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**Granite State Electric Company
d/b/a Liberty Utilities**

Default Service

For the Period Beginning
November 1, 2013

Testimony and Schedules
of
John D. Warshaw

September 12, 2013

Submitted to:
New Hampshire Public Utilities Commission
Docket No. DE 13-018

ORIGINAL
N.H.P.U.C. Case No. <u>DE 13-018</u>
Exhibit No. <u>#8</u>
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**STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION**

Docket No. DE 13-018

Granite State Electric Company d/b/a Liberty Utilities

DIRECT TESTIMONY

OF

JOHN D. WARSHAW

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1 **I. INTRODUCTION**

2 **John D. Warshaw**

3 **Q. Please state your name and business address.**

4 A. My name is John D. Warshaw, and my business address is 11 Northeastern Blvd., Salem,
5 NH 03079.

6

7 **Q. Please state your position.**

8 A. I am the Manager, Electric Supply for Liberty Energy Utilities (New Hampshire) Corp.
9 (“Liberty Energy NH”) which is the sole shareholder of Granite State Electric Company
10 (“Granite State” or the “Company”) and provides services to Granite State. I oversee the
11 procurement of power for Default Service for Granite State as well as the procurement of
12 renewable energy certificates (“RECs”).

13

14 **Q. Please describe your educational background and training.**

15 A. I graduated from the State University of New York Maritime College in 1977 with a
16 Bachelor of Science in Nuclear Science. I received a Master’s in Business
17 Administration from Northeastern University in 1986. In 1992, I earned a Master of Arts
18 in Energy and Environmental Management from Boston University.

19

20 **Q. What is your professional background?**

21 A. In November of 2011, I joined Liberty Energy NH as Manager, Electric Supply for
22 Granite State. Prior to my employment at Liberty Energy NH, I was employed by
23 National Grid USA Service Company (“National Grid”) as a Principal Analyst in Energy

1 Supply – New England from 2000 to 2010. In that position I conducted a number of
2 solicitations for wholesale power to meet the needs of National Grid’s New England
3 distribution companies. I also administered both short-term and long-term power
4 purchase agreements for National Grid’s New England distribution companies. Prior to
5 my employment at National Grid, I was employed at COM/Energy (now NSTAR) from
6 1992 to 2000. From 1992 to 1997, I was a Rate Analyst in Regulatory Affairs at
7 COM/Energy responsible for supporting state and federal rate filings. In 1997, I
8 transferred to COM/Electric to work in Power Supply Administration.
9

10 **Q. Have you previously testified before the New Hampshire Public Utilities**
11 **Commission (“Commission”)?**

12 A. Yes. I most recently testified before the Commission in Docket DE 13-018 on June 24,
13 2013.
14

15 **Q. Have you testified before any other state regulatory agencies?**

16 A. Yes. I have testified before both the Massachusetts Department of Public Utilities and
17 the Rhode Island Public Utilities Commission regarding electric supply and renewable
18 portfolio procurement activities.
19

20 **II. PURPOSE OF TESTIMONY**

21 **Q. Mr. Warshaw, what is the purpose of your testimony?**

22 A. The purpose of my testimony is to request Commission approval of Granite State’s
23 proposed Default Service rates for (i) the Large and Medium Commercial and Industrial

1 Customer Group (“Large Customer Group”¹) for the three-month period November 1,
2 2013 through January 31, 2014 and (ii) the Residential and Small Commercial Customer
3 Group (“Small Customer Group”²) for the six-month period November 1, 2013 through
4 April 30, 2014. My testimony will describe the process used by Granite State to procure
5 Default Service for the Large Customer Group and Small Customer Group, the proposed
6 Default Service rates, how the Company proposes to meet its 2013 and 2014 Renewable
7 Portfolio Standard (“RPS”) obligations and the resulting Renewable Portfolio Standard
8 Adder for service rendered on and after November 1, 2013. In addition, I will present
9 Granite State’s proposed calculation of a credit to Granite State’s default service
10 customers for excess Regional Greenhouse Gas Initiative (“RGGI”) rebates as required in
11 Order No. 25,471.

12
13 **III. DEFAULT SERVICE BIDDING PROCESS**

14 **Q. Mr. Warshaw, why does Granite State need to procure Default Service for both the**
15 **Large Customer Group and the Small Customer Group for the period beginning**
16 **November 1, 2013?**

17 A. Pursuant to the procurement process approved by the Commission, which I describe later
18 in my testimony, Granite State procures power supply through contracts having a three-
19 month term for the Large Customer Group and six-month term for the Small Customer
20 Group. Granite State’s currently effective Default Service supply contracts for both the

¹ The Large Customer Group is comprised of customers taking service under General Long-Hour Service Rate G-2 or General Service Time-Of-Use Rate G-1 of the Company’s Retail Delivery Tariff.

² The Small Customer Group is comprised of customers taking service under Domestic Service Rate D; Domestic Service - Optional Peak Load Pricing Rate D-10; Outdoor Lighting Service Rate M; Limited Total Electrical Living Rate T; General Service Rate G-3; or Limited Commercial Space Heating Rate V of the Company’s Retail Delivery Tariff.

1 Large Customer Group and the Small Customer Group expire on October 31, 2013.

2 Therefore, to assure that Default Service will continue to be available, Granite State
3 requires a new Default Service supply arrangement beginning November 1, 2013.

4
5 **Q. Please describe the process Granite State used to procure its Default Service supply
6 for the period beginning November 1, 2013.**

7 A. Granite State conducted its procurement of Default Service supply in accordance with
8 applicable law and Commission directives. The Company complied with the solicitation,
9 bid evaluation and procurement process set forth in the Settlement Agreement dated
10 November 18, 2005, which agreement was approved by the Commission in Order No.
11 24,577 (“Order”) on January 13, 2006 in Docket DE 05-126 and amended by Order No.
12 24,922 in Docket DE 08-011 (as amended, the “Settlement Agreement”). Granite State
13 issued a request for proposals (“RFP”) for certain power supply services and sought a
14 supplier(s) for Granite State’s Default Service covering the Large Customer Group and
15 Small Customer Group.

16
17 **Q: Was the Company’s solicitation for the period beginning November 1, 2013
18 consistent with the Company’s prior solicitations for Default Service?**

19 A. Yes, Granite State’s Default Service RFP was conducted in a manner similar to previous
20 solicitations. This process is consistent with the process approved by the Commission in
21 the Order as well as with Granite State’s past procurements. As in past procurements
22 when a market uncertainty during the period of the RFP could potentially cause bidders
23 to either refrain from submitting final bids or include a risk premium for a cost that they

1 may or may not incur, Granite State has allowed bidders to include a requirement that
2 such costs be incremental to the final, agreed to prices in the transaction.
3

4 Q. Could you describe the nature of the market uncertainty described above?

5 A. Yes. On June 28, 2013 ISO-NE filed a Winter 2013-2014 Reliability Program with the
6 FERC (Docket ER13-1851) to prevent any potential capacity shortfalls during the 2013-
7 2014 winter period due to increased reliance on natural gas-fueled generation in New
8 England. At times of extreme cold weather, natural gas-fueled generation may not have
9 sufficient fuel to meet New England's electric energy requirements. In order to prevent
10 this situation, ISO-NE is in the process of market design, but this effort will not be
11 completed until sometime after the 2013-2014 winter period. As a result, ISO-NE filed
12 this program to meet the short-term reliability needs of New England and proposed that
13 customers taking transmission service be responsible for the costs of the program. ISO-
14 NE asked that the FERC approve the program by September 6, 2013.

15
16 As of September 9, 2013, the FERC had not issued an order approving the program. A
17 number of bidders were concerned that the lack of an order from the FERC created an
18 uncertainty as to which market participants would incur the costs of the program. In
19 order to have as many bidders as possible participate in the RFP and to prevent our
20 default service customers from incurring a cost they may not otherwise incur, Granite
21 State notified bidders that if such costs are incurred by a winning bidder, the bidder
22 would be able to pass-through their actual costs to Granite State incremental to the final
23 default service prices.

1 **Q. Is the Company proposing to include an estimate of the Winter 2013-2014**
2 **Reliability Program in the proposed Default Service rates?**

3 A. No. Since the ISO-NE proposed to charge transmission customers for the costs of the
4 Winter 2013-2014 Reliability Program, Granite State is not proposing to include any such
5 costs in its proposed Default Service rates. Due to the uncertainty as to which market
6 participants will incur the cost of the program, Granite State does not want to burden its
7 Default Service customers with a cost they may not incur. Granite State plans to include
8 these costs in either the next Default Service reconciliation or the next Transmission
9 Retail Rate filing depending on the outcome of Docket ER13-1851.

10

11 **Q. Could you describe the nature of the RFP that Granite State issued?**

12 A. On August 9, 2013, Granite State issued a RFP to approximately twenty-five potential
13 suppliers soliciting power supplies for the period November 1, 2013 through April 30,
14 2014. Granite State also distributed the RFP to all members of the New England Power
15 Pool (“NEPOOL”) Markets Committee and posted the RFP on Granite State’s energy
16 supply website. As a result, the RFP had wide distribution throughout the New England
17 energy supply marketplace. The RFP requested fixed pricing for each month of service
18 on an as-delivered energy basis. Prices could vary by month and by service – that is, the
19 prices did not have to be uniform across the entire service period or between the two
20 customer groups. A copy of the RFP is provided as Schedule JDW-1.

21

1 **Q. Are the Company's Default Service rates consistent with least cost resource**
2 **planning?**

3 A. Yes. As indicated during the hearing held before the Commission on June 24, 2013 in
4 Docket DE 13-018 (Default Service proceeding) and in the Company's previous Default
5 Service filings, the Company has conducted its Default Service RFP process in a manner
6 that complies with RSA 378:41 and conforms to least cost planning principles by
7 proposing Default Service rates resulting from a competitive bidding process. This is
8 consistent with least cost planning goals, which are to minimize costs in the procurement
9 of energy.

10

11 **IV. RESULTS OF DEFAULT SERVICE BIDDING**

12 **Q. Mr. Warshaw, did Granite State receive responses to the RFP?**

13 A. Yes. Indicative proposals were received on September 3, 2013. Final proposals were
14 received on September 10, 2013. None of the bidders made their provision of Granite
15 State's Default Service contingent upon the provision of any other service. A summary
16 of the RFP process and bid evaluation is included in Schedule JDW-2.

17

18 **Q. How do the current futures prices for electricity and natural gas compare to the**
19 **futures prices at the time of the Company's September 14, 2012 and March 15, 2013**
20 **solicitations?**

21 A. The futures market prices for electricity and natural gas at the time of the March 15, 2013
22 and September 14, 2012 solicitations as well as current futures market prices are shown
23 in Schedule JDW-3. These are the two most recent solicitations for the Small Customer
24 Group.

1 **Q. Did Granite State select any of the proposals received in response to the RFP?**

2 A. Yes. Granite State evaluated the bids received and selected the two suppliers that: (i)
3 provided a bid that was conforming to the RFP, (ii) had the lowest price, (iii) met the
4 credit requirements described in the RFP, and (iv) passed our qualitative evaluation. On
5 September 10, 2013, Granite State entered into a wholesale Transaction Confirmation
6 with NextEra Energy Power Marketing, LLC (“NextEra”) formerly known as FPL
7 Energy Power Marketing Inc., the winning bidder for the Large Customer Group block,
8 to provide Default Service to the Large Customer Group for the three-month period
9 November 1, 2013 through January 31, 2014, and with DTE Energy Trading,
10 Inc.(“DTE”), the winning bidder for the Small Customer Group block, to provide Default
11 Service to the Small Customer Group for the six-month period November 1, 2013
12 through April 30, 2014. Together, a Transaction Confirmation and a Master Power
13 Agreement provide the terms for the purchase of Default Service from a supplier. A copy
14 of the NextEra Master Power Agreement was filed with the Commission on September
15 17, 2007 in Docket DE 07-012 (Default Service proceeding). A copy of the First
16 Amendment to the Master Power Agreement was filed with the Commission on
17 September 20, 2010 in Docket DE 10-020 (Default Service proceeding). A copy of the
18 Transaction Confirmation between Granite State and NextEra, with certain confidential
19 sections redacted, is attached hereto as Schedule JDW-4. A copy of the DTE Master
20 Power Agreement was filed with the Commission on December 14, 2009 in Docket DE
21 09-010. The Transaction Confirmation between Granite State and DTE, with certain
22 confidential sections redacted, is attached hereto as Schedule JDW-5.

23

1 **V. RENEWABLE PORTFOLIO STANDARD**

2 **Q. Mr. Warsaw, what is the RPS obligation for 2013 and 2014?**

3 A. As specified in the RPS law, RSA 362-F, the RPS law requires a provider of electricity to
4 obtain electric supply that meets the following minimums percentages:

Year	Class I	Class I Thermal	Class II	Class III	Class IV	Total
2013	3.8%	0.0%	0.2%	1.5%	1.3%	6.8%
2014	5.0%	0.4%	0.3%	7.0%	1.4%	14.1%

5

6 **Q. How does Granite State expect to satisfy its RPS obligations consistent with the RPS
7 rules as promulgated by the Commission?**

8 A. On February 18, 2009, Granite State entered into an amended settlement agreement with
9 Commission Staff and the Office of Consumer Advocate intended to resolve all issues
10 associated with the process by which Granite State would comply with the requirements
11 of the RPS law and the Puc 2500 rules (“Amended RPS Settlement”). The Amended
12 RPS Settlement was approved by the Commission on March 23, 2009 in Order No.
13 24,953 in Docket DE 09-010. The Company may satisfy RPS obligations by providing
14 either RECs for each RPS class from the New England Power Pool Generation
15 Information System (“NEPOOL-GIS”) or by making an Alternative Compliance
16 Payment (“ACP”) to the state of New Hampshire’s Renewable Energy Fund. As
17 specified in the Amended RPS Settlement, Granite State requested bidders to provide a
18 separate RPS compliance adder with their bids. This RPS compliance adder is the
19 incremental charge by a bidder for agreeing to take on the RPS obligation with the
20 Default Service obligation.

21

1 **Q. If a winning bidder's RPS compliance adder is accepted, how would the bidder**
2 **satisfy the RPS obligation?**

3 A. The supplier assumes the RPS obligation for its transaction when the RPS compliance
4 adder is accepted. This means that the supplier must deliver RECs to satisfy each RPS
5 class obligation to the Company's NEPOOL-GIS account, or it must pay the Company
6 the ACP for the undelivered RECs. The quantity of RECs required is calculated by
7 multiplying the RPS obligation percentage for each REC class by the electricity sales for
8 the term of the transaction.

9

10 **Q. What were the criteria Granite State used to evaluate the RPS compliance adders**
11 **provided by the bidders?**

12 A. Granite State evaluated the winning bidder's RPS compliance adder by comparing it to
13 Granite State's estimated market prices for New Hampshire RECs. The RPS compliance
14 adder from the winning bidder for the Large Customer Group was higher than Granite
15 State's market estimate for New Hampshire RECs. As a result, Granite State did not
16 accept this bidder's RPS compliance adder. The winning bidder for the Small Customer
17 Group did not submit a RPS compliance adder. Granite State plans to issue a request for
18 proposal in the future for the acquisition of RECs. If Granite State is unable to purchase
19 sufficient RECs to meet its New Hampshire RPS obligations, it will then, consistent with
20 the RPS rules, make an ACP to the state of New Hampshire's Renewable Energy Fund.
21 The bidders' RPS compliance adders can be found in Exhibit 10 of Schedule JDW-2.

22

1 **Q. Is Granite State proposing any changes to the RPS compliance adders at this time?**

2 A. Yes. Due to the change in 2013 RPS obligations in Order No. 25,484, which deferred the
3 Class I Useful Thermal Requirement for one year to start in 2014 and adjusted the Class
4 III Existing Biomass/Methane Facilities Requirement downward to 1.5% of 2013 electric
5 sales, Granite State is proposing to change the 2013 RPS compliance adder at this time.
6 Granite State has also calculated an adder to meet the 2014 RPS obligations..

7

8 **Q. How did Granite State calculate the Renewable Portfolio Standard Adder?**

9 A. As shown in Exhibit 11 of Schedule JDW-2, Granite State used the recent 2013 and 2014
10 market prices for all REC Classes. Market prices were provided by REC price
11 summaries distributed by brokers. The retail RPS costs were calculated on a per MWh
12 basis. The Company divided the calculated costs by ten in order to convert from a \$ per
13 MWh retail cost to a ¢ per kWh rate for retail use.

14

15 **Q. What happens if Granite State's actual RPS compliance costs are different from
16 that used in calculating the RPS compliance adder?**

17 A. Granite State reconciles its costs of RPS compliance with the revenue billed to customers
18 from the RPS compliance adder. This reconciliation occurs as part of this filing which
19 contains the annual default service reconciliation.

20

21 **Q. Has Granite State been able to contract for RECs?**

22 A. Yes. In October 2012, Granite State issued a request for proposal to procure RECs to
23 approved New Hampshire renewable generators, generators in the process of applying for

1 approval to generate New Hampshire RECs, as well as other REC suppliers, for its 2012
2 and 2013 RPS obligations. The Company received bids for RECs and contracted for
3 Class I and Class IV obligations for 2012 and Class I obligations for 2013. Granite State
4 shared the results of this request for proposal with Staff.

5
6 **Q. When will Granite State issue the next REC request for proposal?**

7 A. Granite State plans to issue a REC request for proposal in the fall of 2013 to procure
8 RECs to satisfy the 2013 and 2014 RPS obligations. Granite State will attempt to procure
9 the quantity of RECs necessary to satisfy the 2013 and 2014 obligations for load that will
10 be serviced under Default Service supply contracts.

11
12 **VI. DEFAULT SERVICE COMMODITY COSTS**

13 **Q. Mr. Warsaw, please summarize the power supply cost at the retail meter based on**
14 **Granite State's expected procurement cost used to develop the proposed retail rates.**

15 A. The load-weighted average of the power supply costs for the Large Customer Group is
16 8.736¢ per kWh compared to the load-weighted average of 6.389¢ per kWh for the period
17 August 2013 through October 2013. The load-weighted average of the power supply
18 costs for the Small Customer Group is 8.379¢ per kWh compared to the load-weighted
19 average of 6.078¢ per kWh for the period May 2013 through October 2013. The power
20 supply costs at the retail customer meter (¢ per kWh) were calculated by multiplying the
21 commodity prices at the wholesale level (\$ per MWh) by the applicable loss factor and
22 then dividing the results by ten. The applicable loss factors can be found in the RFP
23 summary in Schedule JDW-2. The loss factor is a calculated ratio of wholesale

1 purchases to retail deliveries.

2

3 **Q. How will Granite State reconcile any difference in costs associated with Default**
4 **Service?**

5 A. To the extent that the actual cost of procuring Default Service vary from the amounts
6 billed to customers for the service, Granite State will continue to reconcile the difference
7 through a reconciliation mechanism pursuant to Granite State's Default Service
8 Adjustment Provision contained in its currently effective Retail Delivery Tariff.

9

10 **VII. SUMMARY OF DEFAULT SERVICE RATES**

11 **Q. Please summarize the proposed Default Service rates resulting from the Default**
12 **Service procurement, adjusted by the factors which Granite State is proposing to**
13 **implement for service rendered on and after November 1, 2013.**

14 As I describe in more detail later in my testimony, Granite State proposes to implement
15 the following Default Service rates beginning November 1, 2013, for service rendered on
16 and after that date:

17

1

	Residential and Small C&I	Medium & Large C&I		
	November 2013 – April 2014	November 2013	December 2013	January 2014
Base Default Service Rate	8.379 ¢	6.068 ¢	8.874 ¢	11.079 ¢
2013 Default Service Adjustment Factor	0.087 ¢	0.087 ¢	0.087 ¢	0.087 ¢
Default Service Cost Reclassification Adjustment Factor	0.063 ¢	0.039 ¢	0.039 ¢	0.039 ¢
Renewable Portfolio Standard (“RPS”) Adder	0.452 ¢	0.290 ¢	0.290 ¢	0.525 ¢
RGGI Auction Excess Revenue Adjustment Factor	(0.212) ¢	(0.212) ¢	(0.212) ¢	(0.212) ¢
Total Default Service Rate	8.769 ¢	6.272 ¢	9.078 ¢	11.518 ¢

2

3

The Default Service rates which the Company proposes to bill its customers receiving Default Service are also summarized in Schedules JDW-6 and JDW-7.

4

5

Q. Did Granite State calculate a credit to its Default Service customers for any RGGI revenue rebates received from New Hampshire as required in Order No. 25,471 ?

7

A. Yes. Consistent with the order in Docket DE12-362 “Rebate of Excess Regional Greenhouse Gas Initiative Allowance Auction Proceeds to Default Service Customers”, Granite State calculated a credit of 0.212 ¢/kWh for its Default Service Customers. As of this filing, Granite State has received two rebate checks from New Hampshire. As shown in Schedule JDW-8, Granite State calculated a RGGI Auction Excess Revenue Adjustment Factor that included applicable interest on the funds received from New Hampshire. Granite State will reconcile the actual factor credited to customers against

13

14

1 the funds received plus any applicable interest in the next Default Service reconciliation
2 filing.

3
4 **VIII. BASE DEFAULT SERVICE RATES**

5 **Q. What are the “base” Default Service rates that the Company is proposing for**
6 **service rendered on and after November 1, 2013?**

7 A. Consistent with the Settlement Agreement, Granite State is proposing a fixed six-month
8 base Default Service rate for the period November 2013 through April 2014 for the
9 Small Customer Group based on the weighted average of the six monthly contract prices
10 contained in the supply agreement with the winning Default Service supplier for the
11 Small Customer Group. As shown on line (19) of Schedule JDW-7, the proposed base
12 Default Service rate for the Small Customer Group 8.379¢ per kWh. The Company is
13 also proposing monthly base Default Service rates for the Large Customer Group based
14 on the three monthly contract prices contained in the supply agreement with the winning
15 Default Service supplier for the Large Customer Group. As shown on line (5) of
16 Schedule JDW-6, page 1, the proposed base Default Service rates for the Large Customer
17 Group are 6.068 ¢ per kWh, 8.874 ¢ per kWh, and 11.079 ¢ per kWh for the months of
18 November 2013, December 2013 and January 2014, respectively.

19
20 **Q. Has the Company determined the impact of these rate changes on customer bills?**

21 A. Yes. These bill impacts are included in Schedule JDW-9. Schedule JDW-9 shows that
22 for a typical residential 500 kWh Default Service customer, the bill impact of the rates
23 proposed for November 1, 2013, as compared to rates in effect today, is a bill increase of

1 \$10.57, or 14.9%, from \$71.15 to \$81.72. In addition, as requested by the Office of
2 Consumer Advocate, a bill comparison for a Default Service residential customer with an
3 average kWh usage of 678 which is the average monthly usage over the twelve month
4 period ending August 2013, has also been included in this filing on page 1 of Schedule
5 JDW-9. The bill impact of the rates proposed in this filing, as compared to rates in effect
6 today, is a bill increase of \$14.32 or 14.7%, from \$97.51 to \$111.83. For other customers
7 in the Small Customer Group, increases range from 14.0% to 21.1% (see pages 1 to 9 of
8 Schedule JDW-9). For customers in the Large Customer Group, the Company has
9 provided typical bill impacts for illustrative load-weighted rates. The bill impacts for the
10 three-month period ending February 2014 are increases ranging from 21.5% to 27.0% as
11 compared to the three-month period ending October 2013 (see pages 10 to 16 of Schedule
12 JDW-9).

13
14 **Q. Has the Company prepared a revised Summary of Rates tariff page reflecting the**
15 **proposed rates?**

16 **A.** Yes. It is included as Schedule JDW-10. The Summary of Rates tariff page reflects the
17 proposed Default Service rate changes contained in this filing. Upon receiving an order
18 in this proceeding, the Company will file an Eighth Revised Page 84, Summary of Rates,
19 reflecting the appropriate approved rates.

20

1 **Q. Has the Company included the most recent quarterly report of migration**
2 **information based on monthly migration by customer class and load, as required by**
3 **the Commission's Order No. 24,715 in Docket DE 06-115?**

4 A. The quarterly report of customer migration information for the second quarter of calendar
5 year 2013 is included as Schedule JDW-11.

6

7 **IX. CONCLUSION**

8 **Q. Has Granite State proposed any changes to the RFP process that requires an order**
9 **from the Commission?**

10 A. Yes, On August 23, 2013, Granite State filed a Petition for Approval of Revisions to
11 Default Service Solicitation Process with the Commission. Granite State seeks to change
12 the procurement for the Large Customer Group from four to two procurements a year.
13 This change has been proposed to become effective with the RFP to be issued in March
14 of 2014 for the period May 1, 2014 through October 31, 2014.

15

16 **Q. Mr. Warshaw, when will Granite State issue the next RFP for Default Service?**

17 A. The Large Customer Group rates proposed in this filing end on January 31, 2014. Per the
18 terms of the Settlement Agreement, Granite State will issue a RFP for the Large
19 Customer Group in November 2013. For purposes of notice to the Commission, the
20 following table illustrates Granite State's proposed timeline for the next RFP:

21

1

RFP Process Steps	November 2013 RFP
RFP Issued	November 8, 2013
Indicative Bids Due	December 3, 2013
Final Bids Due	December 10, 2013
Contract Execution	December 11, 2013
Default Service Filing to Commission	December 12, 2013
Commission Order Needed	December 19, 2013
Service Begins	February 1, 2014

2

3 **Q. Does this conclude your testimony?**

4 A. Yes. It does.