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February 9, 2022

Via Electronic Mail Only

Daniel Goldner, Chair
New Hampshire Public Utilities Commission
21 South Fruit Street, Suite 10
Concord, New Hampshire 03301-2429

**Re: Docket No. DE17-189; Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Petition to Approve Battery Storage Pilot Program**

Request to Continue March 2, 2022, Hearing

Dear Chair Goldner:

On behalf of Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty, I write to request that the Commission (1) continue by at least 30 days the March 2, 2022, interim review hearing scheduled in the above matter, (2) continue for a similar length of time the due date for filing responses to two of the Commission's information requests, and (3) defer responses to the remaining requests until August 31, 2022, when the same information is due pursuant to earlier orders. In summary, the Commission has already required most of the information to be filed at the end of Phase 1, which is August 31, 2022, the consultant's cost for meeting that August 31 deadline is in excess of \$100,000, the information has not yet been prepared, it would add costs to accelerate that deadline, and the work will still take several months to complete.

The Company thus proposed to hold an interim review hearing on or after April 1, at which it can present and discuss the results of the quarterly reports and responses to the Commission's questions 4 and 5. The balance of the information is simply not available. It is on track to be presented later this year when the Company makes a filing to either seek

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approval of Phase 2, if the analysis shows that the necessary conditions have been met, or to explain why Phase 2 of the program should not proceed, if the analysis shows the required conditions were not met. The information is simply not available now.

In support of this request, the Company offers the following.

By order dated December 22, 2021, the Commission scheduled an "interim review" of the battery storage program for March 2, 2022. The Commission also asked the Company to file in advance of the hearing responses to eight questions as set forth below:

[1] Liberty's assessment as to the success of the Program and if it should be continued.

[2] A summary table showing only the actual cost and achieved lifetime benefit, as of the review date, for each customer in a live spreadsheet.

[3] A summary table showing only the actual cost and achieved lifetime benefit, and then adding projected costs and benefits by year, for each customer. Calculate the payback period for each customer. Calculated benefit, cost, and payback period totals to include all customers. All in a live spreadsheet.

[4] An update to Exhibit 80A in live spreadsheets, including a total for all customers. Include a summary description of the assumptions and calculations.

[5] Number of customers in the Program at the time of the review, and number of planned additions each quarter of 2022.

[6] Estimated cost for each additional battery storage implementation in 2022, estimated benefits by year, and payback period for each. Provide 2022 totals. All in live spreadsheets.

[7] Include a summary of the savings from Liberty's point of view and the customer's point of view.

[8] Include any safety issues discovered.

The 2021 Q4 report is due February 15 and the consultant is just now finishing its work on that report in advance of next week's filing. It takes the full six weeks from the end of each quarter for the data to become available from Tesla and for the consultant to then organize the data and draft the reports. Upon receipt of this data and the Q4 report, the Company will be able to prepare responses to questions 4 and 5 above. The Company submits that an

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interim review hearing could then review that information and the quarterly reports filed to date.

As for the other questions above, the requested analyses have not yet been performed. In prior orders the Commission directed that these analyses be completed and filed by August 31, 2022, which is 18 months after Phase 1 began. This arises from the Commission's approval of the settlement agreement in this docket, which described the information to be filed at the end of Phase 1 as follows:

Liberty may only initiate Phase 2 after having installed a minimum of 100 Phase 1 batteries that have been operational and available for Liberty to control and dispatch for at least 18 months. In addition, Liberty shall not commence Phase 2 unless (a) it has dispatched the Phase 1 batteries coincident with the monthly ISO-NE system coincident peak on average with an accuracy of at least 75 percent or greater determined with reference to expected peak hour kWh reduction achieved during actual peak hours in connection with either the full 18-month Phase 1 period or the most recent 12-month period during Phase 1; (b) it has realized RNS and LNS and FCM cost savings during Phase 1 that are not less than projected in the submitted benefit-cost analyses, taking into account and adjusting for changes in actual rates or clearing prices; (c) it demonstrates to the Commission that the investments and costs necessary to implement Phase 2, when considered in conjunction with those incurred or anticipated to be incurred in connection with Phase 1, have a forecasted net present value that is positive after incorporating historical Phase 1 average peak forecasting accuracy as described in (a) above, updated information about applicable RNS and LNS transmission rates, and other updated assumptions for relevant benefits and costs (those assumptions shall include, but are not limited to, FCM rates, actual battery costs, revised revenue-neutral TOU rates based on the default energy service rate (assuming no change in load shape as a result of participation in the pilot), transmission rates, and distribution rates then in effect, actual customer behavioral response to and experience with the Phase 1 TOU rates, actual full net energy metering credit costs based on the actual number of discharge events when Liberty takes control of the installed batteries and the actual costs (e.g., energy, distribution, transmission, etc.) associated with those discharge events, and any costs or benefits associated with utility revenue impacts attributable to battery charging, actual charging rates, TOU rates, and default energy service rates; and (d) there has been no material adverse change in any relevant circumstances or criteria.

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Settlement Agreement at Bates 009-010; see Order No. 26,209 at 37-38 (Jan. 17, 2019) (approving settlement agreement); Order No. 26,364 (June 15, 2020) (extending Phase 1, and thus the due date for filing this information, to August 31, 2022).

The Company's contract with its EM&V consultant includes the extensive analysis required to prepare and present the information described above by the August 31, 2022, due date at a cost of more than \$100,000. To begin that analysis now will result in excess costs and is still unlikely to be ready for several months.

Therefore, the Company respectfully asks the Commission to continue the March 2, 2022, hearing date for at least 30 days, to set the deadline for filing responses to questions 4 and 5 no earlier than March 18, 2022, and otherwise deferring the requirement to respond to the remaining questions to the existing August 31, 2022, deadline.

The Company asked all parties to this docket for their position on a request to continue the March 2 hearing. The Department of Energy, the Conservation Law Foundation, the City of Lebanon, and Clean Energy NH all said they do not object. The Company did not hear from the other parties. No party indicated it objects.

Sincerely,

A handwritten signature in cursive script, appearing to read "M. Sheehan".

Michael J. Sheehan

cc: Service List