

**STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DE 21-040**

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

**Petition for Approval of a Property Tax Mechanism**

**ORDER OF NOTICE**

RSA 72:8-e, which was enacted in 2019, requires the Commission to establish a rate recovery mechanism, which would permit any public utility owning “utility company assets,” as defined in RSA 72:8-d, I(c), to recover all property taxes paid on those assets. The rate recovery mechanism could either adjust annually, based upon the methodology contained in RSA 72:8-d, or be established “in an alternative manner acceptable to both the utility and the public utility commission.” RSA 72:8-e, I and II.

On March 8, 2021, Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty (Liberty) filed a petition for approval of a property tax recovery mechanism (PTRM) pursuant to RSA 72:8-e. Liberty requested the Commission to approve an alternative PTRM, which would allow Liberty to recover the property tax expenses it is entitled to recover on all property it owns, not just “utility company assets,” as of January 1, 2021. The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission’s website at <https://www.puc.nh.gov/Regulatory/Docketbk/2021/21-040.html>.

Liberty stated that it proposes comparing the amounts it paid in municipal and state taxes with the amount it collected in distribution rates and then using a reconciling factor to recover any underpayment or refund any overpayment. Liberty asserted that its proposed PTRM is not

prohibited by RSA 72:8-e and would be simpler to administer, because it would not require Liberty to distinguish between “utility company assets” and other utility property it owns, on which property Liberty is also entitled to recover the property taxes paid.

Further, Liberty maintained that its proposed PTRM is similar to: (1) the regulatory reconciliation adjustment (RRA) mechanism established in the settlement agreement that the Commission approved in Order No. 26,433 (December 15, 2020), which was issued in Docket No. DE 19-057, Public Service Company of New Hampshire d/b/a Eversource Energy’s last rate case; and (2) the mechanism that Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty Utilities has proposed in its pending distribution rate case in Docket No. DG 20-105, referring to the Direct Testimony of Steven E. Mullen filed on July 31, 2020, Bates II-206 through II-209. It proposed that the Commission approve the first rate adjustment for property tax expenses in this docket, with subsequent rate adjustments to be made as part of Liberty’s retail rate filings.

The filing raises, inter alia, issues related to whether Liberty’s proposed PTRM is permitted by RSA 72:8-e; whether Liberty’s proposed PTRM is consistent with the RRA mechanism the Commission approved in Order No. 26,433 (December 15, 2020); and whether Liberty’s proposed PTRM, if approved, would result in rates that are just and reasonable, as required by RSA 374:2, and by RSA 378:5 and :7. Each party has the right to have an attorney represent the party at the party’s own expense.

With the expiration of the declared State of Emergency, the Commission must now comply with all requirements of RSA chapter 91-A, including the requirement that a quorum of a public body must be physically present at the location specified as the location of the public meeting in the meeting notice. The Commission is aware that not all parties, including regulated utilities, have returned to full in-person work environments. Therefore, for the foreseeable future,

the Commission intends to provide a hybrid approach to hearings to accommodate those who are remote and those who are physically present. A quorum of Commissioners will be physically present within a hearing room for all Commission hearings beginning June 14, 2021. In order to facilitate the hybrid approach, the Commissioners will also continue to participate on the web-enabled platform. Parties and the public may continue to participate in hearings remotely using the Commission's web-enabled platform.

**Based upon the foregoing, it is hereby**

**ORDERED**, that the Commission will hold a prehearing conference, pursuant to N.H. Admin. R., Puc 203.15, at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on August 25, 2021 at 9:00 a.m., at which each party will provide a preliminary statement of its position with regard to the petition and any of the issues set forth in N.H. Admin. R., Puc 203.15. Commissioners will be present in the hearing room and will also use a web-enabled platform to conduct the hearing. Members of the public who wish to access the prehearing conference remotely may do so by [clicking here](#). **If you have any difficulty obtaining access to this remote event, please notify the Commission by calling (603) 271-2431 as soon as possible.** Parties and members of the public wishing to attend the hearing in person are encouraged to register in advance, on or before August 20, 2021, by calling (603) 271-2431; and it is

**FURTHER ORDERED**, that, immediately following the prehearing conference, the parties, including Liberty, the Department of Energy, and any intervenors, hold a web-enabled remote technical session to review the petition; and it is

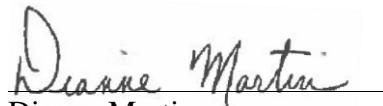
**FURTHER ORDERED**, that pursuant to N.H. Admin. R., Puc 203.12, Liberty shall notify all persons desiring to be heard at this hearing by publishing a copy of this order of notice

on its website no later than one business day after the date of issue, such publication to be documented by affidavit filed with the Commission on or before August 20, 2021. In addition, the Clerk shall publish this order of notice on the Commission's website no later than one business day after the date of issue; and it is

**FURTHER ORDERED**, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to Liberty, the Department of Energy, and the Office of the Consumer Advocate on or before August 20, 2021, such petition stating the facts demonstrating how its rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, any party seeking to intervene may elect to submit this filing in electronic form; and it is

**FURTHER ORDERED**, that any party objecting to a petition to intervene make said objection on or before August 25, 2021.

So ordered, this fourth day of August, 2021.

  
Dianne Martin  
Presiding Officer  
Chairwoman

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

## Service List - Docket Related

Docket# : 21-040

Printed: 8/4/2021

Email Addresses

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ClerksOffice@puc.nh.gov  
richard.t.chagnon@energy.nh.gov  
peter.dawes@libertyutilities.com  
paul.b.dexter@energy.nh.gov  
jay.e.dudley@energy.nh.gov  
thomas.c.frantz@energy.nh.gov  
maureen.karpf@libertyutilities.com  
donald.kreis@oca.nh.gov  
steven.mullen@libertyutilities.com  
amanda.o.noonan@energy.nh.gov  
erin.obrien@libertyutilities.com  
ocalitigation@oca.nh.gov  
michael.sheehan@libertyutilities.com  
karen.sinville@libertyutilities.com  
cynthia.trottier@libertyutilities.com