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STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

April 25, 2018 - 10:07 a.m.
Concord, New Hampshire

1 NOV '18 PM 3:43

RE: DG 18-052
LIBERTY UTILITIES (ENERGYNORTH
NATURAL GAS) CORP. d/b/a LIBERTY
UTILITIES - KEENE DIVISION:
Summer 2018 Cost of Gas.

PRESENT: Chairman Martin P. Honigberg, Presiding
Commissioner Kathryn M. Bailey
Commissioner Michael S. Giaimo

Sandy Deno, Clerk

APPEARANCES: Reptg. Liberty Utilities (EnergyNorth
Natural Gas) Corp. d/b/a Liberty
Utilities - Keene Division:
Michael J. Sheehan, Esq.

Reptg. PUC Staff:
Paul B. Dexter, Esq.
Stephen Frink, Dir./Gas & Water Div.
Al-Azad Iqbal, Gas & Water Division

Court Reporter: Steven E. Patnaude, LCR No. 52

**CERTIFIED
ORIGINAL TRANSCRIPT**

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I N D E X

PAGE NO.

WITNESS PANEL: **DEBORAH GILBERTSON**
 CATHERINE A. McNAMARA

Direct examination by Mr. Sheehan	8
Cross-examination by Mr. Dexter	10
Interrogatories by Cmsr. Bailey	40, 42
Interrogatories by Chairman Honigberg	41
Interrogatories by Cmsr. Giaimo	43

* * *

CLOSING STATEMENTS BY:

Mr. Dexter	47
Mr. Sheehan	48

QUESTIONS BY:

Chairman Honigberg	50
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1
2
3
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7
8
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13
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E X H I B I T S

EXHIBIT NO.	D E S C R I P T I O N	PAGE NO.
1	Summer 2018 Cost of Gas Re: Liberty Utilities - Keene Division, including the Direct Testimony of Deborah Gilbertson and Catherine A. McNamara, with Tariff Pages, Schedules, and Appendix <i>[REDACTED - for public use]</i>	5
2	Summer 2018 Cost of Gas Re: Liberty Utilities Keene Division {CONFIDENTIAL & PROPRIETARY}	5
3	Response to Data Request Number Staff 1-2	16
4	Response to Data Request No. Staff 1-3 {CONFIDENTIAL & PROPRIETARY}	37

P R O C E E D I N G

1
2 CHAIRMAN HONIGBERG: We're here this
3 morning in Docket 18-052, which is Liberty
4 Keene Division's cost of gas proceeding for the
5 summer. We have, I believe, a Motion for
6 Confidential Treatment in here as well.

7 Before we do anything else, let's
8 take appearances.

9 MR. SHEEHAN: Good morning,
10 Commissioners. Mike Sheehan, for Liberty
11 Utilities EnergyNorth Natural Gas.

12 MR. DEXTER: And for the Commission
13 Staff, Paul Dexter.

14 CHAIRMAN HONIGBERG: Does either of
15 you know, are we expecting the OCA this
16 morning?

17 MR. SHEEHAN: You know, frankly, I
18 hadn't thought about it till I just looked and
19 see that they're not here yet. So, they have
20 not been actively playing a role in discovery
21 or anything. So, perhaps not.

22 CHAIRMAN HONIGBERG: Mr. Dexter, do
23 you know anything?

24 MR. DEXTER: I don't know anything.

1 Sorry.

2 CHAIRMAN HONIGBERG: All right.
3 Well, what do we need to do before getting to
4 the merits?

5 MR. SHEEHAN: Sure. A couple of
6 things, Mr. Chairman. We have marked two
7 exhibits. Number 1 would be the public or
8 redacted version of our filing. The second
9 would be the confidential version.

10 And I understand Staff is going to
11 introduce a single data response as
12 "Exhibit 3".

13 (The documents, as described,
14 were herewith marked as
15 **Exhibit 1** and **Exhibit 2**,
16 respectively, for
17 identification.)

18 MR. SHEEHAN: The confidential
19 material in the filing is confidential under
20 what I call the "presumed confidential rule",
21 Puc 201.06(a)(11). And we assert
22 confidentiality under that rule. Which
23 includes data responses, which were -- there
24 were confidential data responses provided to

1 Staff in this matter, and that is also
2 encompassed under the rule.

3 And then, the motion -- I filed the
4 motion regarding billing on a bills-rendered
5 basis or a service-rendered basis just this
6 morning. It is something that Keene Division
7 has been filing for decades. The only twist is
8 we have converted the Keene customers to our
9 system, and we may not need it this year. We
10 have been testing the billing system, and we
11 think we are ready to implement the Keene rates
12 on a service-rendered basis.

13 But I filed the motion anyway, just
14 in case there's a glitch, and we need to revert
15 to the old system one more time.

16 CHAIRMAN HONIGBERG: I did note at
17 the end of the first paragraph of your motion
18 had the words "if necessary".

19 MR. SHEEHAN: Yes.

20 CHAIRMAN HONIGBERG: Mr. Dexter, do
21 you have any position on that motion?

22 MR. DEXTER: Staff doesn't object to
23 either of the motions.

24 CHAIRMAN HONIGBERG: And the first

[WITNESS PANEL: Gilbertson|McNamara]

1 one really isn't a motion. I think it's just
2 the rule-based invocation of confidentiality on
3 those. That's right, Mr. Sheehan?

4 MR. SHEEHAN: Yes. And Mr. Mullen
5 just pulled up the docket sheet, and the OCA
6 did not file a letter of participation in this
7 case.

8 CHAIRMAN HONIGBERG: Thank you,
9 Mr. Mullen.

10 All right. So, we'll deal with the
11 motion I think in the course of issuing an
12 order of this, that's I think how we've done
13 this in the past.

14 Anything else we need to do before
15 the witnesses are sworn in?

16 MR. SHEEHAN: No, sir.

17 CHAIRMAN HONIGBERG: Mr. Patnaude.

18 (Whereupon **Deborah Gilbertson**
19 and **Catherine A. McNamara** were
20 duly sworn by the Court
21 Reporter.)

22 CHAIRMAN HONIGBERG: Mr. Sheehan.

23 MR. SHEEHAN: Thank you.

24 **DEBORAH GILBERTSON, SWORN**

{DG 18-052} {04-25-18}

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CATHERINE A. McNAMARA, SWORN

DIRECT EXAMINATION

BY MR. SHEEHAN:

Q Ms. Gilbertson, your name and position with the Company please.

A (Gilbertson) I'm Deborah Gilbertson. And my position with the Company is Senior Manager of Energy Procurement.

Q And did you prepare and file testimony in this matter?

A (Gilbertson) Yes, I did.

Q And that was joint testimony with Ms. McNamara, is that correct?

A (Gilbertson) That's correct.

Q And do you have any changes to that testimony you'd like to make this morning?

A (Gilbertson) No, I don't.

Q And if I were to ask you the same questions today, would your answers be the same?

A (Gilbertson) Yes.

Q And do you adopt that written testimony as your sworn testimony this morning?

A (Gilbertson) I do.

Q Ms. McNamara, the same questions. Your name

[WITNESS PANEL: Gilbertson|McNamara]

1 and position with the Company please.

2 A (McNamara) Catherine McNamara. I'm a Rates
3 Analyst with Rates and Regulatory Affairs, with
4 Liberty Utilities Service Company.

5 Q And did you also participate in the testimony
6 that has been filed as "Exhibits 1" and "2"
7 this morning?

8 A (McNamara) Yes.

9 Q And do you have any changes to the portions of
10 the testimony that you participated in?

11 A (McNamara) I do not.

12 Q And do you adopt that written testimony as your
13 sworn testimony this morning?

14 A (McNamara) I do.

15 Q And briefly, Ms. McNamara, could you give us a
16 high level view of the change, the rate change
17 that the Company is requesting for Keene this
18 morning, that is comparing the proposed rates
19 for Summer '18 to the proposed rates for Summer
20 '17?

21 A (McNamara) Sure. The proposed rate for May of
22 '17 was 0.6281 cents, and the proposed rate for
23 May of '18 is 0.9995, an increase of 0.3714.

24 Q And do you have available the actual rate that

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 was paid by customers over the course of last
2 summer?

3 A (McNamara) The weighted average rate for the
4 Summer of 2017 was 0.6887.

5 Q And, Ms. Gilbertson, again at a high level, the
6 reason -- the basic reason for the increase in
7 price, can you explain that?

8 A (Gilbertson) Yes. The spot prices for natural
9 gas -- I mean, for propane are much higher this
10 coming summer.

11 MR. SHEEHAN: Thank you. I have no
12 further questions.

13 CHAIRMAN HONIGBERG: Mr. Dexter.

14 MR. DEXTER: Thank you.

15 **CROSS-EXAMINATION**

16 BY MR. DEXTER:

17 Q Ms. McNamara, I just didn't hear that number
18 you gave for the weighted average cost of gas
19 for the actual summer. Was it 0.6877?

20 A (McNamara) 6887.

21 Q And that's dollars, 68 cents, basically?
22 Sixty-eight (68) cents?

23 A (McNamara) Yes.

24 Q So, I'd like to start by going to Bates Page

[WITNESS PANEL: Gilbertson|McNamara]

1 025 of the filing, which is the bill impact
2 analysis. And Bates 025 shows the Non-Fixed
3 Price Option, is that correct?

4 A (McNamara) Correct.

5 Q And would you indicate what the percentage
6 increase is for a Residential Heating customer
7 on their cost of gas portion of the bill?

8 A (McNamara) The cost of gas portion is
9 45.1 percent increase.

10 Q And this is what's projected or what's proposed
11 in this case, as compared to what from last
12 year?

13 A (McNamara) Compared to the current rates.

14 Q The current rate?

15 A (McNamara) The current rates are what we use
16 for the proposed number, and actuals is what we
17 use for 2017.

18 Q So, the top half of the box talks about 2017,
19 correct, the top half of the page?

20 A (McNamara) Correct.

21 Q And the base figure behind that 45 percent
22 increase is a cost of gas amount of \$109.50, is
23 that right? That's Line 14.

24 A (McNamara) Yes.

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 Q And the corresponding number in the case before
2 the Commission today, in the proposed rates, is
3 \$158.92, on Line 31, is that right?

4 A (McNamara) Correct.

5 Q And the difference between those two is a
6 45 percent increase is what you're saying?

7 A (McNamara) Correct.

8 Q Now, Ms. Gilbertson just testified that that
9 was due to higher spot prices. Is there any
10 more details you can give the Commission,
11 either person on the panel, as to why you're
12 projecting a 45 percent increase?

13 A (McNamara) From my understanding, it's
14 primarily driven, like Ms. Gilbertson said, by
15 the commodity price.

16 But Ms. Gilbertson may be able to
17 elaborate on that.

18 A (Gilbertson) The prices are much higher this
19 year, the spot prices.

20 Q You don't have any additional details you could
21 give the Commission as to why they might be
22 higher?

23 A (Gilbertson) I can tell you my understanding is
24 that they're higher is because of the weather.

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 The demand in March and April has been much
2 higher than normal. So, it's putting upward
3 pressure on the spot prices.

4 Q And when was the spot price determined?

5 A (Gilbertson) We did it twice. Well, the spot
6 price hasn't changed. So, in the summertime,
7 what we do is we get quotes from suppliers.
8 And I think it was on March 14th we made some
9 phone calls, and there was -- they were
10 thinking that the summer price would be about
11 \$1.08 a gallon. And then later, when there was
12 some questions, in April I went back to the
13 supplier and said "is this still holding?" And
14 the answer was "yes".

15 So, I would say that, since March 14th,
16 they have been steadily saying that it's going
17 to be about \$1.08 a gallon for the summer
18 period.

19 Q Okay. So, I'd like to turn to Schedule C in
20 the filing please, which is Bates Page 018.
21 And which of these columns deals with the spot
22 price that you were just talking about?

23 A (Gilbertson) It would be Column (8).

24 Q And there's the \$1.08 that you were talking

[WITNESS PANEL: Gilbertson|McNamara]

1 about?

2 A (Gilbertson) Correct.

3 Q Okay. And then the rest of these columns
4 provide a breakdown of what goes into that
5 \$1.08, is that right?

6 A (Gilbertson) That's correct.

7 Q Okay. Now, Column (2) is entitled "Brokers
8 Fees"?

9 A (Gilbertson) That's right.

10 Q And I recall from this case last year that that
11 broker fee was one cent.

12 A (Gilbertson) Uh-huh.

13 Q And in this case it's presented as 11 and a
14 half cents, is that right?

15 A (Gilbertson) Yes.

16 Q Could you tell the Commission the reason for
17 the increase in the broker fee?

18 A (Gilbertson) Well, in the summertime, we
19 don't -- this schedule is a little bit
20 irrelevant, because, in the summertime, we take
21 quotes from the suppliers, like I said. And
22 Column (8) is the quote. It's a bundled price.
23 And it really -- what we try to do with this
24 schedule is kind of back into the things that

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 we know. We know what the PERC fee is, we know
2 what the Mont Belvieu price is, we know what
3 the -- we know what the cost is to get to
4 Selkirk and the trucking. So, we kind of just
5 solve for the other, the broker fee and the
6 supplier charge.

7 Again, I'm not sure that this schedule is
8 a great schedule to use in the summertime,
9 because we do ask for quotes, a bundle quote
10 from the supplier. So, again, it's a bundled
11 price, and we just try to back it into in
12 the -- in the winter, we don't do that. In the
13 winter, we use the schedule as it should be.
14 We take the Mont Belvieu price, and we fit in
15 all the known components, and we come up with a
16 price per gallon and price per therm. But, in
17 the summertime, it's different, because it
18 really is Column (8) that's the -- that's the
19 price.

20 MR. DEXTER: So, I'd like to pass out
21 a data response and mark it as "Exhibit 3"
22 please. It's Staff's Data Request 1-2. And
23 Ms. Gilbertson is the respondent.

24 *[Atty. Dexter distributing*

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 *documents.]*

2 (The document, as described, was
3 herewith marked as **Exhibit 3** for
4 identification.)

5 BY MR. DEXTER:

6 Q So, on the document that I've handed out as
7 "Exhibit 3", on the second page there is what
8 appears to be an updated Schedule 3. Would you
9 agree with that characterization?

10 A (Gilbertson) Yes.

11 Q And what's the nature of the update?

12 CHAIRMAN HONIGBERG: Mr. Dexter, you
13 meant "Schedule C", right?

14 MR. DEXTER: Schedule C.

15 **BY THE WITNESS:**

16 A (Gilbertson) The nature of the update is just
17 to show that Column (8), which is the quoted
18 price from the supplier, hasn't changed. But
19 the Mont Belvieu price did change, and it went
20 up significantly. So, the broker fee took the
21 difference, which now the broker fee is at 4
22 cents. So, it kind of adds merit to the fact
23 that that supplier has foresight to know that
24 the prices are going up, and they have, but

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 they haven't changed their quote. So, the
2 quote is still the same, because it's a bundled
3 price that they're submitting.

4 BY MR. DEXTER:

5 Q And could you explain what the Mont Belvieu
6 price is that went up significantly?

7 A (Gilbertson) That's the index price for propane
8 in Texas.

9 Q And that's different from the bundled spot
10 price?

11 A (Gilbertson) Yes.

12 Q But it's a component of the bundled spot price?

13 A (Gilbertson) It's a component, yes. It's what
14 the index and the rest of the -- the fees are
15 called the "basis". So, how much does it cost
16 to get from Texas to Keene, which includes the
17 trucking and the fees and what the broker may
18 charge or the supplier charges.

19 Q And I think we've gone over this in past years,
20 but is it correct that the Column (6), Selkirk
21 is somewhere in New York?

22 A (Gilbertson) Yes, it is.

23 Q So, the first five columns are the price --
24 first six columns are the price of the product

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 to New York?

2 A (Gilbertson) Uh-huh. Yes, it is.

3 Q And then Column (7) is to get the product from
4 New York to Keene?

5 A (Gilbertson) Correct.

6 Q And do you purchase, in Column (8), you
7 mentioned a number of times the quote, is this
8 from a particular supplier or do you shop that
9 around or how does that work?

10 A (Gilbertson) We ask a couple of suppliers.

11 Q And were the quotes from the suppliers --

12 A (Gilbertson) Very close.

13 Q Very close to one another?

14 A (No verbal response).

15 Q Okay. So, if we could move to Page 19 please.

16 Could you explain what this page is intended to
17 show?

18 A (Gilbertson) This page, Schedule D, is the
19 inventory balances. And there's a beginning
20 balance of what's in inventory, and then
21 purchases that we would receive to refill
22 anything we take out for sendout. So, we have
23 to keep refilling the -- as we take gas -- as
24 we take propane out, we've got to refill it.

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 Q And I was noticing that the summer months the
2 purchases received, which I think you just
3 characterized as the refill, --

4 A (Gilbertson) Uh-huh.

5 Q -- were 55,000 therms in July and August and
6 September, but only 40,000 in June. Is that
7 right?

8 A (Gilbertson) Yes.

9 Q And could you explain why the June amount would
10 be lower than the other summer months?

11 A (Gilbertson) Well, this is a hypothetical
12 situation, where we assume a certain beginning
13 balance and we assume a certain price. And if
14 I was to refill, I would probably refill less
15 in June, when the prices appear to be a little
16 bit higher, and then more when the prices are
17 getting a little lower. It's a plan. It's --
18 given this set of circumstances. We're
19 starting with a certain amount, we're sending
20 out a certain amount, and then we're just
21 refilling.

22 It's not necessarily what's going to
23 happen, but it's an idea of what happens.

24 Q Now, unless I'm misreading this schedule, it

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 looks like the price of the purchases received
2 are actually higher in July and August and
3 September than June. And I say that looking at
4 Lines 15, Lines 21, and Line 27, as compared to
5 the June price, on Line 9, which seems to be
6 lower. Am I misunderstanding that?

7 A (Gilbertson) Okay. So, you're looking at the
8 June, Line 9, the \$1.25. And you're looking at
9 Line 27, 1.13. The reason for the increase in
10 the rate is because, for the first two months
11 of the summer, there's no CNG in there for
12 volumes, but there is a demand charge. And
13 that could be represented on Schedule K. We
14 start the CNG volumes in July.

15 Q Okay. I have some questions on CNG.

16 A (Gilbertson) Okay.

17 Q So, I'll save that for that.

18 A (Gilbertson) That's the reason.

19 Q Okay. Now, if we were to go to Page 26 --

20 CHAIRMAN HONIGBERG: Mr. Dexter, I'd
21 like you to return to your questions on this
22 topic.

23 MR. DEXTER: Sure.

24 CHAIRMAN HONIGBERG: Because the

[WITNESS PANEL: Gilbertson|McNamara]

1 fundamental premise you started with seems at
2 odds with what I'm looking at on the page. I
3 could be mistaken, but I think you said that
4 the prices later in the summer are higher than
5 the prices in June. And that's not correct.

6 MR. DEXTER: I think I agree with
7 you, Mr. Chairman. I believe, when I asked the
8 question, I was reading the "1.13" as "1.31".

9 CHAIRMAN HONIGBERG: Well, that would
10 explain it.

11 MR. DEXTER: And so, I think the
12 schedule actually is consistent with Ms.
13 Gilbertson's response that the June price was
14 lower, at 1.25. I had transposed the digit
15 there, it looks like.

16 CHAIRMAN HONIGBERG: All right.
17 Thank you.

18 MR. DEXTER: Sure.

19 BY MR. DEXTER:

20 Q So, Pages 26 and 27 of the filing deal with the
21 Stabilization Program, is that right?

22 A (Gilbertson) Yes.

23 Q And can you, and I know you've gone through
24 this in past cases, but could you explain in

[WITNESS PANEL: Gilbertson|McNamara]

1 general what the Propane Stabilization Purchase
2 Program is all about?

3 A (Gilbertson) We purchase gas in the summertime
4 for the winter, for the winter. And what the
5 intent is of the Stabilization Plan is to avoid
6 the spikes, to have a more stable price in the
7 wintertime, by pre-purchasing the commodity
8 through the summer, in different strips.

9 Q And if I look at Bates 026, which is Schedule
10 J-1, is this intended -- schedule intended to
11 show how the pre-purchased gallons compare to
12 what would have been purchased if the Company
13 hadn't done the pre-purchasing?

14 A (Gilbertson) Can you say that again?

15 Q Yes. That's a complicated question. So, I'm
16 on Page 26. And maybe you can tell he what
17 Page 26 is intended to show?

18 A (Gilbertson) So, what it's intended to show is
19 that, in April, we plan to buy 115,000 gallons,
20 and that's under the contract volumes, or we're
21 hedging 115,000 gallons. We've already sent
22 out a request for proposal. And what the
23 request for proposal is intended to do is to
24 fix the basis. So, it will take the Mont

[WITNESS PANEL: Gilbertson|McNamara]

1 Belvieu price on a particular day, and it will
2 apply a basis to it, as opposed to having all
3 the costs broken out.

4 And what this is intended to show is that,
5 when the 115,000 gallons were purchased, which
6 is a forward strip, a little bit in November, a
7 little bit in December, a little bit, on that
8 day, the Mont Belvieu price was 70 cents, and
9 all the components that make up the basis are
10 listed as well. So, the final price at Keene
11 would have been \$1.10, as -- let's see. And
12 the final costs would have been \$126,000,
13 "126,783".

14 Q And what you just described is all sort of the
15 left-hand side of the page, is that right?

16 A (Gilbertson) Yes. Yes.

17 Q So then, what's on the right-hand side of the
18 page?

19 A (Gilbertson) On the right-hand side is we're
20 valuing our fixed -- our RFP, basically. So,
21 our RFP, request for proposal, we said to
22 the -- we wanted them to buy certain amounts of
23 gas in the forward strip, and the basis would
24 have to be set at a certain price. And in the

[WITNESS PANEL: Gilbertson|McNamara]

1 case of the winning bidder, it was 31 and a
2 half cents.

3 So, if I took the Mont Belvieu price, plus
4 the 31 cents, it's going to show me that this
5 was a -- it was lower, the 31 cent basis is
6 lower than what we would have paid if we did
7 the same exact thing, by 8 cents.

8 I know that's not flowing too well. But
9 does that make sense?

10 Q Well, I'm with you up on the left-hand side of
11 the page, until we get to "Keene Division
12 Cost". And I think I've understood everything
13 that you've said up to that point. And I
14 understood the right-hand side of the page to
15 be a comparison to what might have happened had
16 you not pre-purchased the volumes as shown on
17 the left-hand side of the page?

18 A (Gilbertson) Right. So, what we'd be comparing
19 is the Keene Division costs versus the Plan
20 costs. So, that's where we know how we made
21 out with the hedge.

22 Q And so, where do the Plan costs come from?

23 A (Gilbertson) That would be the Mont Belvieu,
24 plus the 31 and a half cents, times the volume.

[WITNESS PANEL: Gilbertson|McNamara]

1 Q And again, we're talking about on this whole
2 schedule last year or last Summer 2017,
3 correct?

4 A (Gilbertson) Yes.

5 Q So, is the conclusion of this schedule -- what
6 is the conclusion of this schedule?

7 A (Gilbertson) The conclusion is that the 31 cent
8 basis price was a pretty good one. It was 8.74
9 cents less than the actual basis at that time.

10 Q Okay. So then, let's go to Schedule J-2, and
11 if you could go through a similar explanation
12 of what this schedule is intended to show
13 please.

14 A (Gilbertson) Okay. So, this is the actual
15 price that we paid for November, all those
16 purchases throughout the summer, to come up
17 with the full November volume. The volume was
18 75,346 that we pre-purchased, at the contract
19 price, which was \$1.0285 in November. And then
20 the actual spot price that we paid in November
21 for volumes that were not hedged, and this year
22 it was very expensive, it was \$1.3388.

23 So, in this case, those volumes -- for
24 those volumes, the spot prices, had we bought

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 them on the spot market, would have been
2 \$23,380 more.

3 Q And I'm curious about Column (4) and
4 Column (6). Column (4) is entitled "Average
5 Spot Price". Where does that number come from?

6 A (Gilbertson) That is what we actually paid.

7 Q And then --

8 A (Gilbertson) For other volumes. For other
9 volumes that were not part of the hedge
10 program.

11 Q Actual price paid for volumes that were not
12 hedged?

13 A (Gilbertson) Correct.

14 Q Okay. And so, Column (6) is entitled
15 "Hypothetical Spot Cost". And it just seems to
16 be the product of two actual numbers. And my
17 question is, why is it labeled "hypothetical"?

18 A (Gilbertson) Because, if we didn't hedge the
19 75,346 that we did hedge, we would have bought
20 it at the average spot price, which would have
21 been 100,873, as opposed to what we did pay,
22 which was the 77,493, because of this program.

23 Q And so, it's hypothetical in the sense that --

24 A (Gilbertson) We didn't do it.

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 Q -- you didn't do it, but it's actually based on
2 the actual --

3 A (Gilbertson) On true, yes. It's based on true
4 values.

5 Q Very good. And so then, the point of this
6 schedule is to indicate, and again, this is
7 dealing with last winter, --

8 A (Gilbertson) Correct.

9 Q -- that the hedging program reduced the cost of
10 propane by 26 percent, is that --

11 A (Gilbertson) It did this time.

12 Q -- a fair conclusion?

13 A (Gilbertson) Yes.

14 Q And none of the costs that we're talking about
15 on these two schedules are actually included in
16 the proposal before the Commission today, is
17 that right? These are winter costs?

18 A (Gilbertson) These are from prior winter, yes.

19 Q Right.

20 A (Gilbertson) Oh, and they're not in here,
21 correct, for the summer.

22 Q Okay. Just shown for illustration purposes?

23 A (Gilbertson) Yes.

24 Q Okay. So, before I get to questions on CNG, I

[WITNESS PANEL: Gilbertson|McNamara]

1 just had one more question on the propane
2 costs. And I'd like you to turn to Bates Page
3 31, which is Exhibit -- which is Appendix 2.
4 And my understanding was that this appendix was
5 submitted in support of the costs that we had
6 seen back on Schedule 3, which is Bates 018.
7 Am I right in that?

8 A (Gilbertson) I don't think so. No.

9 Q Okay.

10 A (Gilbertson) Because we don't use -- because
11 it's a bundled price on Schedule C, we don't
12 put -- maybe I should explain what this is
13 first?

14 Q Exhibit 2?

15 A (Gilbertson) Yes.

16 Q Appendix 2?

17 A (Gilbertson) Yes.

18 Q Yes. That would be helpful.

19 A (Gilbertson) Yes. Okay. So, what this is is
20 this determines how much it costs to pipe the
21 propane from Texas to New York. And it's a
22 calculation that uses cents per barrel to
23 determine per therm what it costs to move the
24 propane. And the calculation is 910.98, as it

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 shows here, divided by 42 barrels, equals 21.69
2 cents for transportation from Texas to New
3 York, and from there it's trucked to Keene.
4 But it's illustrated on the Schedule J-1, which
5 is Bates 026 that we just looked at. It's in
6 the "Pipeline Rate". That's where it comes
7 from.

8 Q And again, back on Schedule 3, which is Bates
9 Page 018, Column (3) has the pipeline rate as
10 "zero". So, could you explain that?

11 A (Gilbertson) Yes. Because it's a quoted price
12 and it's a bundled price, and we don't -- we
13 just typically don't put the rate in there in
14 the summer. Again, Column (8) is the price.

15 Q So, Appendix 2 wasn't intended to be a proxy
16 for the transportation costs in the summer,
17 it's --

18 A (Gilbertson) No. It's just to show, on
19 Schedule J-1, what the basis would be for the
20 winter.

21 Q Okay. All right. And then, on Schedule C, we
22 touched on this briefly earlier about the
23 broker fee, the footnote explaining the broker
24 fee says that it's "a generally accepted broker

[WITNESS PANEL: Gilbertson|McNamara]

1 fee". Do you see that?

2 A (Gilbertson) Yes.

3 Q But earlier, I think if I understood your
4 testimony, you said, at least in this schedule,
5 it sort of acted as a balancing column?

6 A (Gilbertson) Correct.

7 Q So, would you agree that, if it's used as a
8 balancing column, that it's really not a
9 generally accepted broker fee?

10 A (Gilbertson) I agree that that 11 cents isn't
11 yes. And I agree that probably should just say
12 "broker fee".

13 Q Okay. Now, Schedule -- I'm sorry, Bates Page
14 014, which is the derivation of the rate,
15 there's no line numbers, but the third line
16 down says the "Total Anticipated Cost of
17 Propane Sendout", \$415,000. Do you see that?

18 A (Gilbertson) Yes.

19 Q Does that include any CNG costs?

20 A (Gilbertson) Yes.

21 Q And could you explain where in the filing the
22 CNG costs are detailed?

23 A (Gilbertson) On Schedule K, on Bates 029.

24 Q And I note that there's some confidential

[WITNESS PANEL: Gilbertson|McNamara]

1 information on this, so I'll try to ask
2 questions that don't require you to reveal it.
3 But where in this schedule does the CNG
4 information show up?

5 A (Gilbertson) It shows up from Line 21 through
6 Line 29 is the CNG information.

7 Q And then, on the lines below that, Lines 30
8 through 40, does that have to do with propane?

9 A (Gilbertson) Yes.

10 Q Could you tell me roughly what percentage of
11 the projected costs back on Page 14, which are
12 actually labeled all propane, but apparently a
13 certain percentage of those are propane and a
14 certain percentage are CNG, if I understood
15 what you said. Do you have a rough idea as to
16 what percentage are propane and what percentage
17 are CNG?

18 A (Gilbertson) CNG is about 21 percent.

19 Q Now, on the propane section, Line 32 has a
20 bunch of rates that are redacted. And there's
21 a reference to "Schedule E". Do you see that?

22 A (Gilbertson) Yes.

23 Q And I couldn't find those rates on Schedule E,
24 but I did find them on Schedule C. Was that

[WITNESS PANEL: Gilbertson|McNamara]

1 reference supposed to be to "Schedule C"? And
2 I find them on Schedule C, in Column (8).

3 A (Gilbertson) Yes. But I'm trying to see if
4 they're on Schedule E as well. And they're
5 not. So, yes. It should be "C". I'm sorry.

6 Q And on Schedule C, those figures are not
7 redacted. And I don't think they have been in
8 past cases. Is that true?

9 A (Gilbertson) They are not redacted in Schedule
10 C, that's correct. That's the quoted price.

11 Q So, that doesn't need to be kept confidential
12 on Bates 029, is that correct?

13 A (Gilbertson) Probably true, yes.

14 Q So then, moving up to the CNG section, all
15 those figures are redacted. Could you explain
16 why propane prices don't need to be redacted
17 and kept confidential, but CNG prices do?

18 A (Gilbertson) Well, I know the CNG prices have
19 to be kept confidential, because they are a
20 contracted rate. And it's possible, and I'm
21 not even 100 percent sure that propane prices
22 should not be kept confidential, because it's a
23 quoted rate and not a price from -- that we
24 built from the index. So, I'm not sure. I'm

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 thinking maybe it's proper to have them
2 confidential for the -- for the propane price.

3 CHAIRMAN HONIGBERG: Mr. Sheehan, do
4 you want to step in here?

5 MR. SHEEHAN: Yes. We're thinking
6 through. The reason we redacted what's on
7 Schedule K was to prevent the backing into what
8 is a contracted price with a particular
9 provider.

10 And as always, we get to these
11 hearings, we sometimes start rethinking "is
12 that necessary?" We're happy to do that here
13 as. There's no prohibition speaking the
14 numbers on the record today. We would just
15 have Mr. Patnaude redact as necessary.

16 But we can certainly refile these
17 with less redactions again, if that's the
18 appropriate way to go.

19 CHAIRMAN HONIGBERG: I mean, it does
20 seem that those same numbers weren't redacted
21 on Schedule C. So, --

22 MR. SHEEHAN: The starting point is,
23 frankly, the contract with the provider has
24 that provider's specific mark-up for the CNG,

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 and that's really what is commercially
2 sensitive. The final price may be less so.
3 And again, the risk is, from that provider's
4 point of view, if we know what the market
5 price, if you will, is, and you know what the
6 price being charged here is, you can back into
7 his particular fee.

8 CHAIRMAN HONIGBERG: All right.

9 MR. SHEEHAN: And that was the
10 motivation for the redactions.

11 CHAIRMAN HONIGBERG: And that deals
12 with Lines 21 through 29. I don't think it
13 deals with the spot purchases of propane, which
14 are redacted on K, but not on C. So, --

15 MR. SHEEHAN: Agreed. Agreed.

16 CHAIRMAN HONIGBERG: So, I think
17 we're going to need a new K to fix whatever
18 doesn't need to be redacted, and obviously also
19 to fix the cross reference to the correct
20 schedule on Line 32.

21 MR. SHEEHAN: We will do that. Thank
22 you.

23 CHAIRMAN HONIGBERG: And Mr. Dexter
24 was asking your witness a number of questions

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 about why things are confidential. Those are
2 things that it may be as appropriate for you to
3 respond as it may be for your witness. To the
4 extent that she knows, that's great. But, in
5 some cases, you've got to make legal arguments.

6 MR. SHEEHAN: Correct.

7 CHAIRMAN HONIGBERG: Mr. Dexter, I'm
8 sorry for breaking the flow.

9 MR. DEXTER: No. I don't have any
10 more questions on confidentiality. I would
11 just ask the witness to -- excuse me just a
12 moment while I reference the testimony.

13 CHAIRMAN HONIGBERG: Mr. Sheehan,
14 while Mr. Dexter is doing that, just to be
15 clear, you're also going to go back and see
16 what, if anything else on that schedule we were
17 just looking at, Page 29, might not be
18 confidential. You speculated about the CNG
19 information.

20 MR. SHEEHAN: Yes. And again, the
21 concern of the number on Line 40 is we're
22 always thinking is "can someone back into the
23 confidential information?" And sometimes we'd
24 be redacting stuff that may not otherwise be

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 confidential, because it's added to a
2 confidential number, it would be simple to
3 determine.

4 So, to the extent it sometimes looks
5 like there's over redaction, that is the
6 thinking behind it. But, yes, we will
7 reevaluate the whole document.

8 CHAIRMAN HONIGBERG: I mean, I can
9 envision 39 and 40 both being confidential,
10 while 33 is not, for the reason you just
11 stated. But, again, you're also going to be
12 taking a look at the information in the section
13 just above that, on "CNG Deliveries"? I mean,
14 you speculated about that, but I don't think we
15 closed the loop on that.

16 MR. SHEEHAN: Yes.

17 CHAIRMAN HONIGBERG: Okay.

18 MR. DEXTER: And on the topic of
19 Schedule K, in a data request Staff had asked
20 the Company to provide an updated city gate
21 price for CNG, which they did. And I'm going
22 to hand that out as an exhibit now. But it
23 does have confidential information in it. So,
24 we'll just -- I haven't marked it as such, but

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 maybe the Clerk could help me out with that.

2 MS. DENO: I will.

3 MR. SHEEHAN: And the assertion of
4 confidentiality is the same as I made at the
5 outset of today's hearing.

6 CHAIRMAN HONIGBERG: Okay. This
7 going to be "Exhibit 4", Mr. Dexter?

8 MR. DEXTER: Yes.

9 *[Atty. Dexter distributing*
10 *documents.]*

11 (The document, as described, was
12 herewith marked as **Exhibit 4** for
13 identification.)

14 BY MR. DEXTER:

15 Q Now, Ms. Gilbertson, would you agree that
16 Page 2 of Exhibit -- Page 3 of Exhibit 4 is an
17 updated Schedule K?

18 A (Gilbertson) Yes.

19 Q Could you explain the nature of the update?

20 A (Gilbertson) The update was to update the
21 Algonquin Citygate index price.

22 Q And where does that appear on this schedule?

23 A (Gilbertson) It's at the bottom of the page, to
24 the left, under "Algonquin Citygate Index",

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 starts in July, "\$2.57".

2 Q Is there a line number that you could point me
3 to?

4 A (Gilbertson) On the data request? There is
5 no --

6 Q I was looking at the confidential Schedule K.

7 A (Gilbertson) Oh. Sorry. Okay. There isn't,
8 because it's pulling from a cell that isn't
9 represented on the schedule.

10 Q Could you indicate --

11 A (Gilbertson) So that would be the price -- the
12 price would be on Line 24, but that also
13 includes an adder.

14 Q Sure. So, if I understand what you're saying,
15 Line 24, on the updated Schedule K, is the --
16 would reflect the updated price?

17 A (Gilbertson) It would, yes.

18 Q Okay. Now, as a result of the updated price,
19 did you recommend that the proposed rate back
20 on Page 14 be updated for this change?

21 A (Gilbertson) No, because it was really small.
22 It's a very, very small change from the city
23 gate price this March.

24 Q In the course of revising the Schedule K for

[WITNESS PANEL: Gilbertson|McNamara]

1 the reasons that Attorney Sheehan and the
2 Chairman were talking about, would you
3 recommend that this updated Schedule K be
4 substituted as well?

5 MR. SHEEHAN: We would agree to do
6 that.

7 BY MR. DEXTER:

8 Q And finally -- well, I should never say
9 "finally". Additionally, in your testimony on
10 Page 9 -- I'm sorry, Bates Page 010, you
11 indicate that the CNG projected price -- sorry,
12 that the CNG price is projected to be lower
13 than the projected cost of spot propane. Is
14 that right?

15 A (Gilbertson) Yes.

16 Q And the reflection of CNG in this proposal is
17 as of July 1st, is that right?

18 A (Gilbertson) Yes. But the demand charges are
19 as of May.

20 Q As of May.

21 A (Gilbertson) Uh-huh.

22 Q And if service -- if CNG service were not
23 introduced in this period, how would you
24 recommend that that be handled?

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 A (Gilbertson) We would just use propane. It
2 would be spot propane.

3 Q And to the extent the propane was more
4 expensive, because you projected that the CNG
5 was going to be less expensive, --

6 A (Gilbertson) Yes.

7 Q -- how would that be handled? How would those
8 costs be recovered?

9 A (Gilbertson) I would assume through the
10 true-up. The customers would only pay for what
11 we use. They wouldn't pay for the CNG, if we
12 weren't using it. And they wouldn't benefit
13 from that reduced price.

14 MR. DEXTER: Okay. So, that's all
15 the questions Staff has. Thank you.

16 CHAIRMAN HONIGBERG: Commissioner
17 Bailey.

18 CMSR. BAILEY: Good morning. I think
19 most of my questions have been asked.

20 BY CMSR. BAILEY:

21 Q But just a clarifying question, on Bates Page
22 018, about the broker fee that, in this
23 schedule, is a reconciling number.

24 A (Gilbertson) Yes.

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 Q You said -- I thought you said that, in the
2 winter, that rate or that component is known.
3 Did I hear you right?

4 A (Gilbertson) It's not known, but I guess we
5 always put in like a penny. In the wintertime,
6 we use all of these columns, including the
7 pipeline rate, and we try to build a price that
8 we feel will reflect what the cost is going to
9 be.

10 In the summertime, we don't do that. So,
11 I'm just trying to back into everything, and it
12 probably doesn't look right.

13 And I would say, in the wintertime, we
14 stick to a penny for the broker fee, and that
15 really is a generally accepted broker fee.

16 Does that make sense?

17 BY CHAIRMAN HONIGBERG:

18 Q It's still your educated guess as to what you
19 think the broker fee is, isn't that right?

20 A (Gilbertson) I think that the problem -- the
21 trouble here is that it doesn't really -- it's
22 not even relevant. This whole schedule isn't.
23 The quote is a bundled price that they're going
24 to give us.

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 Q Is it a bundled --

2 A (Gilbertson) And I'm trying to just use this
3 schedule because it's always been used.

4 Q Is it a bundled price in the winter?

5 A (Gilbertson) No. It's not.

6 Q But what you just said is that you just put in
7 a penny, because that's an accepted number.
8 So, I'm uncertain as to whether that's a --
9 whether you actually know that?

10 A (Gilbertson) I don't know. I don't know
11 exactly what the broker -- what their piece is,
12 and I don't know what the supplier charge is
13 either. Those are the two that are pretty much
14 unknown.

15 BY CMSR. BAILEY:

16 Q In the winter, when you have this schedule, do
17 you know the Mont Belvieu price?

18 A (Gilbertson) Yes. And I know it now, too.

19 Q So, those numbers are known.

20 A (Gilbertson) We do know those numbers.

21 Q And then the pipeline rate in the winter, do
22 you know that?

23 A (Gilbertson) Yes. Yup.

24 Q And do you know the --

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 A (Gilbertson) I know the PERC fee, and I know
2 the trucking fee. The only two that I really
3 don't know is the broker fee and the supplier
4 charge, don't know those.

5 Q And you don't know those in the winter either?

6 A (Gilbertson) No. I don't know what they're
7 building into it.

8 Q But you do know what the price per gallon that
9 they're going to sell it to you at is?

10 A (Gilbertson) We ask them ahead of time, before
11 they deliver, "what are you going to charge?"

12 Q But not when you file this schedule?

13 A (Gilbertson) Well, we don't know the day of.
14 These are -- it changes every single day. So,
15 we really don't know what the price is when we
16 buy spot, when we're buying on the spot market.

17 CMSR. BAILEY: Okay. Thank you.

18 CHAIRMAN HONIGBERG: Commissioner
19 Giaimo.

20 CMSR. GIAIMO: Good morning.

21 BY CMSR. GIAIMO:

22 Q So, on Bates 018, what I thought I heard you
23 just say was that Line 3, the pipeline rate,
24 would be known in the winter?

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 A (Gilbertson) Yes.

2 Q But right now it's not known?

3 A (Gilbertson) Well, because it's a bundled
4 price, in the summertime, we don't include it.

5 Q Is the zero number a function of a
6 non-constrained pipeline as well, and the very
7 minimal pipeline costs in the summer?

8 A (Gilbertson) Well, in the summertime, we call
9 the suppliers and we ask them "what's it going
10 to" -- "what are you going to charge to deliver
11 it to Keene? What is the cost?" So, whereas
12 it's just a delivered price. There is no pipe.

13 Q I understand that. I was just --

14 A (Gilbertson) It's whatever is in their
15 inventory, I guess.

16 Q Okay. What I thought I heard you say was that
17 the high cost of propane is the key and
18 basically only major factor that explains the
19 50 percent increase in the cost of gas per
20 therm over last summer, is that right?

21 A (Gilbertson) That's correct.

22 Q I just wanted to hear you -- make sure I heard
23 that properly. Sorry.

24 On Bates 027, the bottom right corner says

{DG 18-052} {04-25-18}

[WITNESS PANEL: Gilbertson|McNamara]

1 "\$162,454". That's the amount that was saved
2 as a result of the volumes that were hedged
3 last year?

4 A (Gilbertson) That's the price differential,
5 yes. That it was less than, yes.

6 Q And what I think your testimony said was that
7 last year you used -- that approximately
8 63 percent of your sales were hedged?

9 A (Gilbertson) Correct.

10 Q Where is that 63 percent from then?

11 A (Gilbertson) That's from this Stabilization
12 Program, as well as the Amherst storage.
13 That's on-site storage that we refill in the
14 summertime.

15 Q Okay. I guess my question was, how do you
16 determine what the proper number should be?
17 Why was that 63 percent?

18 A (Gilbertson) Sixty-three (63) percent is
19 generally a good range to be in, because you
20 don't want to over hedge. If you -- there's no
21 guarantees that the hedged volumes are going to
22 be lower price. We're just trying to stabilize
23 the price.

24 Q So, you stabilize the price by purchasing

[WITNESS PANEL: Gilbertson|McNamara]

1 approximately 60 percent, or two-thirds,
2 anywhere between --

3 A (Gilbertson) In the summertime, and then the
4 rest we do on the spot market.

5 Q Okay. Just as a point of clarification, I
6 thought I heard you earlier say the spot price
7 doesn't change, but what you were referring to
8 there was the quote that you got has not --
9 spot price has not changed significantly, based
10 on the quote you received?

11 A (Gilbertson) The quote -- yes. The quote
12 hasn't changed. Now, when the time comes, it
13 may go lower or it may go higher, but at this
14 time this is what they believe is going to be
15 the price.

16 CMSR. GIAIMO: Okay. Those are all
17 the questions I got. Thank you.

18 CHAIRMAN HONIGBERG: All the
19 substantive questions I might have asked have
20 been asked and answered.

21 I guess my comment for the Company
22 generally, on Schedule C, is that it seems to
23 call out either for a revamping for the summer
24 months or at least relabeling, so it's apparent

{DG 18-052} {04-25-18}

1 what is a known quantity and what's a derived
2 or estimated quantity based on experience.
3 Because I'm not sure why this hasn't been an
4 issue in the past, but it certainly added many,
5 many minutes to this hearing, because, although
6 it doesn't seem to be used or significant, it
7 raised questions.

8 Mr. Sheehan, do you have any
9 follow-up for the witnesses?

10 MR. SHEEHAN: I do not. Thank you.

11 CHAIRMAN HONIGBERG: All right.
12 Thank you, ladies. I think you can probably
13 stay where you are.

14 If there's nothing else, without
15 objection, we'll strike ID on Exhibits 1, 2, 3,
16 and four.

17 And I'll ask the parties to sum up.
18 Mr. Dexter.

19 MR. DEXTER: Thank you. I'm sorry.
20 Thank you, Mr. Chairman.

21 With the -- Staff supports the filing
22 of the updated Schedule K, because we think it
23 will improve the presentation.

24 With respect to Page 14, again,

1 there's no line numbers, but the total
2 anticipated cost of propane sendout is listed
3 as \$415,000. And we've learned at the hearing
4 that that actually is made up of over 20
5 percent CNG. So, we would recommend that, in
6 future filings, if there is CNG in there, that
7 it not be labeled "propane", because that -- we
8 found that to be a bit confusing.

9 With those two items noted, and we
10 also agree with the Chairman about the possible
11 reworking of Schedule C, we think that would
12 improve the filing.

13 But, in terms of the rate proposed,
14 Staff supports the rate in its filing.

15 CHAIRMAN HONIGBERG: Thank you, Mr.
16 Dexter. Mr. Sheehan.

17 MR. SHEEHAN: Thank you. On the
18 schedules, we will certainly revisit Schedule
19 C. I can tell you that over the years we often
20 have conversations about how to either
21 eliminate or rework schedules, and sometimes
22 it's more difficult than it may seem to
23 eliminate or change them. But, given this
24 hearing, I think we'll have some good impetus

1 as to Schedule C.

2 As to the confidentiality, just to
3 illustrate the conundrum sometimes faced, the
4 first page of Exhibit 4, if you look at the
5 shaded piece, under the column "Adder", that is
6 the confidential element here. That is the
7 supplier's magic number. And you can see how
8 every number after that we had to redact,
9 because otherwise you could back into the
10 confidential adder.

11 Now, we may have overdone that on the
12 other documents you looked at. But that's the
13 thinking that we have, and that's why these are
14 more complicated than it may sometimes appear.

15 On the substance, the only thing I
16 wanted to address, and Ms. Gilbertson did say
17 it, is we understand that we do not have the
18 Commission authority yet to provide CNG. We
19 have planned as of July 1 in this filing, and
20 that's the numbers that are in front of you.

21 If we don't get that approval, as Ms.
22 Gilbertson said, we will not serve CNG. We
23 will replace it with propane at a slightly
24 higher price, and there will be the usual

1 monthly reconciliations to cover those costs as
2 they occur.

3 Otherwise, we ask the Commission to
4 approve the rates as filed.

5 CHAIRMAN HONIGBERG: Mr. Sheehan,
6 what is the status of the discussions with, I
7 assume it's with the Safety Division, on CNG?

8 MR. SHEEHAN: As you'll recall, the
9 Commission's order from October, in 17-068,
10 directed us not to serve CNG until the Safety
11 Division files a report saying X, Y, and Z. We
12 went back and forth with the Safety Division
13 through the end of the year, but we are now
14 waiting for the report.

15 We have heard informally that it is
16 imminent, but we have no more concrete
17 information as to that. When it's filed, if it
18 says we're good to go, great. We would expect
19 the Commission to approve that. If there are
20 things we need to correct, and I suspect they
21 would be in the nature of minor modifications
22 to whatever manuals or procedures we have, we
23 will make those promptly, and again, hopefully
24 get to being able to use the CNG.

1 The other issue out there is the
2 modest tariff charge in the related docket that
3 would allow the Keene tariff to include CNG
4 measurement. So, that's sort of the companion
5 that is still out there as well.

6 So, our hope is, frankly, that the
7 Safety Division files its report, we can
8 respond quickly, and Staff can make a
9 recommendation as to the tariff.

10 The concern we have primarily is,
11 assuming this is going to happen, it is the
12 Monadnock Marketplace customers that need to be
13 converted to allow the shutdown of the blower
14 system. And if this stretches too long, we
15 will run into the trouble of it getting cold,
16 and it's difficult to convert the Monadnock
17 Marketplace when it's cold, because these are
18 restaurants and commercial buildings.

19 So, ideally, we have the okay this
20 summer, we can get the conversions done in good
21 weather, and we'll be good to go for this
22 winter. And then the long-term plan is to
23 address the permanent facility we're planning
24 now, that would be for '19.

1 CHAIRMAN HONIGBERG: Okay. Thank
2 you.

3 If there's nothing else, then we will
4 adjourn the hearing, take the matter under
5 advisement, and issue an order as quickly as we
6 can.

7 ***(Whereupon the hearing was***
8 ***adjourned at 11:04 a.m.)***

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