THE STATE OF NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

DG 19-054

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

Cast Iron/Bare Steel Replacement Program Results

ORDER OF NOTICE

On February 14, 2019, Commission Staff (Staff) filed a memorandum in DG 11-040 recommending termination of the Liberty Utilities (EnergyNorth Natural Gas) Corp., d/b/a Liberty Utilities (Liberty) Bare Steel and Cast Iron (CIBS) replacement and recovery program established in that docket. On February 26, 2019, the Commission issued a secretarial letter requiring Liberty to file a response to Staff's recommendation and a preliminary rate proposal for CIBS fiscal year 2019 (April 1, 2018, to March 31, 2019). On March 15, 2019, Liberty filed a response to Staff's recommendation and a preliminary rate proposal based on the fiscal year 2019 CIBS Replacement Program Results. Liberty opposed any modification of the CIBS program and proposed an annual revenue requirement increase of \$1,422,784 for CIBS work completed in fiscal year 2019, to be recovered through an increase in its base distribution rates effective July 1, 2019. Liberty calculated that the proposed revenue requirement increase would add \$6.04 to the \$1,170 total annual bill for a typical residential heating customer who uses 778 therms per year, a 0.52 percent increase. The program results and request for a rate increase will be updated and filed on or before April 15, 2019, pursuant to the settlement agreement in Docket No. DG 11-040 approved in National Grid USA, Order No. 25,370 (May 30, 2012). The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at www.puc.nh.gov/Regulatory/Docketbk/2019/19-054.html.

The filing raises, <u>inter alia</u>, issues related to whether Liberty's filing conforms to the requirements of the pertinent settlement agreements, whether Liberty has appropriately accounted for the costs of the CIBS replacement program, whether Liberty's CIBS-related forecasts, budgets, and actual expenditures are reasonable and appropriate, whether Liberty has applied appropriate cost-control methods to its CIBS replacement program planning and construction work, road-resurfacing related "carry-over" costs, and whether the resulting rates are just and reasonable as required by RSA 378:5 and RSA 378:8. In addition, based on the recommendation filed by Commission Staff on February 14, 2019, and posted in this docket, Liberty's filing raises issues related to whether the accelerated recovery for CIBS replacement established in Docket DG 11-040 remains in the public interest, given the progress made through the CIBS program to-date and Liberty's plan to file for an increase in distribution rates in 2020. Each party has the right to have an attorney represent the party at the party's own expense.

Based upon the foregoing, it is hereby

ORDERED, that a Prehearing Conference, pursuant to N.H. Code Admin. Rules Puc 203.15, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on April 16, 2019 at 9:00 am, at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Code Admin. Rules Puc 203.15; and it is

FURTHER ORDERED, that, immediately following the Prehearing Conference,

Liberty, the Staff of the Commission, and any Intervenors hold a Technical Session to review the

petition; and it is

FURTHER ORDERED, that pursuant to N.H. Code Admin. Rules Puc 203.12, Liberty shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than April 3, 2019, in a newspaper with general circulation in those portions of

the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before April 12, 2019; and it is

FURTHER ORDERED, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Liberty and the Office of the Consumer Advocate on or before April 12, 2019, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities, or other substantial interest may be affected by the proceeding, consistent with N.H. Code Admin. Rules Puc 203.17; and it is

FURTHER ORDERED, that any party objecting to a Petition to Intervene make said Objection on or before April 16, 2019; and it is

FURTHRER ORDERED, that Staff of the Commission and Intervenors file testimony with the Commission on or before May 24, 2019, and it is

FURTHER ORDERED, that a hearing be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on June 6, 2019 at 1:00 pm, and it is

By order of the Public Utilities Commission of New Hampshire this twenty-ninth day of March, 2019.

Attested by:

Debra A. Howland Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, 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 - EMAIL ADDRESSES- DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11(a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 19-054-1 Printed: March 29, 2019

FILING INSTRUCTIONS:

a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with: DEBRA A HOWLAND

EXEC DIRECTOR NHPUC 21 S. FRUIT ST, SUITE 10

21 S. FRUIT ST, SUITE 10 CONCORD NH 03301-2429

- b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.
- c) Serve a written copy on each person on the service list not able to receive electronic mail.