

THE STATE OF NEW HAMPSHIRE
BEFORE THE
NEW HAMPSHIRE PUBLIC UTILITIES COMMISSION

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

2022-2023 Revenue Decoupling Adjustment Factor – Decoupling Year 2

Docket No. DE 23-081

Technical Statement of Tyler J Culbertson & Adam R.M. Yusuf

January 22, 2023

A. Purpose of Technical Statement

The Company submits this technical statement to provide the Commission with an updated filing that contains actuals through December 2023 and corrects the remaining issues identified during the discovery and audit processes (“January Filing”). The differences between this filing and the December Filing, included as Exhibit 3 - Attachment 4 of the Department of Energy’s Technical Statement filed January 22, 2023, are described below.

B. Background

On September 1, 2023, Liberty Utilities (Granite State Electric) Corp. (“Liberty” or “the Company”) submitted its Request for Approval of Revenue Decoupling Adjustment filing for July 2022 through June 2023 (“Decoupling Year 2”) requesting rates to be approved for effect on November 1, 2023 through October 31, 2024 (“Initial Filing”). Per Commencement of Adjudicative Proceeding and Notice of Prehearing Conference and Hearing (Sept. 25, 2023), the Commission suspended Liberty’s proposal until December 1, 2023, pending further order of the Commission. A prehearing conference took place on October 10, 2023. A hearing was scheduled for November 8, with a technical session scheduled for October 24, 2023. This presented a short window of time for the parties to issue and respond to data requests, especially considering the depth and complexity of the requests concerning equivalent bills and their calculations. With Liberty unable to answer all the questions in the short time available, the Department of Energy requested to reschedule the hearing. While completing the data requests and preparing a revised model to reflect the shorter recovery period of December 1, 2023 through October 31, 2024, the Company found and corrected errors made in the Initial Filing. The Company submitted a revised filing with Audit staff and Audit on November 6, 2023 with revisions made based on the initial set of data requests received. On November 21, 2023, the Commission further suspended the tariff until March 1, 2024. The Department of Energy and the Company participated in a technical session on November 29, 2023, which led to an additional set of data requests issued on December 5, 2023. Amongst the requests was DOE TS 1-20 which requested updated filing with the new effective date of March 1, 2024. The Company submitted this updated filing on December 19, 2023 (“December Filing”), which contained a list of changes made to the Initial Filing. The Company and DOE continued to analyze the filings through December and additional corrections were identified.

The Company files this technical statement to present all the updated information.

C. Attachment 1- Rate Calculation

On Page 1, the only changes resulted from the actual revenues replacing estimates on Pages 2 through 4.

On Pages 2 through 4, the previously reported sales estimates for August through December 2023, were replaced by actuals to provide more accurate rates. In all instances, except for Rate Class G-1, the actual sales were greater than the estimated sales, which decreased the over-collection balances and increased the rates. Please see the table for each rate class's projected total kWh sales. Table 1 below provides a summary of the total projected sales in the December and January Filings.

Table 1 – Projected Sales

Rate Class	December Filing (DOE TS 1-20.xlsx)	January 22, 2024 Filing	Difference	Difference %
D	322,847,923	314,576,312	(8,271,610)	(2.56) %
D-10	7,277,505	6,260,405	(1,017,100)	(13.98) %
G-1	394,915,546	403,295,681	8,380,135	2.12 %
G-2	155,268,950	152,555,307	(2,713,644)	(1.75) %
G-3	92,086,731	90,965,027	(1,121,704)	(1.22) %
T	13,998,873	13,403,738	(595,135)	(4.25) %
V	284,737	268,545	(16,192)	(5.69) %
Total	986,680,265	981,325,015	(5,355,250)	(0.54) %

D. Attachment 2 Decoup YR 2

The Company added 3 sheets to the January Filing that summarize the Bill and Volume Report source data that feeds the actual Equivalent Bills and Distribution Revenues on Page 4.

Equivalent Bills

- September, D, G2 and T: Added billing transactions with a backdated posting date of September that were previously omitted.
- October – December 2022, all rate classes: Corrected previous equivalent bill counts, which were calculated incorrectly due to human error.

Revenues

- All classes and months: Vegetation Management Revenues totaling approximately \$6,333 were removed from all classes. See “VMP Revenues to Remove” sheet for a breakout by class by month.
- September, D, G2 and T: Added \$9,092 of billing transactions with a backdated posting date of September that were previously omitted.
- November 2022 – June 2023, G3: Excluded \$3,710 of LED Lighting (L2) revenues that were inadvertently included in prior filings.

The changes resulted in a \$147,058 decrease in the Current Year Adjustment, but there was no change to the Annual Allowed Adjustment due to the 3% cap.

E. Attachment 3 - Rate Calc, and Attachment 4 Bill Impact

On Attachment 3 and 4, the Company updated the current rates to reflect February 1, 2024 rates.

With the proposed rates in Rate Class D, the typical residential customer with 650 kWh of usage, will see a decrease of \$0.14 a month, or -0.1 % less compared to the 2023 rate that is currently in effect.

F. Attachment 5- Deferred Balance with Interest

On Attachment 5, the deferred balance on November 1 was updated to reflect the changes to the Current Year Adjustment made on Attachment 2, Page 5.

G. Customer Rate Changes

The tables below provide comparisons of the proposed RDAF rates to the December Filing (see Table 2) and the current rates (see Table 3).

Table 2 – Comparison of December Filing Rates to Current Filing Rates

Rate Class	December Filing (DOE TS 1-20) (\$/kWh)	Proposed Rate Effective 3/1/2024- 10/31/2024 (\$/kWh)	Difference	Difference %
D	\$0.00247	\$0.00259	\$0.00012	4.86%
D-10	\$0.00181	\$0.00224	\$0.00043	23.76%
G-1	\$0.00095	\$0.00092	-\$0.00003	-3.16%
G-2	\$0.00130	\$0.00134	\$0.00004	3.08%
G-3	\$0.00223	\$0.00228	\$0.00005	2.24%
T	\$0.00242	\$0.00269	\$0.00027	11.16%
V	\$0.00285	\$0.00312	\$0.00027	9.47%

Table 3 – Comparison of December Filing Rates to Current Filing Rates

Rate Class	Current RDAF Rate (\$/kWh)	Proposed Rate Effective 3/1/2024- 10/31/2024 (\$/kWh)	Difference	Difference %
D	\$0.00281	\$0.00259	-\$0.00022	-7.83%
D-10	\$0.00180	\$0.00224	\$0.00044	24.44%
G-1	\$0.00104	\$0.00092	-\$0.00012	-11.54%
G-2	\$0.00151	\$0.00134	-\$0.00017	-11.26%
G-3	\$0.00253	\$0.00228	-\$0.00025	-9.88%
T	\$0.00285	\$0.00269	-\$0.00016	-5.61%
V	\$0.00291	\$0.00312	\$0.00021	7.22%