

THE STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION

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April 20, 2017

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Re: DE 16-383, Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
Order No. 26,005

To the Parties:

Enclosed is revised page 9 of Order No. 26,005 (April 12, 2017). On page 9, line 21, ".005" has been changed to "0.05".

All other portions of this order remain unchanged. Please substitute the enclosed revised page to your copy of Order No. 26,005.

Very truly yours,

A handwritten signature in black ink, appearing to read "Debra A. Howland".

Debra A. Howland
Executive Director

Enclosure
cc: Service List
Docket File

increase provided for under the Settlement. The two-block, inclining rate structure for electricity usage under Rate D will be phased out in equal annual steps, with a flat rate being effective May 1, 2019.

Under the Settlement, Liberty will meet with the parties to devise a tariff for effect September 30, 2017, which will require Liberty to take ownership of new underground residential services. Actual costs incurred while undertaking this change in policy can be recovered in the May 1, 2018, step adjustment. Liberty's Reliability Enhancement Program/Vegetation Management Program will be continued under the Settlement, with certain changes. Vegetation trim cycles will shorten from 5 years to 4 years and Liberty will report reliability statistics on a circuit by circuit basis with an indication as to which circuits have transitioned to the 4-year cycle and which remain on the 5-year cycle. In addition, the level of O&M expense built into base rates is increased to \$1,500,000 and the target level for capital spending for REP measures is increased to \$1,500,000 per year. The Settlement provides that Liberty will use accrual accounting for all future reconciliation filings.

Concerning customer service, Liberty's performance will be measured during 2017, 2018, and 2019, using three metrics, each with a penalty provision of a \$1 credit per customer, in the event that Liberty's performance does not meet specified performance levels. First, Liberty will be required to answer 80 percent of calls to its call center, excluding those coming through emergency lines, within 20 seconds (with exceptions for major storm events and the implementation of a new customer service and billing system). Second, Liberty must have no bills (over a small threshold of 0.05 percent of bills rendered) held for more than 30 days (with an exception for the implementation of a new customer service and billing system). Third, Liberty must meet a customer satisfaction level of 80 percent or better, based on annual customer