

STATE OF NEW HAMPSHIRE  
BEFORE THE  
PUBLIC UTILITIES COMMISSION

Docket No. DE 23-035

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty  
Calendar Year 2022 Storm Fund Report

DIRECT TESTIMONY

OF

ANTHONY STRABONE

AND

HEATHER M. TEBBETTS

May 15, 2023



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1 **I. INTRODUCTION AND BACKGROUND**

2 **Q. Mr. Strabone, please state your full name, business address, and position.**

3 A. My name is Anthony Strabone, my business address is 15 Buttrick Road, Londonderry,  
4 New Hampshire, and I am employed by Liberty Utilities Service Corp. (“LUSC”). I am  
5 the Senior Director of Operations for LUSC, and I am responsible for the safe and  
6 reliable operation, design, and maintenance of the electric system for Liberty Utilities  
7 (Granite State Electric) Corp. (“Liberty” or “the Company”) in New Hampshire.

8 **Q. Please describe your educational background and training.**

9 A. I graduated from Merrimack College in 2004 with a Bachelor of Science degree in  
10 Electrical Engineering. I received a Master’s of Business Administration from Southern  
11 New Hampshire University in 2006. I received a Project Management Professional  
12 (PMP) Certification in 2017 from the Project Management Institute. In 2019, I received  
13 my license as a Professional Engineer in the State of New Hampshire.

14 **Q. Please describe your professional background.**

15 A. I joined Liberty in November 2014. Prior to my employment at Liberty, I was employed  
16 by Public Service Company of New Hampshire (“PSNH”) as a Substation Supervisor in  
17 Substation Maintenance from 2010 to 2014. Prior to my position in Substation  
18 Maintenance, I was a Substation Engineer in Substation Engineering from 2008 to 2010  
19 and an Engineer in the System and Planning Strategy department from 2004 to 2008.

20 **Q. Have you previously testified before the Commission?**

21 A. Yes, on numerous occasions.

1 **Q. Ms. Tebbetts, please state your full name, business address, and position.**

2 A. My name is Heather M. Tebbetts, and my business address is 15 Buttrick Road  
3 Londonderry, New Hampshire. I am the Director of Business Development for LUSC,  
4 and in this role I am responsible for Liberty's strategic growth and technology  
5 opportunities in New Hampshire. In my previous role as the Manager of Rates and  
6 Regulatory Affairs, I was responsible for filing the Annual Storm Fund for many years  
7 and as such will be assisting the Rates and Regulatory Affairs department with this filing.

8 **Q. Please describe your educational background and training.**

9 A. I graduated from Franklin Pierce University in 2004 with a Bachelor of Science degree in  
10 Finance. I received a Master's of Business Administration from Southern New  
11 Hampshire University in 2007.

12 **Q. Please describe your professional background.**

13 A. I joined Liberty in October 2014. Prior to my employment at Liberty, I was employed by  
14 PSNH as a Senior Analyst in NH Revenue Requirements from 2010 to 2014. Prior to my  
15 position in NH Revenue Requirements, I was a Staff Accountant in PSNH's Property Tax  
16 group from 2007 to 2010, and a Customer Service Representative III in PSNH's  
17 Customer Service Department from 2004 to 2007.

18 **Q. Have you previously testified before the Commission?**

19 A. Yes, I have testified on numerous occasions before the Commission.

1 **II. PURPOSE OF TESTIMONY**

2 **Q. What is the purpose of your testimony?**

3 A. This testimony supports Liberty’s Calendar Year 2022 Storm Fund Report in compliance  
4 with the Settlement Agreement, Hearing Exhibit 9 in Docket No. DE 13-063, which the  
5 Commission approved by Order No. 25,638 (Mar. 17, 2014) (the “Settlement  
6 Agreement”). Consistent with the Settlement Agreement, this report: (1) provides a  
7 description of four Pre-staging Weather Events experienced in 2022 and two qualifying  
8 storms, and (2) details the collections credited to the storm fund.

9 **Q. Please define the requirements for a weather event to qualify for recovery from the**  
10 **Storm Fund.**

11 A. There are two ways that a weather event may qualify for recovery from the Storm Fund –  
12 either as a pre-staging event or as a major storm. Specific eligibility criteria apply to  
13 each category as described below.

14 Every day, Liberty receives a weather forecast of an Energy Event Index (“EEI”) for the  
15 next ten days from DTN, a weather forecasting company. The EEI provides highly  
16 detailed weather forecasts by region and zone for the four Liberty territories in New  
17 Hampshire. The forecast from DTN includes all relevant weather metrics needed to  
18 determine the severity and location of an imminent storm. The EEI ranks the impact of  
19 the storm on a scale from 1 to 5, with 5 being the most severe. DTN uses a probabilistic  
20 model to determine the forecasted impact of the storm.

1 Pursuant to the criteria established in the Settlement Agreement, pre-staging costs can be  
2 recovered through the Storm Fund if the weather event had a “high” (greater than 60%  
3 based on the forecast) probability of reaching “Level 3” or stronger, according to the EEI.

4 The Settlement Agreement provides:

5 The Company shall be entitled to recover planning and preparation  
6 activities in advance of severe weather if the weather forecast for the  
7 event shows a Schneider Electric Event Index (“EII”) level of 3 or  
8 greater with a high probability of occurrence. The activities for  
9 which the Company may seek recovery include prestaging of crews,  
10 standby arrangements with external contractors, incremental  
11 compensation of employees, and other costs that may be incurred to  
12 prepare for a qualifying major storm.

13 Settlement Agreement at 7.

14 For those events that do not meet the criteria for pre-staging, they may still be considered  
15 a Major Storm eligible for recovery through the Storm Fund if certain other criteria are  
16 met. A Major Storm is defined as an event that results in either (a) 15% or more of  
17 Liberty’s retail customers being without power in conjunction with more than 30  
18 concurrent troubles, or (b) more than 45 concurrent troubles during the event.

19 **Q. Please provide a list of storm events that are the subject of this filing.**

20 A. In this filing, the Company is presenting information supporting the costs for four pre-  
21 staged storms and two qualifying storms in 2022:

- 22 1. Winter Storm Kenan – January 2022
- 23 2. Winter Storm Landon – February 2022

- 1           3. Winter Storm Oaklee – February 2022
- 2           4. Severe Weather Event – July 2022
- 3           5. Winter Storm Diaz – December 2022
- 4           6. Winter Storm Elliot – December 2022

5   **Q.   Are there any relevant charges that have been recorded for prior Storm Events that**  
6   **have been previously audited?**

7   A.   Attachment 1 provides for two adjustments for disallowances for 2021 storms in the  
8   amount of \$8,753.61.

9   **Q.   Please provide a brief history of the Storm Fund.**

10   A.   The Company is allowed to defer costs attributable to pre-staging and restoration efforts  
11   originating from weather events that meet the criteria mentioned above. Under the  
12   settlement agreement in Docket No. DG 06-107, Liberty established the Storm  
13   Contingency Fund (“Storm Fund”), with annual funding of \$125,000, to cover the  
14   incremental costs associated with major weather events. Under the settlement agreement  
15   in Docket No. DE 13-063, Liberty was authorized to increase the annual funding level to  
16   \$1.5 million. The Settlement Agreement also allowed recovery for pre-staging events  
17   that had a “high” probability of reaching “Level 3” according to the EEI to be eligible for  
18   recovery under the Storm Fund.

1 **Q. Please address the Commission’s Order No. 26,777 (Feb. 23, 2023) that approved**  
2 **Liberty’s request to refund to customers a portion of the storm contingency fund**  
3 **balance.**

4 A. At the July 21, 2022, hearing regarding Liberty’s 2019 and 2020 Storm Fund annual  
5 reports, the New Hampshire Department of Energy (“DOE”) represented that Liberty had  
6 maintained a consistent over-collection balance in the Storm Fund since 2015. (Transcript  
7 of July 21, 2022 Hearing at 222-28). The DOE represented that the over-collection  
8 balance totaled \$1,861,473 as of December 2020. Id. The DOE asked the Commission to  
9 direct Liberty to refund this amount to customers through a rebate mechanism in  
10 Liberty’s tariff known as the Storm Recovery Adjustment Factor (“SRAF”). At the  
11 hearing, Liberty agreed to refund the over-collection balance identified by the DOE to  
12 customers through the SRAF which was ultimately approved in Order No. 26,777  
13 (February 23, 2023). Beginning March 1, 2023, Liberty began refunding the \$1,861,474  
14 to customers over a twelve-month period as a credit through the Storm Recovery  
15 Adjustment Factor rate. As of December 31, 2022, the adjusted ending balance in the  
16 Annual Storm Fund is estimated to be \$1,868,153. While the SRAF refund will  
17 essentially draw down the Storm Fund, the Company will continue to collect \$1.5 million  
18 annually to replenish the Storm Fund. If the Company incurs storm expenses that exceed  
19 the annual level of funding collected from customers, the Company will address recovery  
20 in the next annual report or in a separate proceeding.

1 **Q. What weather information does the Company use to make decisions on pre-staging?**

2 A. The Company receives weather information from local and national news outlets and  
3 DTN, a paid weather forecasting service. DTN provides daily weather forecasts at 7:00  
4 a.m. and 1:00 p.m., and the Company utilizes artificial intelligence machine learning  
5 applied to outage prediction, meteorologist-enhanced artificial intelligence, and  
6 probabilistic outcomes and risk communication it upgraded to in 2021. Modeling  
7 hazards have provided greater detail and allowed us to make better, potentially less  
8 expensive, decisions on how to respond to the storm event.

9 **III. 2022 STORM FUND ACTIVITY**

10 **Q. Please describe the storms the Company is looking to include in the storm fund**  
11 **deferral account for 2022.**

12 A. There were four pre-staged storm events and two qualifying storm events in 2022,  
13 described below, the costs for which the Company is requesting to include in its storm  
14 deferral account.

15 **Q. Has the Company provided the financial information for each storm in this filing?**

16 A. Yes. Attachment 2 provides the financial data associated with each storm described  
17 below. The total pre-staging and qualifying costs for 2022 events are \$2,485,539.79.  
18 Please see the table below for a summary of costs.

1

**Table 1. Summary of 2022 Costs**

Line No.	Description	Total Costs
1	Payroll charges including payroll overheads for GSE Employees	\$1,244,080.59
2	<u>Non-Labor Costs</u>	<u>\$1,241,459.20</u>
3	Total	\$2,485,539.79

2

3 **Q. What is the Company’s primary tool for accounting for storm restoration costs?**

4 A. During the pre-storm planning process for a pending Emergency Response Plan (“ERP”)  
5 event, Liberty creates two storm work orders within its financial system to capture costs:  
6 (a) one work order to capture costs related to vegetation management, and (b) a second  
7 work order to capture restoration effort costs. For example, as employees work on  
8 restoration efforts, all appropriate work hours are charged to the storm specific work  
9 order, which allows for the tracking of storm costs. To capture costs incurred by  
10 employees in fulfilling their storm duties, the Company utilizes procurement cards. The  
11 purpose of these purchases is to obtain non-capital items that are not typically maintained  
12 in inventory, meals, and lodging where the Company does not have an established  
13 purchase order. Receipts for all purchases are required for submission into the Company  
14 system. Expenses are charged against the storm specific work order to allow costs to be  
15 tracked for the specific event.

16 **Q. Are capitalized storm costs excluded from this request for recovery?**

17 A. Yes. During a major storm event, capital costs are incurred in relation to the restoration  
18 and/or replacement of equipment damaged by the storm such as poles and transformers.

1 Capital work occurs in two stages of the storm: (1) within the first stage of the storm, in  
2 the days immediately following when the Company and its contractors are working to  
3 restore power to customers efficiently and safely; and (2) during the non-emergency,  
4 post-storm restoration stage, which can last well after the event has passed, as permanent  
5 repairs are made to replace temporary repairs made to restore power immediately after  
6 the storm. The work is considered capital under utility general accounting rules where a  
7 unit of property is either replaced or newly installed. Initially, all materials and labor are  
8 charged to the expense work order to track costs for the event. After the event, all  
9 material charges are reviewed and any units of property are moved to a capital work  
10 order, along with the associated labor costs. As a result, the costs submitted in this filing  
11 for recovery through rates are exclusive of any capitalized costs incurred. All capital  
12 costs are reflected within utility plant subject to the ordinary distribution ratemaking  
13 process.

14 **Q. Would you please provide an overview of the costs that are included for review in**  
15 **this filing, by cost category?**

16 A. Yes. The Company has organized the costs relating to each storm event into the  
17 following categories: (1) payroll charges including payroll overhead for employees, and  
18 (2) non-labor charges including charges from outside companies such as line contractors,  
19 material and supply costs, procurement card charges and charges for employee expenses,  
20 and accruals for outside companies.

1 **Q. Please explain the types of costs incurred for the first category of payroll charges**  
2 **including payroll overheads for employees.**

3 A. This category includes any costs of overhead line crews working on the overhead system  
4 to restore power to customers, and internal employees needed to assist Operations during  
5 the event.

6 **Q. Please explain what charges from outside companies would be charged to these**  
7 **events.**

8 A. Professional line contractors, vegetation management and service crews are included in  
9 this category and are procured to work on the Liberty system during these events. They  
10 may include electrical contractors and/or mutual aid from other utilities.

11 **Q. What types of materials and supplies are charged to the storm?**

12 A. As stated previously, any equipment that is installed/replaced due to storm damage is  
13 included in this category.

14 **Q. What items are included in procurement card charges and employee expenses?**

15 A. Most of the charges on the procurement cards are for meals as not all restaurants have  
16 purchase orders with Liberty. Employee expenses may be mileage for employees that do  
17 not report to the work center as part of their daily employment.

18 **A. January 29, 2022, Winter Storm Kenan – Pre-staged Event**

19 **Q. Please describe the storm forecast for this first event.**

20 A. On Tuesday, January 25, 2022, DTN and other weather services began forecasting the  
21 potential for a significant Nor'easter around January 30 in the Company's territory. As

1 such, the Company received an Energy Event Index (EEI) level 4 with high confidence  
2 on the afternoon of January 28, 2022, as shown in Attachment 3. The storm event was  
3 expected to impact the region from 4:00 a.m. Saturday through 5:00 a.m. on Sunday,  
4 January 30, 2022, with the highest snowfall expected Saturday midday in the  
5 Salem/Pelham area. The forecast also predicted wind gusts up to 55 mph and thus the  
6 Company prepared for the possibility of outages.

7 **Q. What preparations did the Company make in anticipation of a major restoration**  
8 **event?**

9 A. The Company implemented its Incident Command Structure and mobilized its internal  
10 and contractor line crews, along with contractor tree crews. Customer Service staffed its  
11 contact center with customer service representatives in staggered shifts into the evening  
12 until the end of the event. Damage assessors and wires down guards were contacted for  
13 availability and the Company remotely opened the municipal room to aid towns inquiring  
14 about preparations.

15 **Q. Did the Company experience outages during this event?**

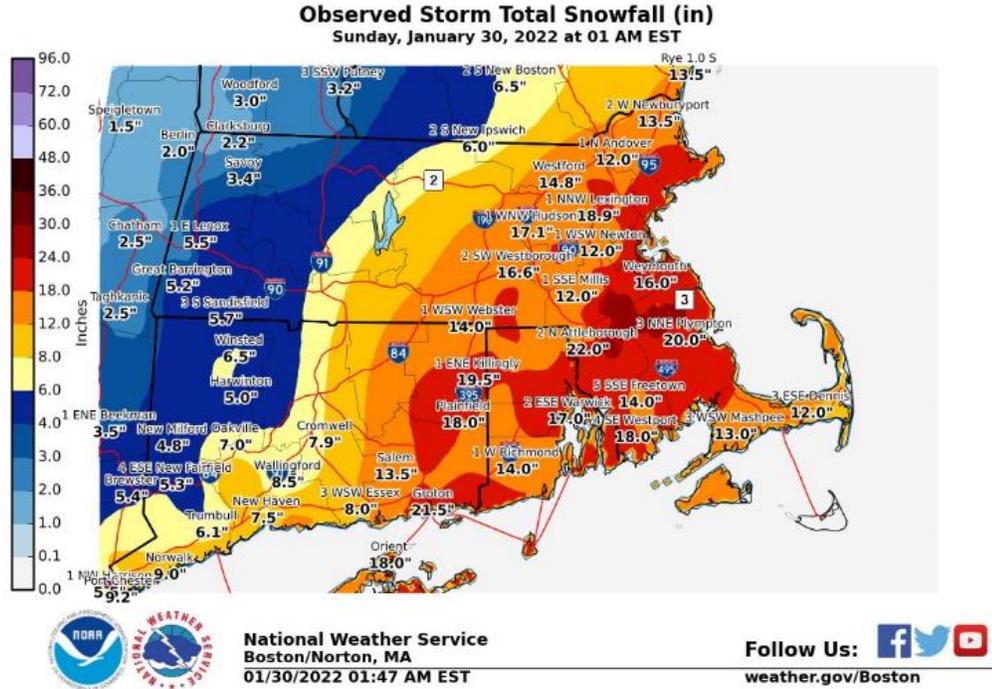
16 A. No. While the snowfall consistency was mostly normal to dry with sustained winds  
17 throughout the storm, the system did not experience any outages.

18 **Q. What were the final snowfall totals?**

19 A. The final totals in southern New Hampshire exceeded 12 inches in some areas. The  
20 image below from the National Weather Service provides a snapshot of snow totals.

**Figure 1. Winter Storm Kenan - Total Snowfall (inches)**

Jan 30, 2022



1  
2

3

4 **Q. Does this storm qualify for recovery for pre-staging costs?**

5 A. Yes, because the predicted storm was classified as an EEI level 4 with high confidence.

6 **Q. What pre-staged costs are included in this request for recovery?**

7 A. Please see Attachment 2, page 3 for the monthly breakdown of costs. The summary of  
8 costs is provided in the table below.

1 **Table 2. Winter Storm Kenan - Summary of Costs**

Line No.	Description	Total Costs
1	Payroll charges including payroll overheads for GSE Employees	\$98,600.39
2	<u>Non-Labor Costs</u>	<u>\$116,209.28</u>
3	Total	\$214,809.67

2

3 **B. February 4, 2022, Winter Storm Landon – Pre-staged Event**

4 **Q. Please describe the storm forecast for this second event.**

5 A. On Monday, January 31, 2022, DTN and other weather services began forecasting the  
6 potential for a significant winter storm around February 4 in the Company’s territory. As  
7 such, the Company received an Energy Event Index (EEI) level 4 with high confidence  
8 on the afternoon of February 3, 2022, as shown in Attachment 4. The storm event was  
9 expected to impact the region from 3:00 p.m. Thursday through 9:00 p.m. on Friday,  
10 February 4, 2022, with the highest snowfall expected Thursday overnight. The forecast  
11 predicted that the snowfall would have wet characteristics, therefore, the Company  
12 prepared for the possibility of outages.

13 **Q. What preparations did the Company make in anticipation of a major restoration  
14 event?**

15 A. The Company implemented its Incident Command Structure and mobilized its internal  
16 and contractor line crews, along with contractor tree crews. Customer Service staffed its  
17 contact center with customer service representatives in staggered shifts into the evening  
18 until the end of the event. Damage assessors and wires down guards were contacted for

1 availability, and the Company remotely opened the municipal room to aid towns  
2 inquiring about preparations.

3 **Q. Did the Company experience outages during this event?**

4 A. No. The snowfall consistency was mostly normal to dry, and the system did not  
5 experience any outages.

6 **Q. What were the final snowfall totals?**

7 A. The final totals in the Lebanon area topped 14 inches.

8 **Q. Does this storm qualify for recovery for pre-staging costs?**

9 A. Yes, because the predicted storm was classified as an EEI level 4 with high confidence.

10 **Q. What pre-staging costs are included in this request for recovery?**

11 A. Please see Attachment 2, page 4 for the monthly breakdown of costs. The summary of  
12 costs is provided in the table below.

13 ***Table 3. Winter Storm Landon – Summary of Costs***

Line No.	Description	Total Costs
1	Payroll charges including payroll overheads for GSE Employees	\$170,077.17
2	<u>Non-Labor Costs</u>	<u>\$214,151.52</u>
3	Total	\$384,228.69

14

1                    **C. February 25, 2022, Winter Storm Oaklee – Pre-staged Event**

2    **Q.    Please describe the storm forecast for this third event.**

3    A.    On Tuesday, February 21, 2022, DTN and other weather services began forecasting the  
4           potential for a significant snowstorm around February 25 in the Company’s territory. As  
5           such, the Company received an Energy Event Index (EEI) level 3 with high confidence  
6           on the morning of February 24, 2022, as shown in Attachment 5. The storm event was  
7           expected to impact the region from 3:00 a.m. through 10:00 p.m. on Friday, February 25,  
8           2022, with the highest snowfall expected Friday midday in the Salem/Pelham area. The  
9           forecast predicted that the snowfall would have wet characteristics therefore the  
10          Company prepared for the possibility of outages.

11   **Q.    What preparations did the Company make in anticipation of a major restoration**  
12          **event?**

13   A.    The Company implemented its Incident Command Structure and mobilized its internal  
14          and contractor line crews, along with contractor tree crews. Customer Service staffed its  
15          contact center with customer service representatives in staggered shifts into the evening  
16          until the end of the event. Damage assessors and wires down guards were contacted for  
17          availability, and the Company remotely opened the municipal room to aid towns  
18          inquiring about preparations.

19   **Q.    Did the Company experience outages during this event?**

20   A.    No. The snowfall consistency was mostly normal to dry, and the system did not  
21          experience any outages.

1 **Q. Does this storm qualify for recovery for pre-staging costs?**

2 A. Yes, because the predicted storm was classified as an EEI level 3 with high confidence.

3 **Q. What pre-staging costs are included in this request for recovery?**

4 A. Please see Attachment 2, page 5 for the monthly breakdown of costs. The summary of  
5 costs is provided in the table below.

6 ***Table 4. Winter Storm Oaklee – Summary of Costs***

Line No.	Description	Total Costs
1	Payroll charges including payroll overheads for GSE Employees	\$50,438.41
2	<u>Non-Labor Costs</u>	<u>\$91,878.19</u>
3	Total	\$142,316.60

7

8 **D. July 25, 2022, Severe Weather – Pre-staged Event**

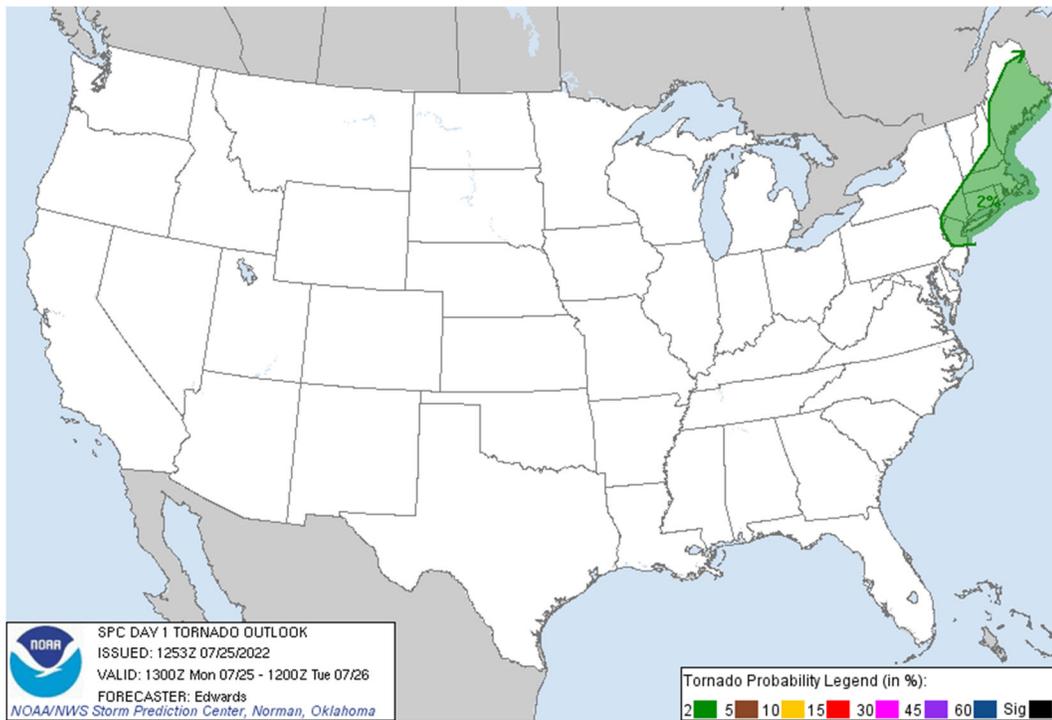
9 **Q. Please describe the storm forecast for this fourth event.**

10 A. On the morning of July 25, 2022, DTN forecasted severe weather for that afternoon  
11 classifying the event as an Energy Event Index (EEI) level 3 with high confidence as  
12 shown in Attachment 6. Thunderstorms were expected to impact the region from 10:00  
13 a.m. through 8:00 p.m. Monday. The forecast predicted that the wind gusts could reach  
14 up to 72 mph, therefore the Company prepared for the possibility of outages.

1 **Q. Was there any information provided by the Storm Prediction Center?**

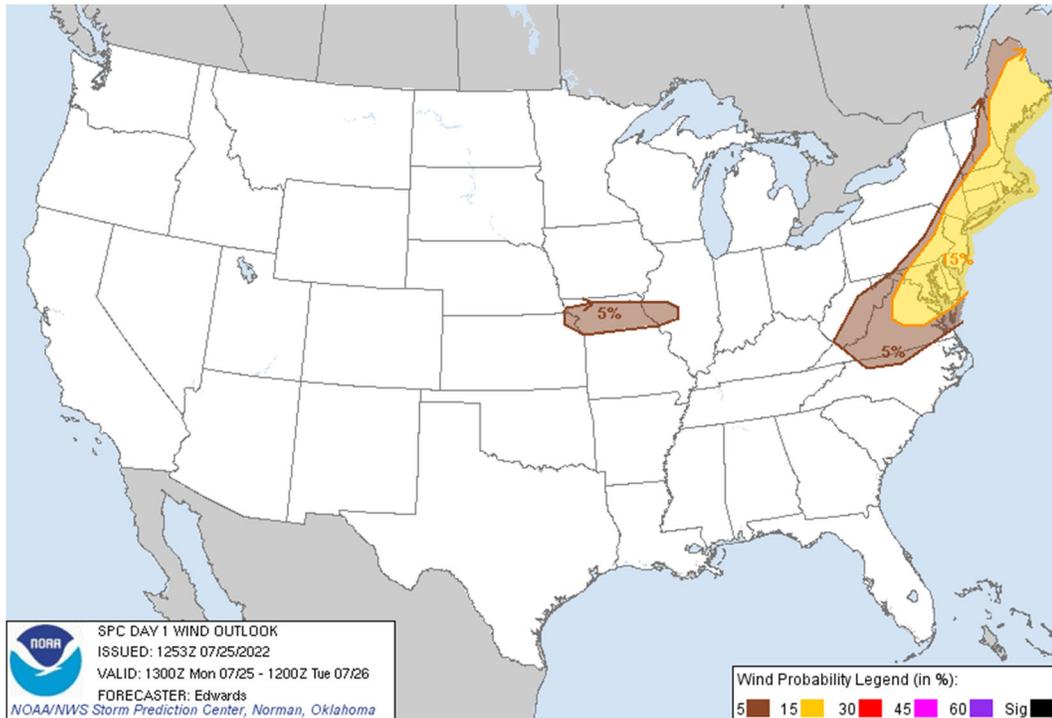
2 A. Yes. The Day 1 Tornado Outlook and Day 1 Damaging Wind Outlook issued at 8:53  
3 a.m. on July 25, 2022, indicated a risk of tornadoes and damaging winds in the Salem and  
4 Charlestown areas, as shown in the images below.

5 **Figure 2. Severe Weather - Day 1 Tornado Outlook**  
6 *Mon 07/25 – Tue 07/26*



1  
2

**Figure 3. Severe Weather - Day 1 Wind Outlook**  
*Mon 07/25 – Tue 07/26*



3

4 **Q. What preparations did the Company make in anticipation of a major restoration**  
5 **event?**

6 A. The Company implemented its Incident Command Structure and mobilized its internal  
7 and contractor line crews, along with contractor tree crews. Customer Service staffed its  
8 contact center with customer service representatives in staggered shifts into the evening  
9 until the end of the event. Damage assessors and wires down guards were contacted for  
10 availability, and the Company remotely opened the municipal room to aid towns  
11 inquiring about preparations.

1 **Q. Did the Company experience outages during this event?**

2 A. No. The weather was not as severe as anticipated, and the system did not experience any  
3 outages.

4 **Q. Does this storm qualify for recovery for prestaging costs?**

5 A. Yes, because the predicted storm was classified as an EEI level 3 with high confidence.

6 **Q. What pre-staging costs are included in this request for recovery?**

7 A. Please see Attachment 2, page 6 for the breakdown of costs. The summary of costs is  
8 provided in the table below.

9 *Table 5. Severe Weather – Summary of Costs*

Line No.	Description	Total Costs
1	Payroll charges including payroll overheads for GSE Employees	\$26,044.04
2	<u>Non-Labor Costs</u>	<u>\$66,916.23</u>
3	Total	\$92,960.27

10

11 **E. December 16, 2022, Winter Storm Diaz – Qualifying Event**

12 **Q. Please describe the storm forecast for this fifth event.**

13 A. On the morning of December 15, 2022, DTN forecasted the potential for 8”–12” of snow  
14 with potential for wet characteristics and classified the event as an Energy Event Index  
15 (EEI) level 3 with medium confidence and the Company started preparations for a  
16 possible major event. The snowfall was expected to start 11:00 p.m. Friday, December  
17 16, 2022, and continue through 4:00 a.m. Sunday. On the morning of December 16, the

1 Company received an EEI level 3 with high confidence as shown in Attachment 7, page  
2 1.

3 **Q. What preparations did the Company make in anticipation of a major restoration**  
4 **event?**

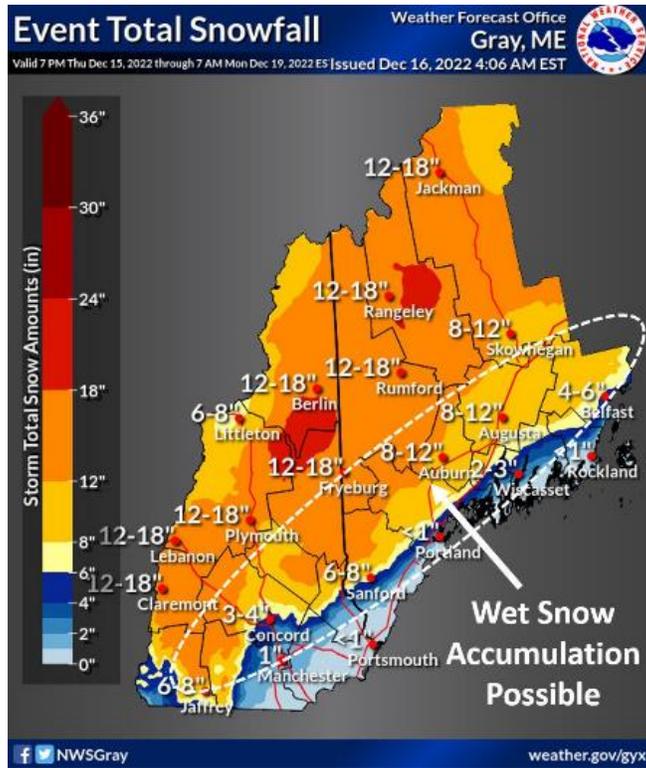
5 A. The Company implemented its Incident Command Structure and mobilized its internal  
6 and contractor line crews, along with contractor tree crews. Customer Service staffed its  
7 contact center with customer service representatives in staggered shifts into the evening  
8 until the end of the event. Damage assessors and wires down guards were contacted for  
9 availability, and the Company remotely opened the municipal room to aid towns  
10 inquiring about preparations.

11 **Q. What were the anticipated snowfall totals for the Charlestown/Lebanon area?**

12 A. According to the NWS, there was potential for 12”–18” in that area, as shown in the  
13 graphic below.

1  
2

**Figure 4. Winter Storm Diaz - Total Snowfall**  
*Dec 16, 2022*

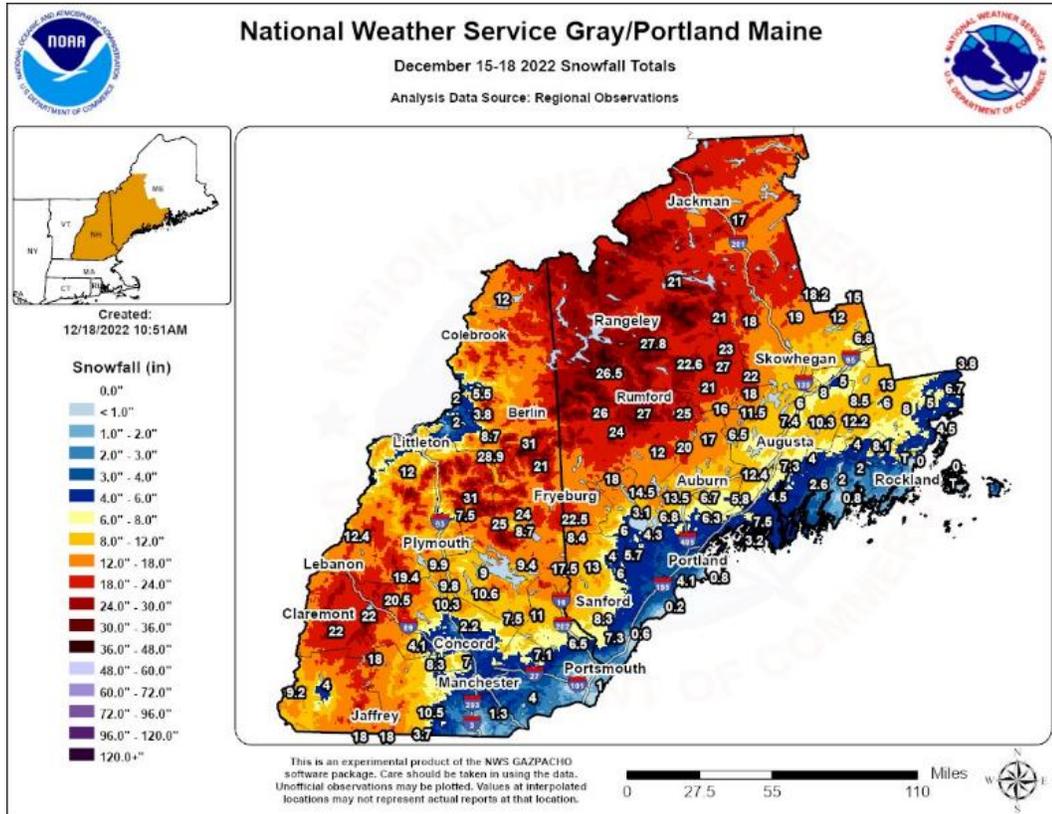


3

4 **Q. Is there data showing the final snowfall totals for this storm?**

5 **A. Yes, the graphic below shows significant snowfall in western New Hampshire.**

*Figure 5. Winter Storm Diaz - Snowfall Totals  
Dec 15-18 2022*



**Q. Did the Company experience outages during this event?**

**A.** Yes. The table below provides the summary of reliability indices for this event and Attachment 7 provides further details of the outage impacts.

*Table 6. Winter Storm Diaz Summary of Outage Statistics*

TROUBLES	CUSTOMERS INTERRUPTED	CUST. MINUTES INTERRUPTED	CUSTOMERS SERVED	SAIDI	SAIFI	CAIDI
99	14,186	3,864,254	45,642	84.66	0.311	272.40

1 **Q. Does this storm qualify for recovery for qualifying storm costs?**

2 A. Yes. The system encountered 99 troubles during the storm period, exceeding the 45  
3 concurrent troubles criteria to qualify as a major storm event. The Settlement Agreement  
4 in Docket No. DG 06-107 provides:

5 Total O&M costs of qualifying “major” storms will be charged to the fund.  
6 As indicated in Exhibit GSE-7 of the Granite State Rate Plan, the NHPUC  
7 definition of “major” storms will be used to qualify storms. For Granite  
8 State this is defined as a severe weather event or events causing 30  
9 concurrent troubles and 15% of customers interrupted, or 45 concurrent  
10 troubles. Troubles are defined as interruption events occurring on either  
11 primary or secondary lines.

12 Settlement Agreement in Docket No. DG 06-107, Hearing Exhibit 3, at 67.

13 **Q. What qualifying costs are included in this request for recovery?**

14 A. Please see Attachment 2, page 7 for the monthly breakdown of costs. The summary of  
15 costs is provided in the table below.

16 *Table 7. Winter Storm Diaz – Summary of Costs*

<u>Line No.</u>	<u>Description</u>	<u>Total Costs</u>
1	Payroll charges including payroll overheads for GSE Employees	\$564,991.93
2	<u>Non-Labor Costs</u>	<u>\$455,138.75</u>
3	Total	\$1,020,130.68

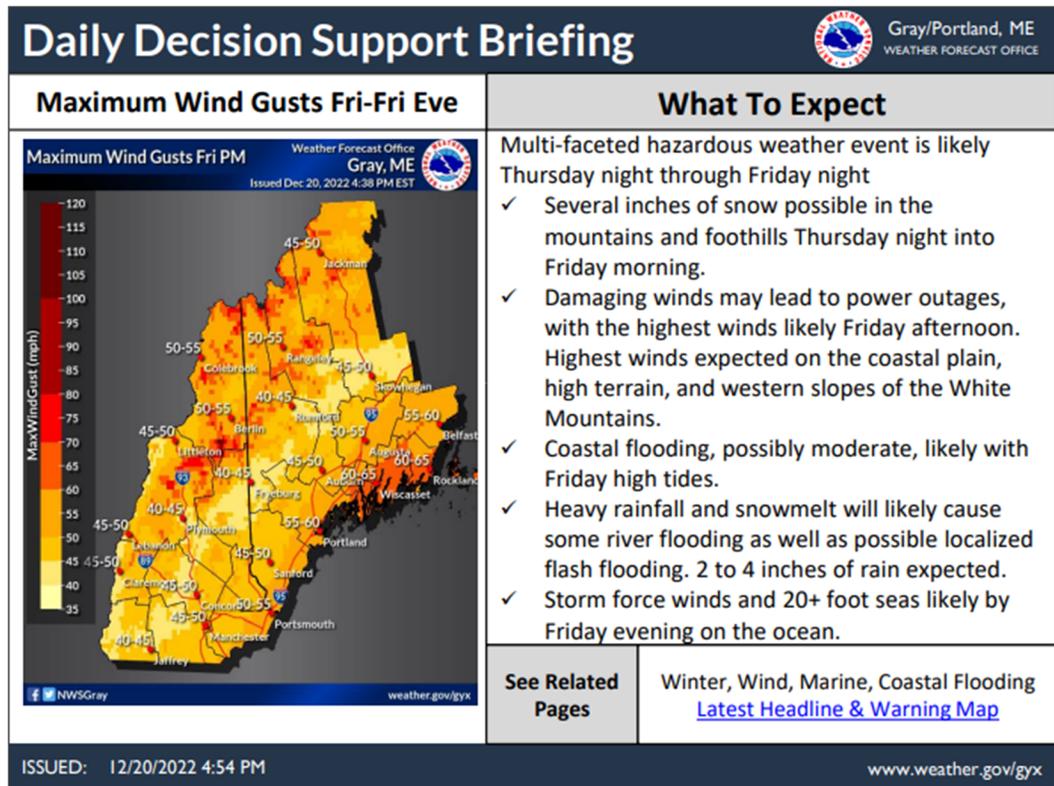
17

**F. December 23, 2022, Winter Storm Elliot – Qualifying Event**

**Q. Please describe the storm forecast for this seventh event.**

**A.** On December 20, 2022, NWS Gray issued a Daily Decision Support Briefing showing the potential for a major event on December 23, 2022. The briefing, shown below, forecasted damaging winds, heavy rainfall, and several inches of snow in the foothills.

*Figure 6. Winter Storm Elliot - Daily Briefing  
Dec 20, 2022*

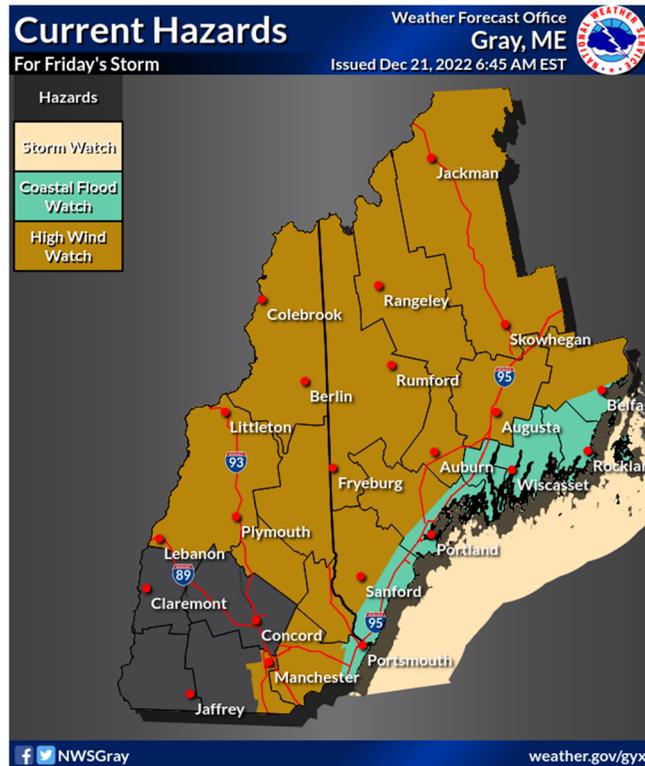


DTN forecasted an EEI of 3 with medium confidence for the Salem area on December 21, 2022, with potential wind gusts of up to 60 mph until the morning of December 23,

1 2022, but downgraded the wind gusts to a level 2 with medium confidence by the 1:00  
2 p.m. update (gusts up to 45 mph).

3 A high wind watch was issued on December 21, 2022, as depicted in the following  
4 graphic from NWS Gray. A high wind watch is defined by the NWS as “1) sustained  
5 winds of 40 mph or higher for one hour or more, OR 2) wind gusts of 58 mph or higher  
6 for any duration<sup>1</sup>.” NWS Boston provided a graphic with more severe gusts bordering  
7 the Salem area later in the day on December 21, 2022.

8 **Figure 7: Winter Storm Elliot - Current Hazards**  
9 Dec 21, 2022

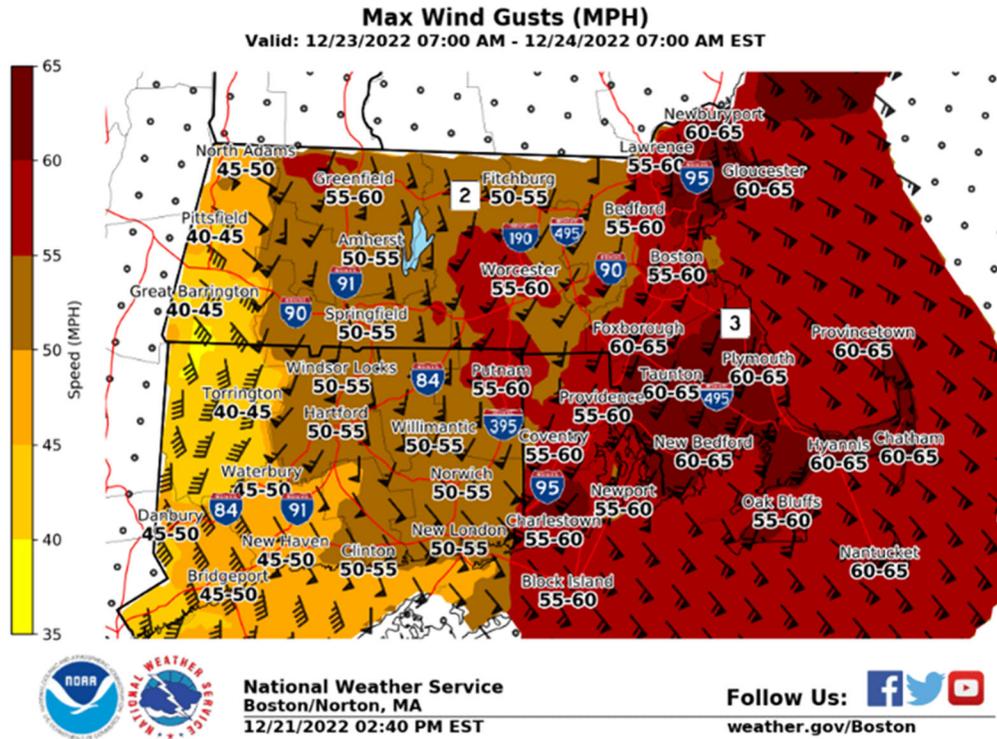


10

<sup>1</sup> <https://www.weather.gov/lwx/WarningsDefined#High%20Wind%20Watch>

1 **Figure 8. Winter Storm Elliot - Max Wind Gusts (MPH)**

2 Dec 21, 2022



3  
4 **Q. What preparations did the Company make in anticipation of a major restoration**  
5 **event?**

6 **A.** The Company implemented its Incident Command Structure and mobilized its internal  
7 and contractor line crews, along with contractor tree crews. Customer Service staffed its  
8 contact center with customer service representatives in staggered shifts into the evening  
9 until the end of the event. Damage assessors and wires down guards were contacted for  
10 availability, and the Company remotely opened the municipal room to aid towns  
11 inquiring about preparations.

1 **Q. Did the Company experience outages during this event?**

2 A. Yes. The table below provides the summary of reliability indices for this event and  
3 Attachment 8 provides further details of the outage impacts.

4 ***Table 8. Winter Storm Elliot Summary of Outage Statistics***

<b>TROUBLES</b>	<b>CUSTOMERS INTERRUPTED</b>	<b>CUST. MINUTES INTERRUPTED</b>	<b>CUSTOMERS SERVED</b>	<b>SAIDI</b>	<b>SAIFI</b>	<b>CAIDI</b>
107	9,783	1,548,477	45,642	33.93	0.214	158.28

5

6 **Q. Does this storm qualify for recovery for qualifying storm costs?**

7 A. Yes. The system encountered 107 troubles during the storm period merely seven days  
8 after the last event where the system incurred 99 troubles. Attachment 8 provides the  
9 breakdown of troubles.

10 **Q. What qualifying costs are included in this request for recovery?**

11 A. Please see Attachment 2, page 8 for the monthly breakdown of costs. The summary of  
12 costs is provided in the table below.

13 ***Table 9. Winter Storm Elliot – Summary of Costs***

<u>Line No.</u>	<u>Description</u>	<u>Total Costs</u>
1	Payroll charges including payroll overheads for GSE Employees	\$333,508.65
2	<u>Non-Labor Costs</u>	<u>\$297,585.23</u>
3	Total	\$631,093.88

14

1 IV. **CONCLUSION**

2 Q. Does this conclude your testimony?

3 A. Yes.