

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

DE 19-064  
Distribution Service Rate Case  
Step Adjustment

Staff Data Requests - Set 10

Date Request Received: 5/21/21  
Request No. Staff 10-3

Date of Response: 6/7/21  
Respondent: Anthony Strabone  
Heather Tebbetts

---

**REQUEST:**

Re: Testimony of Strabone/Tebbetts at Bates 12-14, Attachment 4 Project #8830-1958 Install Service to Tuscan Village South. Please provide the following information for this project:

- a. Attachment 4 at Bates 71 shows Total Spend in the amount of \$37,145 for 2021. Why is Liberty including an expenditure for 2021 as part of the 2020 step increase request?
- b. According to the Change Order Form dated 11/19/20 at Bates 80: "The first driver is carryover of 2019 charges, burdens and a higher than anticipated burden rate for the first two months of 2020." Please explain the reasons for the carryover of \$700,000 from 2019. Please explain and quantify why the burdens and burden rate increased for 2020.

**RESPONSE:**

- a. Although the project was placed in service in 2020, costs came in for the project in 2021 associated with labor necessary to remove temporary structures. Rather than recover the \$37,145 in the next rate case, the Company wants to close out the work orders completely and include these costs now, given they are relatively insignificant.
- b. The carryover is due to the jobs being completed at the end of 2019, thus invoices for that work came in during 2020. Those costs are captured in the 2020 change order because they are included in the 2020 project costs. With regard to the burden rates, burdens are allocated only to jobs that are open. In January and February 2020 this project incurred charges and as such received burden charges during those months which is a time of year when a lower number of jobs are open to receive burdens as construction season has not fully progressed. The overall burden rate to the project was 40%, but the overall burden rate applied to the job for January and February was 55%.