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 Technical Session Data Requests – Set 2

November 3, 2023

TS 2-1. Conversion of Canadian dollars to US dollars. Please explain in detail how Liberty (Granite State Electric) converts costs (and revenues) based in Canada to US dollars. Please provide the timing of the conversions to US dollars, the conversion rate(s) used, the source of the conversion rates, and how often costs (revenues) are converted. Please provide detailed procedures and calculations of how the company conducts such conversion. If no such procedures exist, please explain why. In addition to any procedures, please provide several examples of the conversion calculations.

TS 2-2. General Filing Requirements. Please refer to Bates p. I-183.

a. Please explain in detail why $6.09 million in costs associated with Liberty Utilities Serv Corp and Liberty Utilities Canada is included in Liberty (Granite State Electric)'s rate base.
b. Please indicate in the revenue requirement filings where this amount is included. Please provide a specific cite or cites include page number, line number, and column number.
c. Please explain how these amounts are included or excluded from overhead and burden calculations for Liberty (Granite State Electric).
d. Please provide a detailed explanation of how these amounts were determined to be borne by Liberty (Granite State Electric).
e. Please provide this page with additional columns listing the totals by account incurred by Liberty Utilities Services Corp and Liberty Utilities Canada, the amount then attributable to Liberty (Granite State Electric) (as shown on this page), and the amount borne by other entities beyond Liberty Utilities Services Corp and Liberty Utilities Canada and Liberty (Granite State Electric).
f. For the data presented in subpart d., please explain how the amount borne by each entity was determined.

TS 2-3. General Filing Requirements. Please refer to Bates p. I-183, FERC Account No. 165, Prepayments.

a. Please provide a detailed description and supporting details of each of these prepayments in the amounts in 2022 of $55,841.50 and $2,509,065.65.

b. Please provide the detailed balance for this same account for 2020 and 2021 and the amounts and entity paid. Please provide a live excel spreadsheet with the data.
c. Please provide a detailed description of any prepayments in 2020 and 2021.
d. Please provide a detailed description of why the total amounts in 2020 or 2021 in comparison to 2022 total amount vary by more than 10% if that is the case.

TS 2-4. General Filing Requirements. Please refer to Bates p. I-183, FERC Account Nos. 107 Construction Work in Progress, 920 A&G Salaries, 921 Office Supplies and Expenses, 922 Admin Expenses Transferred, 923 Outside Services and Expenses. Please provide detailed description of the expenses incurred by Liberty Utilities Services Corp and Liberty Utilities Canada which is included in Liberty (Granite State Electric)'s cost of service. Please provide the specific cite in the revenue requirement calculation where such costs are included.

TS 2-5. General Filing Requirements. Reference Puc 1604.01(a)(1)(a) BS, pages 1-4 on Bates p. I-006 to I-009 and FERC Form 1, pp. 24-28 of 163.

a. Please explain why the net utility plant amounts for 2022 are not the same on the filing requirements ($242,404,453) and FERC Form 1 ($242,052,576).
b. Please explain why the Total Current and Accrued Assets differ by almost $1 billion on the filing requirements ($1,044,954,833) and FERC Form 1 ($80,882,925).
c. Under current and accrued assets for accounts receivable from Assoc. Companies (146), please explain why the FERC Form 1 is blank and the filing requirements show over $964 million.
d. Under Deferred Debits for Other Regulatory Assets (182.3), please explain why the amounts differ by over $1.1 million.
e. For Total Deferred Debits, please explain why the FERC Form 1 ($5,934,753) and the filing requirements ($7,264,066) differ by over $1 million.
f. For Accounts Payable to Associated Companies (234), please explain why the FERC Form 1 ($75,125,573) and the filing requirements ($1,039,197,482) differ by almost $1 billion.
g. For Total Liabilities and Stockholder Equity, please explain why the FERC Form 1 ($328,891,720) and the filing requirements ($1,294,644,819) differ by almost $1 billion.
h. For all accounts and subtotals and totals shown in the filing requirements and the FERC Form 1, please show a table listing the amounts for each as shown in the filing requirement and the FERC Form 1 and calculate the variance between the two. Please provide an explanation for each of the variances. Please provide a live excel spreadsheet.
i. For subparts a-h, please explain which amount is used in rate base, a cite of where the amount is listed in the revenue requirement calculation, and how the Commission and Parties are to know which amounts are correct and can be used as the basis for this rate case.

TS 2-6. General Filing Requirements. Reference Puc 1604.01(a)(1)(a) PL, pages 1-2 on Bates p. I-010 to I-011, Puc 1604.01(a)(3), Bates p. I-040 and FERC Form 1, pp. 30-35 of 163 regarding net income.

a. Please explain why the net income on the FERC Form 1 ($11,748,870) and the filing requirements ($12,597,017) differ by $848,147.
b. Please explain why the net income for Federal Income Taxes ($8,750,982) differs from those discussed in subpart a.
c. Reference Puc 1604.01(a)(13), p. 4 of 23, Bates p. I-117 showing net earnings of $11,749,000. Please explain why this amount differs from the amounts listed in subparts a and b.

TS 2-7. General Filing Requirements. Reference Puc 1604.01(a)(1)(a) BS, page 1 of 4, Bates p. I-006 and Puc 1604.01(a)(1)(c) p. 2 of 13, Bates p. I-018. Please explain why the amounts for Accounts Receivable from Assoc. Companies (146) increase by almost $1 billion from Q4 2020 to the end of 2022 and from the beginning of 2022 to the end of 2022:

Q4 2020: $59,984
Q1 2021: $54,757
Q2 2021: $0
Q3 2021: $0
Q4 2021: $0
January 31, 2022: $0
December 31, 2022: $964,071,909

TS 2-8. General Filing Requirements. Puc 1604.01(a)(8) pp. 1-2, Bates pp. I-046 and I-047, regarding Proposed Distribution Expenditures.

a. Please provide a detailed description of each of the following on p. 1 (Bates p. I-046) and indicate if the expense is capital and/or O&M:
    i. Total Rewards
    ii. Talent Acquisition
    iii. Customer Experience/Big Data
b. Please explain what is included in the following on p. 2 (Bates p. I-047): Item No. 5880 Miscellaneous Distribution expenses and Item No. 5930 Maintenance of Overhead Lines.
c. Please provide a detailed explanation and the difference of the following: Item 5830 Overhead Line expenses, Item 5930 Maintenance of Overhead Line Expenses, Item 5931 Maintenance of Overhead Lines (Trouble), and Item 5932 Maintenance of Overhead Lines.

TS 2-9. General Filing Requirements. Reference Puc 1604.01(a)(13), p. 22 of 23, Bates p. I-135, Item 14. Non-cash operating items. Please explain why the 2022 amount ($57,293) is approximately 5 times higher than 2021 ($12,957).

TS 2-10. General Filing Requirements. Reference Puc 1604.01(a)(17), p. 1 of 2, Bates p. I-170, payments for contractual services.

a. Please provide a detailed explanation of the professional services provided by ControlPoint Technologies, Inc. and why there were 429 total items for expenditure in the test year.
b. Please provide a detailed explanation of the professional services provided by Balance Professional Inc and why there were 722 total items for expenditure in the test year.
c. Please provide a detailed explanation of the services provided by TRC Environmental Corporation, why there were 230 total items for expenditure in the test year, and whether TRC provides services related to the energy efficiency programs.
d. Please provide a detailed explanation of the services provided by Oracle America, and whether the costs listed include services related to the energy efficiency programs provided by Oracle.
e. For the contractors listed, please list all of the companies and the associated dollar amount that provide services related to energy efficiency even if the purpose of the service listed does not say energy efficiency. Please confirm with a specific cite in the revenue requirement calculation where any energy efficiency related costs are taken out.
f. For EnviroArbor Solutions, please explain in detail the services provided especially those that are considered facilities services, professional services, and vegetation management.

TS 2-11. General Filing Requirements. Reference Puc 1604.01(a)(23), p. 1 of 1, Bates p. I-178, regarding the capital budget for 2023 and 2024.

a. Please explain in detail Project NH_00011 – GSE-Dist-3rd Party Attach Blanket.
b. Please explain in detail why Project NH_00064, Reliability Projects increases from $3,790,000 in 2023 to $6,210,000 in 2024. Please provide the budget for 2022 and any variance from 2022 and 2023 and 2024.
c. Please explain why Project NH_00038, Bare Conductor Replacement Program is listed as a Regulatory Project. Please cite the specific regulatory requirement (e.g., Puc or Dept of Energy Rule, state statute, etc.) for such project.

TS 2-12. Regarding the battery storage pilot, please explain the following:

a. Please explain what changes the Company is proposing to include in the tariff regarding the BYOD customers participating in the pilot, and provide a cite (including Bates page(s)) of such change. If none is proposed, please explain why.
b. In the settlement agreement in DE 17-189, the Company was to consider a sharing mechanism regarding the savings. Please explain if the company is proposing such a sharing mechanism and provide a cite in the filing. If the company is not proposing a sharing mechanism, please explain what considerations the company made, and why it decided to not include a sharing mechanism.

TS 2-13. Reference the testimony of Balashov, p 8 -12 of 16, Bates pp. II-680-684, regarding BYOD customers.

a. Please explain whether customers participating in the demand response program proposed as part of the energy efficiency program will have to undergo a similar review process and the Connection Impact Assessment by Liberty. If not, please explain why not?
b. If customers in the EE demand response program do have to undergo the preliminary review and Connection Impact Assessment, please explain how Liberty will track the costs to clearly indicate which are attributed to the EE program and to the battery pilot.
c. Please explain why Liberty cannot use the same vendors proposed under the EE program for the battery storage pilot and also use the same dispatch methodology used in EE for the battery storage BYOD program.

TS 2-14. Regarding all of the proposed and current time of use rates, please provide the following:

a. Please explain why the company has two periods on the weekends for all the TOU rates.
b. Please provide the supporting data that indicates why more than one period for the TOU rates should be included.
c. Please explain why Liberty says the 3:1 ratio between peak and off-peak is appropriate, but then proposes TOU rates with ratios much less than 3:1.
d. Given that studies have shown that a 3:1 ratio is necessary to incent customers to move away from peak periods, please explain why Liberty is proposing TOU rates that would not incent customers to move away from peak periods.
e. Please provide Liberty's purpose and goal in proposing TOU rates.
f. Please explain whether a customer on competitive supply can be on one of Liberty's TOU rates. If not, please explain why not.
g. Please explain whether a customer on competitive supply who wants to be on one of Liberty's TOU rates has to have the supplier provide TOU energy rates. If so, please explain why.
h. Please explain whether Liberty plans to request energy supply bids by TOU period for all of the customers on TOU rates.
i. Please explain whether Liberty plans to request energy supply bids for capacity and non-capacity costs separately. If not, then please explain why Liberty separated the costs when developing the TOU rates.
j. Please explain why Liberty used 2021 instead of 2022 for load allocation.
k. Please recalculate the TOU rates using 2022 load data instead of 2021.
l. Please explain why the winter Transmission rate varies so much in the winter when the transmission system is currently a summer peaking system.
m. Please explain why Liberty does not vary the distribution rates more from peak to off-peak to avoid increased peak loads from causing future expansions to the distribution system.

TS 2-15. Refer to Figures 7 and 8 in Tillman testimony, regarding TOU rates. p. 30-31 of 35, Bates II-898-899.

a. Please define "utilization," providing a detailed calculation (in a live excel spreadsheet) and explain why this column does not add up to 100%.

b. If the customer charges vary between the two rates, please provide the bill comparison including the customer charges.
c. At high utilization, please explain why the demand would not change.

TS 2-16. Reference Tillman testimony, regarding models and changes to TOU rates on p. 34 of 35, Bates II-902.
a. Please explain why rates D-11 and D-12 are based on Rate D, when these are existing rates and currently have customers (or at least D-11 does). Please explain why the current customer data for D-11 cannot be used to model the D-11 rates.
b. Please explain how the company proposes to modify rates. Will the company propose the same ratio between peak and off peak for each rate component?

TS 2-17. Reference beginning on Bates III-023 and RR-2, regarding the revenue decoupling tariff and calculation, please provide the following:
a. A detailed explanation including supporting data why certain rate classes are excluded.
b. A detailed explanation why the company uses the billing determinants (e.g., customer counts) from the test year and not the most recent year to calculate the targets.
c. A detailed explanation why the company proposed the targets on a monthly basis instead of an annual basis, especially given that the data required is not available on a calendar month basis.
d. Reference RR-2 and provide a detailed explanation why decoupling revenues are shown for 2021, but not 2022. Also, please provide an explanation of what these decoupling revenues are.

TS 2-18. At the tech session, a company representative indicated that the conversion to the new billing system could impact the billing determinants for the test year. Please provide the following:
a. A detailed explanation why the company believes that the billing determinants are appropriate to be used in this rate case.
b. A detailed justification for why the Company believes that if the billing determinants could have been impacted by the billing system, that using the test year billing determinants to calculate new distribution rates will result in just and reasonable rates.

TS 2-19. Reference Data Request DOE 11-3, regarding non-recurring charges.
a. Please provide updates to this data request given that the requirement in Puc 300 rules require the meter test charge to be $20, not $50 and data appearing to be missing from Table 5.
b. Please explain why the Company believes it is not double counting the service connection expenses if these expenses are already included in rate base.

TS 2-20. Reference Data Request DOE 11-14 attachment. Please provide a summary table showing the accounts and amounts affected in the FERC Form 1, the SAP accounting system, the revenue requirement filing, the actual amount that should be included in the revenue requirement, and the variance.

TS 2-21. Regarding all electric vehicle (EV) charging stations owned by Liberty, please provide the following:

a. All business case documents, Company approvals, and other workpapers for all EV charging stations owned by Liberty.
b. The total detailed cost of the project associated with the purchase, installation, and other related costs, including infrastructure upgrades, of the EV chargers. If Liberty did not pay the total cost, please provide a detailed summary of the paying entity and associated costs.
c. Please provide the specific reference to the plant in service and specific account number for all costs and for all revenues received associated with each EV charger. Please cite the specific Bates number and line number in the rate case filing.
d. Please provide the operation and maintenance arrangements for each EV charging station and the associated costs including in the revenue requirement.
e. Please indicate where Liberty received approval by the NH PUC for the purchase and installation for each EV charging station, if applicable.
f. Please provide monthly usage data (in kWh and kW) for each station since installation.
g. Please indicate under which rate class each EV charger is billed.
h. Please provide total monthly revenue and total monthly distribution revenue received for the usage of each charging station since installation. If Liberty does not receive separate revenue for each EV charging station, please calculate the total monthly billed revenue and total billed distribution revenue based on the usage for each EV charging station and the rates in place at the time of usage.

TS 2-22. Please provide a copy of any audits conducted by Liberty or a third party for Liberty since 2019, (e.g., audits of the IT systems or other systems, books and records, etc.) Please indicate if the audit is routine or was conducted for a specific reason. If an audit was conducted for a specific reason, please provide details.

TS 2-23. Reference the approved Settlement Agreement in DE 19-064 at Bates 15 which states at Section N. titled "Pole Attachment Fees" that "The Settling Parties agree that the Company will update its fees once per year in accordance with Puc 1300 rules." Reference also the response to DOE 6-1 in this docket which was discussed in the Tech Session. Please provide details on the total amount of Pole Attachment Fees collected each year since the approval of the Agreement demonstrating the Company's compliance with this clause of the Agreement.

TS 2-24. Reference Response to DOE 6-1. Please respond to the following questions.

a. Please confirm that 100% of pole attachment revenue and Tower Rental revenue is allocated to benefit ratepayers as an offset to the Company's revenue requirement.
b. On Schedule RR-2.3 (Attachment KMJ/DSD-1) Line 5 which shows the "Rent from Elec Property" please explain why the Test Year revenue amount is not increased annually over the 3 Rate years 2023/2024 – 2025/2026 in the same

way that, for example, expense amounts paid to Liberty/Algonquin corporate affiliate/parent companies are as shown in the response to OCA 3-4.

c. Reference subpart a) above (TS 2-27(a)). If the same "general escalators" as shown in the response to OCA 3-4 were applied to the "Rent from Elec Property" amount over the 3 Rate Years 2023/2024 – 2025/2026 please provide a table showing what the corresponding annual revenue amount would be for each rate year.
d. Are the "general escalator" rates shown in the response to OCA 3-4 greater than or less than the results of increasing Pole Attachment Rates in accordance with the application of the company's FERC Formula Rate for Pole Attachments if it were appropriately increased in each of the 3 Rate Years in accordance with the Company's forecasted Rate Base increases and other relevant Formula Rate factors.
e. Please explain why there are five (5) separate entries/amounts for Segtel, Inc.
f. Please provide a copy of the following Pole Attachment Contracts: 1) Comcast Communications; 2) Charter Communications; and 3) Verizon Wireless.
g. Please provide a copy of the Tower Rental agreements/contracts for both AT&T Mobility and Sprint Nextel.
h. Do the Company's Pole Attachment contracts allow and provide for annual increases to the rate and total amount it charges to each of its pole attachers?
i. Please provide a copy of the Company's currently effective Pole Attachment Rate Calculation as filed with FERC and the date the on which that rate became effective. Is this same rate in effect and applicable for all of the Company's pole attachers? If not, please explain why not.

TS 2-25. Reference response to DOE 11-2 regarding details of line extensions performed in 2022 and accompanying spreadsheet Attachment 23-039 DOE 11-2.xlsx. Please respond to the following:

a. Please explain why 33 of 147 or 22% of extensions for which data is provided in Attachment 23-039 DOE 11-2.xlxs do not have length of extension data available as requested (i.e. Col J. entry is "unknown"). Is it correct that this length information is necessary to calculate the estimated cost of the extension and thus whether the customer is obligated to make a contribution toward the extension's cost? If so, why is that data not available in the dataset provided?
b. During the Technical Session, the Company stated that the actual total job cost is equal to the "Total Cost" in Col. H plus the absolute value of the CIAC amount shown in Col. I. So for example, Line 7 for "WS Job Name" of "3 Winter St Garage Windham" shows "Total Cost" in Col. H as $13,679.58 and has "CIAC" amount in Col. I of -$7,243.50, therefore the actual Grand Total Project Cost is (13,679.58 + 7,243.50) = $20,923.08. Please confirm if this understanding is correct. If not, please explain in more detail.
c. Please explain why the project identified as WS Job Number "302238-01008" with WS Job Name "5 White Ave W Lebanon" shows no entry in Col. H "Total Cost" and a

CIAC amount of "($40,917.03)". Did the Company not incur any line extension costs for this particular project?

d. Please explain why the project identified as WS Job Number 302137-01371 and WS Job Name of "LOT 600A COBURN RD, WINDHAM" which was an underground extension with Col. H Total Cost of $69,654.40 does not have a CIAC contribution amount showing. Please provide the Company's detailed cost calculations related to this extension project. If this information is correct, please explain how these project costs are in compliance with the Company's current Line Extension tariff.

e. Is it a correct understanding that under the current tariff Line Extension policy identified on Tariff Original Page 70 for "Underground Secondary Service Drop at Customer's Request on Private Property" that, in the case of the first service to the location, "the Customer shall pay to the Company the difference between the estimated cost of an overhead service drop, as provided for in Section II.2.A, above, and the cost of an underground service drop…" and that the amount the customer pays will be considered as Contribution In Aid of Construction (CIAC)?

f. Please explain why the project identified as WS Job Number 302137-01449 and WS Job Name of "21 Farm House Lane Pelham" which was an overhead extension of 400' which a Col. H TOTAL COST of $15,637.40 does not have a CIAC amount showing. Please provide the Company's detailed calculations of line extension costs relating to this project and explain how these project costs with no CIAC are in compliance with the Company's current Line Extension tariff.

g. Please provide the Company's detailed cost calculations of line extension costs relating to each of the following projects listed in the attachment:
   i. WS Job Number 302137-01186 with WS Job Name "1 Allen Road Windham NH" which is a 40' Overhead Extension with a Col. H Total Cost of $17,869.16
   ii. WS Job Number 302237-01177 with WS Job Name "17 Bonanno Rd, Salem" which is a 490' underground extension with a Col. H Total Cost of $13,773.34

TS 2-26. Regarding line extension rates, please provide the line extension rates that would be proposed using the following:

a. The applicable line extension costs and lengths of extension using 2021 data.
b. The applicable line extension costs and lengths of extension using 2022 data.
c. The applicable line extension costs and lengths of extension using 2023 data to date.

Provide the detailed calculation in a live excel spreadsheet with the supporting data.

TS 2-27. Reference Attachment TRF-PERM p. 223 of 359, Bates III-253, in the tariff for underground line extensions in section 1. Introduction. Please explain how the Underground rates are "based upon the costs of the Overhead Serve utilizing overhead electric distribution facilities." Please provide a detailed explanation of how the costs of underground and overhead are similar or different and how that can be accounted for if the underground rate is based on the overhead costs.

TS 2-28. Reference the response to DOE 6-2. Is it a correct understanding of the information on Attachment 23-039 DOE 6-2.d that using the Whole Life Technique rather than the Remaining Life Technique to perform the Depreciation Study, a Depreciation Reserve imbalance of $9,593,417 would result, which represents an excess of depreciation collected (Book Reserve is greater than Calculated Accrued Reserve) which should be returned to customers?

TS 2-29. Reference the response to DOE 6-2. Is it a correct understanding of the information on Attachment 23-039 6-2.b (pages 1 and 2 of 2) that the Depreciation Study as performed using the Remaining Life Technique results in an annual Depreciation Accrual amount of $11,697,980 for Total Depreciable Plant compared to an annual Depreciation Accrual amount of $12,478,486 if using the Whole Life Technique?

TS 2-30. Reference the approved Settlement Agreement in DE 19-064 at Bates 15 Section L. Depreciation Reserve Imbalance. Is it correct that this section states "The depreciation reserve imbalance is a deficiency of $1,399,800 determined using plant balances as of December 31, 2018. The Company shall amortize this depreciation reserve imbalance over a period of 6 years, beginning on July 1, 2020."? How much of this amount has been amortized as of the end of the test year?

TS 2-31. In reviewing the Depreciation Study and FERC Account balances it was noticed that there is a significant increase in the 2022 Year End Balance for FERC Account 369 Services. The table of data below is extracted from recent FERC Form 1 reports filed with the PUC. Please respond to the following questions related to the information in the table:

DE 23-039 Liberty Distribution Rate Case
FERC Account 369 Services
From Liberty FERC 1 reports filed with PUC annually

Year	Beginning Balance (a)	Additions (b)	Retirements (d)	Adjustments (e)	Transfers (f)	Ending Balance
2022	12,169,654	1,244,744	10,350	3,816,951	0	17,220,999
2021	11,755,186	414,548	80	0	0	12,169,654
2020	11,121,552	634,768	1,134	0	0	11,755,186
2019	11,634,212	-508,503	4163	6	0	11,121,552
2018	10,479,603	1,155,868	9,338	8,079	0	11,634,212

a. Please explain the $3,816,951 adjustment in 2022. If this transfer amount relates to transfers of assets from other Plant Accounts, please provide a detailed accounting of the asset transfers from those other accounts into Account 369 and explain why those assets are transferred to this account.
b. It appears that in both 2018 and 2022, both of which are Rate Case Test Years, there are larger than average Additions to this account. Please explain.
c. For 2019, there is a large negative amount (-$508,503) included in the Additions column. Why was this amount not recorded as an Adjustment rather than a negative Addition to Plant?

TS 2-32. Reference the Testimony of Anthony Strabone beginning on page 26 of 35 (Bates II-486) where the testimony addresses "Storm Restoration – Planning & Restoration." Please respond to the following:

a. Is the Company proposing any change to the current annual amount of $1,500,000 included in distribution rates for its Major Storm Cost Reserve?
b. Is the Company proposing any change to current storm prediction criteria necessary to allow it recover costs to Planning and Preparation activities as identified on page 29 of 35 Lines 2 – 9? If so, please provide a clear and detailed explanation of those proposed changes.
c. Is the Company proposing any changes to the current definition of "Major Storm" which is "an event that results in either (a) 15% or more of Liberty's retail customers being without power in conjunction with more than 30 concurrent troubles, or (b) more than 45 concurrent troubles during the event"? See page 29 of 35 Lines 12-14. For purposes of this question, "troubles" means interruptions to primary or secondary lines on the Company's distribution system not including interruptions to service lines impacting a single customer.

TS 2-33. Reference the Testimony of Anthony Strabone beginning on page 26 of 35 (Bates II-486) where the testimony addresses "Storm Restoration – Planning & Restoration." Assuming the Company were to make the following implementation changes to its Major Storm Cost Reserve (MSCR) fund:

a. That "concurrent" outages is understood to mean outages that are occurring simultaneously at some point during the storm event (between the start of the storm event and the end of the storm event) *not* the total number of outages which occur during the storm event; and
b. That "outages" means interruptions on the Company's Distribution System impacting either primary or secondary lines but not including interruptions which impact single customer service lines (Note: FERC Account 369 defines Services as overhead and underground conductors leading from a point where wires leave the last pole of the overhead system or the distribution box or manhole, or the top of the pole of the distribution line, to the point of connection with the customer's outlet or wiring.)

Please respond to the following:

1. What percentage of retail customers impacted and/or number of concurrent outages would the company propose for its MSCR fund so that the fund would continue to provide a reasonable opportunity for the Company to recover its major storm and storm preparation costs.

TS 2-34. Reference DOE 6-9, 2019 Capital Projects, Granite State Meter Blanket, and DOE 3-1, Attachment 3-1.1; and Change Order dated March 10, 2020:

a. How did Liberty account for labor related to meter installations prior to the 2018 accounting change to pre-capitalizing labor for meter installations?

b. Please explain how the occurrences of "double book" of labor costs for meter installations was taking place before the accounting change in 2018.
c. At the Tech Session, Ms. Menard indicated that the FERC accounting rules allow for the practice of pre-capitalizing labor for meter installations. Please provide the specific cite to the FERC accounting rules that supports Ms. Menard's assertion.
d. What was the average cost of labor for meter installations used in pre-capitalization in 2019, 2020, 2021, and 2022? Also include the cost of meters for all four years.
e. Reference Change Order dated March 10, 2020. Please break out the amount of pre-capitalized labor that contributed to the cost overrun of $952,029.
f. Please provide the number of meters booked by Liberty to inventory in 2019, 2020, 2021, and 2022.

TS 2-35. Reference DOE 11-3, Attachment 11-3.2; and Docket DE 19-064, Final Audit Report dated September 16, 2021, at 22: At the Tech Session, Ms. Menard recommended DOE review the Audit Report for Liberty's second step adjustment to obtain an understanding of the pre-capitalization of labor for meter installations. The Audit Report references an Audit data request seeking clarification from Liberty of pre-capitalizing labor for transformers, meters, regulators, and capacitors. The Company responded that the labor costs are not pre-capitalized for those assets. Also, as part of Liberty's response to DOE 11-3, in the Excel Attachment 11-3.2 at Tab 2023, an email exchange is included between operations personnel where they appear to question including pre-capitalized for meter installations but also indicate that pre-capitalization is only applicable to certain types of meters. i.e. CT and PT meters. Please explain these apparent contradictory interpretations.

TS 2-36. Reference DOE 3-1, 2020 Capital Projects, Install Service to Tuscan Village, Attachment 3-1.2:

a. Reference Change Order dated November 19, 2020. Please provide the amount of CIAC, if any, contributed by the developer towards the additional costs of $600,000 that resulted from the developer's request to change the scope of work to be performed in the South Village.
b. Reference Change Order dated July 27, 2020. Please provide the burden calculation, broken out according to all applicable burden rates, that resulted in the cost increase of $700,000.
c. Reference Notes: Tuscan Village dated October 1, 2019. At the Tech Session Mr. Strabone referred to a Business Case that described the installation of EV charging stations at the Tuscan Village Development. Please provide the Business Case, final cost of the project, and confirmation as to whether the costs of the charging stations were borne by the developer or by Liberty.

TS 2-37. Reference DOE 5-2 and 5-3, and DOE 3-1, 2019, 2020, and 2021 Capital Projects, Rockingham Substation Transmission.

a. Please confirm whether the costs for engineering and design, $301,229 in 2019 and $1.8 million in 2020, were charged to plant during those years.
b. Please confirm whether the cost of $6.4 million for the first 115 kV line was booked to plant in 2021.

c. Reference Business Case dated 2/11/2022: What was the projected load for the "potential high energy user" at the Life Science Campus of Tuscan Village?
d. Confirm that the second 115 kV line was completed and in service in 2023.

TS 2-38. Reference DOE 3-1, 2020 Capital Projects, GSE Facilities Capital Improvements. Please provide a detailed break-out of expenses for the Salem Engineering Dept. Renovation in the amount of $181,642 and the Salem-Lowell Rd Renovations in the amount of $223,183. Also provide the cost per square foot for each of these projects.

TS 2-39. Reference DOE 3-1, 2022 Capital Projects, Granite State AMI, Business Case dated January 12, 2022; DOE 3-3 and DOE 9-8:

a. The budget for this project has dramatically increased from $9 million, to $19.7 million, to $40 million. Itron vaguely attributes the increase to changes in the technology and production costs. Has Itron provided Liberty with a more specific explanation to justify the latest cost increase? What increased capabilities and utility will Liberty obtain from the additional $20 million investment?
b. Please provide all documentation supporting the new $40 million estimate, including a cost breakdown of each of the components that comprise the project.
c. What impact did this cost increase have on Liberty's cost/benefit analysis? Please provide a detailed cost/benefit analysis for the $40 million cost estimate.
d. Reference DOE 3-1, Attachment 2022 DOE 3-1-4, Project 8830-2285, Capital Project Expenditure Form dated 1/12/2022 and Capital Project Business Case dated 1/12/2022: Please provide updates to Tables 1 and 2 found on pages 2 and 3 of each of the referenced documents.
e. Please provide the expected cost savings mentioned in the May 5, 2023, Balashov & Strabone testimony, Bates II-660 and Bates II-661, referencing "capital cost synergies" associated with the IEE Meter Data Management system.
f. What other AMI providers, aside from Itron, did Liberty consider? If other providers were considered, please explain why they were not selected.

TS 2-40. Reference DOE 3-1, 2019 - 2022 Capital Projects, Rockingham Substation, Change Order dated April 5, 2021; DOE 6-19; and Docket DE 19-064, Exhibit 21, Attachment JED-3c at Bates 421.

a. Please describe the Company's efforts in 2017 related to searching and investigating potential sites for the Rockingham Substation. Please list all of the potential locations reviewed. Also, please provide any documentation or records, including any written analysis, that details Liberty's property search and why certain sites were not selected.
b. Please explain why re-utilizing Liberty's existing substations, Salem Depot and Baron Ave., were not viable options for the Rockingham Substation. Did the Company ever contact or explore the potential purchase of the former restaurant property adjacent to Salem Depot, and if so, what were the results of those discussions?
c. When and why did Liberty approach the developer of Tuscan Village about locating the Rockingham Substation within that development? What were the developer's conditions, if any, for locating the substation within Tuscan Village?

d. A commercial appraisal of the proposed Rockingham Substation site within Tuscan Village was performed in July 2017. The appraisal concluded the market value of the lot to be $925,000. Please describe the decision-making process undertaken by Liberty that provided justification for the Company to purchase the lot at a price of $1.5 million, representing a $575,000 premium over and above the market value.
e. The contractor responsible for building the paved road to Rockingham Substation initially (2018) provided Liberty with the wrong elevation grade causing Liberty to redesign and revise the elevation of the substation at substantial additional expense to the Company and ratepayers. Did Liberty ever consider holding the contractor liable for that error? If not, why not?
f. Liberty commissioned a geotechnical study of the soils at the Rockingham site which concluded that some of the underlying soils were unstable. Please provide a copy of the geotechnical report.
g. Liberty constructed a screening wall around the perimeter of the Rockingham Substation site to conceal it from view. Please provide the following information:
    i. Type of wall, wall height, and construction material used.
    ii. Total cost of the wall.
    iii. Confirm that the construction of the wall was at the request of the Tuscan Village owner and the Town of Salem.
    iv. Provide a copy of the decision of the Town of Salem Planning Board including findings of fact involving approval of the construction of Rockingham Substation and the screening wall.
    v. Copies of any and all communications between Liberty, the owner of Tuscan Village, and the Salem Planning Board related to the requirement of a screening wall.
h. Confirm that the second transformer was finished, energized, and taking load in 2022.

TS 2-41. Reference DOE 3-1 and DOE 6-13, Attachment DOE 6-13.zip for the following projects:

2019 Capital Projects, UNALL Finance Unalloc Burden	$309,595
2020 Capital Projects, UNALLOC OH Finance Unalloc Burden	$843,160
2021 Capital Projects, UNALLOC OH Finance Unalloc Burden	$631,619
2022 Capital Projects, UNALLOC OH Finance Unalloc Burden	$2,730,627

a. Confirm that these projects serve as a form of suspension account where unallocated CWIP is collected and retained until allocated to related projects.
b. How often are the costs allocated to related projects? Monthly? Annually?
c. Reference Attachment DOE 6-13.zip. Given that project numbers and associated job numbers are identified and recorded in the accounting, please explain why these costs cannot be allocated to the related projects at the time they are incurred. Also, explain the differences between the tabs in the Excel spreadsheets and what they represent.\

d. Explain why some CWIP charges are not allocated and unitized to related projects at year-end. Shouldn't the year-end balance be zero? If some projects are not completed by year-end, why should that make a difference?

TS 2-42. Reference DOE 9-11 b., SAP Placeholder GSE. The Company's response indicates that additional costs for the SAP project will be allocated to Liberty in 2024 when the "total capital investment will be trued up based on actual costs incurred by APUC." Does this mean that Liberty's share of the SAP implementation is not yet complete and that the current cost of $13.5 million is not the final cost? If yes, what is the Company's projection as to what the final cost will be? What work on Liberty's portion of the SAP implementation is still not complete?

TS 2-43. Reference DOE 9-14, Confidential Attachment 23-039 DOE 9-14.xlsx. Please provide Liberty's most current projection as to when the remaining "total anticipated load not developed" will be completed and connected.

TS 2-44. Reference Liberty response to DOE 11-1, Attachment 23-039 DOE 11-1. The referenced Concept Paper identifies data collection as the 4th Dimension, the Data Science Dimension. Will industry proven asset management programs like MAXIMO or CASCADE be used, or is program development part of the project plans?

TS 2-45. Reference Liberty response to OCA 3-22:

a. Based on the table, the percentage split between customer categories as of July 2023 is the following: 84.8% Residential; 14.8% Commercial; and 0.4% Industrial. What is the KW demand for each category?
b. Response "b" states, "The Company is not aware of any large customers who have left the Liberty GSE system." Yet, the number of Industrial customers as of July 2023 fell from 196 in 2018 to 172 in 2023, or 12%. What does this represent in terms of kW demand; i.e., what was the industrial KW demand in 2018 and how does that compare to 2023?

TS 2-46. Reference Liberty response to OCA 3-30. Last paragraph, "… the Company cannot afford to fall behind on cybersecurity, even temporarily or by a small amount, even when the cost of keeping pace with threats jeopardizes budgets." Is Liberty behind in meeting cybersecurity needs? What is required to meet the needs on an on-going basis?

TS 2-47. Reference Liberty response to OCA 3-103. In the table provided, please explain the reasons behind the significant changes in <u>actual</u> SAIDI performance for the years 2019, 2020, 2021, and 2022.

TS 2-48. Reference Liberty response to CLF 1-1:

a. Page 2, response "c" refers to "tasks contemplated for the Working Group were never completed." What were these tasks?

b. Reference is made to "exploring industry best practices" that led Green Mountain Power to qualify the 6 BYOD vendors listed. What were these best practices?

TS 2-49. Reference Liberty response to DOE 7-6 and the testimony of DeCourcey & Therrien Bates p. II-131:

a. If actual capital spending differs from the forecast and is under the 20-25% limit, do rates adjust to reconcile the difference in rate base prior to the calculation of the ESM, or do all rate adjustments occur through the ESM calculation? For instance, if a capital project's spending is under budget, is the entire return and depreciation associated with the difference between the forecast and actual spending refunded to customers through automatic rate reductions the following year?
b. Alternatively, is the rate base reduced, thereby increasing the earned ROE and triggering a rate reduction through earnings sharing if the earned ROE exceeds the deadband?

TS 2-50. Regarding the proposed TOU rate design:

a. Please confirm that customers that join the proposed TOU rates, Rates D-TOU and G-3-TOU, will have new AMR meters installed if it is before the AMI meter rollout. If this understanding is correct, what will happen to the newly installed AMR meters for TOU customers once the AMI rollout occurs?
b. Were any considerations given to future costs or loads when developing TOU periods? Were any considerations given to the TOU peak period changing as solar distributed generation penetration increases in the future? Will the TOU periods be reevaluated in a future period?
c. Should the TOU period for Rate G-1 be updated to align with the proposed TOU rate periods (D-TOU and G-3-TOU)? If not, why?

TS 2-51. Reference response to DOE 2-7:

> Customer Bills. For regular planned billing cycles, the majority of the customers were successfully billed during the first month of go-live and continue to be. There were delays in cleaning up data anomalies and transactions related to system changes resulting in a backlog of approximately 670 unbilled accounts. The most complicated accounts to resume billing were for the group net metered hosts. Although this was a relatively small number (93), the complexity of billing and data required to provide the information to this group of customers delayed billing. The Company communicated with customers affected by the delays and in all cases offered them extended payment arrangements and excluded them from late payment charges and collections activities due to the delay in billing.

The experience of the Department's consumer services division is significantly different than that described in the response to DOE 2-7. Between 10/1/21 and 10/1/22, the division received 17 billing and 3 billing adjustment calls from Liberty customers regarding electric service. For the period 10/2/22 through 10/1/23, 127 billing and 18 billing adjustment calls were received from Liberty customers in regard to electric service. In total, the division received 161 calls from Liberty customers regarding electric service in the 12 months prior to the system conversion and 413 calls in the 12 months following the conversion. The division continues to receive calls from customers with billing issues stemming from the implementation of the new CIS last October that customers have been unable to get resolved.

a. How many other Liberty companies have implemented Customer First?
b. Please identify the issues encountered by those companies following the implementation of Customer First and the timing of the resolution of each issue.
c. Please provide the date on which Voice of the Customer was launched.
d. Please also provide all communication and outreach to customer about this program. Please also provide the 10 most frequent areas of concerned raised by customers through this channel.

TS 2-52. Please identify and describe the changes, if any, that Liberty made to the bill design since going live with its new system in October 2022. Please include changes related to bills for net metered customers and group net meter hosts.

TS 2-53. Please identify and describe any changes that Liberty has made to Customer First since conversion to address issues not considered or addressed in the conversion to the new CIS or issues that were identified post conversion.

TS 2-54. Reference testimony of Lauren Preston, Bates Page II-586. Please identify and describe any new services being provided to customers or that will be provided to customers as a result of implementing Customer First.

TS 2-55. Reference testimony of Lauren Preston, Bates Page II-588, Lines 14 through 15, which states, “The system was also built with the capacity to adapt to innovative programs and technologies as those become available to our customers.” In light of that statement, please discuss why the system did not have the capability to adapt easily to the implementation of a purchase of receivables program (POR). Please also identify the innovative programs and technologies that the system would be able adapt to.

TS 2-56. Reference testimony of Lauren Preston, Bates page II-589, lines 15 through 20 and Bates Page II-590, lines 1 through 2. In what way does Liberty support the Homeowner Assistance Fund Program, the State Supplemental Electric Benefit Program, which ended on April 30, 2023, and the Fuel Assistance Program? Please provide all communications, and the timing of those communications, relative to the below:

a. For the Community Action Agencies:
    i. changes to account numbers as a result of the conversion.

ii. changes in the formatting of customer account numbers in EAP transmissions.

b. For the Department:
   i. Notification of account number changes.
   ii. Notification of EAP transmission issues.
   iii. Notification of FAP invoicing and payment issues.

TS 2-57. Liberty has proposed that customers who enroll in the arrears management program would also be enrolled in Liberty's levelized payment plan, a plan where the payment changes monthly. Please explain how that payment structure provides an affordable and consistent payment amount for payment troubled customers.

TS 2-58. Please confirm that the definition of financial hardship in Puc 1202.09, shown below, will be used for the purpose of determining eligibility for Liberty's proposed arrears management program.

Puc 1202.09 "Financial hardship" means a residential customer has provided the utility with evidence of current enrollment of the customer or the customer's household in the Low Income Home Energy Assistance Program, the Electric Assistance Program, the Gas Residential Low Income Assistance Program, the Neighbor Helping Neighbor Program, their successor programs, or any other federal, state or local government program or government funded program of any social service agency which provides financial assistance or subsidy assistance for low income households based upon a written determination of household financial.

TS 2-59. Does Liberty offer fee free credit card payments to customers of in its other service areas? If so, please identify the state in which fee free credit payment are offered and the terms under which fee free payments are made available in each service areas. For each service area in which Liberty offers fee free payments, please provide data relative to the percentage of customers by rate class that make credit card payments. Please also provide the results of any analysis conducted by Liberty of the impact of fee free credit payments in its other service areas on the time between issuance of the utility bill and receipt of the payment.

TS 2-60. Reference Tariff, Bates Page III-141, Deposits. The 1200 rules were re-promulgated in 2020, and the deposit rule was changed. Please update the below to be consistent with the provisions of 1203.03.

6. Deposits, Payments, Refusal or Discontinuance of Service
The Company, to protect against loss, may require a satisfactory cash deposit or other guarantee as a condition of new or continuing service. No deposit shall be less than ten (10) dollars nor more than the estimated charge for utility service for a period of two (2) high-use billings periods, exclusive of the highest-use billing period, and calculated pursuant to New Hampshire Administrative Rules Puc 1203.03(l)(1). The Customer shall have the opportunity to pay the deposit in three (3) equal monthly installments, with the first payment due immediately, the second payment due within thirty (30) days

and the final payment due within sixty (60) days, provided that the first payment shall be for no more than the charge for one month's utility service calculated as provided in Puc 1203(l)(1)(b); and the second and third payments shall be in equal installments of the remainder due.

TS 2-61. Reference Tariff, Bates Page III-148, Meter test charge.

20. Meter Testing and Customer Bill Adjustments
When requested by a customer, the Company shall test the accuracy of the Customer's meter within fifteen days from the date the request is made. The Company may require a deposit fee for such a test. If, upon testing, the meter is found to be in error by more than two (2) percent, the deposit shall be refunded. If the meter is not found to be in error by as much as two (2) percent, the Company shall retain the deposit for the test.

Meter Test Charge $50.00

The proposed change in the customer requested meter test fee from $20 to $50 is impermissible pursuant to the Puc 300 rules. *See* Puc 305.04. Please explain why the Company believes a $50 fee is permissible.

TS 2-62. Reference Tariff, Bates Page III-163, System Benefits Charge

40. System Benefits Charge
All customers taking delivery service shall pay the System Benefits Charge as required by New Hampshire law and approved by the Commission. The System Benefits Charge shall recover the cost of the Company's (i) Electric Assistance Program and (ii) energy efficiency core programs and any other such energy efficiency programs, as approved by the Commission. The Company shall implement its Electric Assistance Program as approved by the Commission from time to time. The System Benefits Charge will fund the Company's Electric Assistance Program and such other system benefits as are required by law or approved by the Commission.

The Company will reconcile on an annual basis actual costs incurred of the Electric Assistance Program, including development, implementation, and ongoing administrative and maintenance costs against the actual amounts charged to customers through the portion of the System Benefits Charge attributable to the Electric Assistance Program, set at a level of 0.150¢ per kilowatt-hour in accordance with RSA 374-F:4, VIII (c), and shall be in addition to the portion of the System Benefits Charge relating to the Company's energy efficiency core programs stated below.

Liberty submits a budget for the EAP on or before August 1, 2023, for any incremental costs associated with the administration of the EAP. The above language included in the tariff is inconsistent with the EAP budget process as there is currently no reconciliation of costs. Please explain how the language proposed in the Company's tariff is consistent with current EAP processes.

TS 2-63. Reference Tariff, Bates Page III-161, Electricity Consumption Tax (ECT). The ECT was repealed in 2019. Leaving reference in the tariff to a tax that no longer exists will likely be confusing for customers. Please explain how the Company will ensure clarity for its customers.

TS 2-64. Reference Tariff, Bates Page III-167, Electric Assistance Program. The language in the tariff is out of date and should be revised to reflect the revised tariff language filed by Liberty on September 9, 2023 in DE 23-073. In addition to the changes made in that tariff filing, references to the electricity consumption tax and water heater rental fee should be deleted as should the sentence that states effective April 27, 2014, the income eligibility for participation in the EAP is at or below 200% of the FPG.

Please indicate whether the Company will refile the tariff to reflect the revised tariff language filed by Liberty on September 9, 2023, in DE 23-073, as well as removing the other references identified above.

TS 2-65. Reference Tariff, Bates Page III-176, Off-cycle meter reads. Please indicate whether the Company would clarify this section of its tariff to make sure customers are aware that this provision is intended for an individual customer not a block of customers.

TS 2-66. Reference Response to DOE 2-7 where, concerning implementation of its new customer information and billing system (SAP system), Liberty states:

"There were delays in cleaning up data anomalies and transactions related to system changes resulting in a backlog of approximately 670 unbilled accounts."

For those 670 backlogged accounts, please provide, by account number, by month, and by year:

a. The customers rate class
b. The amount of revenue not billed on schedule.
c. The dates and amounts when the backlogged or delayed revenue was billed.

[END]