

Michael J. Sheehan, Esq. Director, Legal Services Phone: 603-724-2135 Email: Michael.Sheehan@libertyutilities.com

September 1, 2023

Via Electronic Mail Only

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

Re: Docket Nos. DE 20-170, DE 22-035, and DE 23-006 Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Response to August 17, 2023, Tariff Compliance Report

Dear Chairman Goldner:

On August 18, 2023, the Commission issued a *Procedural Order Re: Compliance Tariff Report* following a technical session attended by the New Hampshire Department of Energy and Commission staff. The August 18 Procedural Order reiterated Commission staff's request that Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty ("Company") provide a detailed explanation of how the Commission can validate the EV-L and EV-M rates and provide a list of all outstanding compliance tariffs affected by the issues related to EV-L and EV-M.

The explanation is as follows. In the model approved by the Commission in Order No. 26,604 (April 7, 2022) in Docket No. DE 20-170, the backup calculations for rate EV-L did not include all components of the G-1 distribution rate. The rates used for the approved model were predicated on prior rate changes in 2021. Specifically, the distribution components of Rate G-1 include on and off-peak kilowatt-hours ("kWh"), a demand charge, and a credit for high-voltage service. The model only included the on-peak kWh and the demand charge. The tariff pages that the Company filed on July 6, 2022, for rates effective July 10, 2022 (the "July 10, 2022, tariff rates") included this error. The Company was not aware of this issue until it filed its August 1, 2022, compliance tariff rates in Docket No. DE 22-035, in which the Company corrected the model to reflect the correct components being included in the rate calculation.

When the Company refiled its July 10, 2022, tariff rates on April 13, 2023, to make unrelated corrections, the Company did not change the model calculations as the intent of refiling was to

address those other issues, not to address that the model the Company received was incorrectly calculating Rate EV-L. The Tariff Administrator raised this issue at the technical session and the Company responded that it did not change the approved model for the July 10, 2022, rates as those rates were approved as part of the docket, but that it changed the model going forward (starting with the rate change for August 1, 2022) as that rate change used new inputs for distribution revenues. The Company understands the concerns the Tariff Administrator raised during the session, including that if the Company fixed the model for one rate change, it should have fixed the model for all rate changes.

The Company has considered the concern the Tariff Administrator conveyed and now proposes that once all parties have had the opportunity to review and respond to this letter, the Company will update the July 10, 2022, rate EV-L model to reflect all distribution components ten business days later.

A list of the tariff pages pending final Commission approval is shown below, and copies of the Commission letters associated with these tariffs are attached to this letter.

DE 20-170 Electric Vehicle Time of Use Rates Tariff Pages: Orig pg 128, 129, 130, 131, 132, 133, 134, 135, 136, 137 Tariff No. 21 Effective Date: July 10, 2022

Docket No. DE 22-035 Request for Step Adjustment Tariffs Pages: 1st rev pgs 128, 133 Effective Date: August 1, 2022 Filings received: April 13, 2023

Docket No. DE 17-189/ Petition to Approve Battery Storage Pilot Program Tariff Pages: 13th rev pg 125; 14th rev pg 126 Tariff No. 21 Effective Date: November 1, 2022

Docket No. DE 19-064/ Distribution Service Rate Case Tariff Pages: 13th rev pg 123; 15th rev pg 127 Tariff No. 21 Effective Date: November 1, 2022

Docket No. DE 20-170/ Electric Vehicle Time of Use Rates Tariff Pages: 15th rev pg 127; 2nd rev pg 128, 129, 133 Tariff No. 21 Effective Date: November 1, 2022

Docket No. DE 22-052

Petition for Adjustment to 2022-2023 Stranded Cost Recovery Charge Tariff Pages: Orig pg 3A; 3rd rev pg 21; 1st rev pgs 21A, 21B, 21C; 2nd rev pg 21D; 1st rev pg 21E; 7th rev pgs 90, 91, 92, 93, 96; 6th rev pg 98; 7th rev pgs 101, 104, 107; 15th rev pg 126; 16th rev pg 127; Orig pgs 138, 139, 140, 141 Tariff No. 21 Effective Date: January 1, 2023

Docket No. DE 22-081

2023 Adjustments to the Energy Efficiency Portion of System Benefits Charges and Local Distribution Adjustment Charges Tariff Pages: 37th rev pg 1, 3rd rev pg 2, 35th rev pg 3, 33rd rev pg 4, 2nd rev pg 34, 18th rev pg 87, 21st rev pg 88, 18th rev pg 89, 8th rev pg 101 Tariff No. 11 Effective Date: January 1, 2023

Docket No. DE 22-081

2023 Adjustments to the Energy Efficiency Portion of System Benefits Charges and Local Distribution Adjustment Charges Tariff Pages: 4th rev pgs 22, 23; 15th rev pg 126; 16th rev pg 127 Tariff No. 21 Effective Date: January 1, 2023

Docket No. DE 22-024 2022 Default Service Solicitations Tariff Pages: 7th rev pg 27; 17th rev pg 126; 18th rev pg 127; 4th rev pgs 129, 133 Tariff No. 21 Effective Date: March 1, 2023

Docket No. DE 22-035

Request for Step Adjustment

Tariff Pages: 8th rev pg 90, 91, 92, 93, 96; 3rd rev pg 97; 7th rev pg 98, 99; 3rd rev pg 100; 8th rev pg 101, 104, 107; 7th rev pg 108; 5th rev pg 109, 110; 7th rev pg 114; 5th rev pg 115, 116; 7th rev pg 121; 4th rev pg 122; 15th rev pgs 123, 125; 17th rev pg 126; 18th rev pg 127; 3rd rev pg 128; 4th rev pgs 129, 133; 2nd rev pg 134. Tariff No. 21 Effective Date: March 1, 2023 Daniel Goldner, Chairman 20-170, 22-035, 23-006

> Docket No. DE 22-024 2022 Default Service Solicitations Tariff Pages: 16th rev pgs 123, 125; 18th rev pg 126; 19th rev pg 127; 5th rev pgs 129, 133 Tariff No. 21 Effective Date: May 1, 2023

Docket No. DE 23-037 Annual Retail Rate Adjustments Tariff Pages: 9th rev pgs 90, 91, 92, 93, 96; 8th rev pg 99; 9th rev pgs 101, 104, 107; 8th rev pgs 108, 114, 121; 16th rev pgs 123, 125; 18th rev pg 126; 19th rev pg 127; 4th rev pg 128; 5th rev pgs 129, 133 Tariff No. 21 Effective Date: May 1, 2023

Please do not hesitate to contact me with any questions. Thank you.

Sincerely,

Millen

Michael J. Sheehan

Enclosures Cc: Service List