

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DG 23-084

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

2023-2024 Winter Cost of Gas

COMMENCEMENT OF ADJUDICATIVE PROCEEDING AND NOTICE OF HEARING

On September 15, 2023, Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty-Keene Division (Liberty-Keene or the Company) submitted a winter 2023-2024 cost of gas (COG) filing outlining its proposed COG and non-fixed price option (FPO) and FPO rates for the winter period (November 1, 2023 through April 30, 2024). Liberty-Keene's September 15 filing included proposed tariff pages, schedules, and the pre-filed direct combined testimony of the following Liberty Utilities Service Corp. employees: Deborah M. Gilbertson, Senior Manager of Energy Procurement; Robert Garcia, Manager of Rates and Regulatory Affairs; and James M. King, a Rates and Regulatory Affairs analyst (Joint Testimony). All docket filings, other than any information subject to confidential treatment, are available on the Commission's website at www.puc.nh.gov/Regulatory/Docketbk/2023/23-084.html.

I. BACKGROUND AND PROCEDURAL HISTORY

In its filing, the Company has proposed a winter 2023-2024 non-FPO COG rate of \$1.4007 per therm for residential customers, Joint Testimony at Bates pages 7-8; Proposed Tariff at Bates pages 18-19, a \$0.7209 per therm, or an approximately 34 percent decrease compared to the winter 2022-2023 non-FPO COG rate of \$2.1216 per therm that the Commission approved in No. 26,716 (October 31, 2022), issued in Docket No. DG 22-057, Joint Testimony at Bates page 13. Liberty-Keene determined the non-FPO COG rate by dividing the Total Anticipated Cost of Gas for the 2023-2024

winter period by the projected propane and compressed natural gas (CNG) sales. Joint Testimony at Bates pages 7-8. According to the Joint Testimony, a typical non-FPO residential heat and hot water customer is expected to see a decrease of \$289.86, or approximately 31.6 percent, in the gas component of their bill compared to the prior winter period. *Id.* at Bates page 14.

The Company stated that it will be offering an FPO program for the 2023-2024 winter period, which will allow customers to lock in their COG rate. *Id.* at Bates page 12. The proposed FPO rate, which is calculated by adding a \$0.02 per therm premium to the non-FPO rate, is \$1.4207 per therm. *Id.* at Bates pages 8, 13. The proposed FPO rate is a \$0.7209 per therm, or approximately 34 percent, decrease compared to the winter 2022-2023 COG rate of \$2.1416 per therm that the Commission approved in Order No. 26,716. *See* Joint Testimony at Bates page 13. According to the Joint Testimony, a typical FPO residential heat and hot water customer is expected to see a decrease of \$322.23, or approximately 33.7 percent, in the gas component of their bill compared to the prior winter period. *Id.* at Bates page 14. Liberty-Keene stated that the main reasons for the projected decreases in its winter 2023-2024 COG rates are an over-collection balance and a decrease in supply costs based on decreasing market futures. *Id.* at Bates page 13.

II. ISSUES PRESENTED

The filing presents, *inter alia*, the following issues related to RSA 374:2 and RSA chapter 378, including: the justness and reasonableness of rates, fares, and charges; the forecasting of sales, supplier prices, and transportation prices; weather normalization; operational issues; the retroactive adjustment of certain reconciling rates; the calculation of indirect gas costs; purchasing decisions related to current and past supplies; capacity and revenue projections related to transportation service and

released capacity; the reconciliation of prior period costs and revenue; the prudence and recovery of environmental remediation; and the calculation of the COG and FPO rates, including CNG demand and supply costs. Accordingly, an adjudicative proceeding will be convened to address these issues.

The Commission will be conducting any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should file a written request with the Commission's Clerk's Office no later than fifteen (15) days prior to the hearing date. If the Commission determines that one or more individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that an adjudicative proceeding be commenced for the purpose of reviewing and resolving the foregoing issues pursuant to RSA chapter 541-A, RSA 374:2, RSA chapter 378, and the Commission's procedural rules; and it is

FURTHER ORDERED, that the Commission will hold a hearing in this matter at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on October 19, 2023, at 11:00 a.m. Two hours shall be allotted for this hearing; and it is

FURTHER ORDERED, that the New Hampshire Department of Energy shall file its position regarding Liberty-Keene's petition, including the reasons for this position, on or before October 12, 2023; and it is

FURTHER ORDERED, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is

FURTHER ORDERED, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to Liberty-Keene and any other parties on the service list, on or before October 6, 2023. The petition shall state the facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before October 16, 2023; and it is

FURTHER ORDERED, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the Commission. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, all Commission rules requiring the filing of paper copies are suspended until further notice. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or ClerksOffice@puc.nh.gov. All requests to the Commission should be made in a written

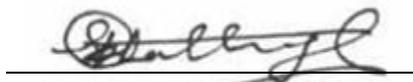
pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

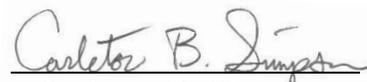
FURTHER ORDERED, that pursuant to N.H. Admin. R., Puc 203.12, Liberty-Keene shall notify all entities and individuals desiring to be heard at this hearing by publishing a copy of this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before October 6, 2023. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

FURTHER ORDERED, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

So ordered, this twenty-seventh day of September, 2023.


Daniel C. Goldner
Chairman


Pradip K. Chattopadhyay
Commissioner


Carleton B. Simpson
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the 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 - Docket Related

Docket# : 23-084

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