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STATE OF NEW HAMPSHIRE



PUBLIC UTILITIES COMMISSION

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May 4, 2018

Debra A. Howland
Executive Director
New Hampshire Public Utilities Commission
21 South Fruit St., Suite 10
Concord, NH 03301

NHPUC 4MAY18PM2:27

Re: Docket No. DE 18-050;
Liberty Utilities (Granite State Electric) Corp. d/b/Liberty Utilities,
Investigation into Effects of Corporate Tax Rate Reductions

Dear Ms. Howland:

By letters dated April 13 and April 25, 2018, in the above captioned proceeding, Liberty Utilities (Granite State Electric) Corp. (Liberty) filed two technical statements that proposed rate changes effective June 1, 2018 to reflect reductions in Liberty's corporate income taxes.

Liberty did not file testimony describing the calculation of the tax reductions, or its proposal to use the tax reductions to offset other rate increases scheduled to take effect June 1. In addition, Liberty did not indicate the impact of its proposal on a typical customer's bill.

Given the magnitude of the tax reductions that Liberty proposes to return to customers through the offsets it describes in its technical statements (over \$2 million - *see* Technical Statement of April 25, 2018, Supplemental Attachment 1, lines 3 plus 14), Staff believes that detailed pre-filed testimony is required in order for the Commission to fully evaluate Liberty's proposal and for Staff to conduct a proper examination of the proposal before the scheduled May 9 hearing.

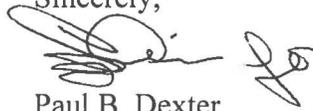
Accordingly, Staff recommends that the Commission, pursuant to Puc 1605.02(c), require Liberty to provide detailed testimony to allow the Commission to fully evaluate the tax reductions and proposed offsets and to assess the impact of Liberty's proposal on a typical customer's bill.

Staff has discussed this issue with Liberty and the Office of Consumer Advocate (OCA). Based on these discussions, Staff recommends that the hearing in DE 18-050 be rescheduled from May 9, to 2:30 p.m. on May 17, 2018. Staff also respectfully requests that Commission require Liberty to provide testimony and any additional supporting documentation no later than May 10,

2018. While Staff has discussed this matter with Liberty, the Company was not prepared to offer a position to be included in this letter.

Thank you for your attention to this matter.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul B. Dexter', with a stylized flourish extending to the right.

Paul B. Dexter
Staff Attorney

cc: Service List

SERVICE LIST - EMAIL ADDRESSES - DOCKET RELATED

Pursuant to N.H. Admin Rule Puc 203.11 (a) (1): Serve an electronic copy on each person identified on the service list.

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Docket #: 18-050-1 Printed: May 04, 2018

FILING INSTRUCTIONS:

a) Pursuant to N.H. Admin Rule Puc 203.02 (a), with the exception of Discovery, file 7 copies, as well as an electronic copy, of all documents including cover letter with:

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EXECUTIVE DIRECTOR
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21 S. FRUIT ST, SUITE 10
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b) Serve an electronic copy with each person identified on the Commission's service list and with the Office of Consumer Advocate.

c) Serve a written copy on each person on the service list not able to receive electronic mail.