



Liberty Utilities
Docket No. DG 17-048
Petition for Rate Increase LU Set 1 Information Requests

Received: December 8, 2017
Request Number: LU 1-18

Date of Response: December 21, 2017
Witness: Al-Azad Iqbal

Request:

Please describe all efforts taken by Mr. Iqbal to obtain a better understanding of the training methods/facilities used by other New Hampshire gas and electric utilities since the time of his response to data request GSEC 1-10 in Docket No. DE 16-383 (see attached). Please provide an updated response to the question posed in that discovery request. If Mr. Iqbal has no additional information to provide, please explain.

Response:

GSEC 1-10

Request:

Reference Bates 000012, lines 1 – 15. With respect to the list of information that Staff deems “essential” to evaluating training cost alternatives, please provide all similar information in the possession of Staff for all the other New Hampshire gas and electric utilities. For any item which Staff does not have any of the information, please explain why.

Response:

Staff currently does not possess the information for all the other New Hampshire gas and electric utilities. If any of the utilities propose significant changes in training methods or to recover significant, new investment in training related infrastructure, Staff would seek to examine the “essential” information and analysis related to available alternatives.

Update

Please see the following Northern’s training related DRs (Docket DG 17-070)

Staff 2-45

Staff 2-46

Staff 2-47

Staff 2-48

Staff Tech 1-8

Staff Tech 1-9

Northern Utilities, Inc.
Docket No. DG 17-070
PUC Staff Information Data Request Set 2

Received: August 29, 2017
Request No. Staff 2-45

Date of Response: September 13, 2017
Witness: Kevin Sprague

Request:

Please explain how Northern meets its training requirements.

Response:

The Company has a number of different training requirements each year. These include Operator Qualification reviews, employee progression, technical skills, O&M reviews and mandatory safety training. On an annual basis, local management and supervisory personnel assess these requirements, develop and implement a plan to meet these needs.

Northern Utilities, Inc.
Docket No. DG 17-070
PUC Staff Information Data Request Set 2

Received: August 29, 2017
Request No. Staff 2-46

Date of Response: September 13, 2017
Witness: Kevin Sprague

Request:

Were there any significant changes in training requirements since the last rate case? If yes, please provide details.

Response:

The Company has not changed its training methodology since the last rate case. Training requirements are centered on operator qualification, employee progression, technical skills and mandatory safety training. In any given year the requirements in each of these areas may change depending on the needs of the employees and where we are with operator qualification, employees who are in progression or the implementation of new technology or work methods.

Northern Utilities, Inc.
Docket No. DG 17-070
PUC Staff Information Data Request Set 2

Received: August 29, 2017
Request No. Staff 2-47

Date of Response: September 13, 2017
Witness: Kevin Sprague

Request:

Were there any significant changes in training costs since the last rate case?

Response:

There have been no significant increases to training costs since the last rate case.

Northern Utilities, Inc.
Docket No. DG 17-070
PUC Staff Information Data Request Set 2

Received: August 29, 2017
Request No. Staff 2-48

Date of Response: September 13, 2017
Witness: Kevin Sprague

Request:

Please provide details of training costs for last 3 years related to Mandatory Technical Training & Operator Qualifications, including: number of trainees, training hours per trainee, overtime hours, average hourly pay, overtime hourly pay, average cost of instructor/training provider per trainee, and overall annual training cost.

Response:

The Company provides the following information for 2014 - 2016:

- The Company invested approximately \$420,057 in total training costs or \$130,823 on average per year.
- 58 field personnel were trained resulting in 2,373 labor hours or 41 hours on average per employee.
- The 2,373 labor hours cost the Company approximately \$82,076 with an average hourly rate of \$34.58.
- The Company spent \$337,980 in other training-related expenses including training classes, program administration and contractor orientation for an average of approximately \$5,827 per employee.

Northern Utilities, Inc.
Docket No. DG 17-070
PUC Staff Data Requests, Technical Session Set 1

Received: September 25, 2017
Request No. Staff Tech 1-8

Date of Response: October 9, 2017
Witness: Christopher LeBlanc

Request:

Reference Northern's response to Staff 2-45:

Provide a revised response that details the various types of training that Northern performs, including a discussion about where the training is done and what incremental and/or outside costs are incurred for training.

Response:

Northern conducts its training program for the purpose of Operator Qualification ("OQ") Recertification, Employee Progression Training, O&M Procedure Reviews, On-Going Technical Training and Mandatory Safety Training. The Company uses a variety of training techniques for this implementation to include classroom training, hands-on training in a controlled environment, and On-The-Job Training ("OJT"). The detail regarding each of these programs is as follows:

1. Operator Qualification Recertification – In accordance with 49 CFR §192 SubPart N "Qualification of Pipeline Personnel," the Company is required to qualify personnel that are performing covered tasks on pipeline facilities. The Company's OQ program requires the recertification of employees for most covered tasks on a three-year cycle. Before testing the Company conducts a review of the task material. These reviews are either conducted in a classroom setting or through an e-learning application. The classroom reviews are proctored by a local supervisor who is a subject matter expert ("SME").
2. Progression Training – Field employees advancement within a department that follows a structured progression program from Apprentice through First Class. A First Class employee is considered fully qualified to perform all activities within their classification and to be considered a crew leader within the distribution department. Each step in the progression requires employees to learn the various technical skills necessary to advance to the next higher grade. Training is accomplished through classroom training, hands-on training in a controlled environment and on the job training where they are practicing their skills in the real world environment under the supervision of qualified senior crew member. A typical progression from Apprentice through First Class is 4.5 years. Internal subject matter experts administer the training (e.g., supervisors managers and senior employees), external training classes (e.g., Granite State Trade School or Staking University) or through outside industry experts that will train on a specific piece of equipment or technique (e.g., Mueller Hot Tap training).

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3. O&M Procedure Reviews - Employees and Contractors are required to be trained on Company-specific procedures and then have periodic reviews when procedures change and as an on-going review process. These reviews are included as part of the employee progression process as well as for contract personnel and other internal employees.
4. On-Going Technical Training - For high risk or highly technical activities the Company requires on-going hands-on training that is typically done in a controlled environment to ensure on-going proficiency in the technique. Performing hot taps on high-pressure steel lines as well as locator training are examples of this type of activity. This training is usually administered by an outside industry expert or at off-site training schools.
5. Mandatory Safety Training - Employees are required to undergo annual safety training in topics such as CPR/First Aid, Bloodborne Pathogens, Asbestos Removal, Confined Space, etc. These subjects are delivered through the Company's safety department and are usually in a classroom format.

Training budgets are developed each year as part of the annual O&M budgeting process. Training budgets cover the costs for outside instructors, off-site training classes, OQ Administration and employees time when training is conducted in a classroom environment.

Northern Utilities, Inc.
Docket No. DG 17-070
PUC Staff Data Requests, Technical Session Set 1

Received: September 25, 2017
Request No. Staff Tech 1-9

Date of Response: October 9, 2017
Witness: Christopher LeBlanc

Request:

Reference Staff 2-48, which provides summary information about Northern's training for 2014, 2015, and 2016:

Please breakdown that summary information to show, by year:

- a. the number of employees who undertook training
- b. the number of hours employees spent in training
- c. the amount of overtime paid to employees for undertaking training activities
- d. amounts paid to vendors for training
- e. amounts paid to in-house trainers
- f. the amount of any other training expenses, with a description detailing these other expenses.

Response:

- a. Approximately thirty-three Northern employees receive training on an annual basis.
- b. From 2014 – 2016 there were 2,373 hours allocated to training. However, not all instances of employee training get charged to training accounts.
- c. From 2014 – 2016 the Company spent approximately \$6500 in overtime related to training.
- d. From 2014 – 2016 the Company spent approximately \$79,000 for training provided by external resources.
- e. Company in-house trainers are typically managers or supervisors that are subject matter experts. These employee's salaries are not directly allocated to training activities.
- f. In addition to wages, other training expenses are typically for outside training classes or an external trainer, contractor orientation, licensing and qualification costs and travel costs associated with external classes.