

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 23-027

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

Petition to Modify Cost of Gas Procedures

Order on Cost of Gas and Local Distribution Adjustment Charge Procedures

ORDER NO. 26,872

August 14, 2023

In this order, the Commission approves a framework that changes the effective date of adjustments to most components of the Local Distribution Adjustment Charge from November 1 to February 1 of each calendar year.

I. BACKGROUND

On March 10, 2023, Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty (Liberty) filed a petition requesting that the Commission approve changes to the procedures for its annual cost of gas (COG) and Local Distribution Adjustment Charge (LDAC) rate adjustments. The New Hampshire Department of Energy (DOE) and the Office of the Consumer Advocate (OCA) filed appearances.

A prehearing conference was held on May 18, 2023, and a procedural schedule was established on June 8, 2023. Pursuant to that procedural schedule, the DOE filed two status reports July 14, 2023. The first status report (Report 1) addressed proposed default schedules and guidelines for COG and LDAC rate adjustments. The second status report (Report 2) addressed tariff changes that would be required if the effective date of LDAC annual rate changes were to be modified.

The petition, reports, and other docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted to the

Commission's website at: <https://www.puc.nh.gov/Regulatory/Docketbk/2023/23-027.html>.

II. SUMMARY OF REPORTS

Under current practices, annual adjustments to the COG and LDAC rate elements are reviewed in proceedings commencing in August, for rates effective November 1 of each year. The instant docket was commenced to consider an alternative framework that would allow additional time to review LDAC rate changes while maintaining an abbreviated review period for COG rate adjustments.

Report 1 provides a default schedules and guidelines for two different procedural frameworks. According to the DOE, Report 1 is supported by Liberty and the DOE, with a recommendation to adopt the first framework. The OCA did not take a position. Report 2 relates to tariff changes necessary to implement the first framework. According to the DOE, the parties have not reached agreement on such tariff changes and no proposed tariff changes were filed.

The first framework consists of a default schedule and guidelines where LDAC adjustments are initiated on or about August 20 each year and COG adjustments are initiated on or about September 1 each year. Adjusted COG rates would be effective November 1 of the same year, while adjusted LDAC rates would be effective February 1 of the following year. The first framework would require changes to Liberty's existing tariff language; according to Report 2 the parties have not agreed on tariff language changes.

The second framework consists of schedule and guidelines where LDAC adjustments are initiated on or about August 20 each year and COG adjustments are initiated on or about September 1 each year. Adjusted COG and adjusted LDAC rates would both be effective November 1 of the same year. The second framework does not require changes to existing tariff language.

III. COMMISSION ANALYSIS

The Commission approves the guidelines and first framework appended to Report 1. The DOE and Liberty recommend transitioning to the first framework, but have not reached agreement on or proposed changes to tariff language to effectuate that change as of the issuance of the instant order. We agree that the transition to the first framework will result in administrative efficiencies. We therefore adopt the first framework for Liberty's 2023 filings and filings going forward.

Liberty should file proposed LDAC adjustments on or about August 21, 2023¹ and COG adjustments on or about September 1, 2023, with COG adjustments having an effective date of November 1, 2023 and LDAC having an effective date of February 1, 2024. In addition, Liberty is directed to file proposed modifications to tariff language necessary to implement the new LDAC rate year running from February 1 through January 31 in the COG and LDAC proceeding, so that the new language may be adjudicated in the course of that proceeding. In conjunction with this order, the Commission issues Order No. 26,873 in Docket No DG 22-045, extending currently effective LDAC rates through January 31, 2024.

To facilitate the 2023 COG proceedings, the Commission reserves October 19, 2023 on the Commission calendar for Liberty's general and Keene-division COG proceedings.

Based upon the foregoing, it is hereby


ORDERED, that the default schedules and guidelines appended to Report 1 and the first framework, filed by the Department of Energy on July 14, 2023, are adopted as discussed herein above; and it is

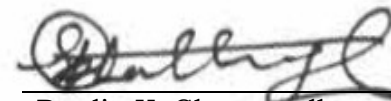
¹ August 20, 2023 falls on a Sunday

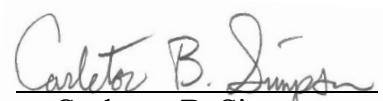
FURTHER ORDERED, that Liberty shall file its COG and LDAC adjustments in 2023, along with necessary tariff amendments, for consideration by the Commission and parties in the 2023 COG/LDAC docket as discussed herein above; and it is

FURTHER ORDERED, that October 19, 2023 be reserved on the Commission calendar for Liberty and Liberty Keene COG hearing sessions on as discussed herein above.

By order of the Public Utilities Commission of New Hampshire this fourteenth day of August, 2023.


Daniel C. Goldner
Chairman


Pradip K. Chattopadhyay
Commissioner


Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket#: 23-027

Printed: 8/14/2023

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