

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

Docket No. DG 17-048

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities  
Distribution Service Rate Case

**DIRECT TESTIMONY**

**OF**

**DAVID B. SIMEK**

April 28, 2017

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1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. Please state your full name and business address.**

3 A. My name is David B. Simek. My business address is 15 Buttrick Road, Londonderry,  
4 New Hampshire.

5 **Q. Please state by whom you are employed and your position?**

6 A. I am a Lead Utility Analyst for Liberty Utilities Service Corp. (“Liberty”) which provides  
7 service to Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities  
8 (“EnergyNorth” or the “Company”). I am responsible for providing rate-related services  
9 for the Company.

10 **Q. Please describe your educational background and training.**

11 A. My educational background and qualifications are set forth in the prefiled joint testimony  
12 filed with Daniel S. Dane in support of EnergyNorth’s request for a permanent increase  
13 on distribution rates.

14 **II. PURPOSE AND OVERVIEW OF TESTIMONY**

15 **Q. What is the purpose of your testimony?**

16 A. The purpose of my testimony is to explain the Company’s changes to its tariff as a result  
17 of this distribution rate case filing.

1 **Q. Please describe the changes that were made.**

2 A. Attachment DBS-TARIFF-1 contains a clean version of the proposed tariff while  
3 Attachment DBS-TARIFF-2 contains a redlined version. The following substantive  
4 changes were made to the tariff:

- 5 • the distribution rates were modified to incorporate the proposed rates contained in  
6 Attachment RATES-7 of the Simek-Therrien rate design testimony;
- 7 • the Towns of Pelham and Windham and the City of Keene were added to the  
8 Service Area of the tariff;
- 9 • a Revenue Decoupling Mechanism was added; and
- 10 • the Lost Revenue Adjustment Mechanism (LRAM) was deleted.

11 The last change is being made because upon implementation of the Revenue Decoupling  
12 Mechanism, there will no longer be a need for a LRAM, since the decoupling mechanism  
13 will account for changes in sales volume due to energy efficiency measures.

14 The Company has also made housekeeping changes to the tariff which include correcting  
15 spelling and grammatical errors, page re-numbering and formatting, header and footer  
16 formatting, and margin corrections.

17 **Q. Have all changes made to the EnergyNorth tariff been redlined in Attachment DBS-**  
18 **TARIFF-2?**

19 A. No, only substantive changes were redlined. In order to facilitate review, the  
20 housekeeping changes mentioned above were not redlined, because redlining such

1 changes would produce a document that would have so many changes on each page, it  
2 would be unwieldy.

3 **Q. Has the Company added the Keene Division to the EnergyNorth tariff?**

4 A. Yes, the Keene Division has been added to the EnergyNorth tariff. All EnergyNorth  
5 distribution rates and charges including those contained in the local distribution  
6 adjustment clause (LDAC) will now be applicable to Keene customers. The Company is  
7 proposing that a separately calculated cost of gas rate continue to apply to Keene  
8 customers. Therefore, we have included a cost of gas provision for Keene customers in  
9 the tariff.

10 **Q. Will Keene commercial customers still have the Fixed Priced Option to choose as their**  
11 **Winter Cost of Gas rate?**

12 A. Yes. The Company is not proposing to change any part of Keene's current cost of gas  
13 procedures.

14 **Q. What will happen to the existing Keene tariff?**

15 A. The existing Keene tariff will no longer be valid once permanent rates become effective  
16 following a Commission order in this docket.

1 **Q. Under the Delivery Terms and Conditions section of the EnergyNorth tariff is a section**  
2 **for a Supplier Service Agreement. Is a copy of the Agreement provided in the tariff?**

3 A. Yes. A copy of the Supplier Service Agreement is included with this filing to rectify the  
4 current condition that although the current tariff includes references to the Supplier  
5 Service Agreement, a copy of that agreement was not previously included.

6 **Q. Does this conclude your testimony?**

7 A. Yes, it does.