

Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities

DG 15-104
Cast Iron/Bare Steel Step Adjustment

OCA Data Requests - Set 1

ORIGINAL	
N.H.P.U.C. Case No.	DG 15-104
Exhibit No.	# 5
Witness	Panel # 1
DO NOT REMOVE FROM FILE	

Date Request Received: 5/19/15
Request No. OCA 1-2

Date of Response: 5/28/15
Respondent: Ian Crabtree

REQUEST:

Please state whether Liberty believes that there are any benefits that accrue from bacterial analysis activities.

RESPONSE:

As it relates to the CIBS program, the Company is collecting samples at locations where the bare steel mains and services are being replaced with new plastic. Thus, the sampling does not provide any beneficial data for future bare steel replacement projects, other than perhaps a section that happened to be immediately adjacent to the sample. Bacterial analysis may be beneficial at other locations where bare steel piping remains active, however, as more bare steel pipe is removed from service the value of the analysis diminishes.

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Date Request Received: 5/19/15
Request No. OCA 1-1

Date of Response: 5/28/15
Respondent: Ian Crabtree

REQUEST:

Please state whether the Company's analysis of bacterial conditions in soil surrounding mains continues to play any role in the selection of mains to be replaced.

RESPONSE:

The bacterial conditions in the soil surrounding bare steel mains do not play a role in the selection of mains to be replaced. Testing and measuring for Acid Producing Bacteria (APB) and Sulfate Reducing Bacteria (SRB) of a soil sample can help gauge a corrosive environment. However, the locations where soil samples are collected through the CIBS program are at bare steel mains that are being replaced with new plastic main. Collecting and maintaining bacterial test results provides minimal, if any, value when selecting future bare steel projects for replacement.

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Date Request Received: 5/19/15
Request No. OCA 1-3

Date of Response: 5/28/15
Respondent: Ian Crabtree

REQUEST:

Please approximate the annual cost of bacterial analysis of soil.

RESPONSE:

The Company estimates the total loaded cost to collect one sample is approximately \$4,072. Based on the number of samples collected in the FY 2015 CIBS program, the Company estimates to incur an annual loaded cost of \$28,504.

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OCA Data Requests - Set 1

Date Request Received: 5/19/15
Request No. OCA 1-4

Date of Response: 5/28/15
Respondent: Gwyn Cassetty

REQUEST:

Please describe the internal financial controls that prevent specific Cast Iron Bare Steel related costs which have been booked as an Operations and Maintenance expense on the income statement, from also being capitalized to the balance sheet and included in rate base.

RESPONSE:

Any Cast Iron/Bare Steel replacement, whether part of the CIBS program, public works project, replacement due to a leak, or encroachment, would always be capitalized. A specific capital project would be assigned to the work order and charges would be reflected accordingly to the correct project.