

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities

DG 20-041
Keene 2020 Summer Cost of Gas

Staff Data Requests - Set 1

Date Request Received: 4/3/20
Request No. Staff 1-2

Date of Response: 4/11/20
Respondent: Catherine McNamara

REQUEST:

Please explain the reasons for the decrease in the proposed 2020 Summer COG rate compared to the actual weighted average rate for the 2019 Summer COG. Please quantify the impact of each contributing factor to the rate decrease.

RESPONSE:

Please see Attachment Staff 1-2, which shows the calculation of a \$24,173 or \$0.0744 per therm, increase in the proposed summer 2020 COG costs as compared to the actual summer 2019 COG costs. The impact of each contributing factor to the rate increase is also shown on Attachment Staff 1-2.

Docket No. DG 20-041
Attachment Staff 1-2

Liberty Utilities - Keene Division
Docket No. DG 20-041

| | <u>Summer</u> <u>2019</u> | <u>Summer</u> <u>2020</u> | <u>Difference</u> |
|---|------------------------------|------------------------------|-------------------|
| Total Sales (therms) | 335,372 | 334,086 | (1,286) |
| Cost of Propane | \$272,917 | \$211,310 | (\$61,607) |
| CNG Commodity Costs | \$7,992 | \$37,512 | \$29,520 |
| CNG Demand Costs | \$2,083 | \$25,000 | \$22,917 |
| Return on Inventory | \$0 | \$14,126 | \$14,126 |
| Removal of Production Costs from COG | (\$57,215) | \$0 | \$57,215 |
| Removal of Prior Period CNG Demand Costs from COG | (\$37,500) | \$0 | \$37,500 |
| Prior Period Adjustments and Interest | <u>(\$6,232)</u> | <u>(\$81,730)</u> | <u>(\$75,498)</u> |
| | \$182,045 | \$206,218 | \$24,173 |
| Weighted Average Cost of Gas (\$/therm) | \$0.5428 | \$0.6173 | \$0.0744 |
| Commodity and Demand Costs | | | (\$9,170) |
| Return on Inventory | | | \$14,126 |
| Removal of Production Costs from COG | | | \$57,215 |
| Removal of Prior Period CNG Demand Costs from COG | | | \$37,500 |
| Prior Period Adjustments and Interest | | | <u>(\$75,498)</u> |
| | | | \$24,173 |