \$ 619,296             | \$ 254,717               | \$ 490,587               | \$ 459,256               | \$ 404,619               | \$ 118,994               | \$ 2,347,469      |
| Interest                                   |                               | (1,028)                | (20,667)                 | (19,910)                 | (14,135)                 | (14,865)                 | (19,597)                 | \$ (90,202)       |
| <b>Total Gas Costs plus Indirect Costs</b> | \$ (116,026)                  | 5,459,986              | 9,811,143                | 15,877,535               | 15,433,604               | 9,390,042                | 3,116,892                | \$ 58,973,176     |
| Total Forecasted Sales Volumes             |                               | 4,699,293              | 12,837,767               | 17,996,016               | 19,423,880               | 16,492,140               | 11,368,843               | 82,817,940        |
| Total Forecasted Collections               |                               | 7,439,085              | 8,288,597                | 11,921,204               | 12,866,014               | 10,923,761               | 7,534,516                | \$ 58,973,176     |