

**THE STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 17-023

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

Excess Flow Valve Regulations

Order Suspending Proposed Tariff and Scheduling Prehearing Conference

ORDER NO. 25,992

February 24, 2017

In this Order, the Commission suspends a proposed Liberty tariff for cost recovery of the installation of Excess Flow Valves to enable further investigation of the proposed tariff provisions. On January 30, 2017, Liberty Utilities (EnergyNorth Natural Gas) Corp., d/b/a Liberty Utilities (“Liberty”), filed tariff changes for the installation of Excess Flow Valves, or EFVs. Liberty’s proposed new tariff would be available to all potential customers who request the installation of an Excess Flow Valve on service lines not exceeding 1,000 standard cubic feet per hour. The tariff changes were filed in response to new rules promulgated by the U.S. Department of Transportation/Pipeline and Hazardous Materials Safety Administration amending 49 Code of Federal Regulations Part 192.381 *et seq.* relating to Pipeline and Hazardous Materials Safety Standards. *See* 81 Fed. Reg. 70987 (October 14, 2016). The new rules are scheduled to take effect on April 14, 2017.

EFVs are safety devices installed on natural gas distribution pipelines to reduce the risk of accidents. EFVs are currently required for new or replaced gas service lines to single family residences. The new federal rules add four new categories of service for which EFV installation will be required to include the following: (1) branched service lines to a single family residence

installed concurrently with a primary service line; (2) branched service lines to a single family residence installed off of a previously installed service line; (3) multifamily installations; and (4) single small commercial service customers for newly installed or replaced services.

See 49 C.F.R. 192.381(a). The final rule requires operators to notify customers of their right to request installation of an EFV on service lines that are not being newly installed or replaced, leaving the question of who bears the cost up to the Commission.

In its tariff filing, the Company proposes that the customer bear the expense in advance of the installation. The filing raises, *inter alia*, issues related to: whether the proposed rates and tariffs are just and reasonable under RSA Chapter 378, RSA 374:1, and RSA 374:2; whether a portion or all of the proposed rates should be included in base rates; the manner in which the provided cost is determined and provided to the requesting customer; whether there are scenarios in which the proposed rate(s) would not apply; and whether the proposal by Liberty will result in the continued provision of safe and reliable gas service.

Under RSA 378:3, tariff changes take effect after 30 days' notice to the Commission and to the public, subject to the Commission's ability to suspend such changes when an investigation is appropriate, pursuant to RSA 378:6, I (b). Here, Liberty's proposed tariff provisions warrant further investigation, and so we suspend the proposed tariff pages filed by Liberty pending our investigation for a period of 3 months, or until May 25, 2017, when the Commission may extend the suspension for 5 months if more time is needed, pursuant to RSA 378:6, I(b).¹

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the

¹ Suspension of the tariff does not change Liberty's obligation to comply with the federal rule when it becomes effective.

Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2017/17-023.html>. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that the proposed tariff pages regarding the installation of EFVs filed by Liberty, are hereby suspended pursuant to RSA 378:6, I(b), through May 25, 2017, pending investigation and further order of the Commission; and it is

FURTHER ORDERED, that a Prehearing Conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on March 23, 2017, at 1:30 p.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Code Admin. Rules Puc 203.15; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference, Liberty, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition and allow Liberty to provide any amendments or updates to its filing; and it is

FURTHER ORDERED, that pursuant to Puc 203.12, Liberty shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order no later than March 6, 2017, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before March 20, 2017; and it is

FURTHER ORDERED, that consistent with Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Liberty and the Office of the Consumer Advocate, as if it were an adjudicative proceeding, on or before March 20, 2017, such Petition stating the facts

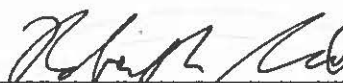
demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, as required by Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before March 23, 2017.


By order of the Public Utilities Commission of New Hampshire this twenty-fourth day of February, 2017.



Martin P. Honigberg
Chairman

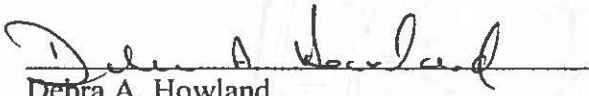


Robert R. Scott
Commissioner



Kathryn M. Bailey
Commissioner

Attested by:



Debra A. Howland
Executive Director