

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

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

2021 Step Adjustment

Docket No. DE 22-035

Technical Statement of Heather M. Tebbetts

December 12, 2022

**A. Purpose of Technical Statement**

On November 18, 2022, the Commission issued *Procedural Order Re: November 22, 2022, Hearing*, which rescheduled the November 22, 2022, hearing to February 7, 2023, and directed Liberty to submit a revised step adjustment filing providing for a rate reduction that excludes three audit items that the New Hampshire Department of Energy (DOE) and Liberty agreed to remove from the revenue requirement and excludes the two Salem area projects, effective as of August 1, 2022, with a provision for refunding any previously collected amounts for these items.

The purpose of this technical statement is to explain the filing submitted by the Company on this date as requested by the Commission.

**B. Investment**

Liberty has removed the Salem area projects totaling \$2,758,736, and the agreed-upon audit items totaling \$891,859 to reduce the total 2021 Step Adjustment investment amount by \$3,650,594, from \$10,187,080 to \$6,536,485, as shown on Attachment HT-1, Page 1. The investment of \$6,536,485 resulted in a \$575,083 reduction to the previously filed revenue requirement of \$1,751,403. The revised investment amount of \$6,536,485 results in a revenue requirement of \$1,176,320 as shown on Attachment HT-1, Page 2.

**C. Revenue Requirement**

The Company has calculated a revenue requirement based on Order No. 26,661 (July 29, 2022) and compared it to the requirements of the November 18, 2022, procedural order. Attachment HT-1, Page 3, includes Column (a) showing the originally filed calculation of the revenue requirement of the capital investment reduced by \$962,082 reflecting the fully recovered recoupment and rate case expenses as of August 1, 2022. Column (b) provides a revised revenue requirement reflecting the reduced annual revenue requirement described above and calculated as if the reduction were implemented on August 1, 2022. The revised change in the annual revenue requirement is a reduction of \$1,537,165. Column (c) reflects the difference between the original and revised revenue requirement for a reduction of \$575,083.

Given the timing of the February 7, 2023, hearing, the Company is requesting rates effective beginning on March 1, 2023. The Company will reduce rates currently in effect by an

additional (\$575,083) over the period of March 2023 through July 2023, as shown in Column (c) in Attachment HT-1, Page 3. Once the recoupment and rate case expenses have been fully refunded, Column (d) on Page 3 provides the calculation of the revenue requirement to be effective on August 1, 2023.

On Page 4 of Attachment HT-1, the Company has provided the calculation of the refund against the revenue requirement to show the amount of refund over the course of the twelve months. Page 5 includes the proposed rates by rate class effective March 1, 2023.

#### **D. Bill Impacts**

The monthly decrease for a residential customer taking default service using an average of 650 kWh per month is (\$2.35) or -1.04% as shown in Attachment HT-1, Page 7.