

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

DE 23-039  
Distribution Service Rate Case

New Hampshire Public Utilities Commission Record Request

Date Request Received: 1/8/24  
Request No: RR 1-1

Date of Response: 1/11/24  
Respondent: Erin O'Brien  
Peter Dawes

**REQUEST:**

Please identify the top ten (10) SAP-related issues faced by the Company, in terms of dollar-value impact, that impacted the Company's test year accounting for 2022.

**RESPONSE:**

Please see as follows for the top ten (10) SAP-related issues faced by the Company, in terms of dollar-value impact, that impacted the Company's test year accounting for 2022:

	Adjustment Identified By	Adjustment Amount	Timing of Identification	Description
1	Liberty	572,938,250	December 2023	Intercompany Accounts Receivable and Accounts Payable overstatement (no net impact). During cutover to SAP, a manual entry to break out the Intercompany balance between receivable and payable was erroneously computed. In Great Plains, Intercompany was recorded on a net basis in one account. Refer to the Company's supplemental response to DOE TS 2-5 for details. No impact to the revenue requirement.
2	Liberty	3,675,811	March 2023	Incorrect regulatory (FERC) balance sheet account selected in preparation of a manual journal entry. No impact to the revenue requirement as this adjustment was corrected in the initial revenue requirement filed.

3	Liberty	857,308	March 2023	Over accrual of construction related invoices at 12/31/22. It was later determined in 2023 that the invoices had already been entered into Accounts Payable in 2022. No impact to the revenue requirement as this adjustment was corrected in the initial revenue requirement filed.
4	Liberty	833,043	March 2023	Balance Sheet presentation reclassification entries for FERC Form 1 reporting (not an error correction). No impact to the revenue requirement as this adjustment was corrected in the initial revenue requirement filed.
5	Liberty	527,142	December 2023 <sup>1</sup>	Incorrect FERC account mapping within SAP where the system recorded transactions to a "999" regulatory clearing account. These were reclassified from "999" regulatory clearing account to FERC account 920 in the adjusted trial balance used as the test year initial revenue requirement filing, however subsequent review determined that the balance should have been recorded to FERC account 593. The impact on the rate year revenue requirement has not yet been calculated and will be driven by the difference in the escalation factor applied to FERC account 920 vs. 593.
6	Liberty	498,952	March 2023	Corrected incorrect regulatory (FERC) account mapping for deferred storm costs. No impact to the revenue requirement as this adjustment was corrected in the initial revenue requirement filed.
7	Liberty	356,000	March 2023	Corrected for overheads on capitalized meter costs recorded twice in error in 2022. No impact to the revenue requirement as this adjustment was corrected in the initial revenue requirement filed.

<sup>1</sup> Adjustments 5, 8, 9 and 10 are related to the December 2023 review of the Company's FERC Account 920; correcting the FERC Account 920 balance impacted multiple FERC accounts.

8	Liberty	243,014	December 2023	Incorrect FERC account mapping within SAP where the system recorded transactions to a "999" regulatory clearing account. These were reclassified from "999" regulatory clearing account to FERC account 920 in the adjusted trial balance used as the test year in the initial revenue requirement filing, however subsequent review determined that the balance should have been recorded to various income statement FERC accounts. The impact on the rate year revenue requirement has not yet been calculated and will be driven by the difference in the escalation factor applied to FERC account 920 vs. the other FERC accounts.
9	Liberty	205,543	December 2023	Incorrect FERC account mapping within SAP where the system recorded transactions to a "999" regulatory clearing account. These were reclassified from "999" regulatory clearing account to FERC account 920 in the adjusted trial balance used as the test year in the initial revenue requirement filing, however subsequent review determined that the balance should have been recorded to various income statement FERC accounts. The impact on the rate year revenue requirement has not yet been calculated and will be driven by the difference in the escalation factor applied to FERC account 920 vs. the other FERC accounts.
10	Liberty	198,749	December 2023	Incorrect FERC account mapping within SAP where the system recorded to a "999" regulatory clearing account. These were reclassified to FERC account 920 in the adjusted trial balance used as the test year in the initial revenue requirement filing, however subsequent review determined that the balance should have been recorded to FERC account 921. The

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				impact on the rate year revenue requirement has not yet been calculated and will be driven by the difference in the escalation factor applied to FERC account 920 vs. 921.
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