

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 20-105

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

Request for Change in Rates

**Order Approving Uncontested Rate Case Expenses and Scheduling Hearing on
Unaudited or Contested Rate Case Expenses**

ORDER NO. 26,691

September 29, 2022

On August 30, 2021, Liberty Utilities (EnergyNorth Natural Gas) Corp., d/b/a Liberty (Liberty) filed a Motion for Recovery of Rate Case Expenses, seeking authority to collect \$856,865 of actual and estimated rate case expenses through its Local Distribution Adjustment Charge (LDAC) beginning November 1, 2021. This amount had been agreed to in a settlement agreement approved in part by Order No. 26,505 (July 30, 2021), subject to audit and update for actual invoices.

On September 1, 2021, Liberty made its LDAC filing in Docket No. DG 21-130, seeking to recover \$785,177 in rate case expenses between November 1, 2021 and October 31, 2022. DG 21-130, Exhibit 2 at Bates 126, Line 3.

In Order No. 26,541 at 8-9 (October 29, 2021), the Commission did not approve recovery of these rate case expenses, noting that the Department of Energy (DOE) had not yet submitted a recommendation concerning rate case expense recovery and the expenses had not yet been determined to be just and reasonable, and in the public interest, and otherwise conforming to the requirements of Chapter Puc 1900.

On August 3, 2022, Liberty filed its 2022 LDAC rate adjustment proposal in Docket No. DG 22-045. Among other things, Liberty seeks to collect \$879,555 in rate

case expenses from Docket No. DG 20-105 through its LDAC charge between November 1, 2022 and October 31, 2023.

On August 12, 2022, the DOE filed its recommendation and audit report concerning the Company's recovery of \$785,177 in rate case expenses as initially sought in Docket No. DG 21-130. The DOE recommended that the Commission disallow recovery of a total of \$95,490 in expenses, consisting of: \$12,893 in legal expenses from the Keegan Werlin law firm; \$34,215 in consulting expenses from ScottMadden; and \$48,382 in costs incurred to analyze the Company's decoupling mechanism by Concentric Energy Advisors, Inc.

On September 8, 2022, Liberty filed a response to the DOE recommendation. Liberty disputed the DOE's recommended disallowances, and identified additional rate case expenses that have not been audited by the DOE. Liberty recommended approval of \$848,198 in rate case expenses, including the amounts recommended for disallowance by the DOE and new expenses, through the LDAC in Docket No. DG 22-045.

The Commission has reviewed these filings and requests and we find it appropriate to approve the recovery of \$680,770 in rate case expenses through the LDAC between November 1, 2022 and October 31, 2022. This figure is derived by starting with the \$741,520¹ in audited rate case expenses, removing the sum of the contested rate case expenses (\$95,490), adding the new DOE consultant expense of \$2,250, adding new the Office of the Consumer Advocate's consultant expense of \$33,800, and removing the new reduction in court reporter costs of (\$1,310) as identified by Liberty in its September 8, 2022 Response to the DOE's

¹ See DOE Audit Report Dated October 11, 2021 (filed August 12, 2022) at pages 2 and 14. See also Liberty Response to DOE Recommendation (September 8, 2022) at pages 5-6.

Recommendation. Pursuant to Puc 1907.01(f), interest charges may not be applied to rate case expenses. This allows Liberty to collect the majority of its rate case expenses, excluding unaudited and contested amounts, over one year. No final determination on the unaudited and contested amounts is made at this time.

The remainder of any presently unaudited expenses identified by Liberty shall be audited and reported on by the DOE no later than December 30, 2022. A hearing to resolve the remaining expenses, including consideration of the DOE's recommended disallowances, is hereby scheduled to occur on January 17, 2023 at 9:00 a.m. Three hours are allotted to this hearing.

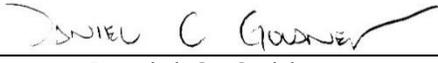
Based upon the foregoing, it is hereby

ORDERED, that Liberty is authorized to recover \$680,770 in approved rate case expenses through the LDAC mechanism, without interest, between November 1, 2022 and October 31, 2023; and it is

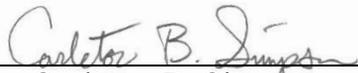
FURTHER ORDERED, that the Department of Energy shall audit the remaining unaudited expenses and file a report on the audit by December 30, 2022; and it is

FURTHER ORDERED, that a hearing is scheduled on January 17, 2023, at 9:00 a.m. to consider Liberty's request for any remaining rate case expenses, including any portions thereof the DOE recommends disallowance of.

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of September, 2022.



Daniel C. Goldner
Chairman



Carleton B. Simpson
Commissioner

Service List - Docket Related

Docket# : 20-105

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