

SPECIAL CONTRACT – NATURAL GAS

CONTRACT NO. NHPUC 2017-__

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

with

Joshua and Angela Ford

Date of Execution: June 12, 2017
Effective Date: June 12, 2017 (subject to Commission approval)
Date of Termination: ten years after Commission approval, unless terminated earlier

Authorized by Order No. _____ (_____, 2017) in Docket No. DG 17-xxx

STATEMENT OF SPECIAL CIRCUMSTANCES
THAT JUSTIFY DEPARTURE FROM EXISTING TARIFF

1. Joshua and Angela Ford (“Customers”) are former customers of Concord Steam Corporation who wish to purchase and install a natural gas-fired boiler and related equipment to convert Customers’ home from steam to natural gas (the “Conversion”). Customers have demonstrated that “the cost of ... conversion would not be recovered in five years or less from energy savings resulting from switching from steam to natural gas,” and thus Customers have established “special circumstances” that support this Special Contract pursuant to Order No. 26,017 (May 11, 2017); *see* RSA 378:18 (“Nothing herein shall prevent a public utility from making a contract for service at rates other than those fixed by its schedules of general application, if special circumstances exist which render such departure from the general schedules just and consistent with the public interest”).
2. This Special Contract provides for Liberty Utilities (EnergyNorth Natural Gas) Corp. (“Liberty”) to lend Customers \$12,800 (the “Loan”). Customers will repay the Loan in equal monthly installments of \$106.67 for ten years. Customers will pay no interest. Liberty will include these monthly payments on Customers’ regular utility bill.
3. The services Liberty agrees to perform under this Special Contract and the method for Liberty to recover the Loan are not contemplated by Liberty’s Tariff. Accordingly, this Special Contract, subject to New Hampshire Public Utilities Commission approval, is necessary to provide Customers with the financing service they need. For the reasons described above, the departures from Liberty’s Tariff that are embodied in this Special Agreement are just and consistent with the public interest under the particular circumstances of this case.

SPECIAL CONTRACT

between

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

and

Joshua and Angela Ford

This Special Contract is made as of June 21, 2017, by and between Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities, a New Hampshire corporation and public utility as defined by RSA 362:2 with a place of business at 15 Buttrick Road, Londonderry, New Hampshire ("Liberty"), and Joshua and Angela Ford, residents of * Pleasant Street, Concord, New Hampshire ("Customers").

WHEREAS, Customers wish Liberty to lend \$12,800, the actual costs to convert Customers' heating system to natural gas; and

WHEREAS, Customers have demonstrated they are eligible and qualify for the loan under the "Proposal for Customer Transition Assistance," as approved in Order No. 26,017 ("Staff Proposal"); and

WHEREAS, Liberty's Tariff does not provide for lending customers money nor for collecting such loans through a surcharge on the customers' bills as described in the Staff Proposal; and

WHEREAS, in the absence of this Special Contract, Liberty's Tariff precludes Liberty from lending Customers the money, thus depriving Customers of the benefits associated with this Special Contract;

NOW, THEREFORE, Customers and Liberty agree as follows:

1.0 Definitions

The following words and terms shall be understood to have the following meanings when used in this Special Contract. In addition, except as otherwise expressly provided here, where terms used in this Special Contract are defined in Liberty's Tariff for Gas Service ("Tariff"), which includes General Terms and Conditions, Rate Schedules, and Delivery Terms and Conditions (collectively, "Terms and Conditions") and not otherwise defined here, such terms shall have the meanings given in Liberty's Tariff. The Terms and Conditions, as they may be in effect from time to time, are also incorporated by reference and made a part of this Special Contract. In the event of any inconsistency between the terms of this Special Contract and the Terms and Conditions, the terms of this Special Contract will govern.

1.1 "Conversion" is the equipment, labor, and other items necessary to convert Customers' heating and hot water systems from steam to natural gas.

1.2 "Surcharge" is the amount that Liberty will add to Customers' monthly bills for service at 77 Pleasant Street, Concord, to repay the Loan, which Surcharge shall be \$106.67 per month for ten years. The Surcharge includes no interest.

1.3 "Loan" is the amount of \$12,800 that Liberty will loan to Customers under the terms of this Special Contract.

2.0 Obligations of the Parties

2.1 Liberty shall lend Customers \$12,800 within 30 days of final Commission approval of this Special Contract.

2.2 Beginning with the first billing cycle after commencement of natural gas service for the Conversion and after Liberty provides the Loan, Liberty shall add the Surcharge to Customers' monthly bills for ten years, or until the Loan is paid in full.

2.3 Customers shall use the Loan proceeds to pay for the Conversion.

2.4 Customers shall pay the Surcharge and the regular utility bills.

2.5 Customers may make additional payments and may pay the remaining unamortized amount of the loan at any time during the term of this Special Contract without penalty. Any such additional payments will result in corresponding adjustments to the term of this Special Contract.

3.0 Terms and Conditions

This Special Contract incorporates the Staff Proposal's terms and conditions including, but not limited to, the following:

3.1 Liberty will treat the Loan in the same fashion as any LDAC expense.

3.2 Liberty will recover the Loan through the rate case expense recoupment component of the LDAC, and any revenue received by Liberty from Customers will be treated as LDAC revenue.

3.3 Customers' obligation to pay the Loan will follow Customers and the property located at 77 Pleasant Street, Concord, jointly and severally.

3.4 As to Customers, Liberty must follow the Commission's rules for collections, deposits, and termination of service if Surcharge payments are not made. Any partial payments will first be applied to the current and any past due regular utility bills, and then to the Surcharge.

3.5 Liberty may refuse supply and distribution service to any subsequent party renting, purchasing, or otherwise inhabiting 77 Pleasant Street unless the new occupant agrees to resume and complete the Surcharge payments.

4.0 Conditions Precedent

This Special Contract is conditioned on final Commission approval, which approval must be without condition or modification. If the Commission does not approve this Special Contract in its entirety, without change or condition, or if the Commission makes any findings that go beyond the scope of this Special Contract, and any Party notifies the Commission within five business days of their disagreement with any such changes, conditions, or findings, the Special Contract shall be null and void and without effect.

5.0 Effective Date and Term of Special Contract

5.1 This Special Contract shall become effective on the date that the Commission's order approving its terms becomes final.

5.2 This Special Contract shall terminate when the amount borrowed has been paid in full.

6.0 Disclaimer of Liability. Indemnity

6.1 Customers acknowledge that Liberty makes no warranties, guarantees, or promises related to the Conversion, its design, capabilities, installation, or performance.

6.2 In no event shall Liberty, its direct or indirect parents, and their directors, officers, or employees, be liable to Customers or to any third party for any special, consequential, incidental, or punitive damages, or damages for lost profits or lost opportunity, whether arising in tort, contract or otherwise that arise under this Special Contract, that arise from Liberty's conduct in carrying out its obligations under this Special Contract, or that arise out of the Conversion.

6.3 Customers agree to indemnify Liberty, its affiliates, and their respective directors, officers, employees, agents, successors, and assigns, for all liabilities, damages, claims, expenses, actions, and causes of action, including without limitation reasonable attorney's fees, arising from this Special Contract and from any work related to the Conversion.

7.0 General

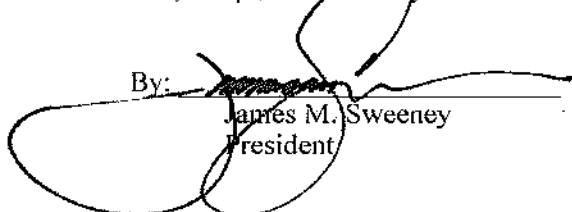
7.1 This Special Contract is entered into and shall be construed in accordance with the laws of the State of New Hampshire, excluding its choice of law rules or rulings. The Parties agree that any actions, suits, or claims with respect to this Special Contract shall be brought before the Commission if the Commission has jurisdiction over the particular claim, otherwise in a state court located in the State of New Hampshire.

7.2 This Special Contract supersedes, terminates, and merges all prior, collateral, and contemporaneous agreements, written or oral, between the Parties relating to its subject matter.

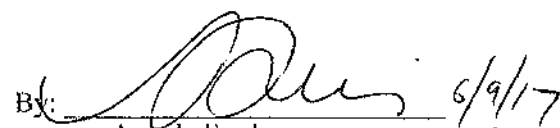
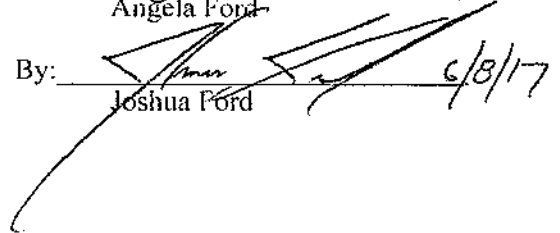
7.3 If any terms of this Special Contract are invalid or declared invalid by order of a court or other governmental body having jurisdiction, the Parties agree to renegotiate the affected material terms of this Special Contract in good faith, thus remedying the material and adverse effect of any such invalidating event in a way that is in compliance with any order or rule.

IN WITNESS WHEREOF, Customers and Liberty have signed this Special Agreement as of the day and date first above written.

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

By: 
James M. Sweeney
President

Customers

By:  6/9/17
Angela Ford
By:  6/8/17
Joshua Ford