



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

Docket No. DE 13-063

Granite State Electric Company d/b/a Liberty Utilities
Distribution Service Rate Case

JOINT DIRECT TESTIMONY

OF

**DANIEL SAAD
KURT DEMMER**

March 29, 2013

1 **I. INTRODUCTION**

2 **Q. Mr. Saad, please state your name and business address.**

3 A. My name is Daniel Saad. My business address is 11 Northeastern Boulevard, Salem, NH
4 03079.

5
6 **Q. By whom are you employed and in what capacity?**

7 A. I am employed by Liberty Energy Utilities (New Hampshire) Corp. (“Liberty Energy
8 NH”) as the Vice President, Operations & Engineering. In this capacity, I am responsible
9 for the day-to-day operations of Granite State Electric Company (“Granite State,” the
10 “Company,” or “Liberty Utilities”) and EnergyNorth Natural Gas, Inc., including all day-
11 to-day field activities, construction, and engineering.

12
13 **Q. Please describe your educational background and professional experience.**

14 A. In 1982, I earned a Bachelor of Science degree in Mechanical Engineering from the
15 University of Massachusetts, and, in 1993, I earned a Masters of Business Administration
16 from Boston College, with a concentration in finance and operations management. From
17 1982 to 1988, I worked in various progressive engineering roles for Stone & Webster
18 Engineering Corporation in its nuclear engineering-mechanics division. From 1988 to
19 2000, I was employed by Boston Gas Company. From 2000 until the time of Liberty
20 Energy NH’s acquisition of Granite State, I worked for National Grid USA and its
21 predecessor company, KeySpan Corporation, in various capacities, including Vice
22 President, Gas Operations & Construction, New England. I am also a registered

1 professional engineer, a member of the American Gas Association and a director of the
2 New England Gas Association.

3
4 **Q. Have you previously testified before the Commission?**

5 A. Yes. I testified on behalf of Liberty Energy NH in DG 11-040, the docket in which the
6 Commission approved the sale of Granite State and EnergyNorth.

7
8 **Q. Mr. Demmer, please state your name and business address.**

9 A. My name is Kurt Demmer. My business address is 9 Lowell Road, Salem, NH 03079.

10
11 **Q. By whom are you employed and in what capacity?**

12 A. I am employed by Liberty Energy NH as the Director, Electric Operations. In this
13 capacity, I am responsible for oversight of operations, maintenance and construction
14 activities, and have acted as the Regional Incident Commander of Storm restoration.

15
16 **Q. Please describe your educational background and professional experience.**

17 A. I graduated from Merrimack College in North Andover, Massachusetts with a Bachelor
18 of Science degree in electrical engineering in 1987. In 2002, I received a Masters in
19 Electrical Engineering from Worcester Polytechnic Institute in Worcester, Massachusetts.
20 I am a registered professional engineer.

1 **Q. Please describe your professional expertise.**

2 A. In June 1988, I joined Massachusetts Electric Company as an Operational Field Engineer.
3 In 1996, I became a Senior Engineer for Massachusetts Electric Company. In 2000, I
4 accepted a position as Area Supervisor for the Salem area of the Company and was
5 responsible for all distribution engineering and construction for the Company in the
6 Salem/Pelham, Lebanon and Charlestown areas. In 2008, I became Manager of Electric
7 Operations in New Hampshire responsible for the operations, construction and
8 maintenance functions for the electric distribution organization. In 2010, I became
9 Director of Electric Operations in New Hampshire.

10

11 **Q. Have you testified before the Commission previously?**

12 A. Yes. I testified on behalf of National Grid in DE 11-221 regarding the February 2010
13 wind storm and the March 2011 ice storm.

14

15 **II. PURPOSE OF TESTIMONY**

16 **Q. What is the purpose of your testimony?**

17 A. Our testimony discusses: (i) Granite State's electric distribution system and its capital
18 improvements since the Company's last general distribution rate case; (ii) capital
19 improvements that will be made post-test year and the Company's request for a step-
20 increase; (iii) the Company's proposal for a long-term Reliability Enhancement Plan
21 ("REP") and Vegetation Management Plan ("VMP"), and; (iv) the Company's request for
22 recovery of certain types of storm expenses.

1 **III. GRANITE STATE'S OPERATIONS AND SYSTEM INVESTMENT**

2 **Q. Please provide an overview of Granite State's operations.**

3 A. Granite State distributes electricity to approximately 43,000 residential, commercial, and
4 industrial customers in 23 communities in Southern and Western New Hampshire. To
5 serve its customers, the Company utilizes 15 distribution substations supplying
6 approximately 37 distribution and sub-transmission feeders. Approximately 80 percent of
7 the approximately 1,140 miles of distribution and sub-transmission circuits on the
8 Company's system are overhead facilities operating at voltage levels ranging from 2.4 kV
9 to 23 kV. Approximately 99 percent of the distribution and sub-transmission system
10 operates in the 15 kV class range or below (2.4kV to 13.8 kV).

11

12 **Q. What is the Company's operational philosophy?**

13 A. Liberty Utilities' fundamental goal is to provide safe and reliable electric service to its
14 customers, while placing a strong emphasis on maintaining a local focus. We develop
15 local reliability and integrity programs that are tailored to our New Hampshire system as
16 opposed to a central group performing analysis for many regional utilities. We also
17 develop our resource plans to essentially yield a stand-alone company such that we are
18 not relying on a utility from a nearby state to support New Hampshire customers and
19 system needs on a day-to-day basis. We believe this operating model allows the
20 Company to be more responsive to its customers which results in a better stakeholder
21 experience.

22

1 **Q. Have electric operations transitioned smoothly since the purchase of the Company**
2 **on July 3, 2012?**

3 A. Yes. The operation of the Company's electric distribution system has continued smoothly
4 since the acquisition of the Company from National Grid on July 3, 2012. The Company
5 continues to operate its electric system from three yards – Lebanon which serves its
6 northern area, Salem, which serves its southeasterly area, and Charlestown, which serves
7 its southwesterly area. The head of electric operations has remained the same, and the
8 Company continues to employ all of the line workers who previously worked in New
9 Hampshire. Many of the engineers that previously worked for National Grid on New
10 Hampshire electric matters are now employed by Liberty Energy NH. While National
11 Grid continues to provide some transition services, those services will decrease during
12 2013 as additional personnel, systems, and facilities are operated by Liberty Utilities.

13

14 **Q. Are there any changes in the operation of the system under Liberty Energy NH's**
15 **ownership that will result in more effective operations while still meeting the**
16 **mandate to provide safe and reliable service to customers?**

17 A. Yes. We are hiring 9 line workers to improve our response time and provide the
18 appropriate resources to effectively maintain the system, two of which have been hired as
19 of March 2013. As part of this effort, we will be evaluating the repositioning of some
20 crews to Charlestown to improve response time and reduce unproductive travel time from
21 other yards. We are also in the process of evaluating new programs/tools that will: (1)
22 improve our vegetation management model to yield a greater reliability impact for a

1 given expenditure; (2) yield a more comprehensive asset inspection program that will
2 give us a better evaluation of system conditions, and; (3) improve system planning to
3 better identify sectionalizing schemes and asset replacement programs. Lastly, we have
4 identified areas for improvement for the new service design and scheduling process,
5 which will reduce our customer wait time.

6
7 **Q. How much capital has the Company invested in its distribution system since its last**
8 **distribution rate case in 1995, DR 95-169?**

9 A. The Company has invested in its distribution system approximately \$94 million in capital
10 over the seventeen years from 1995 through December 2012. Of this amount,
11 approximately \$58 million was invested in mandated categories which include \$18.6
12 million in new business, \$9.5 million in transformer and meter purchases, \$9.5 million in
13 public requirements, \$7.5 million in response to equipment damage and failure, \$4.7
14 million in third-party attachments, \$2.1 million in outdoor lighting, \$2.1 million in
15 general equipment, \$1.7 million in major storms, and \$2.3 million in the remaining
16 mandatory categories. Non-mandated investments include \$10.8 million relating to
17 reliability, including REP investments which are discussed later in our testimony, \$13.4
18 million relating to capacity, and \$4.5 million relating to asset replacement. An additional
19 \$7.1 million was invested in other projects for the period 1995-2001.

20
21 While the Company has recovered a portion of its reliability investment through the REP,
22 the Company has not recovered the costs associated with the remaining capital

1 investment given that it has not had a general distribution rate case in over 15 years.

2
3 **Q. Please describe some of the specific capital projects that have been undertaken since**
4 **DR 95-169.**

5 A. From 1995 to 2000, major projects included the installation of a new distribution feeder
6 position and the 1363 circuit at the Mount Support substation in Lebanon necessary to
7 maintain a second supply to the Hanover substation. Other Lebanon area projects
8 included the installation of regulators and a grounding bank at the Craft Hill substation,
9 the installation of circuit breakers and a capacitor at the Hanover substation, the
10 installation of a capacitor bank at the Lebanon substation, and reconductoring of the
11 supply line from Sachem Junction to the Hanover substation, all of which were for
12 reliability improvements to the Company's system. Salem area projects included the
13 extension of the 2376 supply line from Barron Avenue to Salem Depot, the acquisition of
14 land to construct the Golden Rock substation, and the completion of the Olde Trolley
15 substation and first feeder position.

16
17 From 2000 to 2005, the Company undertook significant construction, in tandem with
18 New England Power, at the Golden Rock substation. The new substation resulted in a
19 115kV source to the Salem area, reducing dependency on the 23kV supply system fed
20 from Massachusetts. The 115/23kv Golden Rock substation was completed in 2003 at a
21 cost of over \$2 million. From 2000 to 2005, the Company completed the installation of
22 its Automated Meter Reading system thereby improving the efficiency and accuracy of

1 meter reads throughout its service territory. During this same period, the Company made
2 significant additions to its substations including one new feeder positions at the Olde
3 Trolley substation in Salem and two new feeder positions at Slayton Hill in Lebanon.

4
5 In the period 2006 through 2012, the Company upgraded the 23kV supply cable to the
6 Olde Trolley substation and extended the 2353 line from the Golden Rock substation to
7 the Barron Avenue substation. The Company installed additional feeders at the Slayton
8 Hill substation in Lebanon and the Olde Trolley and Spicket River substations in Salem.
9 The Company reconductored the Vilas Bridge 12L2 feeder with spacer cable, the
10 Mammoth Road (Pelham) 14L2 circuit with spacer cable, a portion of the Salem Depot
11 9L3 with spacer cable, and the 2352 supply line in Salem. In addition, the Company
12 began a Targeted Pole replacement program through which it identified and replaced
13 overloaded distribution transformers, as well as replaced station regulators and circuit
14 breakers/reclosers based on a scheduled program. Public Requirements work included the
15 rebuild of the Route 111 intersection in Windham, Seminary Hill roadwork in Lebanon,
16 Interstate 93 Exit 2 reconstruction in Salem, Route 88 at Exit 20 in Lebanon, and the
17 Lowell Road Reconstruction in Salem.

18
19 **Q. Is all of the capital investment included in rate base in this case used and useful in**
20 **providing service to the Company's customers?**

21 A. Yes. The entire rate base is used and useful in the provision of service to the Company's
22 customers.

1 **Q. Were the costs for all of the projects prudently incurred?**

2 A. Yes. While the vast majority of the capital investment included in this case occurred
3 during ownership of the Company by National Grid and the predecessor owner, New
4 England Electric System, we are aware that the investments made during National Grid's
5 ownership were made pursuant to an evaluation process to ensure continued safe and
6 reliable operation of the network as well as meeting all regulatory and statutory
7 requirements.

8
9 **Q. Are there any large capital investments that will be used and useful in 2013 for
10 which the Company is seeking rate recovery?**

11 A. Yes. In 2012, construction began on the Michael Avenue substation in Charlestown, a
12 new 115/13kV station that will provide much needed capacity to the homes and
13 businesses in Charlestown that will result in improved reliability, as well as providing
14 redundancy of feeder capacity to the surrounding area. The Michael Avenue substation is
15 being completed in conjunction with upgrades to the transmission system by New
16 England Power at the substation location. The Company's total expected investment in
17 this project is approximately \$3.8 million.

18

19 The Company will be completing the following additional significant capital projects in
20 2013:

- 21 • Lebanon 1L4 Voltage Regulator Replacement – approximately \$250,000 –
22 Replace 1L4 Voltage Regulators due to deteriorating asset condition.

- 1 • Upgrade 11L1 Voltage Regulators - Craft Hill – approximately \$255,000 –
2 Upgrade the existing 11L1 voltage regulators to 428A units in order to meet
3 summer loading limits.
- 4 • Upgrade 6L2 Voltage Regulators and Replace Feeder Recloser – Hanover -
5 approximately \$350,000 – Upgrade the existing 6L2 voltage regulators to
6 meet summer loading limits.
- 7 • Upgrade 7L1 Line Regulators – Canaan – approximately \$175,000 – Add a
8 second set of voltage regulators to the Roberts Road area of Canaan to split
9 the load with the existing regulator and improve area voltage regulation.
- 10 • Install Second Supply to Enfield Substation - \$1.2 million (First Phase of
11 Construction) - This project will result in a redundant supply to Enfield and
12 will improve the overall reliability of the Company’s service.

13

14 In addition, the Company will be taking delivery of 10 bucket trucks, 2 light duty
15 vehicles, 1 digger truck and 4 trailers in 2013. These purchases are consistent with the
16 Company’s fleet replacement policy and are necessary in light of the additional line
17 workers that will be employed in 2013 as well as the physical condition of the existing
18 fleet. All of the vehicles are an essential component of the Company’s operations in the
19 field.

1 **Q. Does the Company have any significant capital projects planned for the near**
2 **future?**

3 A. Yes. The Company also expects to begin the following significant capital specific multi-
4 year projects in 2013:

- 5
- 6 • Upgrade Mount Support Substation – Lebanon – Undertake preliminary
7 engineering to support the installation of two additional distribution feeders
8 and a second 115kV supply and transformer at Mount Support. This is a joint
9 project with National Grid.
- 10 • Upgrade Pelham Substation – Pelham – Undertake preliminary engineering to
11 support the installation of one additional feeder and a second 115kV supply
12 and transformer at Pelham. This is a joint project with New England Power.
- 13 • Install Capacitor Banks at Slayton Hill Substation – Lebanon – Undertake
14 engineering and begin materials procurement for the installation of additional
15 substation capacitors at Slayton Hill Substation. This is a joint project with
16 New England Power.
- 17 • Install 23kV Capacitors – Salem – Undertake preliminary engineering to
18 install two 23kV sub-transmission capacitors to provide voltage and reactive
19 support during peak periods on the supply circuits to the Olde Trolley and
20 Salem Depot substations in Salem.

21

1 While these are not included in the Company's request for a rate increase in this case,
2 these projects demonstrate that the Company does have an ongoing and continued need to
3 invest capital in its system.
4

5 **IV. RELIABILITY ENHANCEMENT PROGRAM**

6 **Q. Does Granite State currently have approval for a reliability enhancement program?**

7 A. Yes. The Company has been operating its REP/VMP (the "REP/VMP Program" or the
8 "Program") that was approved by the Commission as part of the National Grid/KeySpan
9 merger proceeding in Docket No. DG 06-107. *See* Order 24,777. The last year of this
10 program ends on March 31, 2013; a temporary continuation of the program is under
11 consideration in DE 13-039.
12

13 **Q. Please describe the capital and O&M components of the REP/VMP Program**
14 **established in DG 06-107.**

15 A. Beginning in National Grid's FY2008, the Company instituted the REP/VMP Program to
16 improve the performance of the system to pre-2005 levels of SAIFI and SAIDI, with the
17 goal of meeting those historical performance levels by the end of FY 2013 (March 31,
18 2013). The base spending levels set forth in DG 06-107 reflect an O&M spend of
19 \$1,360,000, including O&M related to capital and vegetation management, and an annual
20 capital target of \$500,000. The specific elements of the REP/VMP Program included a
21 comprehensive vegetation management program reflecting a five-year feeder trim cycle,
22 hazard tree removal, and provisions for interim, spot and trouble maintenance trimming

1 as well as the associated police protection. The capital elements of REP were focused on
2 feeder hardening, an approach to improve the performance of the Company's worst
3 performing feeders through remediation measures including replacement of poles,
4 crossarms, and transformers, the application of bonding, grounding, and surge arrester
5 replacement, and the installation of fuse cutouts and animal guards. The second element
6 was the application of line reclosers to isolate faulted sections of feeder mainlines and
7 minimize restoration time. Lastly, potted porcelain fuse cutouts, prone to premature
8 failure and a safety as well as reliability problem, were also replaced under REP.

9 Over the six year period that the REP/VMP Program was in place, the Company invested
10 \$4.4 million in capital reliability improvement initiatives, including approximately \$1.7
11 million in feeder hardening, \$1.9 million in line recloser applications, and \$600,000 on
12 fuse cutout replacement. An additional \$200,000 was spent on pole replacements early in
13 the Program.

14
15 **Q. When initially approved, the purpose of the REP/VMP Program was "to improve**
16 **Granite State's reliability performance in order to bring Granite State back to**
17 **historical performance levels that existed prior to 2005, with the goal of meeting**
18 **those historical performance levels by the end of fiscal year 2013, March 31, 2013."**
19 **Order 24,777. Has the Company met that performance level?**

20 A. The REP/VMP Program has achieved positive trending in reliability performance since
21 its inception. Underscoring this trend, in FY2012, the Company achieved a SAIFI of 1.16
22 against the pre-2005 target of 1.8 and a SAIDI of 106.7 against the pre-2005 target of 126

1 minutes. Our projection for FY2013 indicates that we expect to achieve the SAIFI target
2 of 1.8, but slightly exceed the SAIDI target of 126 minutes. However, the Company
3 continues to believe that the REP/VMP Program is achieving its intended overall
4 objective and accordingly we believe that the program should continue.
5

6 **Q. Is the Company seeking to change the elements of the previously approved**
7 **REP/VMP Program?**

8 A. Yes. Although the Company is requesting a continuation of the REP/VMP Program
9 objectives, we are proposing changes to the existing program. As we mentioned
10 previously, the REP Program included feeder hardening, cut-outs and reclosers. Given
11 that the Company has essentially exhausted the reliability potential of these particular
12 types of investments, the Company is proposing a second series of programs that would
13 yield additional reliability benefits. These new programs would include: (1) Spacer
14 Cable Expansion; (2) Single Phase Recloser Replacement/Expansion; (3) “Trip Saver”
15 Expansion; (4) SCADA Control Expansion; and (5) Targeted Plans for Underperforming
16 Localized Areas.
17

18 The application of spacer cable, a covered conductor resistant to tree related outages,
19 significantly improves mainline circuit performance during windy and stormy conditions.
20 The Company also plans to apply single phase recloser and “Trip Saver” electronic
21 cutouts to target circuit segments that would realize reliability benefits from single phase
22 tripping and reclosing and to isolate faults down to the smallest segment possible.

1 Expanding SCADA enhancements throughout the system yields greater system control as
2 well as more real-time system performance knowledge. Lastly, the Company will
3 undertake mitigation of underperforming areas, typically lower primary voltage areas at
4 the tail end of circuits in need of equipment and transformer upgrades and replacements,
5 covered conductor application, protection upgrades, arrestor/bonding and grounding
6 application.

7
8 The Company is seeking approval for \$1,750,000 as the base amount of O&M expense
9 for the REP/VMP Program. This level of funding is consistent with the Program's
10 funding in recent years, and will allow for an additional allowance to shorten trim cycles
11 on feeders or portions of feeders that have experienced aggressive tree growth due to
12 environmental factors or tree species specific factors. The Company is also proposing a
13 capital REP investment target of \$1,250,000 annually. The capital plan would reflect
14 funding for the reconductoring of approximately 1.5 miles of bare mainline conductor
15 with spacer cable and tree wire, the application of single phase reclosers and "Trip-
16 Saver" fusing in rural areas, SCADA enhancements and the mitigation of
17 underperforming areas. These initiatives represent the optimum combination of reliability
18 investments impacting a wide range of outage causes and duration impacts.

19
20 As with the current program, the Company would submit its annual REP/VMP plan to
21 Staff each year, describing its proposed activities and budget, and would meet with Staff
22 prior to its implementation to obtain its feedback. The Company proposes to submit that

1 plan each October, given that its fiscal year is the calendar year. The Company intends to
2 discuss its plan with Staff and obtain their input prior to implementation. On/before
3 March 31st of each year, the Company would make a reconciliation filing with the
4 Commission to either recover from or refund to customers the difference between the
5 Company's actual spending and an agreed base amount of O&M and capital spending.

6
7 **Q. Are there other changes in the REP/VMP Program that the Company seeks?**

8 A. Yes. While the Company proposes that the target metrics remain the same (SAIFI = 1.8
9 and SAIDI = 126), the Company proposes reporting the metrics on a rolling five-year
10 average for each metric in order to minimize the impact of uncontrollable factors. In
11 addition, the Company proposes to exclude the effect on performance by supply assets
12 owned by others given the potential impact of transmission on the Company's reliability
13 performance. For example, in 2012, approximately 15 minutes of SAIDI were due to
14 supply outages. The average annual impact since 2007 of transmission supply owned by
15 others on the Company's reliability performance is over 6 minutes. Similarly, the
16 Company also seeks to exclude planned and notified outages from its calculation of
17 SAIDI, which in 2012 had a 2 minute impact on the Company's SAIDI performance.
18 Since 2007, the Company has on average incurred over 8 minutes of SAIDI due to
19 planned outages. We believe that these types of outages should be removed from the
20 SAIDI and SAIFI calculations because they are either caused by events outside of the
21 Company's control or part of a reliability improvement initiative, such as a transformer
22 replacement.

1 **Q. Why is the continuation of the REP/VMP Program important?**

2 A. It is important to have a dedicated and consistent funding and recovery mechanism for
3 reliability initiatives as well as an ongoing dialogue with the Commission's Staff about
4 the Company's plan to maintain and enhance reliability on its system. Having regular and
5 ongoing dialogue will serve to better inform and solicit Staff's input into the Company's
6 system enhancement and performance initiatives, as well as provide opportunities to
7 discuss new technologies such as "trip saver" fuses. Without a mechanism for funding
8 these reliability based projects, a smaller utility would likely implement these
9 enhancements at a slower rate due to financial constraints. Thus, the REP/VMP Program
10 plays a critical part in maintaining and improving the performance of the Company's
11 system.

12

13 **V. RECOVERY OF STORM RESTORATION EXPENSE**

14 **Q. Does the Company currently have a mechanism to recover costs associated with its**
15 **response to major storms?**

16 A. Yes. As described in the testimony of Ms. Mason and Dr. Schmidt, the Company
17 currently recovers its expense associated with Major Storms through its base distribution
18 rates as well as the Storm Recovery Adjustment Mechanism. The Company is proposing
19 to expand the types of costs which can be recovered so that the Company has the ability
20 to recover storm expenses in a similar manner as Unitil.

21

1 **Q. What are the changes that you propose?**

2 A. Both Unitil and Public Service of New Hampshire have been authorized by the
3 Commission to recover costs associated with pre-staging crews in advance of storms that
4 are predicted to be of a specified magnitude or greater. *See* Orders 25,214 (April 26,
5 2011) and 25,465 (February 26, 2013). Specifically, the Company requests that the
6 Commission grant it authority to recover the following costs associated with responding
7 to and recovery from qualifying major storms: The recoverable pre-staging costs would
8 include costs associated with planning and preparation activities in advance of severe
9 weather if a qualifying major storm is likely to occur. Planning and preparation activities
10 would include pre-staging of crews, standby arrangements with external contractors,
11 incremental compensation of employees, and other costs that may be incurred to prepare
12 for a qualifying major storm. A qualifying major storm will be considered likely to occur
13 if the Energy Event Index (“EII”) from the Company’s professional weather forecaster
14 reaches an EII level of 2 or greater with a “high” (greater than 60 percent) level of
15 confidence.

16
17 Since the time of Unitil’s agreement, the Power Disruption Index (PDI) level has been
18 replaced with an Energy Event Index (EII). Similar to Unitil’s settlement agreement in
19 DE-10-055, which allows for recovery of these costs, an EII Level of 2 is defined by
20 Telvent weather service using seasonal specific criteria including sustained winds or
21 wind gusts, ice accretion, and wet snow accumulation coupled with a high confidence
22 level.

1 **Q. Why is this provision necessary for Liberty Utilities?**

2 A. Without this provision in place, the Company has less incentive to pre-stage crews
3 because if a major storm does not materialize at the level originally projected, the
4 Company may not be permitted to recover this expense. In addition, given the frequency
5 of major storms over the past few years, it is important that all of the State's electric
6 utilities have available a full range of mechanisms to ensure effective restoration for their
7 customers. Having the ability to recover pre-staging costs under pre-defined
8 circumstances is an important part of storm planning and restoration. The Commission
9 has indicated in its recent report on the October 2011 Snowstorm that it expects utilities
10 to include procedures in their Emergency Response Plans regarding pre-staging of crews
11 in certain situations. *See* November 20, 2012 Report on October 2011 Snowstorm at page
12 12. We think having this tool will help facilitate the Commission's goal of pre-staging.
13 Further, we believe there should be a level playing field among the electric utilities for
14 storm recovery mechanisms.

15
16 **Q. What weather forecasting service will Liberty Utilities rely upon in determining
17 whether a EII level of 2 exists?**

18 A. Liberty expects to utilize the Telvent forecasting service in a similar manner to Unitil.
19

20 **Q. Please describe the Company's access to crews prior to a major storm.**

21 A. Liberty has contracts with 15 line contractors for off-hour response. These contractors are
22 located in New Hampshire and surrounding New England states. Liberty also has

1 contracts with line contractors located in Pennsylvania and New York. These contractors
2 are available for emergency work and since July 3, have been pre-staged for some of our
3 recent storm events.

4

5 **Q. Does this conclude your direct testimony?**

6 A. Yes, it does.