

**THE STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DE 18-051**

**LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP.  
d/b/a LIBERTY UTILITIES**

**Annual Retail Rate Adjustment Filing**

**ORDER OF NOTICE**

On March 30, 2018, Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities (Liberty) filed a request for approval of annual retail rate adjustments related to its stranded cost charge and transmission service charge. Liberty calculates that the impact of the rate change for a residential electric customer using 650 kilowatt hours (kWh) per month would be a monthly bill increase of \$8.48 cents, or a 7.04 percent increase from current average monthly bills. The increase is primarily due to an under-recovery in transmission service revenue in the current period. Liberty filed testimony and related exhibits in support of the change.

Liberty's stranded cost charge recovers a contract termination charge from New England Power Company (NEP) for termination of an all-requirements power contract entered into prior to the advent of retail competition in Liberty's service territory. The Commission approved the recovery mechanism in Order No. 23,041 (October 7, 1998). Liberty is proposing to decrease the uniform stranded cost rate from a charge of 0.040 cents per kWh to a credit of 0.040 cents per kWh for the period beginning May 1, 2018. Liberty also proposes to reduce the reconciling adjustment mechanism from a charge of 0.009 cents per kWh to an average credit of 0.052 cents per kWh. Liberty attributes the decrease to an over-collection of about \$473 thousand in the current period.

Liberty's transmission service charge recovers costs billed to Liberty through the Independent System Operator-New England (ISO-NE) Transmission, Markets and Services Tariff. The transmission service charge is designed to recover estimated transmission costs for 2018, together with an adjustment factor to reconcile revenues and costs for the prior period. Liberty forecasts transmission costs to be approximately \$23.4 million in 2018. This forecast results in an average transmission rate of 2.585 cents per kWh, an increase over the current rate of 2.240 cents per kWh. The transmission adjustment factor will increase from a credit of 0.414 cents per kWh to a charge of 0.557 cents per kWh, due to an under-collection for the prior period of approximately \$2.5 million.

Liberty also proposes a credit of 0.090 cents per kWh for excess proceeds from Regional Greenhouse Gas Initiative auctions, and an increase of 0.008 cents per kWh in transmission base rates to recover lost distribution revenue due to net metering.

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, will be posted to the Commission's website at <http://www.puc.nh.gov/Regulatory/Docketbk/2018/18-051.html>.

The filing raises, *inter alia*, issues related to whether Liberty appropriately calculated the various rates and adjustment factors, and whether the calculations result in just and reasonable rates as required by RSA 378:5 and 7. Each party has the right to have an attorney represent the party at the party's own expense.

**Based upon the foregoing, it is hereby**


**ORDERED**, that a Hearing, pursuant to N.H. Code Admin. Rules Puc 203.12, be held before the Commission located at 21 S. Fruit St., Suite 10, Concord, New Hampshire on May 9, 2018 at 2:30 p.m.; and it is

**FURTHER ORDERED**, that pursuant to N.H. Code Admin. Rules Puc 203.12, Liberty shall notify all persons desiring to be heard at this hearing by publishing a copy of this Order of Notice no later than April 27, 2018, in a newspaper with general circulation in those portions of the state in which operations are conducted, publication to be documented by affidavit filed with the Commission on or before May 7, 2018; and it is

**FURTHER ORDERED**, that consistent with N.H. Code Admin. Rules Puc 203.17 and Puc 203.02, any party seeking to intervene in the proceeding shall submit to the Commission seven copies of a Petition to Intervene with copies sent to Liberty and the Office of the Consumer Advocate on or before May 7, 2018, such Petition stating the facts demonstrating how its rights, duties, privileges, immunities or other substantial interest may be affected by the proceeding, consistent with N.H. Code Admin. Rule Puc 203.17; and it is

**FURTHER ORDERED**, that any party objecting to a Petition to Intervene make said Objection on or before May 9, 2018.

By order of the Public Utilities Commission of New Hampshire this twenty-third day of April, 2018.

  
Debra A. Howland  
Executive Director

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the Americans with Disabilities Act Coordinator, NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.