



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

DE 19-051

Reliability Enhancement Plan and Vegetation Management Plan Report

Staff Data Requests - Set 1

Date Request Received: 4/4/19
Request No. Staff 1-8

Date of Response: 4/10/19
Respondent: Joel Rivera

REQUEST:

On Bates page 23 line 3, column (e), the Company indicates a \$331,053 carryover from CY2017 related to a Bare Conductor Replacement on Mammoth Rd. In Docket DE 18-053, at Bates page 33 lines 13 and 14, Liberty lists Bare Conductor Replacement projects for 2017 for Lowell Road (1,600 feet) and 12L1 - Route 123 (2.75 miles).

Please explain why there a carryover of 331,053 for 14L2 Mammoth Road (5,000 feet), given that this project was not identified in the Company's 2017 (dated 11-15-2016) or 2018 (dated 11-15-2017) REP proposals or in the 2017 reconciliation docket DE 18-053.

Please list all REP re-conductoring projects undertaken by the Company from 2013 to 2018 that had not been included on the budget sent to Staff each November (or thereabouts) as contemplated in the Settlement Agreement provided at Bates 28-30.

RESPONSE:

In calendar year 2016, capital expenditures for the Bare Conductor Replacement program resulted in an underspend, which was driven primarily by bid prices being lower than anticipated and from conservative construction estimates used. As a result, Liberty communicated to Staff its intent to adjust its construction estimates and construction miles accordingly. This increase was reflected in Docket No. DE 18-034, Appendix 3, Bates 033, where Liberty listed the Lowell Road project and the Route 123 project. At this point, the 14L2 Mammoth Road project was not contemplated nor included in the REP Plan for 2017. In 2017, and after the REP Plan for 2017 was filed in November 2016, Liberty included the reconductoring of 5,000 feet along Mammoth Road in Pelham. This project was not included in the reconciliation for calendar year 2017 because the project was not completed in time and would carry over into 2018. This discrepancy in budget dollars was identified during the audit performed by Staff in 2018. (See the response to Staff 1-3.)

The Company is not aware of any other reconductoring projects that were not included in the budget sent to Staff each November. Moving forward, the Company will notify Staff of any scope changes to the Plan.