

12Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty

DE 23-003
Purchase of Receivables Program

Department of Energy Data Requests - Set 1

Date Request Received: 4/17/23
Request No. DOE 1-8

Date of Response: 5/1/23
Respondent: Kristin Jardin
Christine Downing

REQUEST:

Reference Testimony of Erica L. Menard, Bates p 10 line 14 to Bates p 11 line 9 Regarding the uncollectible percentage calculation:

- a. Please provide a detailed explanation of how the uncollectible expenses and revenues were calculated including but not limited to what customers are included (e.g., default service customers, customers on competitive supply, customers with a community aggregation), and explain why those customers are used as the basis.
- b. Please provide a live excel spreadsheet with the monthly uncollectible expenses and revenues.
- c. Please provide an uncollectible percentage calculation for customers on competitive supply for 2021 as used in the calculation in testimony.
- d. Please explain how customers are treated on a budget plan, particularly if the budget payment is less than the monthly bill, and whether such a situation would be included in the uncollectible expenses.

RESPONSE:

- a. The uncollectible expenses were taken from our FERC Form filed on May 16, 2022, as the total uncollectible accounts in FERC account 904 as \$284,647. The \$284,647 is the uncollectible expense for all customers and the uncollectible expense value available to the Company at this time. As discussed in the Company's response to DOE 1-7, the Company intends during the first year of the POR program to begin tracking uncollectible expenses by customer class as well as by customer supply type (e.g., default service or competitive supply).
- b. Please see Attachment DOE 1-8.xlsx for the live Excel spreadsheet.
- c. The Company is unable to provide this information since the Company did not and does not currently track uncollectible expense by customer supply type.

- d. Budget billing allows customers to spread their payments over the year, avoiding high and low fluctuations in their monthly bills. The Company calculates the monthly payment for usage based on the customer's previous 12-month history. Since the Company recalculates the customer's average each month, no balance settle-up is required. If a customer misses a budget billing payment, they are removed from the budget billing program. The past due amount would be billed the same as a customer not participating in budget billing and would become an uncollectible expense 120 days after the account is final billed.

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

DE 23-003
Purchase of Receivables Program

Department of Energy Data Requests - Set 2

Date Request Received: 5/16/23
Request No. DOE 2-2

Date of Response: 6/2/23
Respondent: Audrey Sobolesky
Christine Downing

REQUEST:

RE: DOE 1-8

- a) Please provide the total monthly uncollectible expenses and the total monthly revenue for 2021 and 2022. Please provide all relevant spreadsheet(s) in live Excel format.
- b) Please define what is represented by the data above using the following identification: delivery service uncollectible expenses, delivery service revenues, default service uncollectible expenses, default service revenues, third party supply uncollectible expenses, third party supply revenues.
- c) Is the uncollectible expense data net or gross?
- d) Please explain how the underpaid (or overpaid) portion of a monthly bill is treated for a customer on budget billing. Please explain how an underpaid amount for customers on budget billing is treated in the discount percentage rate (DPR) calculation.
- e) Please explain how the uncollected portion of a monthly bill is treated for a customer with a payment arrangement. Please explain how the uncollectibles for customers on payment arrangements is treated in the DPR calculation.

RESPONSE:

- a) Please see Attachment DOE 2-2.xlsx.
- b) Uncollectible expense data is the combination of all (delivery, default services). Revenue data is broken out by category. Third-party supply revenue and uncollectible expense are not included in the information in Attachment DOE 2-2.
- c) Uncollectible expense data is net.
- d) The underpaid or overpaid portion of a monthly bill is kept on the account and if the customer is removed or drops from the budget plan, they will see a credit or a debit on their next bill for the overage or underpayment. The DPR calculation is based on customers actual monthly usage, not the budget amount.

- e) The differential amount of a payment arrangement is held as a statistical posting on the account, to prevent late fees and collection activities. This amount does not show as due on their account but can be seen as an amount on their account for future billing postings. The DPR calculation is based off customers' actual monthly usage, not the payment arrangement amount due.

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

DE 23-003
Purchase of Receivables Program

Department of Energy Data Requests - Set 1

Date Request Received: 4/17/23
Request No. DOE 1-18

Date of Response: 5/1/23
Respondent: Kristin Jardin

REQUEST:

Reference Attachment ELM-I and Testimony of Erica L. Menard, Bates p.12, lines 12-16.
Please explain why Liberty is using three years for amortization of implementation costs when a five-year period is typically used for similar costs.

RESPONSE:

Three years was initially chosen as an amortization period since this is the time period that the Company would use for depreciation purposes if this was an asset on the Company's books. Liberty would be open to other amortization periods as long as carrying charges are appropriately applied to the cost borne by Liberty.