

**STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DE 22-024**

**LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. d/b/a LIBERTY**

**2022 Default Service Solicitations**

**Order Approving Updated Rates for  
Large Customer Group and EV-TOU Default Service Customers**

**ORDER NO. 26,779**

**February 28, 2023**

This order approves reduced energy service rates<sup>1</sup> for effect for the two-month period of March 1, 2023, through April 30, 2023, for certain categories of Liberty commercial customers, and reduced Electric Vehicle Time-of-Use Rates to be applied through July 31, 2023.

The table below summarizes the updated, reduced rates to be charged to Large Customer Group customers on Liberty Default Service for these two months. These per kilowatt hour (kWh) rates vary by service month, as is the usual practice for Large Customer Group rates. These rates include a charge of 0.781 cents per kWh for Renewable Portfolio Standard (RPS) compliance costs, which is unchanged from the terms of Order No. 26,758 (January 13, 2023). (Ancillary charges of 0.346 per kWh, as approved in Order No. 26,758, are also unchanged).

**Medium & Large Commercial (Large Customer Group) Rates**

	Effective date	Power Supply Charge	RPS	Other Charges	Total kWh charge
March	March 1, 2023	\$0.07253	\$0.00781	\$0.00346	<b>\$0.08380</b>
April	April 1, 2023	\$0.05897	\$0.00781	\$0.00346	<b>\$0.07024</b>

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<sup>1</sup> Bills for customers on default service are composed of three parts: power supply, transmission, and distribution. The energy service rates for default service customers refer to the power supply component only.

These reduced rates are the result of a significant reduction in ISO-New England (ISO-NE) regional market electricity prices during the month of February, resulting in a significant overcollection by the Company. As approved by Order No. 26,758, Liberty procures load for these customers primarily through ISO-NE Day-Ahead Market purchases, the prices for which track prevailing market conditions. The New Hampshire electric utilities' power procurement processes for their default service customers are currently being investigated by the Commission in Docket No. IR 22-053.

## **I. PROCEDURAL HISTORY**

The procedural history for the earlier phases of this proceeding is summarized in Orders No. 26,752 and No. 26,758. At the conclusion of the Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty (Liberty or the Company) RFP process for its entire Default Service Customer load, no bids were received for the Company's winter 2023 (February-April) load block for its Large Customer Group (Block A). Order No. 26,752 at 5. In its Default Service Petition, filed on December 16, 2022, and at the December 20, 2022, hearing for this matter, the Company advocated for a second RFP to serve Block A, and to prepare for contingencies, sought Commission approval for preparatory work for acquiring power supply for Block A directly from the ISO-NE electricity market. *Id.* at 7. The Commission granted these Liberty requests in Order No. 26,752, and approved the resultant rates, and the direct-market procurement approach ultimately embarked on by Liberty, in Order No. 26,758. (The Large Customer Group load for the subsequent May-July 2023 period, "Block B," was successfully contracted for in the Company's December 2022 RFP solicitation, and the resultant rates were approved by the Commission in Order No. 26,752. These rates are not changed by this Order).

On February 23, 2023, Liberty filed a request to schedule a hearing regarding a proposed reduction in Block A rates in advance of March 1. The Commission granted this request in a procedural order on February 24, 2023, which scheduled a continued hearing regarding Block A rates on February 28, 2023. This February 28 hearing was held as scheduled, where representatives of the Company and the New Hampshire Department of Energy (DOE) appeared.

On February 24, 2023, Liberty filed its petition regarding its proposed reduction in Block A Default Service rates with the Commission. Liberty's filing included the pre-filed Technical Statement and schedules of John D. Warshaw, Manager, Electric Supply for Liberty Utilities Service Corp., and James M. King, Analyst II, Rates and Regulatory Affairs for Liberty Utilities Service Corp. Mr. King provided additional oral testimony in support of the Company's petition at hearing, together with Mr. Aaron Doll, Senior Director, Energy and Strategy, at Liberty Utilities Service Corp., appearing remotely from Missouri pursuant to a Commission procedural order granting the Company's motion for remote participation on February 28, 2023. Mr. Doll also adopted Mr. Warshaw's Technical Statement and attachments at hearing, as Mr. Warshaw could not attend.

Certain schedules included in Liberty's filings contain information that Liberty claims is confidential pursuant to the New Hampshire Code of Administrative Rules, Puc 201.06 and 201.07. The Commission treated this material confidentially at the February 28, 2023, public hearing, discussed below, as being within the scope of N.H. Code Admin. Rules Puc 201.06(a)(15), subject to the proviso that the redactions could be updated or corrected by the Company as appropriate.

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted

on the Commission's website at

<https://www.puc.nh.gov/Regulatory/Docketbk/2022/22-024.html>

## **II. POSITIONS**

### **A. Liberty**

On February 24, 2023, Liberty filed its petition for a downward adjustment in Block A rates for the months of March and April, 2023. In his Technical Statement, Hearing Exhibit 9, Mr. Warshaw stated that the ISO-NE market prices for electricity have decreased “significantly” in recent weeks, resulting in an expected overcollection for February for Block A customers of approximately \$2.8 million. Hearing Exhibit 9 at Bates Page 1. To ameliorate the potential for future overcollections in March and April, the Company proposed a sharp reduction in Block A rates to reflect the new ISO-NE market environment, through the application of revised market pricing projections. *Id.*

As approved in past Commission orders for this proceeding, Liberty would reconcile its costs for serving Block A load with the revenue received from these Large Customer Group customers. This reconciliation would take place as part of the annual Energy Service petition to be filed by the Company in May 2023, for reconciliation factor rates to take effect on August 1, 2023. (See Technical Statement of James King, Hearing Exhibit 9, Bates Pages 6-7). Further technical details regarding the proposed ISO-NE energy acquisition process by the Company are presented in Messrs. Warshaw's and King's Technical Statements and attachments, Hearing Exhibit 9.

At hearing, the Company requested approval of its adjusted Block A rates, and requested additional time for the filing of a compliance Tariff for the implementation of the rates proposed therein, to accommodate other related Tariff review processes that are currently ongoing before the Commission. The Company also expressed its

willingness to work with the DOE to ensure that the upcoming annual reconciliation process for Default Service would work smoothly in light of recent developments.

As discussed in Mr. King's Technical Statement, Hearing Exhibit 9, Bates Pages 5-6, Liberty also proposed adjustments to its EV-L and EV-M Commercial Time of Use (TOU) rates as part of its petition, which are presented below:

**EV-L Commercial EV TOU Charging Rates (per kWh)**

Period	Critical Peak	Mid Peak	Off Peak
Winter (March 23-Apr 23)	\$0.20404	\$0.16455	\$0.15863
Summer (May 23-Jul 23)	\$0.67813	\$0.16928	\$0.13213

**EV-M Commercial EV TOU Charging Rates (per kWh)**

Period	Critical Peak	Mid Peak	Off Peak
Winter (March 23-Apr 23)	\$0.20393	\$0.16427	\$0.15879
Summer (May 23-Jul 23)	\$0.67524	\$0.16626	\$0.13092

**B. DOE**

The DOE stated at hearing that it supported Commission approval of the Company's proposed reduction in the default service rates for the Large Customer Group, Block A, as filed, and also supported approved of the adjusted EV-TOU rates. The DOE also commended Liberty for its responsiveness in quickly adjusting these rates in response to market conditions and indicated its willingness to work with Liberty to oversee the annual reconciliation process for the coming rate year.

**III. COMMISSION ANALYSIS**

We find that the Company's proposed reduced rates for Block A load are just, reasonable, and in the public interest, and we will therefore approve them. We commend Liberty and DOE for responding to the changes in market conditions through the development of this filing and preparing for the upcoming reconciliation proceeding. We will also grant the Company additional time to file its compliance Tariff

filing (45 days), to accommodate simultaneous Tariff review processes that are ongoing, as just, reasonable, and in the public interest.

**Based upon the foregoing, it is hereby**

**ORDERED**, that the Default Service rates presented by Liberty in this instant proceeding for serving its Large Customer Group, Block A, load, for the period of March 1, 2023, through April 30, 2023, are hereby APPROVED; and it is

**FURTHER ORDERED**, that Liberty's proposed revised EV-L and EV-M Commercial TOU Charging Rates are APPROVED as delineated in the Company's petition and this order; and it is

**FURTHER ORDERED**, that Liberty shall file conforming tariff pages, incorporating the new energy service rates, all as approved herein, within forty-five (45) days of this Order, or no later than April 14, 2023, and as consistent with N.H. Code Admin. Rules, Puc 1603.

By order of the Public Utilities Commission of New Hampshire this twenty-eighth day of February, 2023.



Daniel C. Goldner  
Chairman



Carleton B. Simpson  
Commissioner

# Service List - Docket Related

Docket#: 22-024

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