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December 1, 2022

Via Electronic Mail Only

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

Re: Change to the Systems Benefit Charge

Dear Chairman Goldner:

On behalf of Liberty Utilities (Granite State Electric) Corp., and pursuant to Puc 1605 ("Service or Tariff Change Other Than Full Rate Case") enclosed please find clean and redlined versions of Tariff Pages 22, 23, 126, and 127, which change the Systems Benefit Charge effective January 1, 2023.

The Energy Efficiency portion of the Systems Benefit Charge (the "EE Rate") is being adjusted as directed by RSA 374-F:3, VI-a(d)(2), which reads as follows:

The energy efficiency portion of the system benefits charge and local distribution adjustment charges shall adjust annually beginning January 1, 2023, and shall be calculated using the most recently available 3-year average of the consumer price index (CPI-W) as published by the Bureau of Labor Statistics of the United States Department of Labor plus 0.25 percent all as calculated by the department of energy. Utilities subject to commission rate regulation shall submit tariff amendments altering solely the system benefits charge and local distribution adjustment charge as described, reconciled for over and under collections already occurred, as soon after the effective date of this subparagraph as possible, and every December 1 for the upcoming year thereafter.

The 3-year average of the CPI-W provided to Liberty by the Department of Energy is 3.997 percent. After adding the 0.25 percent to the CPI-W, the annual adjustment to the EE rate is 4.427 percent. The new EE Rate of \$0.00550/kWh replaces the current EE Rate of \$0.00528/kWh..

The current Electric Assistance Program (EAP) portion of the SBC rate remains unchanged at \$0.00150/kWh.

The current Lost Revenue Mechanism (LRM) portion of the SBC rate was approved in Commission Order No. 26,621 (April 29, 2022) from May 1, 2022, until December 31, 2022. Liberty is updating the LRM portion of the SBC rate from \$0.00114/kWh to \$0.00000/kWh effective January 1, 2023, in accordance with that Order and will seek final true up of the LRM rate at the time of the annual report filing in June 2023.

The current and revised SBC rates are reflected in the table below.

Table 1. System Benefits Charge Rate Change Comparison

	Current Rate (cents/kWh)	New Rate Effective January 1, 2023 (cents/kWh)	Rate Change (cents/kWh)
Electric Assistance Program (EAP)	0.150	0.150	0.000
Energy Efficiency Programs (EE)	0.528	0.550	0.022
Lost Revenue Mechanism (LRM)	0.114	0.000	(0.114)
Total System Benefit Charge	0.792	0.700	(0.092)

The simplified process of a “service or tariff change” filing under Puc 1605 is appropriate for this minor rate change because it will not result “in a significant change to the return on the cost of the property of the utility used and useful in the provision of service.” Puc 1605.01(b).

Puc 1605.02(a) requires a service or tariff change filing to include, first, a “cover letter summarizing the proposed tariff change and, where applicable, percentage change in existing rate and revenue effect.” This cover letter summarizes the proposed tariff change. The proposed change will result in an overall 12 percent decrease in the existing SBC rate, or a \$0.60 monthly decrease for a residential customer using 650 kWh.

Second, Puc 1605.02(a) requires “Annotated and clean tariff pages showing the proposed changes as required pursuant to Puc 1604.” Those pages are attached.

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Third, the Company must provide a "Supportive narrative, testimony or technical statement." Given the straightforward reason for the rate change (legislation) and the simple changes to the tariff, this cover letter provides the required "supportive narrative."

Finally, the rule requires "supportive schedules documenting the adjustments and supporting the calculations made in the proposal." No schedules are necessary to support the new EE Rate as it was prepared by the Department of Energy, consistent with the statute.

Having complied with RSA 374-F:3, VI-a(d)(2) and Puc 1605, Liberty respectfully asks the Commission to approve the new tariff pages or to simply allow them to go into effect by operation of law by the passage of 30 days. Puc 1603.07(a)(1).

Sincerely,

A handwritten signature in dark ink, appearing to read "M. Sheehan", is written over a faint, light gray circular background.

Michael J. Sheehan

Cc: N.H. Department of Energy
Office of the Consumer Advocate