

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities**  
**Summary of Proposed Rates For Stranded Cost and Transmission**

| Rate Class          | Stranded<br>Cost Charge | Stranded Cost<br>Adjustment<br>Factor | Net Stranded<br>Cost Charge | Transmission<br>Charge | Transmission<br>Adjustment<br>Factor | RGGI<br>Auction<br>Proceeds<br>Refund | Net<br>Transmission<br>Charge* |
|---------------------|-------------------------|---------------------------------------|-----------------------------|------------------------|--------------------------------------|---------------------------------------|--------------------------------|
|                     | (a)<br>DE 17-015        | (b)<br>HMT-2 Page 2                   | (c)<br>(a) + (b)            | (d)<br>HMT-3 Page 1    | (e)<br>HMT-3 Page 5                  | (f)<br>HMT-5                          | (g)<br>(d) + (e) + (f)         |
| <b>D</b>            | \$0.00040               | \$0.00009                             | <b>\$0.00049</b>            | \$0.02562              | (\$0.00414)                          | (\$0.00137)                           | <b>\$0.02011</b>               |
| <b>D-10</b>         | \$0.00040               | \$0.00009                             | <b>\$0.00049</b>            | \$0.02260              | (\$0.00414)                          | (\$0.00137)                           | <b>\$0.01709</b>               |
| <b>G-1</b>          | \$0.00040               | \$0.00009                             | <b>\$0.00049</b>            | \$0.01957              | (\$0.00414)                          | (\$0.00137)                           | <b>\$0.01406</b>               |
| <b>G-2</b>          | \$0.00040               | \$0.00009                             | <b>\$0.00049</b>            | \$0.02290              | (\$0.00414)                          | (\$0.00137)                           | <b>\$0.01739</b>               |
| <b>G-3</b>          | \$0.00040               | \$0.00009                             | <b>\$0.00049</b>            | \$0.02340              | (\$0.00414)                          | (\$0.00137)                           | <b>\$0.01789</b>               |
| <b>Streetlights</b> | \$0.00040               | \$0.00009                             | <b>\$0.00049</b>            | \$0.01856              | (\$0.00414)                          | (\$0.00137)                           | <b>\$0.01305</b>               |
| <b>T</b>            | \$0.00040               | \$0.00009                             | <b>\$0.00049</b>            | \$0.02405              | (\$0.00414)                          | (\$0.00137)                           | <b>\$0.01854</b>               |
| <b>V</b>            | \$0.00040               | \$0.00009                             | <b>\$0.00049</b>            | \$0.03332              | (\$0.00414)                          | (\$0.00137)                           | <b>\$0.02781</b>               |

\*May not add due to rounding

**Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities  
Stranded Cost Reconciliation  
May 2016 - April 2017**

| Month    | (Over)/Under<br>Beginning<br>Balance | Stranded<br>Cost Revenue | CTC Expense     | Monthly<br>(Over)/Under | Over/(Under)<br>Ending<br>Balance | Balance<br>Subject to<br>Interest | Interest<br>Rate | Interest | Cumulative<br>Interest |
|----------|--------------------------------------|--------------------------|-----------------|-------------------------|-----------------------------------|-----------------------------------|------------------|----------|------------------------|
|          | (a)                                  | (b)                      | (c)             | (d)                     | (e)                               | (f)                               | (g)              | (h)      | (i)                    |
| Mar-16   | \$1,952                              | (\$9,217)                | \$28,101        | \$37,318                | \$39,270                          | \$20,611                          | 3.50%            | \$60     | \$60                   |
| Apr-16   | \$39,330                             | (\$12,834)               | \$30,700        | \$43,534                | \$82,864                          | \$61,097                          | 3.50%            | \$178    | \$238                  |
| May-16   | \$83,042                             | \$25,834                 | \$25,834        | \$0                     | \$83,042                          | \$83,042                          | 3.50%            | \$242    | \$481                  |
| Jun-16   | \$83,284                             | \$30,798                 | \$30,798        | \$0                     | \$83,284                          | \$83,284                          | 3.50%            | \$243    | \$723                  |
| Jul-16   | \$83,527                             | \$34,593                 | \$34,593        | \$0                     | \$83,527                          | \$83,527                          | 3.50%            | \$244    | \$967                  |
| Aug-16   | \$83,771                             | \$35,377                 | \$35,377        | \$0                     | \$83,771                          | \$83,771                          | 3.50%            | \$244    | \$1,211                |
| Sep-16   | \$84,015                             | \$33,252                 | \$33,252        | (\$0)                   | \$84,015                          | \$84,015                          | 3.50%            | \$245    | \$1,456                |
| Oct-16   | \$84,260                             | \$28,235                 | \$28,235        | \$0                     | \$84,260                          | \$84,260                          | 3.50%            | \$246    | \$1,702                |
| Nov-16   | \$84,506                             | \$25,913                 | \$25,913        | (\$0)                   | \$84,506                          | \$84,506                          | 3.50%            | \$246    | \$1,949                |
| Dec-16   | \$84,752                             | \$29,936                 | \$29,936        | \$0                     | \$84,752                          | \$84,752                          | 3.50%            | \$247    | \$2,196                |
| Jan-17   | \$85,000                             | \$31,817                 | \$31,817        | \$0                     | \$85,000                          | \$85,000                          | 3.75%            | \$266    | \$2,461                |
| Feb-17   | \$85,265                             | \$27,427                 | \$27,427        | \$0                     | \$85,265                          | \$85,265                          | 3.75%            | \$266    | \$2,728                |
| * Mar-17 | \$85,532                             | \$30,222                 | \$30,222        | \$0                     | \$85,532                          | \$85,532                          | 3.75%            | \$267    | \$2,995                |
| * Apr-17 | \$85,799                             | \$28,512                 | <u>\$28,512</u> | \$0                     | \$85,799                          | \$85,799                          | 3.75%            | \$268    | \$3,263                |
|          |                                      |                          | \$361,917       |                         |                                   |                                   |                  |          |                        |

**Projected Cumulative (Over)/Under Collection of Transmission Charge: \$86,067**

- (a) Prior Month Column (f) + Prior Month Column (i)
- (b) Company kWh sales multiplied by the approved Transmission Revenue factors
- (c) GSE Transmission Monthly Bills
- (d) Column (b) + Column (c) - Column (d)
- (e) Column (a) + Column (e)
- (f) [Column (a) + Column (f)] ÷ 2
- (g) No interest is applied
- (h) Column (g) x [Column (h) ÷ 12]
- (i) Column (i) + Prior Month Column (i)
- \* Projected

**Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities  
Calculation of Stranded Cost Adjustment Factor  
Effective May 1, 2017 - April 30, 2018**

|                                                    |                           |
|----------------------------------------------------|---------------------------|
| <b>[1] Stranded Cost (Over)/Under Collection</b>   | <b>\$86,067</b>           |
| <b>[2] Forecast kWh Deliveries</b>                 | <b><u>950,922,952</u></b> |
| <b>[3] Stranded Cost Adjustment Factor per kWh</b> | <b>\$0.00009</b>          |

[1] Schedule HMT-2 Page 1

[2] Per Company Forecast

[3] Line (1) ÷ Line (2), truncated after 5 decimal places

**Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities  
Transmission Charge Calculation**

|                                                               | <b>Total</b>        | <b>D</b>           | <b>D-10</b>        | <b>G-1</b>         | <b>G-2</b>         | <b>G-3</b>       | <b>Streetlights</b> | <b>T</b>         | <b>V</b>         |
|---------------------------------------------------------------|---------------------|--------------------|--------------------|--------------------|--------------------|------------------|---------------------|------------------|------------------|
| [1] <b>Estimate of Transmission Expense</b>                   | <b>\$21,309,361</b> |                    |                    |                    |                    |                  |                     |                  |                  |
| [2] <b>Coincident Peak (KW)</b>                               | 1,793,624           | 610,891            | 10,100             | 638,445            | 312,039            | 184,329          | 6,682               | 30,413           | 725              |
| [3] <b>Coincident Peak Allocator</b>                          | 100.00%             | 34.06%             | 0.56%              | 35.60%             | 17.40%             | 10.28%           | 0.37%               | 1.70%            | 0.04%            |
| [4] <b>Allocated Transmission Expense</b>                     | \$21,309,361        | \$7,257,764        | \$119,994          | \$7,585,123        | \$3,707,217        | \$2,189,943      | \$79,380            | \$361,325        | \$8,613          |
| [5] <b>Forecasted kWh Sales</b>                               | 950,922,952         | 283,189,282        | 5,308,919          | 387,409,422        | 161,883,791        | 93,578,891       | 4,276,150           | 15,018,041       | 258,456          |
| [6] <b>Proposed Transmission Charge per kWh</b>               | <b>\$0.02240</b>    | <b>\$0.02562</b>   | <b>\$0.02260</b>   | <b>\$0.01957</b>   | <b>\$0.02290</b>   | <b>\$0.02340</b> | <b>\$0.01856</b>    | <b>\$0.02405</b> | <b>\$0.03332</b> |
| [7] <b>Current Transmission Charge per kWh</b>                | \$0.02374           | \$0.02651          | \$0.02277          | \$0.02164          | \$0.02479          | \$0.02211        | \$0.02262           | \$0.02340        | \$0.02851        |
| [8] <b>Increase (Decrease) in Transmission Charge per kWh</b> | <b>(\$0.00134)</b>  | <b>(\$0.00089)</b> | <b>(\$0.00017)</b> | <b>(\$0.00207)</b> | <b>(\$0.00189)</b> | <b>\$0.00129</b> | <b>(\$0.00406)</b>  | <b>\$0.00065</b> | <b>\$0.00481</b> |

- [1] Schedule JDW-1, Line (10)  
[2] Page 2 of 2  
[3] Line (2) as a percent of total Line (2)  
[4] Line (1) x Line (3)  
[5] Per Company Forecast  
[6] Line (4) ÷ Line (5), truncated after 5 decimal places  
[7] Per Currently Effective Tariffs  
[8] Line (6) - Line (7)

**Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities  
Transmission Charge Calculation  
Coincident Peak Data**

|        | <b>Total</b>   | <b>D</b>      | <b>D-10</b>  | <b>G-1</b>    | <b>G-2</b>    | <b>G-3</b>    | <b>Streetlights</b> | <b>T</b>     | <b>V</b>  |
|--------|----------------|---------------|--------------|---------------|---------------|---------------|---------------------|--------------|-----------|
| Jan-16 | 140,948        | 49,312        | 1,323        | 45,173        | 25,409        | 14,542        | 861                 | 4,263        | 65        |
| Feb-16 | 143,626        | 50,503        | 1,119        | 46,725        | 26,600        | 14,182        | 880                 | 3,554        | 63        |
| Mar-16 | 129,351        | 41,530        | 1,329        | 44,408        | 24,192        | 12,770        | 898                 | 4,168        | 56        |
| Apr-16 | 124,739        | 45,269        | 913          | 43,160        | 21,228        | 10,253        | 1,005               | 2,874        | 37        |
| May-16 | 150,500        | 42,984        | 455          | 61,013        | 27,790        | 16,950        | 7                   | 1,271        | 30        |
| Jun-16 | 160,998        | 52,597        | 667          | 62,877        | 25,969        | 16,997        | 7                   | 1,812        | 72        |
| Jul-16 | 182,611        | 66,100        | 655          | 64,544        | 30,249        | 19,312        | 7                   | 1,663        | 81        |
| Aug-16 | 193,308        | 61,737        | 731          | 73,277        | 34,059        | 21,501        | 8                   | 1,909        | 86        |
| Sep-16 | 174,317        | 57,102        | 559          | 64,920        | 30,830        | 19,376        | 7                   | 1,450        | 73        |
| Oct-16 | 121,838        | 40,808        | 493          | 45,531        | 21,257        | 11,150        | 1,065               | 1,495        | 39        |
| Nov-16 | 128,994        | 47,686        | 579          | 43,058        | 21,799        | 12,991        | 960                 | 1,866        | 55        |
| Dec-16 | <u>142,394</u> | <u>55,263</u> | <u>1,277</u> | <u>43,759</u> | <u>22,657</u> | <u>14,305</u> | <u>977</u>          | <u>4,088</u> | <u>68</u> |
| Total  | 1,793,624      | 610,891       | 10,100       | 638,445       | 312,039       | 184,329       | 6,682               | 30,413       | 725       |

Source: Company Load Data

**Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities**  
**Transmission Charge Reconciliation**  
**May 2016 - April 2017**

| Month  | (Over)/Under<br>Beginning<br>Balance | Transmission<br>Revenue | Transmission<br>Expense | Monthly<br>(Over)/Under | Over/(Under)<br>Ending<br>Balance | Balance<br>Subject to<br>Interest | Interest<br>Rate | Interest   | Cumulative<br>Interest |
|--------|--------------------------------------|-------------------------|-------------------------|-------------------------|-----------------------------------|-----------------------------------|------------------|------------|------------------------|
|        | (a)                                  | (b)                     | (c)                     | (d)                     | (e)                               | (f)                               | (g)              | (h)        | (i)                    |
| Feb-16 | \$0                                  | \$2,323,690             | \$1,478,780             | (\$844,909)             | (\$844,909)                       | (\$422,455)                       | 3.50%            | (\$1,232)  | (\$1,232)              |
| Mar-16 | (\$846,141)                          | \$1,939,269             | \$1,649,939             | (\$289,330)             | (\$1,135,471)                     | (\$990,806)                       | 3.50%            | (\$2,890)  | (\$2,890)              |
| Apr-16 | (\$1,138,361)                        | \$2,700,175             | \$1,558,229             | (\$1,141,946)           | (\$2,280,307)                     | (\$1,709,334)                     | 3.50%            | (\$4,986)  | (\$7,875)              |
| May-16 | (\$2,285,293)                        | \$1,533,226             | \$1,889,230             | \$356,004               | (\$1,929,289)                     | (\$2,107,291)                     | 3.50%            | (\$6,146)  | (\$14,022)             |
| Jun-16 | (\$1,935,435)                        | \$1,827,878             | \$1,990,203             | \$162,325               | (\$1,773,110)                     | (\$1,854,273)                     | 3.50%            | (\$5,408)  | (\$19,430)             |
| Jul-16 | (\$1,778,519)                        | \$2,053,106             | \$1,748,320             | (\$304,786)             | (\$2,083,304)                     | (\$1,930,911)                     | 3.50%            | (\$5,632)  | (\$25,062)             |
| Aug-16 | (\$2,088,936)                        | \$2,099,639             | \$2,052,157             | (\$47,481)              | (\$2,136,417)                     | (\$2,112,677)                     | 3.50%            | (\$6,162)  | (\$31,224)             |
| Sep-16 | (\$2,142,579)                        | \$1,973,499             | \$1,531,404             | (\$442,094)             | (\$2,584,673)                     | (\$2,363,626)                     | 3.50%            | (\$6,894)  | (\$38,118)             |
| Oct-16 | (\$2,591,567)                        | \$1,675,741             | \$1,468,674             | (\$207,068)             | (\$2,798,635)                     | (\$2,695,101)                     | 3.50%            | (\$7,861)  | (\$45,978)             |
| Nov-16 | (\$2,806,496)                        | \$1,537,936             | \$1,718,312             | \$180,375               | (\$2,626,120)                     | (\$2,716,308)                     | 3.50%            | (\$7,923)  | (\$53,901)             |
| Dec-16 | (\$2,634,043)                        | \$1,776,713             | \$1,767,951             | (\$8,762)               | (\$2,642,805)                     | (\$2,638,424)                     | 3.50%            | (\$7,695)  | (\$61,596)             |
| Jan-17 | (\$2,650,500)                        | \$1,888,351             | \$1,657,828             | (\$230,522)             | (\$2,881,023)                     | (\$2,765,761)                     | 3.75%            | (\$8,643)  | (\$70,239)             |
| Feb-17 | (\$2,889,666)                        | \$1,627,792             | \$1,620,731             | (\$7,061)               | (\$2,896,727)                     | (\$2,893,196)                     | 3.75%            | (\$9,041)  | (\$79,281)             |
| Mar-17 | (\$2,905,768)                        | \$1,793,695             | \$1,549,777             | (\$243,918)             | (\$3,149,686)                     | (\$3,027,727)                     | 3.75%            | (\$9,462)  | (\$88,742)             |
| Apr-17 | (\$3,159,148)                        | <u>\$1,692,214</u>      | <u>\$1,507,159</u>      | (\$185,055)             | (\$3,344,203)                     | (\$3,251,675)                     | 3.75%            | (\$10,161) | (\$98,904)             |
|        |                                      | \$21,479,790            | \$20,501,747            |                         |                                   |                                   |                  |            |                        |

**Projected Cumulative (Over)/Under Collection of Transmission Charge: (\$3,354,364)**

- (a) Prior Month Column (f) + Prior Month Column (i)
- (b) Company kWh sales multiplied by the approved Transmission Revenue factors
- (c) GSE Transmission Monthly Bills
- (d) Column (b) + Column (c) - Column (d)
- (e) Column (a) + Column (e)
- (f) [Column (a) + Column (f)] ÷ 2
- (g) No interest is applied
- (h) Column (g) x [Column (h) ÷ 12]
- (i) Column (i) + Prior Month Column (i)
- \* Projected

**Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities  
Reconciliation of Transmission Adjustment Factor**

| Month                   | Beginning<br>Balance<br>With Interest | Actual<br>Refund     | Ending<br>Balance | Balance<br>Subject to<br>Interest | Effective<br>Interest<br>Rate | Interest   | Cumulative<br>Interest |
|-------------------------|---------------------------------------|----------------------|-------------------|-----------------------------------|-------------------------------|------------|------------------------|
|                         | (a)                                   | (b)                  | (c)               | (d)                               | (e)                           | (f)        | (g)                    |
| May-16                  | (\$10,397,321)                        | (\$709,133)          | (\$9,688,187)     | (\$10,042,754)                    | 3.50%                         | (\$28,832) | (\$28,832)             |
| Jun-16                  | (\$9,717,019)                         | (\$845,413)          | (\$8,871,606)     | (\$9,294,313)                     | 3.50%                         | (\$26,683) | (\$55,515)             |
| Jul-16                  | (\$8,898,289)                         | (\$949,583)          | (\$7,948,706)     | (\$8,423,498)                     | 3.50%                         | (\$24,183) | (\$79,698)             |
| Aug-16                  | (\$7,972,889)                         | (\$971,105)          | (\$7,001,784)     | (\$7,487,336)                     | 3.50%                         | (\$21,495) | (\$101,193)            |
| Sep-16                  | (\$7,023,279)                         | (\$912,764)          | (\$6,110,515)     | (\$6,566,897)                     | 3.50%                         | (\$18,853) | (\$120,046)            |
| Oct-16                  | (\$6,129,368)                         | (\$775,048)          | (\$5,354,320)     | (\$5,741,844)                     | 3.50%                         | (\$16,484) | (\$136,530)            |
| Nov-16                  | (\$5,370,805)                         | (\$711,312)          | (\$4,659,493)     | (\$5,015,149)                     | 3.50%                         | (\$14,398) | (\$150,928)            |
| Dec-16                  | (\$4,673,891)                         | (\$821,748)          | (\$3,852,143)     | (\$4,263,017)                     | 3.50%                         | (\$12,239) | (\$163,167)            |
| Jan-17                  | (\$3,864,381)                         | (\$873,382)          | (\$2,990,999)     | (\$3,427,690)                     | 3.75%                         | (\$10,532) | (\$173,699)            |
| Feb-17                  | (\$3,001,531)                         | (\$752,871)          | (\$2,248,660)     | (\$2,625,095)                     | 3.75%                         | (\$8,066)  | (\$181,764)            |
| * Mar-17                | (\$2,256,726)                         | (\$829,603)          | (\$1,427,123)     | (\$1,841,924)                     | 3.75%                         | (\$5,659)  | (\$187,424)            |
| * Apr-17                | (\$1,432,782)                         | (\$782,667)          | (\$650,115)       | (\$1,041,449)                     | 3.75%                         | (\$3,200)  | (\$190,624)            |
| <b>Total Refund</b>     |                                       | <b>(\$9,934,629)</b> |                   |                                   |                               |            |                        |
| <b>Remaining Refund</b> |                                       | <b>(\$653,315)</b>   |                   |                                   |                               |            |                        |

(a) Refund in Docket No. DE 16-346 HMT-6 Line 1

(b) Actual refund

(c) Column (a) + Column (b)

(d) Average of Column (a) and Column (c)

(e) Interest rate on customer deposits

(f) Column (d) x [ ( 1 + Column (e) ) ^ ( 1 ÷ 12 ) - 1 ]

(g) Prior month Column (g) + Current month Column (f)

\* Projected

**Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities  
Calculation of Transmission Service Adjustment Factor  
Effective May 1, 2017 - April 30, 2018**

|                                                           |                           |
|-----------------------------------------------------------|---------------------------|
| <b>[1] Transmission Service (Over)/Under Collection</b>   | <b>(\$4,007,679)</b>      |
| <b>[2] Working Capital</b>                                | <b>77,144</b>             |
| <b>[3] Border Sales</b>                                   | <b>(\$9,286)</b>          |
| <b>[4] Forecast kWh Deliveries</b>                        | <b><u>950,922,952</u></b> |
| <b>[5] Transmission Service Adjustment Factor per kWh</b> | <b>(\$0.00414)</b>        |

- [1] Schedule HMT-3 Page 3 (+) Schedule HMT-3 Page 4  
[2] Schedule HMT-3 Page 5  
[3] Per Company General Ledger  
[4] Per Company forecast  
[5] Line (1) ÷ Line (2), truncated after 5 decimal places



**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities**  
**Transmission Service Adjustment Factor**  
**Working Capital Calculation**

|                                 | Days of<br><u>Cost</u><br>(a) | Invoice<br>Payment<br><u>Lag %</u><br>(b) | Customer<br>Payment<br><u>Lag %</u><br>(c) | <u>CWC %</u><br>(d) | <u>Expense</u><br>(e) | Working<br>Capital<br><u>Requirement</u><br>(f) |
|---------------------------------|-------------------------------|-------------------------------------------|--------------------------------------------|---------------------|-----------------------|-------------------------------------------------|
| [1] 2016 Transmission Costs     | (55.86)                       | -15.30%                                   | 18.68%                                     | 3.38%               | \$21,309,361          | \$719,442                                       |
| [2] Working Capital Requirement |                               |                                           |                                            |                     |                       | \$719,442                                       |
| [3] Capital Structure Post-tax  |                               |                                           |                                            |                     |                       | 7.64%                                           |
| [4] Working Capital Impact      |                               |                                           |                                            |                     |                       | \$54,965                                        |
| [5] Capital Structure Pre-tax   |                               |                                           |                                            |                     |                       | <u>10.72%</u>                                   |
| [6] Working Capital Impact      |                               |                                           |                                            |                     |                       | \$77,144                                        |

Columns:

- [1](a) HMT-3 Page 7, Line 25 Column (j) (+) HMT-4 Page 1, Line 5  
(b) Column (a) ÷ 366  
(c) HMT-4 Page 1  
(d) Column (b) + Column (c)  
[1](e) HMT-2 Page 4  
(f) Column (d) x Column (e)

Lines:

- [3] Docket No. DE 16-383  
[4] Line (2) x Line (3)  
[5] Docket No. DE 16-383  
[6] Line (2) x Line (5)

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities**  
**Transmission Service Adjustment Factor**  
**Working Capital Calculation**  
**Expense Lead/Lag**

|      | Service       | Expense            | Invoice         | Mid-Point     | Payment     | Elapsed       | % of         | Weighted    |
|------|---------------|--------------------|-----------------|---------------|-------------|---------------|--------------|-------------|
|      | <u>Period</u> | <u>Description</u> | <u>Amount</u>   | <u>Period</u> | <u>Date</u> | <u>(Days)</u> | <u>Total</u> | <u>Days</u> |
|      | (a)           | (b)                | (c)             | (d)           | (g)         | (h)           | (i)          | (j)         |
| [1]  | Dec-15        | NEP LNS Bill       | \$ 1,168,714.93 | 11/15/2015    | 12/23/2015  | 38            | 5.52%        | 2.10        |
| [2]  | Jan-16        | ISO RNS-Bill       | \$ 1,254,641.07 | 11/15/2015    | 1/11/2016   | 57            | 5.93%        | 3.38        |
| [3]  | Jan-16        | NEP LNS Bill       | \$ 385,169.48   | 12/16/2015    | 1/28/2016   | 43            | 1.82%        | 0.78        |
| [4]  | Feb-16        | ISO RNS-Bill       | \$ 1,222,812.31 | 12/16/2015    | 2/16/2016   | 62            | 5.78%        | 3.58        |
| [5]  | Feb-16        | NEP LNS Bill       | \$ 501,970.43   | 1/16/2016     | 2/29/2016   | 44            | 2.37%        | 1.04        |
| [6]  | Mar-16        | ISO RNS-Bill       | \$ 1,269,195.89 | 1/16/2016     | 3/15/2016   | 59            | 6.00%        | 3.54        |
| [7]  | Mar-16        | NEP LNS Bill       | \$ 262,810.97   | 2/14/2016     | 3/30/2016   | 45            | 1.24%        | 0.56        |
| [8]  | Apr-16        | ISO RNS-Bill       | \$ 1,215,969.22 | 2/14/2016     | 4/11/2016   | 57            | 5.74%        | 3.27        |
| [9]  | Apr-16        | NEP LNS Bill       | \$ 500,908.19   | 3/16/2016     | 4/26/2016   | 41            | 2.37%        | 0.97        |
| [10] | May-16        | ISO RNS-Bill       | \$ 1,149,030.74 | 3/16/2016     | 5/17/2016   | 62            | 5.43%        | 3.37        |
| [11] | May-16        | NEP LNS Bill       | \$ 452,935.43   | 4/15/2016     | 5/31/2016   | 46            | 2.14%        | 0.98        |
| [12] | Jun-16        | ISO RNS-Bill       | \$ 1,105,293.34 | 4/15/2016     | 6/14/2016   | 60            | 5.22%        | 3.13        |
| [13] | Jun-16        | NEP LNS Bill       | \$ 559,431.98   | 5/16/2016     | 6/27/2016   | 42            | 2.64%        | 1.11        |
| [14] | Jul-16        | ISO RNS-Bill       | \$ 1,329,798.26 | 5/16/2016     | 7/12/2016   | 57            | 6.28%        | 3.58        |
| [15] | Jul-16        | NEP LNS Bill       | \$ 503,411.91   | 6/15/2016     | 7/31/2016   | 46            | 2.38%        | 1.09        |
| [16] | Aug-16        | ISO RNS-Bill       | \$ 1,486,790.98 | 6/15/2016     | 8/16/2016   | 62            | 7.02%        | 4.35        |
| [17] | Aug-16        | NEP LNS Bill       | \$ 97,019.20    | 7/16/2016     | 8/31/2016   | 46            | 0.46%        | 0.21        |
| [18] | Sep-16        | ISO RNS-Bill       | \$ 1,651,301.24 | 7/16/2016     | 9/12/2016   | 58            | 7.80%        | 4.52        |
| [19] | Sep-16        | NEP LNS Bill       | \$ 259,797.49   | 8/16/2016     | 9/30/2016   | 45            | 1.23%        | 0.55        |
| [20] | Oct-16        | ISO RNS-Bill       | \$ 1,792,359.99 | 8/16/2016     | 10/18/2016  | 63            | 8.47%        | 5.33        |
| [21] | Oct-16        | NEP LNS Bill       | \$ (91,342.73)  | 9/15/2016     | 10/24/2016  | 0             | 0.00%        | 0.00        |
| [22] | Nov-16        | ISO RNS-Bill       | \$ 1,622,747.22 | 9/15/2016     | 11/14/2016  | 60            | 7.67%        | 4.60        |
| [23] | Nov-16        | NEP LNS Bill       | \$ 324,245.39   | 10/16/2016    | 11/28/2016  | 43            | 1.53%        | 0.66        |
| [24] | Dec-16        | ISO RNS-Bill       | \$ 1,144,428.23 | 10/16/2016    | 12/13/2016  | 58            | 5.41%        | 3.14        |
| [25] |               | Total              | \$21,169,441    |               |             |               | Days         | 55.86       |

Columns:

- |                                                    |                                                  |
|----------------------------------------------------|--------------------------------------------------|
| (a) Month in which obligation for payment occurred | Per agreements                                   |
| (b) Per invoices                                   | Date paid                                        |
| (c) Per invoices                                   | Number of days between Column (d) and Column (g) |
| (d) Applicable service period                      | Column (c) ÷ Line (1)                            |
| (e) Per invoices                                   | Column (h) x Column (i)                          |

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities**  
**Revenue Lead/Lag Applied to Transmission and Stranded Cost Mechanisms**

| <u>Service Period</u> |           | Monthly<br>Customer<br>Accts.Receivable | Monthly<br>Sales | Days<br>In Month | Average<br>Daily Revenues |
|-----------------------|-----------|-----------------------------------------|------------------|------------------|---------------------------|
|                       |           | (a)                                     | (b)              | (c)              | (d)                       |
| 1/1/2016              | 1/31/2016 | \$14,673,614                            | \$9,591,986      | 31               | \$309,419                 |
| 2/1/2016              | 2/29/2016 | \$14,654,627                            | \$9,090,524      | 29               | \$313,466                 |
| 3/1/2016              | 3/27/2016 | \$13,371,955                            | \$8,232,049      | 31               | \$265,550                 |
| 4/1/2016              | 4/24/2016 | \$14,165,839                            | \$8,770,676      | 30               | \$292,356                 |
| 5/1/2016              | 5/22/2016 | \$11,315,182                            | \$6,361,539      | 31               | \$205,211                 |
| 6/1/2016              | 6/19/2016 | \$10,559,100                            | \$6,473,553      | 30               | \$215,785                 |
| 7/1/2016              | 7/17/2016 | \$11,876,172                            | \$7,614,862      | 31               | \$245,641                 |
| 8/1/2016              | 8/14/2016 | \$11,859,057                            | \$7,568,693      | 31               | \$244,151                 |
| 9/1/2016              | 9/11/2016 | \$10,671,065                            | \$6,648,961      | 30               | \$221,632                 |
| 10/1/2016             | 10/9/2016 | \$9,446,507                             | \$5,633,559      | 31               | \$181,728                 |
| 11/1/2016             | 11/6/2016 | \$8,820,435                             | \$5,358,345      | 30               | \$178,611                 |
| 12/1/2016             | 12/4/2016 | \$9,937,766                             | \$6,476,381      | 31               | \$208,916                 |
| Average               |           | \$11,779,277                            |                  |                  | \$240,205                 |

|                                           |             |
|-------------------------------------------|-------------|
| [1] Service Lag                           | 15.21       |
| [2] Collection Lag                        | 49.04       |
| [3] Billing Lag                           | 2.92        |
| [4] Payment Processing and Bank Float Lag | <u>1.00</u> |
| [5] Total Average Days Lag                | 68.17       |
| [6] Customer Payment Lag-annual percent   | 18.68%      |

Columns:

- (a) Accounts Receivable per general ledger at end of applicable month  
(b) Per Company billing data  
(c) Number of days in applicable service period  
(d) Column (a) ÷ Column (b) x Column (c)

Lines:

- [1] Docket No. DE 16-383  
[2] (a) / (d)  
[3] Docket No. DE 16-383  
[4] Per Staff Recommendation in Docket DE 09-010  
[5] Line (2) + Line (3) + Line (4)  
[6] Line (5) ÷ 366

**Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities**  
**Calculation of RGGI Auction Excess Revenue Adjustment Factor**

| Month    | Auction Number | Beginning Balance With Interest | RGGI Rebate | Actual Refund | Ending Balance | Balance Subject to Interest | Effective Interest Rate | Interest | Cumulative Interest |
|----------|----------------|---------------------------------|-------------|---------------|----------------|-----------------------------|-------------------------|----------|---------------------|
|          |                | (a)                             | (b)         | (c)           | (d)            | (e)                         | (f)                     | (g)      | (h)                 |
| Mar-16   | 31             | \$2,109,422                     | \$294,864   | (\$32,567)    | \$2,371,718    | \$2,240,570                 | 3.50%                   | \$6,432  | \$6,432             |
| Apr-16   | -              | \$2,378,151                     | \$0         | (\$45,345)    | \$2,332,806    | \$2,355,478                 | 3.50%                   | \$6,762  | \$13,195            |
| May-16   | -              | \$2,339,568                     | \$0         | (\$137,564)   | \$2,202,004    | \$2,270,786                 | 3.50%                   | \$6,519  | \$19,714            |
| Jun-16   | 32             | \$2,208,523                     | \$0         | (\$164,001)   | \$2,044,522    | \$2,126,523                 | 3.50%                   | \$6,105  | \$25,819            |
| Jul-16   | -              | \$2,050,627                     | \$272,553   | (\$184,209)   | \$2,138,971    | \$2,094,799                 | 3.50%                   | \$6,014  | \$31,833            |
| Aug-16   | -              | \$2,144,985                     | \$0         | (\$188,384)   | \$1,956,602    | \$2,050,794                 | 3.50%                   | \$5,888  | \$37,721            |
| Sep-16   | -              | \$1,962,489                     | \$0         | (\$177,066)   | \$1,785,423    | \$1,873,956                 | 3.50%                   | \$5,380  | \$43,101            |
| Oct-16   | 33             | \$1,790,803                     | \$245,604   | (\$150,351)   | \$1,886,056    | \$1,838,430                 | 3.50%                   | \$5,278  | \$48,378            |
| Nov-16   | -              | \$1,891,334                     | \$0         | (\$137,987)   | \$1,753,348    | \$1,822,341                 | 3.50%                   | \$5,232  | \$53,610            |
| Dec-16   | 34             | \$1,758,579                     | \$176,918   | (\$159,410)   | \$1,776,087    | \$1,767,333                 | 3.50%                   | \$5,074  | \$58,684            |
| Jan-17   | -              | \$1,781,161                     | \$0         | (\$169,427)   | \$1,611,735    | \$1,696,448                 | 3.75%                   | \$5,212  | \$63,897            |
| Feb-17   | -              | \$1,616,947                     | \$0         | (\$146,049)   | \$1,470,898    | \$1,543,923                 | 3.75%                   | \$4,744  | \$68,640            |
| Mar-17   | 35             | \$1,475,642                     | \$132,438   | (\$160,934)   | \$1,447,147    | \$1,461,394                 | 3.75%                   | \$4,490  | \$73,130            |
| * Apr-17 | -              | \$1,451,637                     | \$0         | (\$151,829)   | \$1,299,808    | \$1,375,722                 | 3.75%                   | \$4,227  | \$77,357            |

\$1,122,377

Total Refund Through 4/30/16 (\$2,005,122)

Remaining Refund (\$1,122,377)

**RGGI Refund Rate Effective 5/1/2017 (\$0.00118)**

(a) Prior month Column (d) + prior month Column (g)

(b) Actual RGGI Rebates

(c) Column (a) ÷ number of remaining months in recovery period

(d) Column (a) + Column (b) + Column (c)

(e) Average of Column (a) and Column (c)

(f) Interest rate on customer deposits

(g) Column (e) x [ (1 + Column (f) ) ^ ( 1 ÷ 12 ) - 1 ]

(h) Prior month Column (h) + Current month Column (g)

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities**  
**Typical Residential Customer**  
**Bill Comparison**

Usage                      650 kWh

|                                                      | Current<br>Rates | Proposed<br>Rates | Current<br>Bill | Proposed<br>Bill |
|------------------------------------------------------|------------------|-------------------|-----------------|------------------|
| Customer Charge                                      | \$12.12          | \$12.12           | \$11.79         | \$12.12          |
| Distribution Charge                                  |                  |                   |                 |                  |
| 1st 250 kWh                                          | \$0.03356        | \$0.03356         | \$8.39          | \$8.39           |
| excess of 250 kWh                                    | \$0.05002        | \$0.05002         | \$20.01         | \$20.01          |
| Storm Recovery Adjustment                            | \$0.00000        | \$0.00000         | \$0.00          | \$0.00           |
| Transmission Charge                                  | \$0.01361        | \$0.02030         | \$8.85          | \$13.19          |
| Stranded Cost Charge                                 | \$0.00040        | \$0.00049         | \$0.26          | \$0.32           |
| System Benefits Charge                               | \$0.00354        | \$0.00354         | \$2.30          | \$2.30           |
| Electricity Consumption Tax                          | \$0.00055        | \$0.00055         | <u>\$0.36</u>   | <u>\$0.36</u>    |
| Subtotal Retail Delivery Services                    |                  |                   | \$51.95         | \$56.69          |
| Default Service Charge                               | \$0.07630        | \$0.07630         | <u>\$49.60</u>  | <u>\$49.60</u>   |
| Total Bill                                           |                  |                   | \$101.55        | \$106.28         |
| <hr/>                                                |                  |                   |                 |                  |
| <b>\$ increase in 650 kWh Total Residential Bill</b> |                  |                   | <b>\$4.74</b>   |                  |
| <b>% increase in 650 kWh Total Residential Bill</b>  |                  |                   | <b>4.66%</b>    |                  |

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