

NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP.

d/b/a

LIBERTY UTILITIES

CORE PROGRAMS - 2014 YEAR-END REPORT

N.H. P.U.C. Docket No. DE 12-262

Revised March 22, 2016



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Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities

SUMMARY OF 2014 PROGRAM ACTIVITY

This report presents the results of Liberty Utilities (Granite State Electric) Corp.'s d/b/a Liberty Utilities ("Liberty Utilities" or "Company") residential and commercial and industrial (C&I) energy efficiency programs for calendar year 2014.

Table 1a, Table 1b and Table 1c show the 2014 year-end performance for the C&I and Residential programs and the annual goals and spending targets. Overall, the Company achieved 147% and 159% of its goals for annual and lifetime energy savings respectively. The Company achieved 60% and 129% of its goals for winter and summer demand savings. The Company achieved 208% of its planned participation while spending 99% of its planned budget in 2014. In addition, 80% of the annual, and 73% of the lifetime, total energy savings generated were for electricity.

Table 2a, Table 2b and Table 2c document the value created by the 2014 energy efficiency programs. Overall, efforts in 2014 created over \$9.2 million of value through achieved energy, demand and other resource savings.

Table 3a documents the Company's earned 2014 year-end performance incentive of \$197,544.60. As specified by the Commission, the performance incentive for 2014 has been documented using assumptions that are consistent with assumptions used to develop program-year goals. Table 3a summarizes the performance incentive calculation by component (C&I and Residential). As specified by the Commission, results for all programs have been included in the performance incentive calculation.

Table 3b provides the actual Total Resource Cost (TRC) benefit/cost ratio for each program, by sector (C&I and Residential), and for the entire portfolio of energy efficiency programs implemented in 2014. The overall benefit/cost ratio for energy efficiency efforts in 2014 for Residential was 2.06 and for C&I was 2.29.

Table 3c documents the Company's savings by sector and program. Overall, the Company achieved 71,943 megawatt hours of lifetime energy savings.

Table 4 documents the Company's expenses by Program. Overall, the Company had a total of \$2,167,931 of expenses in 2014, including \$23,151 in ISO-NE FCM expenses.

Tables 5 through 9 provide the 2014 year-end energy efficiency fund balances. These tables reflect revenues collected in support of energy efficiency efforts, 2014 spending levels, and the 2014 incentive. Table 5 summarizes the 2014 year-end energy efficiency fund balances for both the residential and C&I sectors. Residential and C&I fund balances are shown in Tables 6 and 7, respectively. Tables 8 and 9 provide the residential and C&I fund variance analyses, respectively.

Table 1a. Program Cost-Effectiveness - 2014 PLAN

	Total Resource Benefit/Cost Ratio	Present Value				Performance Incentive (\$000)	Annual MWh Savings	Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	Number of Customers Served	Annual MMBTU Savings	Lifetime MMBTU Savings
		Benefit (\$000)	Utility Costs (\$000)	Customer Costs (\$000)									
Residential Programs													
ENERGY STAR Homes	6.10	\$ 680	\$ 96	\$ 15		49	1,038	15	14	27	854	21,268	
Home Performance with ENERGY STAR	2.56	\$ 711	\$ 175	\$ 103		19	232	538	180	74	983	20,571	
ENERGY STAR Lighting	1.26	\$ 176	\$ 108	\$ 31		419	2,615	130	44	6,793	-	-	
ENERGY STAR Appliances	2.27	\$ 1,005	\$ 223	\$ 220		267	2,833	40	33	1,656	1,491	24,691	
Home Energy Assistance	1.64	\$ 533	\$ 326	\$ -		46	719	7	5	40	899	18,391	
	2.39												
Subtotal Residential	2.27	\$ 3,105	\$ 928	\$ 369	\$ 70	800	7,437	730	275	8,590	4,227	84,920	
Commercial/Industrial Programs													
Large Business	1.41	\$ 1,974	\$ 694	\$ 703		1,607	21,519	206	297	85	675	9,349	
Small Business	1.23	\$ 951	\$ 367	\$ 404		869	11,462	256	100	166	585	7,869	
C&I Education	0.00	\$ -	\$ 16	\$ -		-	-	-	-	1	-	-	
Municipal	2.09	\$ 595	\$ 167	\$ 118		357	4,826	92	48	24	444	9,640	
	1.43												
Subtotal C&I	1.37	\$ 3,519	\$ 1,244	\$ 1,224	\$ 93	2,834	37,807	554	445	275	1,704	26,859	
ISO-NE FCM		\$ -	\$ 25	\$ -	\$ -	-	-	-	-	-	-	-	
Total	1.68	\$ 6,624	\$ 2,197	\$ 1,593	\$ 163	3,634	45,244	1,284	720	8,866	5,931	111,779	

Annual kWh Savings	3,634,436	68% kWh > 55%
Annual MMBTU Savings (in kWh)	1,738,214	32%
	5,372,650	100%

Lifetime kWh Savings	45,244,204	58% kWh > 55%
Lifetime MMBTU Savings (in kWh)	32,760,473	42%
	78,004,677	100%

Table 1b. Program Cost-Effectiveness - 2014 ACTUAL

	Total Resource Benefit/Cost Ratio	Present Value				Performance Incentive (\$000)	Annual MWh Savings	Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	Number of Customers Served	Annual MMBTU Savings	Lifetime MMBTU Savings
		Benefit (\$000)	Utility Costs (\$000)	Customer Costs (\$000)									
Residential Programs													
ENERGY STAR Homes	0.94	\$ 15	\$ 16	\$ -		0	4	0	0	1	85	2,118	
Home Performance with ENERGY STAR	2.37	\$ 878	\$ 214	\$ 156		63	1,226	17	1	61	1,625	34,185	
ENERGY STAR Lighting	1.73	\$ 440	\$ 135	\$ 119		364	5,659	113	38	16,849	-	-	
ENERGY STAR Appliances	2.21	\$ 809	\$ 194	\$ 173		251	2,527	47	33	1,263	1,231	21,327	
Home Energy Assistance	2.43	\$ 679	\$ 279	\$ -		58	945	14	4	27	1,186	25,659	
ISO-NE FCM	0.00	\$ -	\$ 10	\$ -		-	-	-	-	-	-	-	
	2.18												
Subtotal Residential	2.06	\$ 2,822	\$ 848	\$ 448	\$ 73	736	10,361	192	77	18,201	4,127	83,289	
Commercial/Industrial Programs													
Large Business	2.04	\$ 3,568	\$ 733	\$ 1,013		2,912	39,668	334	465	85	-	-	
Small Business	2.71	\$ 1,609	\$ 391	\$ 202		1,349	17,271	164	254	166	195	2,357	
C&I Education	0.00	\$ -	\$ 14	\$ -		-	-	-	-	-	-	-	
Municipal	3.91	\$ 1,287	\$ 169	\$ 160		350	4,642	79	136	24	291	4,530	
ISO-NE FCM	0.00	\$ -	\$ 13	\$ -		-	-	-	-	-	-	-	
	2.40												
Subtotal C&I	2.29	\$ 6,463	\$ 1,320	\$ 1,375	\$ 124	4,611	61,582	577	855	275	485	6,888	
Total	2.22	\$ 9,285	\$ 2,168	\$ 1,823	\$ 198	5,347	71,943	769	932	18,476	4,612	90,177	

Annual kWh Savings	5,347,271	80% kWh > 55%
Annual MMBTU Savings (in kWh)	1,351,632	20%
Total Energy Savings	6,698,903	100%

Lifetime kWh Savings	71,943,030	73% kWh > 55%
Lifetime MMBTU Savings (in kWh)	26,429,266	27%
Total Energy Savings	98,372,295	100%

Table 1c. Percent of Plan Program Cost-Effectiveness Targets Achieved

	Total Resource Benefit/Cost Ratio	Present Value				Performance Incentive (\$000)	Annual MWh Savings	Lifetime MWh Savings	Winter kW Savings	Summer kW Savings	Number of Customers Served	Annual MMBTU Savings	Lifetime MMBTU Savings
		Benefit (\$000)	Utility Costs (\$000)	Customer Costs (\$000)									
Residential Programs	91%	91%	91%	121%	105%	92%	139%	26%	28%	212%	98%	98%	
Commercial/Industrial Programs	167%	184%	106%	112%	133%	163%	163%	104%	192%	100%	28%	26%	
Total	132%	140%	99%	114%	121%	147%	159%	60%	129%	208%	78%	81%	

Table 2a. Present Value Benefits - 2014 PLAN

	Total Benefits (\$000)	CAPACITY				ENERGY				Non Electric Resource
		Summer Generation	Winter Generation	Transmission	Distribution	Winter Peak	Winter Off Peak	Summer Peak	Summer Off Peak	
Residential Programs										
ENERGY STAR Homes	\$680	\$33	\$0	\$5	\$17	\$19	\$26	\$9	\$12	\$559
Home Performance w/Energy Star	\$711	\$76	\$0	\$22	\$72	\$4	\$8	\$1	\$1	\$528
ENERGY STAR Lighting	\$176	\$17	\$0	\$5	\$15	\$41	\$55	\$18	\$24	\$0
ENERGY STAR Appliances	\$1,005	\$28	\$0	\$6	\$19	\$45	\$64	\$21	\$25	\$796
Home Energy Assistance	\$533	\$8	\$0	\$1	\$4	\$12	\$19	\$5	\$6	\$477
Subtotal Residential	\$3,105	\$162	\$0	\$38	\$128	\$122	\$172	\$55	\$68	\$2,360
Commercial/Industrial Programs										
Large Business	\$1,974	\$366	\$0	\$66	\$218	\$417	\$407	\$216	\$196	\$87
Small Business	\$951	\$123	\$0	\$22	\$73	\$195	\$248	\$95	\$114	\$81
C&I Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Municipal	\$595	\$61	\$0	\$11	\$36	\$84	\$101	\$43	\$48	\$211
Subtotal C&I	\$3,519	\$550	\$0	\$99	\$327	\$696	\$756	\$355	\$358	\$379
Total	\$6,624	\$713	\$0	\$137	\$455	\$818	\$928	\$409	\$426	\$2,739

Table 2b. Present Value Benefits - 2014 ACTUAL

	Total Benefits (\$000)	CAPACITY				ENERGY				Non Electric Resource
		Summer Generation	Winter Generation	Transmission	Distribution	Winter Peak	Winter Off Peak	Summer Peak	Summer Off Peak	
Residential Programs										
ENERGY STAR Homes	\$15	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$15
Home Performance w/Energy Star	\$878	\$2	\$0	\$0	\$0	\$23	\$44	\$2	\$3	\$803
ENERGY STAR Lighting	\$440	\$56	\$0	\$9	\$31	\$100	\$134	\$48	\$61	\$0
ENERGY STAR Appliances	\$809	\$27	\$0	\$6	\$19	\$40	\$58	\$18	\$21	\$620
Home Energy Assistance	\$679	\$5	\$0	\$1	\$2	\$25	\$43	\$6	\$7	\$590
Subtotal Residential	\$2,822	\$91	\$0	\$16	\$53	\$187	\$279	\$74	\$93	\$2,028
Commercial/Industrial Programs										
Large Business	\$3,568	\$736	\$0	\$129	\$427	\$650	\$705	\$467	\$455	\$0
Small Business	\$1,609	\$332	\$0	\$60	\$200	\$327	\$276	\$213	\$174	\$26
C&I Education	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Municipal	\$1,287	\$386	\$0	\$69	\$229	\$207	\$154	\$104	\$72	\$65
Subtotal C&I	\$6,463	\$1,453	\$0	\$258	\$857	\$1,183	\$1,135	\$784	\$701	\$92
Total	\$9,285	\$1,544	\$0	\$274	\$910	\$1,371	\$1,414	\$858	\$794	\$2,119

Table 2c. Percent of Plan Present Value Benefits Achieved

	Total Benefits (\$000)	CAPACITY				ENERGY				Non Electric Resource
		Summer Generation	Winter Generation	Transmission	Distribution	Winter Peak	Winter Off Peak	Summer Peak	Summer Off Peak	
Residential Programs	91%	56%	0%	41%	41%	154%	162%	136%	137%	86%
Commercial/Industrial Programs	184%	264%	0%	262%	262%	170%	150%	221%	196%	24%
Total	140%	217%	0%	200%	200%	168%	152%	210%	186%	77%

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Table 3a. Performance Incentive Calculation - 2014

	<u>Planned</u>	<u>Actual</u>
Commercial/Industrial Incentive		
1. Benefit/Cost Ratio	1.37	2.29
2. Threshold Benefit / Cost Ratio ¹	1.00	1.00
3. Lifetime kWh Savings	37,807,486	61,581,760
4. Threshold Lifetime kWh Savings (65%) ²	24,574,866	24,574,866
5. Budget	\$ 1,244,186.72	\$ 1,320,258.15
6. Benefit / Cost Percentage of Budget	3.75%	
7. Lifetime kWh Percentage of Budget	3.75%	
8. C/I Incentive	\$ 93,314.00	\$ 124,418.67
9. Cap (10%)	\$ 124,418.67	\$ 124,418.67
Residential Incentive		
10. Benefit / Cost Ratio	2.27	2.06
11. Threshold Benefit / Cost Ratio ¹	1.00	1.00
12. Lifetime kWh Savings	7,436,718	10,361,270
13. Threshold Lifetime kWh Savings (65%) ²	4,833,867	4,833,867
14. Budget ³	\$ 927,794.53	\$ 847,672.44
15. Benefit / Cost Percentage of Budget	3.75%	
16. Lifetime kWh Percentage of Budget	3.75%	
17. Residential Incentive	\$ 69,584.59	\$ 73,125.93
18. Cap (10%)	\$ 92,779.45	\$ 92,779.45
19. TOTAL INCENTIVE EARNED	\$ 162,898.59	\$ 197,544.60

Notes

1. Actual Benefit / Cost Ratio for each sector must be greater than or equal to 1.0.
2. Actual Lifetime kWh Savings for each sector must be greater than or equal to 65% of projected savings.

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Table 3b. Planned Versus Actual Benefit / Cost Ratio by Sector - 2014

	<u>Planned</u>	<u>Actual</u>
Commercial & Industrial:		
1. Benefits (Value) From Eligible Programs	\$ 3,519	\$ 6,463
2. Implementation Expenses	\$ 1,244	\$ 1,320
3. Customer Contribution	\$ 1,224	\$ 1,375
4. Performance Incentive	\$ 93	\$ 124
5. Total Costs Including Performance Incentive	\$ 2,562	\$ 2,820
6. Benefit/Cost Ratio - C&I Sector	1.43	2.40
7. Benefit/Cost Ratio - C&I Sector including PI	1.37	2.29
Residential:		
8. Benefits (Value) From Eligible Programs	\$ 3,105	\$ 2,822
9. Implementation Expenses	\$ 928	\$ 848
10. Customer Contribution	\$ 369	\$ 448
11. Performance Incentive	\$ 70	\$ 73
12. Total Costs Including Performance Incentive	\$ 1,366	\$ 1,369
13. Benefit/Cost Ratio - Residential Sector	2.39	2.18
14. Benefit/Cost Ratio - Residential Sector including PI	2.27	2.06

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Table 3c. Actual Lifetime Energy Savings by Sector and Program - 2014

	Lifetime kWh Savings	
	<u>Planned</u>	<u>Actual</u>
Commercial & Industrial:		
Large Business	21,519,008	39,668,340
Small Business	11,462,209	17,271,480
C&I Education	0	0
Municipal	4,826,269	4,641,940
Total Commercial & Industrial Included for Incentive Calculation	37,807,486	61,581,760
Residential:		
ENERGY STAR Homes	1,038,066	3,570
NH Home Performance with ENERGY STAR	231,888	1,226,340
ENERGY STAR Lighting	2,615,391	5,659,061
ENERGY STAR Appliances	2,832,541	2,527,043
Home Energy Assistance	718,833	945,256
Total Residential Included for Incentive Calculation	7,436,718	10,361,270
Total	45,244,204	71,943,030

Table 4. Program Expenditures by Category - 2014 ACTUAL

	Evaluation	External Administration	Internal Administration	Internal Implementation	Marketing	Rebates-Services	Total
Residential Programs							
ENERGY STAR Homes	\$ 1,552		\$ 1,962	\$ 3,646	\$ 2,099	\$ 6,831	\$ 16,090
Home Performance with ENERGY STAR	\$ 7,313		\$ 1,233	\$ 23,631	\$ 5,298	\$ 176,209	\$ 213,684
ENERGY STAR Lighting	\$ 4,344		\$ 1,076	\$ 7,569	\$ 18,946	\$ 102,836	\$ 134,772
ENERGY STAR Appliances	\$ 10,334		\$ 2,991	\$ 16,939	\$ 13,090	\$ 150,585	\$ 193,939
Home Energy Assistance	\$ 7,928		\$ 3,085	\$ 10,692	\$ 1,790	\$ 255,849	\$ 279,346
ISO-NE FCM	\$ 9,842		\$ -	\$ -	\$ -	\$ -	\$ 9,842
Subtotal Residential	\$ 41,315	\$ -	\$ 10,348	\$ 62,477	\$ 41,222	\$ 692,311	\$ 847,672
Commercial/Industrial Programs							
C&I Education	\$ 289		\$ -	\$ 630	\$ 6,744	\$ 6,182	\$ 13,845
Large Business Energy Solutions	\$ 94,339		\$ 10,058	\$ 84,203	\$ 27,076	\$ 517,352	\$ 733,029
Small Business Energy Solutions	\$ 35,694		\$ 5,717	\$ 17,425	\$ 43,368	\$ 288,940	\$ 391,144
Municipal	\$ 14,070		\$ 363	\$ 523	\$ 2,566	\$ 151,409	\$ 168,932
ISO-NE FCM	\$ 13,309		\$ -	\$ -	\$ -	\$ -	\$ 13,309
Subtotal C&I	\$ 157,701	\$ -	\$ 16,139	\$ 102,781	\$ 79,755	\$ 963,883	\$ 1,320,258
Total	\$ 199,015	\$ -	\$ 26,487	\$ 165,258	\$ 120,977	\$ 1,656,194	\$ 2,167,931

TABLE 5

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**LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. D/B/A LIBERTY UTILITIES
CORE ENERGY EFFICIENCY PROGRAMS ADJUSTMENT AND BALANCE**

12 Months Actual 2014

Total Energy Efficiency Revenue/Expense for Jan-Dec 2014

	<u>Actual JAN</u>	<u>Actual FEB</u>	<u>Actual MAR</u>	<u>Actual APRIL</u>	<u>Actual MAY</u>	<u>Actual JUNE</u>	6 MONTH TOTAL
Residential Revenue	\$62,474	\$54,132	\$54,276	\$48,167	\$36,112	\$69,476	\$324,637
C&I Revenue	<u>\$103,174</u>	<u>\$98,897</u>	<u>\$92,054</u>	<u>\$97,680</u>	<u>\$83,968</u>	<u>\$145,876</u>	<u>\$621,648</u>
1. TOTAL REVENUE (A)	\$165,648	\$153,029	\$146,331	\$145,846	\$120,079	\$215,352	\$946,285
Residential Expense	\$16,340	\$12,369	\$48,772	\$40,637	\$148,510	\$55,949	\$322,577
C&I Expense	<u>\$37,105</u>	<u>\$39,442</u>	<u>\$20,819</u>	<u>\$33,891</u>	<u>\$33,838</u>	<u>\$115,283</u>	<u>\$280,377</u>
2. TOTAL EXPENSE (B)	\$53,445	\$51,811	\$69,592	\$74,527	\$182,348	\$171,232	\$602,955
3. Cash Flow Over/(Under)	\$112,203	\$101,218	\$76,739	\$71,319	(\$62,269)	\$44,120	\$343,330
4. Start of Period Balance (C)	\$1,153,839	\$1,269,382	\$1,373,891	\$1,454,528	\$1,529,828	\$1,471,696	\$1,153,839
5. End of Period Balance Before Interest	\$1,266,042	\$1,370,600	\$1,450,630	\$1,525,847	\$1,467,559	\$1,515,815	\$1,497,169
6. Residential Interest	(\$500)	(\$344)	(\$316)	(\$289)	(\$445)	(\$564)	(\$2,458)
C&I Interest	<u>\$3,840</u>	<u>\$3,635</u>	<u>\$4,214</u>	<u>\$4,270</u>	<u>\$4,581</u>	<u>\$4,554</u>	<u>\$25,095</u>
TOTAL INTEREST (D)	\$3,340	\$3,291	\$3,898	\$3,981	\$4,137	\$3,990	\$22,637
7. End of Period Balance After Interest	\$1,269,382	\$1,373,891	\$1,454,528	\$1,529,828	\$1,471,696	\$1,519,806	\$1,519,806
	<u>Actual JULY</u>	<u>Actual AUG</u>	<u>Actual SEPT</u>	<u>Actual OCT</u>	<u>Actual NOV</u>	<u>Actual DEC</u>	ANNUAL TOTAL
Residential Revenue	\$82,025	\$51,520	\$108,904	\$62,567	\$46,369	\$65,253	\$741,275
C&I Revenue	<u>\$159,596</u>	<u>\$92,145</u>	<u>\$189,964</u>	<u>\$127,643</u>	<u>\$90,727</u>	<u>\$156,480</u>	<u>\$1,438,204</u>
8. TOTAL REVENUE (A)	\$241,622	\$143,666	\$298,868	\$190,210	\$137,096	\$221,733	\$2,179,479
Residential Expense	\$59,798	\$220,043	\$85,046	\$78,799	\$22,454	\$62,309	\$851,027
C&I Expense	<u>\$29,361</u>	<u>\$158,074</u>	<u>\$189,675</u>	<u>\$212,648</u>	<u>\$116,747</u>	<u>\$330,022</u>	<u>\$1,316,904</u>
9. TOTAL EXPENSE (B)	\$89,158	\$378,117	\$274,721	\$291,448	\$139,201	\$392,331	\$2,167,931
10. Cash Flow Over/(Under)	\$152,463	(\$234,451)	\$24,147	(\$101,238)	(\$2,105)	(\$170,598)	\$11,548
11. Start of Period Balance (C)	\$1,519,806	\$1,676,675	\$1,446,528	\$1,474,571	\$1,377,264	\$1,378,835	\$1,153,839
12. End of Period Balance Before Interest	\$1,672,269	\$1,442,223	\$1,470,675	\$1,373,333	\$1,375,159	\$1,208,237	\$1,165,388
13. Residential Interest	(\$535)	(\$738)	(\$909)	(\$932)	(\$894)	(\$889)	(\$7,354)
C&I Interest	<u>\$4,940</u>	<u>\$5,042</u>	<u>\$4,806</u>	<u>\$4,862</u>	<u>\$4,570</u>	<u>\$4,459</u>	<u>\$53,774</u>
TOTAL INTEREST (D)	\$4,406	\$4,305	\$3,896	\$3,930	\$3,676	\$3,571	\$46,420
14. 2014 Residential Incentive (E)						\$73,126	\$73,126
2014 Commercial & Industrial Incentive (E)						\$124,419	\$124,419
2014 Total Incentives (E)						\$197,545	\$197,545
15 End of Period Balance After Interest	\$1,676,675	\$1,446,528	\$1,474,571	\$1,377,264	\$1,378,835	\$1,014,263	\$1,014,263
16 End Balance as % of Revenue							46.54%

(A) See Tables 6 & 7

(B) See Tables 6 & 7

(C) "End of Period Balance Before Interest" from prior month.

(D) See Tables 6 & 7

(E) This is the amount credited to the Company's General Ledger during this year.

Interest Rates: JAN = 3.25% FEB = 3.25% MAR = 3.25% APR = 3.25%

 MAY = 3.25% JUN = 3.25% JUL = 3.25% AUG = 3.25%

 SEP = 3.25% OCT = 3.25% NOV = 3.25% DEC = 3.25%

TABLE 6

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LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. D/B/A LIBERTY UTILITIES
CORE ENERGY EFFICIENCY PROGRAMS REVENUE/EXPENSE BALANCE
RESIDENTIAL FUND
12 Months Actual 2014

Energy Efficiency Residential Revenue/Expense for Jan-Dec 2014

	<u>Actual</u> <u>JAN</u>	<u>Actual</u> <u>FEB</u>	<u>Actual</u> <u>MAR</u>	<u>Actual</u> <u>APRIL</u>	<u>Actual</u> <u>MAY</u>	<u>Actual</u> <u>JUNE</u>	<u>6 MONTH</u> <u>TOTAL</u>
1. Residential Revenue (A)	\$62,474	\$54,132	\$54,276	\$48,167	\$36,112	\$69,476	\$324,637
2. Residential Energy Efficiency Expense (B)	\$ 16,340.12	\$12,369.24	\$ 48,772.44	\$40,636.54	\$148,509.92	\$55,949.19	\$322,577
3. Cash Flow Over/(Under)	\$46,134	\$41,763	\$5,504	\$7,530	(\$112,398)	\$13,527	\$2,059
4. Start of Period Balance (C)	(\$204,368)	(\$158,734)	(\$117,315)	(\$112,127)	(\$104,887)	(\$217,730)	
5. End of Period Balance Before Interest	(\$158,234)	(\$116,971)	(\$111,811)	(\$104,597)	(\$217,285)	(\$204,203)	
6. Estimated Interest	(\$500)	(\$344)	(\$316)	(\$289)	(\$445)	(\$564)	(\$2,458)
7. End of Period Balance After Interest	(\$158,734)	(\$117,315)	(\$112,127)	(\$104,887)	(\$217,730)	(\$204,767)	
	<u>Actual</u> <u>JULY</u>	<u>Actual</u> <u>AUG</u>	<u>Actual</u> <u>SEPT</u>	<u>Actual</u> <u>OCT</u>	<u>Actual</u> <u>NOV</u>	<u>Actual</u> <u>DEC</u>	<u>ANNUAL</u> <u>TOTAL</u>
8. Residential Revenue (A)	\$82,025	\$51,520	\$108,904	\$62,567	\$46,369	\$65,253	\$741,275
9. Residential Energy Efficiency Expense (B)	\$59,797.54	\$220,043.47	\$85,045.56	\$78,799.38	\$22,454.49	\$62,308.93	\$851,027
10. Cash Flow Over/(Under)	\$22,228	(\$168,523)	\$23,859	(\$16,233)	\$23,915	\$2,944	(\$109,751)
11. Start of Period Balance (C)	(\$204,767)	(\$183,074)	(\$352,335)	(\$329,385)	(\$346,549)	(\$323,528)	(\$204,368)
12. End of Period Balance Before Interest	(\$182,539)	(\$351,597)	(\$328,476)	(\$345,618)	(\$322,635)	(\$320,585)	(\$314,120)
13. Estimated Interest	(\$535)	(\$738)	(\$909)	(\$932)	(\$894)	(\$889)	(\$7,354)
14. 2014 Residential Incentive (D)						\$73,126	\$73,126
15 End of Period Balance After Interest	(\$183,074)	(\$352,335)	(\$329,385)	(\$346,549)	(\$323,528)	(\$394,600)	(\$394,600)
16 End Balance as % of Revenue							-53.23%

FOOTNOTES:

(A) Revenue Report

(B) Source: Great Plains query (Liberty Utilities) - includes ISO NE - FCM Expenses

(C) "End of Period Balance Before Interest" from prior month.

Estimated DSM incentive is included in Dec expense estimate.

(D) This is the amount credited to the Company's General Ledger during this year.

Interest Rates: JAN = 3.25% FEB = 3.25% MAR = 3.25% APR = 3.25%

 MAY = 3.25% JUN = 3.25% JUL = 3.25% AUG = 3.25%

 SEP = 3.25% OCT = 3.25% NOV = 3.25% DEC = 3.25%

Note: The Residential Factor is applied to the D-0, D-10, & T-0 rates.

TABLE 7

Revised March 22, 2016

LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. D/B/A LIBERTY UTILITIES
CORE ENERGY EFFICIENCY PROGRAMS REVENUE/EXPENSE BALANCE
COMMERCIAL & INDUSTRIAL FUND
12 Months Actual 2014

Energy Efficiency C&I Revenue/Expense for Jan-Dec 2014

		<u>Actual</u> <u>JAN</u>	<u>Actual</u> <u>FEB</u>	<u>Actual</u> <u>MAR</u>	<u>Actual</u> <u>APRIL</u>	<u>Actual</u> <u>MAY</u>	<u>Actual</u> <u>JUNE</u>	<u>6 MONTH</u> <u>TOTAL</u>
1.	C&I Revenue (A)	\$103,174	\$98,897	\$92,054	\$97,680	\$83,968	\$145,876	\$621,648
2.	C&I Energy Efficiency Expense (B)	<u>\$37,104.60</u>	<u>\$39,441.63</u>	<u>\$20,819.22</u>	<u>\$33,890.66</u>	<u>\$33,838.29</u>	<u>\$115,282.79</u>	\$280,377
3.	Cash Flow Over/(Under)	\$66,069	\$59,455	\$71,235	\$63,789	\$50,129	\$30,593	\$341,271
4.	Start of Period Balance (C)	\$1,358,207	\$1,428,116	\$1,491,206	\$1,566,656	\$1,634,715	\$1,689,426	\$1,358,207
5.	End of Period Balance Before Interest	\$1,424,276	\$1,487,572	\$1,562,441	\$1,630,445	\$1,684,844	\$1,720,019	
6.	Estimated Interest	\$3,840	\$3,635	\$4,214	\$4,270	\$4,581	\$4,554	\$25,095
7.	End of Period Balance After Interest	\$1,428,116	\$1,491,206	\$1,566,656	\$1,634,715	\$1,689,426	\$1,724,572	
		<u>Actual</u> <u>JULY</u>	<u>Actual</u> <u>AUG</u>	<u>Actual</u> <u>SEPT</u>	<u>Actual</u> <u>OCT</u>	<u>Actual</u> <u>NOV</u>	<u>Actual</u> <u>DEC</u>	<u>ANNUAL</u> <u>TOTAL</u>
8.	C&I Revenue (A)	\$159,596	\$92,145	\$189,964	\$127,643	\$90,727	\$156,480	\$1,438,204
9.	C&I Energy Efficiency Expense (B)	<u>\$29,360.54</u>	<u>\$158,073.76</u>	<u>\$189,675.35</u>	<u>\$212,648.46</u>	<u>\$116,746.54</u>	<u>\$330,021.93</u>	<u>\$1,316,904</u>
10.	Cash Flow Over/(Under)	\$130,236	(\$65,928)	\$288	(\$85,005)	(\$26,020)	(\$173,541)	\$121,300
11.	Start of Period Balance (C)	\$1,724,572	\$1,859,748	\$1,798,862	\$1,803,956	\$1,723,813	\$1,702,363	\$1,358,207
12.	End of Period Balance Before Interest	\$1,854,808	\$1,793,820	\$1,799,151	\$1,718,951	\$1,697,793	\$1,528,822	\$1,479,507
13.	Estimated Interest	\$4,940	\$5,042	\$4,806	\$4,862	\$4,570	\$4,459	\$53,774
14.	2014 Commercial & Industrial Incentive (D)						\$124,419	\$124,419
15.	End of Period Balance After Interest	\$1,859,748	\$1,798,862	\$1,803,956	\$1,723,813	\$1,702,363	\$1,408,862	\$1,408,862
16.	End Balance as % of Revenue							97.96%

FOOTNOTES:

(A) Revenue Report

(B) Source: Great Plains query (Liberty Utilities) - includes ISO NE - FCM Expenses

(C) "End of Period Balance Before Interest" from prior month.

Estimated DSM incentive is included in Dec expense estimate.

(D) This is the amount credited to the Company's General Ledger during this year.

Interest Rates:	JAN =	3.25%	FEB =	3.25%	MAR =	3.25%	APR =	3.25%
	MAY =	3.25%	JUN =	3.25%	JUL =	3.25%	AUG =	3.25%
	SEP =	3.25%	OCT =	3.25%	NOV =	3.25%	DEC =	3.25%

Note: The C&I Factor is applied to the G-1, G-2, G-3, M,& V rates.

TABLE 8

Revised March 22, 2016

LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. D/B/A LIBERTY UTILITIES
 CORE ENERGY EFFICIENCY PROGRAMS VARIANCE ANALYSIS
 RESIDENTIAL FUND
 12 Months Actual 2014

Energy Efficiency Residential Revenue/Expense for Jan-Dec 2014

	<u>JAN</u>	<u>FEB</u>	<u>MARCH</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>	
1. Residential Energy Efficiency Revenue (A)	\$62,474	\$54,132	\$54,276	\$48,167	\$36,112	\$69,476	
2. Estimated Residential Energy Efficiency Revenue (B)	<u>\$55,016</u>	<u>\$50,315</u>	<u>\$47,253</u>	<u>\$43,350</u>	<u>\$35,089</u>	<u>\$39,493</u>	
3. Difference (1)-(2)	\$7,459	\$3,818	\$7,023	\$4,816	\$1,022	\$29,982	
4. Residential Energy Efficiency Expense (A)	\$16,340	\$12,369	\$48,772	\$40,637	\$148,510	\$55,949	
5. Estimated Residential Energy Efficiency Expense (C)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
6. Difference Residential Energy Efficiency Expense (4) - (5)	\$16,340	\$12,369	\$48,772	\$40,637	\$148,510	\$55,949	
	<u>JULY</u>	<u>AUG</u>	<u>SEPT</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>
7. Residential Energy Efficiency Revenue (A)	\$82,025	\$51,520	\$108,904	\$62,567	\$46,369	\$65,253	\$741,275
8. Estimated Residential Energy Efficiency Revenue (B)	<u>\$51,110</u>	<u>\$49,150</u>	<u>\$44,766</u>	<u>\$37,687</u>	<u>\$39,239</u>	<u>\$49,472</u>	<u>\$541,941</u>
9. Difference (7)-(8)	\$30,915	\$2,370	\$64,138	\$24,879	\$7,131	\$15,781	\$199,335
10. Residential Energy Efficiency Expense	\$59,798	\$220,043	\$85,046	\$78,799	\$22,454	\$62,309	\$851,027
11. Estimated Residential Energy Efficiency Expense (C)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
12. Difference Residential Energy Efficiency Expense (10) - (11)	\$59,798	\$220,043	\$85,046	\$78,799	\$22,454	\$62,309	\$851,027

FOOTNOTES:

(A) See Table 6

(B) Calculation based on estimated monthly Residential kWh from Company's 2012-2018 forecast multiplied by a factor of \$0.00180

(C) No estimate provided.

Incentives are included in Dec exp est.

Note: The Residential Factor is applied to the D-0, D-10, & T-0 rates.

TABLE 9

Revised March 22, 2016

**LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. D/B/A LIBERTY UTILITIES
CORE ENERGY EFFICIENCY PROGRAMS VARIANCE ANALYSIS
COMMERCIAL & INDUSTRIAL FUND
12 Months Actual 2014**

Energy Efficiency C&I Revenue/Expense for Jan-Dec 2014

	<u>JAN</u>	<u>FEB</u>	<u>MARCH</u>	<u>APRIL</u>	<u>MAY</u>	<u>JUNE</u>		
1. C&I Energy Efficiency Revenue (A)	\$103,174	\$98,897	\$92,054	\$97,680	\$83,968	\$145,876		
2. Estimated C&I Energy Efficiency Revenue (B)	<u>\$91,329</u>	<u>\$87,562</u>	<u>\$93,527</u>	<u>\$82,067</u>	<u>\$90,071</u>	<u>\$98,415</u>		
3. Difference (1)-(2)	\$11,845	\$11,334	(\$1,473)	\$15,612	(\$6,103)	\$47,461		
4. C&I Energy Efficiency Expense (A)	\$37,105	\$39,442	\$20,819	\$33,891	\$33,838	\$115,283		
5. Estimated C&I Energy Efficiency Expense (C)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>		
6. Difference C&I Energy Efficiency Expense (4) - (5)	\$37,105	\$39,442	\$20,819	\$33,891	\$33,838	\$115,283		
	<u>JULY</u>	<u>AUG</u>	<u>SEPT</u>	<u>OCT</u>	<u>NOV</u>	<u>DEC</u>	<u>TOTAL</u>	
7. C&I Energy Efficiency Revenue (A)	\$159,596	\$92,145	\$189,964	\$127,643	\$90,727	\$156,480	\$1,438,204	
8. Estimated C&I Energy Efficiency Revenue (B)	<u>\$95,722</u>	<u>\$117,738</u>	<u>\$107,008</u>	<u>\$82,669</u>	<u>\$84,632</u>	<u>\$91,652</u>	<u>\$1,122,392</u>	
9. Difference (7)-(8)	\$63,875	(\$25,592)	\$82,956	\$44,974	\$6,094	\$64,829	\$315,811	
10. C&I Energy Efficiency Expense (A)	\$29,361	\$158,074	\$189,675	\$212,648	\$116,747	\$330,022	\$1,316,904	
11. Estimated C&I Energy Efficiency Expense (C)	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	
12. Difference C&I Energy Efficiency Expense (10) - (11)	\$29,361	\$158,074	\$189,675	\$212,648	\$116,747	\$330,022	\$1,316,904	

FOOTNOTES:

(A) See Table 7

(B) Calculation based on estimated monthly C&I kWh from Company's 2012-2018 forecast multiplied by a factor of \$0.00180.

(C) No estimate provided.

Note: The C&I Factor is applied to the G-1, G-2, G-3, M, & V rates.