

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 21-130

**LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP. d/b/a LIBERTY
2021/2022 Annual Cost of Gas**

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

On September 1, 2021, Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty (Liberty or the Company) submitted a winter 2021/2022 and summer 2022 cost of gas (COG) filing outlining its proposed COG for the winter period (November 1, 2021 through April 30, 2022) and the summer period (May 1, 2022 through October 31, 2022), including proposed local distribution adjustment charges (LDAC) for the period of November 1, 2021 through October 31, 2022. The COG submission 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 Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-130.html>.

I. BACKGROUND AND PROCEDURAL HISTORY

Liberty's September 1, 2021 filing included proposed tariff pages, schedules, and direct testimony and related attachments from: David B. Simek and Catherine A. McNamara; Deborah M. Gilbertson; and Mary E. Casey. According to the direct testimony of David B. Simek and Catherine A. McNamara, the proposed firm sales winter 2021/2022 COG rate is \$0.9056 per therm for residential customers, a \$0.3485 per therm increase compared to last winter's initial residential COG rate of \$0.5571 per therm. The proposed changes to Liberty's residential firm sales winter COG and LDAC rates are expected to increase a residential heating customer's total bill for the winter period by approximately \$336.41 or 39.52 percent.

The proposed winter 2021/2022 commercial and industrial (C&I) high winter use COG rate is \$0.9041 per therm. The proposed changes in the C&I COG and LDAC rates are expected to increase an average C&I G-41 customer's winter bill by approximately \$843.54 or 39.34 percent over the winter period.

The proposed firm sales summer 2022 COG rate is \$0.5002 per therm for residential customers, a \$0.1854 per therm increase compared to last summer's initial residential COG rate of \$0.3148 per therm. The proposed change in residential COG and LDAC rates is expected to increase a residential heating customer's summer bill by approximately \$31.07 or 12.98 percent over the entire summer period.

Liberty proposes summer 2022 COG rates of \$0.5007 per therm for C&I high winter use customers and \$0.4994 per therm for C&I low winter use customers. The proposed changes in the C&I COG and LDAC rates for high and low winter C&I customers are expected to increase an average C&I customer's summer bill by 32.11 percent and 28.55 percent, respectively, over the entire summer period. Liberty requests that the percentage used to calculate the maximum allowed COG rate be increased for the summer period from 25 percent to 40 percent.

Several surcharges are included in the proposed LDAC of \$0.1733 per therm for residential customers and \$0.0860 per therm for C&I customers, compared to the \$0.0589 per therm and \$0.0555 per therm rates, respectively, that are currently in effect. The proposed Energy Efficiency Charge is \$0.0861 per therm for residential customers and \$0.0408 per therm for C&I customers, compared to the \$0.0831 and \$0.0441 per therm rates currently in effect. The proposed charge to recover expenses related to the Gas Assistance Program is \$0.0138 per therm.

The proposed Revenue Decoupling Adjustment Factor, which recovers the difference between the Actual Base Revenue per customer and the Benchmark Base

Revenue per customer, is \$0.0459 per therm for residential customers and \$0.0039 per therm for C&I customers, compared to the respective \$0.0562 per therm and \$0.0206 per therm rates currently in effect. Liberty proposes reconciling the Revenue Decoupling Adjustment Factor retroactively based on a claimed error stemming from the previous rate case. It proposes an Environmental Surcharge for Manufactured Gas Plant Remediation for the period from November 1, 2021 to October 31, 2022 of \$0.0155 per therm. Finally, the proposed Rate Case Expense Factor rate is \$0.0121 per therm. Liberty is updating its Company Allowance (for lost and unaccounted for gas and Company use of gas) for the period of November 2021 through October 2022 to 1.22 percent. Liberty also proposes changes to its Peaking Demand Charge and capacity allocator percentages.

II. ISSUES PRESENTED

The filing presents the following issues: issues rated to RSA 374:2 and RSA chapter 378, including: the justness and reasonableness of rates, fares, and charges; the forecasting of sales, supplier prices, and transportation prices; weather normalization; operational issues; the retroactive adjustment of certain reconciling rates; the calculation of indirect gas costs; purchasing decisions related to current and past supplies; capacity and revenue projections related to transportation service and released capacity; the reconciliation of prior period costs and revenues; and the prudence and recovery of environmental remediation. 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 using the Commission's web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that an adjudicatory 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 prehearing conference, pursuant to N.H. Admin. R., Puc 203.15, at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on September 22, 2021, at 9:00 a.m., at which each party will provide a preliminary statement of its position with regard to the initial filing, and any of the issues set forth in N.H. Admin. R., Puc 203.15. Members of the public who wish to access the prehearing conference 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 prehearing conference in person are encouraged to register in advance, on or before September 17, 2021, by calling (603) 271-2431; and it is

FURTHER ORDERED, that during the prehearing conference, the Commission will consider the matters listed in Puc 203.15(c) and (d); and it is

FURTHER ORDERED, that, immediately following the prehearing conference, Liberty shall make appropriate personnel available for the Department of Energy, the

Office of Consumer Advocate, and any intervenors, to hold a web-enabled remote technical session to review the filing; 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 September 17, 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 September 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

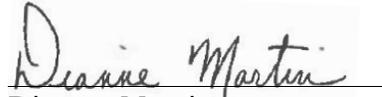
FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or ClerksOffice@puc.nh.gov. All requests for relief from the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex 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 September 17, 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 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 25, 2021, at 9:00 a.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 20, 2021, by calling (603) 271-2431; and it is

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

So ordered, this fourteenth day of September, 2021.

A handwritten signature in cursive script that reads "Dianne Martin". The signature is written in black ink on a white background.

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# : 21-130

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