

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

DE 16-383
Distribution Service Rate Case

OCA Data Requests - Set 1 (Permanent Rates)

Date Request Received: 7/11/16
Request No. OCA 1-106

Date of Response: 7/25/16
Respondent: James Simpson

REQUEST:

Reference: Simpson. Please provide fully functional copies of the electronic spreadsheet files used to create all JDS/MCS attachments with all formulas, references, and links intact and fully functioning. If any files are needed for the links to be active, please provide fully functional copies of those linked files. If any password is needed to fully utilize the files, please provide the password(s).

RESPONSE:

The attachments to this response, Confidential Attachment OCA 1-106.1.xlsx and Confidential Attachment OCA 1-106.2.xlsx, contain information that is proprietary information of the Company's consultant, Concentric Energy Advisors. Specifically, Concentric has used the same methodology to prepare marginal cost studies, and has developed and refined these spreadsheet files over the past 10 years in support of those studies. Concentric's competitive position would be harmed if other firms had unrestricted access to these files. Therefore, pursuant to Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of this information, and will submit a motion seeking confidential treatment prior to the final hearing in this docket.

The following files, used to develop the JDS/MCS attachments, are being provided in electronic working spreadsheet (Microsoft Excel) format to OCA and Staff counsel. Redacted versions of the attachments will not be provided.

1. Confidential Attachment OCA 1-106.1.xlsx: Attachments MCS-1 to MCS-10
2. Confidential Attachment OCA 1-106.2.xlsx: WPs for MCS

Please see the "READ ME" tab in Confidential Attachment OCA 1-106.1.xlsx for instructions regarding linking the files.

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Staff Data Requests - Set 5

Date Request Received: 7/22/16
Request No. Staff 5-37

Date of Response: 8/5/16
Respondent: James Simpson

REQUEST:

Reference Filing, Direct Testimony of James D. Simpson, lines 13-14, (Bates 540). Kindly furnish the work papers/excel spreadsheets and regressions that you created and tested to determine which explanatory variables possessed the greatest power to explain changes in the dependent variable. Please show how you determined your selection of the optimum explanatory variables.

RESPONSE:

The attachments to this response, Confidential Attachment Staff 5-37.1.xlsx through Confidential Attachment Staff 5-37.14.xlsx, contain information that is proprietary information of Concentric Energy Advisors. Specifically, these attachments demonstrate the processes that Concentric has developed to review regression equations and to select the best equation from the several that Concentric developed. It would put Concentric at a significant competitive disadvantage if competitors could copy and use the processes disclosed in these attachments. Concentric has never provided files of this format to anyone outside the firm. Therefore, a non-disclosure agreement will be requested from those seeking to review these confidential attachments. Also, pursuant to Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of this information, and will submit a motion seeking confidential treatment prior to the final hearing in this docket.

The Excel spreadsheets that Concentric created to test the regression equations that we developed are provided in Confidential Attachment Staff 5-37.1.xlsx through Confidential Attachment Staff 5-37.14.xlsx. Redacted versions of the attachments will not be provided. The table below identifies the Confidential Attachment that is associated with each regression equation.

Attachment Name	Regression Equation
Confidential Attachment Staff 5-37.1.xlsx	Administrative and General Expense - Marginal Loading Factors
Confidential Attachment Staff 5-37.2.xlsx	Customer Accounts

Confidential Attachment Staff 5-37.3.xlsx	Distribution Plant-Related Costs – Primary System
Confidential Attachment Staff 5-37.4.xlsx	Distribution Plant-Related Costs – Secondary System
Confidential Attachment Staff 5-37.5.xlsx	Distribution Plant-Related Costs – Line Transformers
Confidential Attachment Staff 5-37.6.xlsx	General Plant - Marginal Loading Factors
Confidential Attachment Staff 5-37.7.xlsx	Materials and Supplies Expense - Marginal Loading Factors
Confidential Attachment Staff 5-37.8.xlsx	Distribution Maintenance Expense – Primary System
Confidential Attachment Staff 5-37.9.xlsx	Distribution Maintenance Expense – Secondary System
Confidential Attachment Staff 5-37.10.xlsx	Distribution Maintenance Expense – Line Transformers
Confidential Attachment Staff 5-37.11.xlsx	Distribution Operations and Maintenance Expense - Customer Related
Confidential Attachment Staff 5-37.12.xlsx	Distribution Operations Expense - Primary System
Confidential Attachment Staff 5-37.13.xlsx	Distribution Operations Expense - Secondary System
Confidential Attachment Staff 5-37.14.xlsx	Distribution Operations Expense - Line Transformers

Please refer to the response to Staff 5-40 for a discussion of the process that Concentric follows to determine the regression equations and the explanatory variables that best explain changes in the dependent variable.

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Staff Data Requests - Set 6

Date Request Received: 8/4/16
Request No. Staff 6-26

Date of Response: 8/19/16
Respondent: Mark Smith

REQUEST:

Employee Headcount: Reference Attachment SEM/HSG-2, Schedule RR-3-01. The Company indicates that it plans to hire 21 new employees in 2016. For each new hire, please provide:

- a. Please provide a list of job titles for each of the 21 new hires.
- b. Will the new hire fill an existing position? If so, how long has the position been vacant?
- c. Is the new hire for a new position? If so, please identify the position and explain how was providing the services/activities prior to creating the new position.
- d. How many of the positions have been filled to date?
- e. For positions, not yet filled, please explain the Company's plans to fill those positions.

RESPONSE:

Pursuant to Puc 203.08, the Company has a good faith basis for seeking confidential treatment of information contained in this response because, by providing a list of job titles and corresponding start dates and salaries, the salary information of specific individuals can be easily determined. Such information is exempt from disclosure under RSA 91-A as "personnel ... files whose disclosure would constitute invasion of privacy." The Company will submit a motion for confidential treatment regarding this information at or before the commencement of the hearing in this proceedings.

A redacted copy of the requested data is provided in Attachment Staff 6-26. An unredacted version, Confidential Attachment Staff 6-26, will be provided to counsel for Staff and the OCA.

In preparing this response it was discovered that the Project Engineer should not have been included as it is 100% gas-related. The Company will make the appropriate adjustments to the revenue requirement schedules when it files its corrections and updates later in the proceeding.

REVISED

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

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Staff Data Requests - Set 11

Date Request Received: 10/19/16
Request No. Staff 11-39

Date of Response: 12/13/16
Respondent: Mark Smith

REQUEST:

Refer to FERC Form 1, 2014 and 2015, p. 104 and Attachment Staff Data Request 11-39.

- a. For each position and person on Attachment Staff Data Request 11-39, please fill in the attached table with the date the person began in the listed position and the date that person ended in that position. For all positions briefly describe the duties performed during that period.
- b. Please fill in Attachment Staff Data Request 11-39 with the total compensation and pension and benefits included within the test year for each individual for each position. Please break out the amounts by expense and capital.

RESPONSE:

A list of officers and directors, their total compensation, dates of appointment, and end dates is contained in the Rate Case Filing Requirements under tab 14 submitted with Granite State's April 29, 2016, filing.

Officers who hold the title Treasurer and Secretary are not compensated for those positions, since these are Board appointed positions that are occupied by existing employees of the Company. Confidential Attachment Staff 11-39.xlsx shows Granite State's share of the compensation for the President for the test year, including the portions expensed and capitalized.

Pursuant to Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of the compensation information contained in Confidential Attachment Staff 11-39.xlsx, and the Company intends to file a motion for confidential treatment at or before the final hearing in this matter. The basis for the Company's assertion of confidentiality is that the individuals have a significant privacy interest in the compensation they receive, and there is no corresponding public interest that tips the balance in favor of disclosure. RSA 91-A:5, IV exempts from public disclosure records that constitute confidential, commercial, or financial information. The Commission has previously found that employees of utilities, including their officers and directors, have a privacy interest in their compensation information. EnergyNorth Natural Gas, Inc., Order No. 25,119 at 8 (June 25, 2010); Granite State Electric Company, DE 13-063 (granted on the record at the June 4, 2013 hearing).

REVISED RESPONSE:

Please see Revised Confidential Attachment Staff 11-39.xlsx. After further discussion with Staff, the Company is providing this revised response to align with the information Staff clarified it expected to receive in response to its request.

Pursuant to Puc 203.08(d), the Company has a good faith basis to seek confidential treatment of the compensation information contained in Revised Confidential Attachment Staff 11-39.xlsx, and the Company intends to file a motion for confidential treatment at or before the final hearing in this matter. The basis for the Company's assertion of confidentiality is that the individuals have a significant privacy interest in the compensation they receive, and there is no corresponding public interest that tips the balance in favor of disclosure. RSA 91-A:5, IV exempts from public disclosure records that constitute confidential, commercial, or financial information. The Commission has previously found that employees of utilities, including their officers and directors, have a privacy interest in their compensation information. EnergyNorth Natural Gas, Inc., Order No. 25,119 at 8 (June 25, 2010); Granite State Electric Company, DE 13-063 (granted on the record at the June 4, 2013 hearing).