

STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

Docket No. DE 19-064

LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP.
d/b/a LIBERTY UTILITIES

Distribution Rate Case

**Response to Staff's Objection to Motion for Waiver of Puc 1203.02(d), Customer
Notice**

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities ("Granite State" or the "Company"), through counsel, respectfully responds to Staff's *Objection to Motion for Waiver of Puc 1203.02(d), Customer Notice* to raise the following issues:

- (1) The objection is untimely;
- (2) Staff's reason for its untimely filing is insufficient;
- (3) Staff assented to identical motions in Docket Nos. DE 16-383 and DG 17-048;
- (4) on the merits, Staff's objection is not persuasive; and
- (5) Staff's requested relief is impractical and expensive.

In support of this response, the Company states as follows:

1. On April 30, 2019, the Company sought a waiver of Puc 1203.02, which requires that a "clear and concise statement of the rate schedules applied for" be sent to customers "no later than 30 calendar days from the date of filing." The Company sought the waiver, as it has successfully done in the past, because there is insufficient time to have the precise information for the bill inserts sent to the printer and included in customer bills to meet the 30 day rule.
2. Staff objected. Liberty files this response to raise five issues with Staff's objection.

The objection is untimely

3. Staff objected on May 14, which is four days late. Puc 203.07(e). On that basis alone, Staff's objection should be rejected and the Company's motion granted without objection.

Staff's reason for its untimely filing is insufficient

4. The reason given for the late filing is insufficient. Staff filed its objection late because, "Staff learned on May 13 that the Motion requested leave to hold off distributing the bill insert notice until June 4 through July 5 and Staff filed this objection as soon as possible thereafter." Putting aside the mischaracterization that the Company asked to "hold off" distributing the bill insert (rather, the Company is providing as much notice as soon as it can), the above quoted statement suggests that Staff did not know until May 13 that Liberty intended to mail the customer notices in June. That is incorrect. In fact, Staff learned on April 30 when Liberty filed the motion along with the rest of the rate case filing that "customers will receive prompt notice of the rate case filing in May, and *will receive additional specific notice, including bill impacts, in June.*" Liberty's Motion at ¶6 (emphasis added).
5. What Staff learned on May 13 was the precise dates in June that the detailed notice would be mailed (i.e., June 4 through July 5). The reason Staff learned these precise dates on May 13, which is after the objection deadline, is because that is when Staff first asked for the information (at 12:04 p.m.), and when the Company responded (at 1:48 p.m.). Exhibit 1. Further, the precise dates in June when the Company intends to mail the notices is not even relevant to Staff's objection, so any delay in receiving the information is immaterial. The reason for Staff's tardy filing is thus insufficient and the objection should be rejected.

Staff assented to identical motions in Docket Nos. DE 16-383 and DG 17-048

6. The Company and its natural gas affiliate have filed the very same motion regarding customer notice in their prior rate cases, Docket Nos. DE 16-383 and DG 17-048. Staff did not object to either and the Commission granted both motions, specifically noting in DG 17-048 that the motion was “noncontroversial.” Transcript of May 26, 2017, hearing, at 5. Staff failed to explain its complete change of position from these recent cases to this docket.

On the merits, Staff’s objection is not persuasive

7. On the merits, Staff’s objection is unpersuasive. Staff based its argument on a misunderstanding of the facts. Staff wrote,

Liberty states that waiver is necessary because the specific information about the rate case was not available to send to customers within the 30-day period. Motion at 2. Staff disagrees with this conclusion, because Liberty knew of the specific impacts of the rate case on (or before) April 30, and Liberty could mail all its customers a notice of the specific increase well in advance of May 30, 2019, in compliance with Rule 1203.02(d).

Motion at ¶7 (emphasis added). This is not correct. Although “Liberty knew of the specific impacts ... on or before April 30,” Liberty only knew the precise numbers *days* before April 30 due to the many final adjustments that occur during the weeks leading up to a filing. Liberty did not know the precise numbers several *weeks* before April 30, which is the time necessary to send the proof of the bill insert to the outside provider for printing and insertion into the billing envelopes, a time frame well known to Staff and which was disclosed in the Motion at ¶3 (“The Company will be providing a newsletter in its May bills to inform customers of the Company’s rate case filing, but that notice does not contain the precise rate increase requested because the newsletter had to be prepared well in advance of the filing and prior to the availability of the final information”).

8. Based on this misunderstanding, Staff then argued against the waiver, claiming customers will not receive notice until after the temporary rate hearing:

Staff objects to Liberty's requested waiver because, as proposed, no customers would receive the written notice statement before the pre-hearing conference and the intervention deadline. Further, many of the customers would not receive notice before the proposed temporary rate hearing date. In fact, under Liberty's requested approach, some customers would not receive notice of the rate case until after the requested effective date of the proposed temporary rate increase (July 1, 2019).

Motion at ¶6. This is not correct. *All* customers received written notice in the form of an on-bill message in May, Exhibit 1, telling them that a rate case has been filed and that the details are on the website, as follows. The website contains the "clear and concise statement of the rate schedules applied for" that is required by Puc 1203.02.

9. To the extent this notice was not received and customers do not receive the more detailed written notice with their June bills, Exhibit 2, in time to intervene until after the temporary rate hearing, the Commission would certainly accept their late intervention (the Company would not object) and those customers would have a full opportunity to challenge the permanent rate increase, even to the extent they wanted it to be less than temporary rates. These customers would ultimately not be prejudiced by any alleged lack of notice.

Staff's requested relief is impractical and expensive

10. Finally, Staff's objection seeks affirmative relief (even though it is only titled an "objection") to which Liberty objects.
11. Staff asks the Commission to require Liberty "mail its rate case notice to all customers ... as soon as practicable, but not later than May 24, 2019." Such a mailing would be redundant. Customers have already received the first on-bill notice and will soon receive the

second separate notice, Exhibits 1 and 2, in addition to the newspaper publication that will occur on May 15, the proof of which is attached as Exhibit 3. Such a mailing would also cost customers approximately \$25,000.

WHEREFORE, Granite State respectfully asks the Commission to:

- A. Grant the Company's motion to waive Puc 1203.02(d) so that the Company may provide details of the rate request in notices mailed after 30 days; and
- B. Grant such other relief as is just and equitable.

Respectfully submitted,

LIBERTY UTILITIES (GRANITE STATE ELECTRIC)
CORP. D/B/A LIBERTY UTILITIES

By its Attorney,



Date: May 15, 2019

By: _____
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Certificate of Service

I hereby certify that on May 9, 2019, a copy of this Response has been electronically forwarded to the service list in this docket.



Michael J. Sheehan