

Before the New Hampshire Public Utilities Commission

DE 23-039

**Liberty Utilities (Granite State Electric) Corp. D/B/A
Liberty**

Request For Change in Distribution Rates

NH Department of Energy Data Requests- Set 10

September 29, 2023

- 10-1. Please provide actual usage as follows in a live excel spreadsheet(s):
 - a. Usage in kWh by customer class by month starting on January 1, 2019 through most recent monthly data available for 2023.
 - b. Total annual usage in kWh for 2013 through 2022.
 - c. Applicable usage in kW for applicable customer classes used in calculating distribution rates by month starting on January 1, 2019 through most recent monthly data available for 2023.
- 10-2. Please provide actual distribution revenues collected as follows in a live excel spreadsheet(s):
 - a. By customer class by month starting on January 1, 2019 through most recent monthly data available for 2023.
 - b. By customer class annually for 2013 through 2022.
- 10-3. Please provide number of customers as follows in a live excel spreadsheet(s):
 - a. By customer class by month starting on January 1, 2019 through most recent monthly data available for 2023.
 - b. By customer class annually for 2013 through 2022.
 - c. Please explain how the annual number of customers was calculated.
- 10-4. Please provide the Excel files that created the following.
 - a. Puc 1604.01(a)(17) Payments to Individuals and Corporations for contracted services, Bates pages I-170 and I-171
 - b. Puc 1604.01(a)(25)(b) Parent Company expenses, Bates page I-183
- 10-5. Supplemental Executive Retirement Program (SERP). Follow-up to DOE 4-36.
 - a. For any SERP allocated to the Company during the test year, please provide the total amount of SERP, the amount allocated to the Company, and the allocator.
 - b. Please provide the comparable allocated SERP expense for each calendar year 2020, 2021, and 2023 year to date.
 - c. Please provide the most recent two actuarial reports for SERP.
 - d. Please provide a list of the employees who participate in the SERP and their positions that were allocated to the Company.

- 10-6. SAP. Follow-up to DOE 2-5.
- a. Please provide the Company policies and procedures that detail how the phases of the project will be split between capital and expense.
 - b. Please provide the actual cost of the project broken down by capital and expense.
 - c. Please provide a summary of any conversion issues, including what systems were impacted.
 - d. Please provide a summary of what conversion issues remain open and the impact on the financial systems of the Company.
 - e. What systems were converted to SAP?
 - f. Please provide explanations for any delays in the project meeting its expected in-service date.
 - g. When was SAP placed into service?
 - h. Were the old systems retired?
 - i. If not, why not?
 - ii. If the system was retired, please provide the date it was retired, the amount of plant and the reserve recorded, and when it was recorded. Provide the supporting journal entry.
 - i. Please provide the gross plant and reserve balance for the system prior to SAP for December 2021 and each month in the test year.
- 10-7. Prepaids. Follow-up to DOE 4-7. For each of the following prepaids included in the test year, please provide these items:
- a. Copy of the invoice(s) supporting the prepaid amount
 - b. Amount charged to or allocated to the Company
 - c. Description of services and/or materials
 - d. Expense account the amount was/will be charged to
 1. Itron
 2. Altivon
 3. ARCOS - 2021
 4. ESRI
 5. Softchoice
 6. Cogsdale
 7. Workiva
 8. SAP
 9. SAP-Canada
 10. Schneider-Scada
 11. Schneider-Maint
 12. ARCOS - 2022
 13. Schneider-Smart
 14. AON-Insurance
 15. Converge One
- 10-8. Severance. Follow-up to DOE 4-38.
- a. For each of the three severances paid during the test year, please provide the amount included in the Company's rate request.
 - b. Please explain why severance of \$83,278.85 was paid to the employee who retired.

- c. Please explain why severance of \$27,944.75 was paid to the employee who retired.
 - d. Please explain why severance of \$7,583 was paid to the employee who was terminated within two weeks of being hired.
- 10-9. Political Action Committee. Follow-up to DOE 4-46. The Company stated it did not have a PAC in the test year. Do the rate years include costs associated with the PAC the Company is working to establish in the future? If so, please provide the amount by year reflected in the Company's rate request.
- 10-10. Industry Dues. Follow-up to DOE 4-41. For each of the following industry organizations, please provide the total dues paid and the amount excluded from the Company's rate request.
 - a. EEI—\$27,265
 - b. Smart Electric Power Alliance—\$3,000
- 10-11. Pension. Follow-up to DOE 4-28 and 4-29. Please provide the support for the pension service expense specifically forecasted for 2023, 2024, 2025, and 2026. Please include a reconciliation of the support to the proposed going-level pension expense included in the Company's rate request.
- 10-12. Payroll. Follow-up to DOE 4-14. The original request 4-14b sought actual payroll by month for year-to-date 2023. The response refers to DOE 4-16b, which is budgeted employee counts. Please provide the actual payroll by month for year-to-date 2023 in Excel.
- 10-13. Payroll. Follow-up to DOE 4-16c. Please provide the table labeled as Attachment 23-039 DOE 4.16c in Excel.
- 10-14. Depreciation. Follow-up to DOE 4-6a. The response states, "The adjustment to remove negative \$383,135 relates to an unbilled revenue adjustment and is further explained in the Company's response to DOE 4-35." DOE 4-35 is related to early retirement plans. Please modify the response.
- 10-15. Payroll. Follow-up to Confidential Attachment 23-039 DOE 4-13a.
 - a. For the 47 open positions, please respond to these items:
 - i. Please provide when the position became open.
 - ii. Has the position been filled? If so, when?
 - b. For the four new positions, has the position been filed? If so, when?
- 10-16. Board of Directors Fees. Follow-up to DOE 4-54. Please provide support for the allocation factors used to allocate Board of Director Fees to each subsidiary/company including GSE.
- 10-17. Insurance. Follow-up to DOE 4-49.
 - a. Please provide the support for the Allocation % to GSE for 2022 and for 2023.
 - b. Please explain why the Allocation % to GSE changed from 2022 to 2023.

- 10-18. Unbilled Revenue
- a. Please provide the amount of 2021 unbilled revenue included in the test year.
 - b. Please provide an estimated or actual amount of 2022 distribution revenue that was not billed in 2022 but was billed or is planned to be billed in 2023.
 - c. Separate the 2022 unbilled revenue by the reason(s) the revenue was not billed in 2022.
 - d. How much of the unbilled revenue was due to the implementation of the new SAP customer information and billing system?
 - e. How was the revenue requirement adjusted for unbilled revenue?
- 10-19. Overhead, Administrative and General. Please provide these items:
- a. Description of the company's method of capitalizing administrative and general overheads with supportive studies and workpapers
 - b. Description of each type of overhead and NARUC account number
 - c. Overhead burden for 2020, 2021, 2022, and year-to-date 2023.
 - d. Calculations and assumptions used in the calculations
- 10-20. Overhead, Administrative and General from Affiliate(s). Please provide these items:
- a. Description of the company's method of capitalizing administrative and general overheads from affiliates with supportive studies and workpapers
 - b. Description of each type of overhead and NARUC account number
 - c. Overhead burden for 2020, 2021, 2022, and year-to-date 2023.
 - d. Calculations and assumptions used in the calculations
- 10-21. Lead-Lag Study, Reconciliation of Expenses. Please reconcile the total expenses shown on the lead-lag study to the total operating expenses shown on the income statement.
- 10-22. Reference the following Company response to DOE-7-15:; "He (Philip Hanser) is unaware of any marginal cost/benefit analysis related to enhanced reliability conducted by the Company."
- a. Does the Company have specific reliability performance objectives to be in the 1st quartile against their peers?
 - b. Please explain how reliability improvement projects are defined, evaluated, and prioritized against all other capital improvement projects.
- 10-23. Reference the following Company response to DOE 7-18: "In Rate Year 1, vegetation management is approximately 16.7% of total O&M."
- a. Was this percentage based on the reduced vegetation management program (VMP) budget request or the full VPM budget request? (Please provide percentages for both reduced and full VPM requests.)
- 10-24. Reference Direct Testimony of Balashov, Battery Storage.
- a. Bates page II-678, lines 5-7: What is the status of the Company's response to Order No. 26,784?

- b. Bates page II-685, lines 3-6, Phase 2 of the existing BESS program: Please supply evidence that an additional 150 customers are willing to pay a \$4,866 enrollment fee plus an on-going \$50 monthly program participation fee.
- c. Bates page II-688, Table 1, Phase 2 costs: What revisions are needed (if any) to the estimated costs provided in Table 1?
- d. Bates page II-680, line 19: Are eligible BYOD BESS installations still limited to Tesla Powerwall units?
- e. Bates page II-681, lines 1-13: Has the Company implemented the BYOD verification/qualification process outlined in the testimony?
- f. Bates page II-688, Table 1: Are BYOD verification/qualification costs from the above verification process included in the Phase 2 cost estimates of Table 1?
- g. Bates page II-684, lines 2-14: If the one-time \$500 BYOD enrollment charge doesn't cover the Connection Impact Assessment (CIA) and additional studies are needed to safely connect the proposed BESS installation, requiring customers to reimburse the Company for additional study costs, how does the Company see this affecting the participation rate? The proposed budget?

- 10-25. Reference Direct Testimony of Shawn Eck at Bates 709: “All Program investments provide security control for critical operations and business functions (e.g. SCADA system, substation operations, enterprise solution, etc.)” The following questions pertain only to Liberty/Granite State’s share of the expenditures:
- a. What is Liberty’s share of the cost of the implementation for the SCADA System (Upgrades or Auditing for systems?) What type of changes or additions are being made here?
 - b. In terms of Substation Operations what is Liberty’s share of the cost that is being invested for this part of the Program and what is being implemented? Does this include hardware or software implementation that will improve the cyber security of the substation? If so, what is that hardware or software?
 - c. Enterprise Solution: What enterprise solution is being implemented? Is this a cyber solution for a particular portion of the OT side or IT side of the cyber program? Is this enterprise solution for email, data protection or auditing and monitoring of hardware related to the OT Network?