

QUESTIONS AND ANSWERS

RFP #2015-001

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

REQUEST FOR PROPOSALS

Management Audit of the Customer Service and Accounting Functions of  
EnergyNorth Natural Gas d/b/a Liberty Utilities

	Questions	Answers
1.	<p>We understand customer service issues will comprise the audit's largest area of focus. It would appear, however, that a number of the designated audit scope items do not focus solely on customer service. We would greatly appreciate verification (or clarification if appropriate) of our understanding of the following scope items:</p> <p>a. We read Item 6 (Effectiveness and Efficiency Vendor relationships) as addressing all vendor relationships (<i>i.e.</i>, not solely those related to the customer service functions and activities described in the first 5 items, which are customer service focused).</p> <p>b. We read Item 7 (Effectiveness and Efficiency of Corporate Services / IT Support and Service) as addressing the support provided by all corporate services (<i>i.e.</i>, not only IT Support and Services).</p> <p>c. We read Item 7 (Effectiveness and Efficiency of Corporate Services / IT Support and Service) as addressing services provided to all utility functions (<i>i.e.</i>, not solely those related to the customer service functions and activities described in the first 5 items, which are customer service focused).</p> <p>d. We read Item 9 (Accounting) as addressing accounting for all utility costs (<i>i.e.</i>, not solely those related to the customer service functions and activities described in the first 5 items, which are customer service focused).</p> <p>e. We read Item 10 (Business Planning) as addressing all budgeting for utility capital and operating costs (<i>i.e.</i>, not solely those related to the customer service functions and activities described in the first 5 items, which are customer service focused).</p> <p>f. We read Item 11 (Property Records) as addressing all records (<i>i.e.</i>, not solely those related to investments supporting the customer service functions and activities described in the first 5 items, which are customer service focused).</p>	<p>The interpretation of the scope items is correct.</p>

2.	<p>The RFP discusses the ability of the consultant to determine whether “a review of related areas is appropriate.” We interpret that provision not as calling in advance for an examination of related areas to determine the appropriateness of reviewing them, but as allowing for a structured and controlled means of expanding the audit scope (subject to Staff, and perhaps Commission, approval) if and to the extent that audit work in the areas specified by the RFP discloses that such expansion is merited.</p>	<p>The interpretation is correct. The consultant is not expected to determine related areas in advance. The consultant will have the flexibility to identify related areas for review during the course of its works that would potentially expand the audit scope.</p>
3.	<p>Reference is made in the RFP to a Meter-to-Cash audit that EnergyNorth is currently undergoing. Reference is also made that any selected auditor for this engagement should take that work into consideration. In preparation of a suitable work plan and an estimation of the level of effort that will be required to meet the Commissions’ expectations it would be useful to know:</p> <ul style="list-style-type: none"> <li>a. Is the Meter-to-Cash audit a financial or process audit?</li> <li>b. Is the audit being conducted by an internal audit group or an independent, third-party?</li> <li>c. Will the Meter-to-Cash audit be completed prior to initiation of this audit? If not, when is it scheduled to be completed?</li> <li>d. Will the scope of work for that audit be made available to the contractor at the time this contract is awarded?</li> </ul>	<p>The meter-to-cash audit is a process audit and is being performed by Liberty’s internal audit group. Liberty anticipates completion of this audit in September. The audit report will be available to the selected consultant.</p>