

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 25-022

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

**Petition for Approval of Retail Rate Adjustments
and Property Tax Adjustment**

COMMENCEMENT OF ADJUDICATIVE PROCEEDING AND NOTICE OF HEARING

On March 31, 2025, Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty (Liberty or the Company) filed a petition requesting that the Commission approve proposed adjustments to the Company's retail rates effective May 1, 2025. Liberty calculated that, if the proposed retail rate adjustments are approved, the monthly bill for a typical Rate 'D' residential customer using 650 kilowatt hours (kWh) per month would increase \$4.78, or 3.71 percent, compared to current monthly bills¹. Also, pursuant to a Commission directive issued in Order No. 28,117 (March 18, 2025), in Docket No. DE 24-061, the Company presented certain reconciliation proposals pertaining to its provision of Default Service as part of its petition.

In support of its petition, Liberty filed the following: the direct testimony and related attachments of Liberty² employee Christopher M.D. Green; and the combined direct testimony of Liberty employees Robert Garcia and Adam R.M. Yusuf. All docket filings, other than any information subject to confidential treatment, are available on the Commission's website at

<https://www.puc.nh.gov/VirtualFileRoom/Docket.aspx?DocketNumber=DE%2025-022>.

¹ See Petition at 5.

² Mr. Green, and Messrs. Garcia and Yusuf, are employees of Liberty Utilities Service Corp., Liberty's service-company affiliate.

I. BACKGROUND AND PROCEDURAL HISTORY

Liberty submits an annual filing to reconcile certain “pass-through” costs and revenues that arise from its provision of service to customers through adjustments to its Stranded Cost Charge, Transmission Charge, and Property Tax Adjustment Mechanism as part of the newly approved Net Electric Rate Adjustment Mechanism (ERAM) components of its retail rates. Petition at 2. The Company stated that its proposals for this petition reflect relevant changes resulting from the Commission’s March 25, 2025 approval of the Settlement Agreement in its full distribution rate case, Docket No. DE 23-039. Petition at 4.

In its petition, the Company proposed a decrease of \$0.00587 per kWh in its total Stranded Cost Charge for Rate ‘D’ residential customers, to a proposed Stranded Cost Charge, as a credit, of (\$0.0120) per kWh effective May 1, 2025, which is comprised of: (1) a uniform charge per kWh that Liberty collects from all customers reflecting contract termination charges assessed by the New England Power Company, termed the Contract Termination Charge Credits; (2) the Regional Greenhouse Gas Initiative auction proceeds refund; and (3) a Stranded Cost Adjustment Factor specific to each rate class that reconciles the over- or under-collection of Stranded Cost Charge revenues, with interest, from May 1, 2024 to April 30, 2025. Garcia-Yusuf Testimony at Bates Page 32-35.

Liberty proposed an increase in the total Net Transmission Charge for Rate ‘D’ residential customers of \$0.02149 per kWh, to a Net Transmission Charge, effective May 1, 2025, of \$0.05522 per kWh. Petition at 5; Garcia-Yusuf Testimony at 32. The Company’s Transmission Charge includes (1) the proposed class-specific base transmission charges and (2) the Transmission Service Cost Adjustment, which reconciles revenues and costs for the period May 1, 2024, through April 30, 2025.

Garcia-Yusuf Testimony at Bates Pages 32, 38. Mr. Green's testimony provides extensive technical detail regarding the Company's estimated 2025 transmission expenses; the proposed Transmission Charge increase is primarily due to increases in ISO-New England and New England Power rates. Green Testimony at Bates Page 15; *passim*.

For the Company's Time-of-Use (TOU) rate customers, Liberty, pursuant to Commission proceedings in Docket Nos DE 24-051 and DE 24-110, has proposed a suite of TOU-specific, seasonally-reflective, Transmission rates within its petition. Garcia-Yusuf Testimony at Bates Pages 41-46.

Liberty proposed a new ERAM³ rate of \$0.00287 per kWh. Garcia-Yusuf Testimony at Bates Page 32. The Property Tax Adjustment Mechanism of the ERAM reconciles Liberty's municipal property tax expenses with amounts recovered through base distribution rates. Other components of the ERAM include: the new Regulatory Expense Adjustment Mechanism for reconciliation of Commission assessment and DOE and OCA consultant expense reconciliations; Rate Case Expense; the new Recoupment Factor recovery mechanisms, which replace the temporary adjustment of base rates as the means of recovering allowed rate case expenses and recoupment; the existing Revenue Decoupling Adjustment Factor, Liberty's rate decoupling mechanism; the existing Vegetation Management Program (VMP) cost reconciliation mechanism. The new ERAM would take effect on May 1, 2025, and will be reflected on a new line item on customer bills. Garcia-Yusuf Testimony at Bates Pages 47-48.

As required in Order No. 28,117, the Company included in its petition a proposal to amortize any amounts otherwise recoverable or refundable through the Energy Service Adjustment Factor (ESAF) or through the Energy Service Cost

³ See Docket DE 23-039.

Reclassification Adjustment Factor (ESCRAF) components of Default Service charges to the extent that they would cause the resulting Default Service energy supply rates to be unreasonable. Garcia-Yusuf Testimony at Bates Pages 53-56. Due to a clerical error, the Company filed the proposed Tariff language associated with this proposal, as Attachment 1 to Messrs. Garcia and Yusuf's Testimony, into this instant docket on April 8, 2025, following the issuance of a Commission procedural order on April 7, 2025.

In its petition, Liberty requested that the Commission waive New Hampshire Code of Administrative Rules, Puc 1603.06(b), which requires a utility proposing revisions to file an original and redline version of changes to currently effective tariff pages. Liberty stated that a waiver pursuant to Puc 203.01 would not disrupt the orderly and efficient resolution of the matters before the Commission and would serve the public interest, because the Company could satisfy the purpose of Puc 1603.06(b) by filing clean and redlined tariff pages after the Commission's orders in this, and the VMP docket, are issued.

II. ISSUES PRESENTED

The filing presents, *inter alia*, the following issues: whether Liberty appropriately calculated the various rates and adjustment factors; whether Liberty appropriately calculated the unrecovered municipal property taxes paid and the proposed adjustments to customer charges; and whether Liberty's proposed adjustments to its retail rates, including its proposals related to Default Service reconciliation and the implementation of its new ERAM mechanism, are consistent with the principles contained in RSA 374-F and will result in just and reasonable rates, as required by RSA 374:2 and RSA 378:5 and :7. Accordingly, an adjudicative proceeding will be convened to address these issues.

The Commission will be conducting any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should generally file a written request with the Commission's Clerk's Office no later than fifteen (15) days prior to the hearing date; in this instance, due to the short time remaining before the hearing, these requests should be filed no later than April 16, 2025. If the Commission determines that one or more individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that Liberty's request to waive the requirements of Puc 1603.06(b) is GRANTED, pursuant to Puc 203.01; and it is

FURTHER ORDERED, that an adjudicative proceeding be commenced for the purpose of reviewing and resolving the foregoing issues pursuant to RSA chapter 541-A, RSA 374-F, RSA 374:2, RSA 378:5 and :7, and the Commission's procedural rules; and it is

FURTHER ORDERED, that the Commission will hold a hearing in this matter at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on April 22, 2025, at 9:00 a.m. Three hours shall be allotted for this hearing; and it is

FURTHER ORDERED, that the New Hampshire Department of Energy is requested to file its position regarding Liberty's petition, including the reasons for this position, on or before April 18, 2025; and it is

FURTHER ORDERED, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is

FURTHER ORDERED, that, consistent with RSA 541-A:32, Puc 204.08, and Puc 203.06, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to Liberty and any other parties on the service list, on or before April 14, 2025. The petition shall state the facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with Puc 204.08; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before April 16, 2025; and it is

FURTHER ORDERED, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the Commission in accordance with the Commission's administrative rules. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

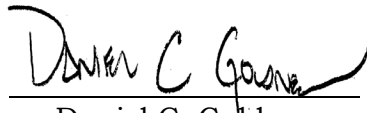
FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or ClerksOffice@puc.nh.gov. All requests to the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

FURTHER ORDERED, that pursuant to Puc 204.04, Liberty shall notify all entities and individuals desiring to be heard at this hearing by publishing a copy of

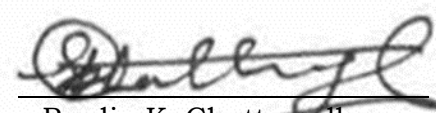
this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before April 16, 2025. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

FURTHER ORDERED, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

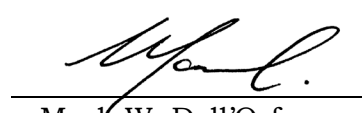
So ordered, this ninth day of April, 2025.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner



Mark W. Dell'Orfano
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the 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.

Service List - Docket Related

Docket#: 25-022

Printed: 4/9/2025

Email Addresses

Aaron.Doll@libertyutilities.com
Adam.Yusuf@Libertyutilities.com
alexandra.k.ladwig@energy.nh.gov
amanda.o.noonan@energy.nh.gov
Christopher.Green@libertyutilities.com
ClerksOffice@puc.nh.gov
elizabeth.r.nixon@energy.nh.gov
Energy-Litigation@energy.nh.gov
gary.m.cronin@energy.nh.gov
Jacob.Roberts@LibertyUtilities.com
jacqueline.m.trottier@energy.nh.gov
jay.e.dudley@energy.nh.gov
Katie.I.McLaughlin@energy.nh.gov
Kelechi.P.Nwanaga@energy.nh.gov
michael.sheehan@libertyutilities.com
ocalitigation@oca.nh.gov
paul.b.dexter@energy.nh.gov
regulatory.nh@libertyutilities.com
Robert.Garcia@libertyutilities.com
Robyn.I.Sarette@energy.nh.gov
Stephen.R.Eckberg@energy.nh.gov
Tyler.Culbertson@libertyutilities.com