

**STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DG 21-128**

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

**Property Tax Adjustment Mechanism – Tax Year 2020  
Reconciliation and Rate Adjustment**

**COMMENCEMENT OF ADJUDICATIVE PROCEEDING AND NOTICE OF HEARING**

On September 2, 2021, Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty (Liberty) filed a request to recover, pursuant to a Property Tax Adjustment Mechanism (PTAM) approved by the Commission in Order No. 26,505 (July 30, 2021), the amount of municipal property taxes that Liberty paid during the April 1, 2020 to March 31, 2021 tax year, which were not included in distribution rates. In support of its request, Liberty filed the testimony of David B. Simek and related attachments, as well as supplemental tariff pages. The initial filing and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are available on the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-128.html>.

**I. BACKGROUND AND PROCEDURAL HISTORY**

In Order No. 26,505, the Commission approved a settlement agreement providing for a PTAM, which would permit Liberty to recover or refund the difference between the amount of municipal property taxes paid during a specific tax year and the amount to pay these taxes derived from distribution rates (Settlement Agreement). *Id.* at 6-7, 16. The Commission found that the terms of Liberty's proposed PTAM were consistent with the requirements of RSA 72:8-e. *Id.* at 12.

As described in Section 6 of the Settlement Agreement, the PTAM distribution rate adjustment would be determined annually, beginning with the April 1, 2020 to

March 31, 2021 tax year. Liberty would compare the total amount of municipal property tax from bills received during calendar year 2020 to the amount from distribution rates, through March 31, 2021, calculated to pay these municipal tax bills. The PTAM would be used to reconcile the difference by adjusting distribution rates, effective with service rendered on and after November 1, 2021, to provide for either a recovery or a refund. In subsequent years, Liberty would be required to submit its PTAM filing by March 10 relating to municipal property tax bills received during the prior calendar year, and adjustments to distribution rates would become effective May 1.

For the tax year beginning on April 1, 2020, Liberty calculated the amount of municipal taxes included in distribution rates as of March 31, 2021 to be \$8,924,897. It stated that the total amount in municipal property tax bills received during calendar year 2020 was \$10,902,358. Liberty proposed recovering the difference of \$1,977,461 through a PTAM distribution rate adjustment, effective November 1, 2021. As a result of the proposed PTAM distribution rate adjustment, the annual bill for a typical residential heating customer would increase approximately \$9.00 or 0.81 percent.

## **II. ISSUES PRESENTED**

The filing presents the following issues: whether Liberty's proposed PTAM adjustment for the tax year beginning April 1, 2020 is consistent with the PTAM approved by the Commission in Order No. 26,505 (July 30, 2021); and whether Liberty appropriately calculated the unrecovered increase in municipal property taxes paid in 2020 and the proposed increases in customer charges. Accordingly, an adjudicative proceeding will be convened to address these issues.

Although the state of emergency declared as a result of the COVID-19 pandemic has lapsed, the Commission is aware that not all potential parties, including regulated

utilities, have returned to full in-person work environments. Therefore, and for the foreseeable future, the Commission intends to continue providing a hybrid approach to its proceedings in order to accommodate those who wish to remain remote and those who desire to be physically present. In order to facilitate this hybrid approach, individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform. Parties and the public will be able to participate in or observe Commission proceedings in-person or remotely.

**Based upon the foregoing, it is hereby**

**ORDERED**, that an adjudicative proceeding be commenced for the purpose of investigating and resolving the foregoing issues pursuant to RSA chapter 541-A, RSA 374:3 -:7, and :15 - :19, and the Commission's procedural rules; and it is

**FURTHER ORDERED**, that the Commission will hold a hearing in this matter at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on October 26, 2021, at 1:00 p.m. Commissioners will be present in the hearing room and will use a web-enabled platform to conduct the hearing. Members of the public who wish to access the hearing remotely may do so by [clicking here](#). **If you have any difficulty obtaining access to this remote event, please notify the Commission by calling (603) 271-2431 as soon as possible.** Parties and members of the public wishing to attend the hearing in person are encouraged to register in advance, on or before October 21, 2021, by calling (603) 271-2431; and it is

**FURTHER ORDERED**, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is,

**FURTHER ORDERED**, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any entity or individual seeking to intervene in the proceeding shall file

with the Commission a petition to intervene with copies sent to Liberty, the Department of Energy, the Office of the Consumer Advocate, and any other parties on the service list, on or before October 12, 2021. The petition shall state the facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17; and it is

**FURTHER ORDERED**, that any party objecting to a petition to intervene make said objection on or before October 22, 2021; and it is

**FURTHER ORDERED**, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the Commission. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, all Commission rules requiring the filing of paper copies are suspended until further notice. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

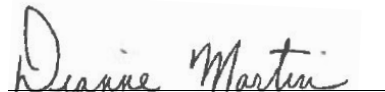
**FURTHER ORDERED**, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or [ClerksOffice@puc.nh.gov](mailto:ClerksOffice@puc.nh.gov). All requests for relief from the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

**FURTHER ORDERED**, that pursuant to N.H. Admin. R., Puc 203.12, Liberty shall notify all entities and individuals desiring to be heard at this hearing by publishing a copy of this order of notice on its website no later than two business days

after the date of issue, such publication to be documented by affidavit filed with the Commission on or before October 12, 2021. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

**FURTHER ORDERED**, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

So ordered, this fourth day of October, 2021.

  
Dianne Martin  
Presiding Officer  
Chairwoman

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

# Service List - Docket Related

Docket# : 21-128

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