

**STATE OF NEW HAMPSHIRE  
BEFORE THE  
PUBLIC UTILITIES COMMISSION**

Docket No. DE 22-018

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

Net Metering Lost Revenue Adjustment Mechanism

**TECHNICAL STATEMENT OF**

**HEATHER M. TEBBETTS**

**AND**

**ADAM HALL**

April 14, 2022



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1   **I. Purpose of Technical Statement**

2       On March 22, 2022, Liberty Utilities (Granite State Electric) Corp. (“Liberty” or “the  
3       Company”) filed its request to change rates to its Annual Retail Rates. In that filing, the  
4       Company noted it could not include the net metering Lost Revenue Adjustment  
5       Mechanism (“LRAM”) rate as it was waiting for the Department of Energy (“DOE”) to  
6       provide the avoided cost rate for 2021. Upon further review, the Company has  
7       determined that the avoided cost rate is not utilized in the calculation of lost revenue.  
8       Order No. 26,029 (June 23, 2017) established a uniform mechanism for the utilities to  
9       recover lost revenue attributable to customer net metering, pursuant to the mechanism  
10      and process approved for Unitil by Order No. 25, 991 (February 21, 2017) in Docket No.  
11      DE 15-147. Consistent with the Orders previously mentioned, the Company calculated  
12      the lost revenue according to the mechanism established.

13      This technical statement provides the calculation of lost revenues for the period of  
14      January 1, 2021, through June 30, 2021. Since the Company’s decoupling mechanism  
15      took effect on July 1, 2021, and since the decoupling mechanism takes the place of  
16      LRAM, the LRAM was no longer in effect as of July 1, 2021.

17   **II. Net Metering LRAM**

18      As described in the March 22, 2022, testimony filed in this docket, the net metering  
19      LRAM is included in the transmission charge annual reconciliation. The Company will  
20      no longer be collecting net metering lost revenues once the revenues are collected for the  
21      period of January 1, 2021, through June 30, 2021.

1 As provided in Attachment HMT/AMH-6, the Company calculated the lost revenues for  
2 the January 1, 2021, through June 30, 2021, period to be \$130,717. The total sales for the  
3 forecasted period of May 1, 2022, through April 30, 2023, are 917,255,198 kWh. The  
4 total lost revenues divided by the forecasted sales calculates a rate of \$0.00014 per kWh  
5 to be collected from customers for the period of May 1, 2022, through April 30, 2023.

6 To arrive at the lost revenues to be collected for the period, the Company calculated the  
7 lost distribution revenues using an average distribution rate as shown in Attachment  
8 HMT/AMH-6, page 4. The average distribution rate was calculated by summing the total  
9 kWh charges for the period and dividing by the total kWh for the period, as shown on  
10 Attachment HMT/AMH-6, pages 5 through 7.

11 To determine the total lost revenues, the Company utilized PV Watts from the National  
12 Renewable Energy Laboratory ("NREL"). Using the amount of kW installed in each  
13 town from the Company's records, PV Watts calculates the value of the generation based  
14 on that installed kW and the rate input into the website. For commercial installations  
15 taking service under rates G-1, G-2, and V, the Company used \$0.01786 per kWh for an  
16 average distribution rate. For residential installations taking service under rates D, D-10,  
17 and T, the Company used \$0.05733 for an average distribution rate. These rates and their  
18 derivation can be found in Attachment HMT/AMH-6 on page 4.

### 19 **III. Bill Impacts**

20 The bill impact to a customer using 650 kWh per month taking default service is a  
21 decrease of (\$0.26) per kWh, or (0.17%) as compared to rates in effect today. The

1 change incorporates the proposed transmission and stranded cost changes filed in this  
2 docket on March 22, 2022.

3 **IV. Conclusion**

4 The Company asks that the Commission approve the tariff language submitted in  
5 Attachment 7 in conjunction with the Company's request for May 1, 2022, rates in this  
6 docket.