

DG 23-067 – Liberty Gas Rated Case
Department of Energy
Proposed Scope of PWC Review
3/18/24

The scope of the PwC review should encompass the following:

1. Review and assess whether Liberty addressed all Audit Issues in DOE Final Audit Report dated 1/30/24.
2. A financial audit of actual 2022 accounting data and Liberty's use of that data to establish the 2022 test year. PWC should assess the suitability of that 2022 test year data for developing the 2022 based revenue requirement presented in this case.
3. A financial audit of actual 2023 accounting data. Liberty to calculate a 2023 test year and revenue requirement and PWC to review and assess Liberty's use of that data to establish the 2023 test year. PWC should assess the suitability of that 2023 data for developing a 2023 based revenue requirement.
4. A management/compliance audit to examine Liberty's decision to submit a rate increase request based on a 2022 Test Year knowing that SAP implementation occurred during the test year, including an analysis of how that decision impacted ratepayers and Liberty from a financial perspective.
5. An Information Technology (IT) audit to determine the sufficiency and thoroughness of Liberty's preparations for conversion to the SAP system including a review of Liberty's pre-conversion and post-conversion testing efforts. PWC should review how long Liberty predicted it would require for the SAP system to stabilize, that is the length of timeframe - six months, three months etc. - needed to observe the quality of SAP system generated data to ensure SAP system stability and reliability, PWC should assess how Liberty's predictions compared to actual experience, including whether mapping issues from SAP conversion have all been identified and corrected.