

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

DG 17-135

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

2017/2018 COST OF GAS

ORDER OF NOTICE

On August 29, 2017, Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities ("Liberty"), a public utility that distributes natural gas in south-central New Hampshire, and the City of Berlin in northern New Hampshire, filed a proposed Winter 2017/2018 and Summer 2018 cost of gas filing outlining its proposed cost of gas (COG) and fixed price option (FPO) rates for the winter period, November 1, 2017 through April 30, 2018, the summer period May 1, 2018 through October 31, 2018, and proposed local delivery adjustment clause (LDAC) charges for the period November 1, 2017 through October 31, 2018. The filing 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 <http://www.puc.nh.gov/Regulatory/Docketbk/2017/17-135.html>

The proposed winter residential COG rate is \$0.6659 per therm (FPO rate \$0.6859 per therm), a \$0.0754 per therm increase compared to last winter's weighted average residential COG rate of \$0.5905 per therm. The proposed changes to Liberty's residential COG rate and LDAC charges are expected to increase a residential heating customer's winter bill by approximately \$100, or 13 percent.

The proposed winter commercial and industrial (C&I) high winter use COG rate is \$0.6647 per therm and the proposed C&I low winter use is \$0.6774 per therm. The changes in the COG rates for high and low winter users are expected to increase C&I customers' winter bills approximately 15 percent. The proposed firm transportation winter COG rate is \$0.0040 per therm compared to the credit of (\$0.0006) per therm currently in effect.

The proposed summer COG rate for 2018 is \$0.3144 per therm for residential customers, which is a decrease from the 2017 weighted average residential summer COG rate of \$0.4239. This proposed rate is expected to decrease a residential heating customer's summer bill by approximately \$5, or 2 percent.

Liberty proposes summer COG rates of \$0.3095 per therm for commercial/industrial high winter use customers and \$0.3310 per therm for commercial/industrial low winter use customers, which are both decreases from the 2017 summer rates.

A variety of components make up the proposed LDAC charges of \$0.0856 per therm for residential customers and \$0.0674 per therm for C&I customers, compared to the \$0.0553 per therm and \$0.0370 per therm rate, respectively, currently in effect. The proposed charge to recover environmental remediation costs is \$0.0163 per therm, compared to the \$0.0155 per therm rate currently in effect. The proposed energy efficiency and conservation charge for residential customers is \$0.0516 per therm for residential customers and \$0.0332 for C&I customers, compared to the \$0.0402 per therm and \$0.0219 per therm rates, respectively, currently in effect. The proposed charge to recover expenses and lost revenues related to the residential low income assistance program is \$0.0096 per therm, compared to the \$0.0067 per therm rate currently in effect. The Lost Revenue Adjustment Mechanism is proposed at \$0.0019 per therm for residential and \$0.0021 for C&I customers compared to the \$0.0016 per therm and

\$0.0009 per therm rates, respectively, currently in effect. The proposed rate case expense factor is a charge of \$0.0062 per therm, compared to the \$0.0071 per therm credit currently in effect.

Liberty is also updating its Company Allowance (for lost and unaccounted for gas and company use of gas) percentage for the period November 2017 through October 2018, from 2.5 to 2.1. Liberty proposes changes to its supplier balancing charges, peaking demand charges and capacity allocator percentages.

The filing raises, inter alia, issues related to RSA 374:2 relative to the justness and reasonableness of rates, forecasting of sales, supplier prices and transportation prices, calculation of indirect gas costs, purchasing decisions related to the current and past supplies and capacity/revenue projections related to transportation services and released capacity, the cause and treatment of over and under recoveries, the reconciliation of prior period cost and revenues, and the prudence and recovery of environmental remediation costs. 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 a hearing be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on October 13, 2017 at 10:00 a.m., and it is

FURTHER ORDERED, that, Liberty, the Staff of the Commission and any Intervenors hold a Technical Session to review the petition on October 2, 2017 at 10:00 a.m.; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, Liberty shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than September 28, 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 October 11, 2017; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules 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 on or before October 2, 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 N.H. Code Admin. Rule Puc 203.17 and RSA 541-A: 32, I (b); and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before October 6, 2017.

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

A handwritten signature in black ink, appearing to read "Debra A. Howland", is written over a horizontal line.

Debra A. Howland
Executive Director

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 - EMAIL ADDRESSES- DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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FILING INSTRUCTIONS:

- a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:**
- DEBRA A HOWLAND
EXEC DIRECTOR
NHPUC
21 S. FRUIT ST, SUITE 10
CONCORD NH 03301-2429
- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.**
- c) Serve a written copy on each person on the service list not able to receive electronic mail.**