

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 14-031

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
Solicitation for Default Service for Period Beginning November 1, 2014**

Staff Comments on Exhibit 8—Decisions of Maine Public Utilities Commission in Maine
Docket No. 2006-513

The instant docket is Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities (Liberty) solicitation for default service power for its Large Customer Group and Small Customer Group for the six-month period beginning November 1, 2014. Liberty makes this filing pursuant to a settlement agreement approved by the Commission in *Granite State Electric Company Petition for Approval of Post-Transition Default Service Proposal*, Order No. 24,577 (January 13, 2006), as modified by Order No. 24,922 (December 19, 2008) and Order No. 25,601 (November 27, 2013) (Settlement Agreement). The Settlement Agreement was supported by Granite State Electric's prior owner, National Grid, Commission Staff and the Office of Consumer Advocate (OCA).

Following the solicitation process in the Settlement Agreement, Liberty solicited power for two three-month blocks of power for its Large Customer Group and one 6-month block of power for its Small Customer Group. The resulting rates, if approved, would represent monthly bill increases ranging from roughly 38% to 59% for the various classes of customers in both Groups.

The hearing was held September 24, 2014. At hearing, the OCA argued that the Commission should reject the filing and require Liberty to either renegotiate its power supply contracts for lower prices, issue new requests for proposals (RFPs) for power, or allow a longer period of time for the Company to recover costs from customers to avoid rate shock. In response to this argument, Liberty testified that the results of a new RFP for power would likely result in even higher prices for customers.

In support of its argument, the OCA requested that the Commission take administrative notice of Docket No. 2006-513 of the Maine Public Utilities Commission (Maine PUC), specifically one decision issued November 16, 2006 and one decision issued December 18, 2006 (Maine Decisions). The Commission granted the request. OCA claimed that decisions stood for the following proposition: If the Commission ordered Liberty to renegotiate the power supply contracts or issue a new RFP for power supply, the result would not necessarily be higher prices but could, in fact, result in lower prices. The Commission allowed Staff and Liberty to provide comments on the Maine Decisions.