



**Liberty Utilities (Granite State Electric) Corp.**

**ANNUAL STORM FUND REPORT  
CALENDAR YEAR 2014**

**April 1, 2015**

**Liberty Utilities (Granite State Electric) Corp.  
Annual Storm Fund Report  
Calendar Year 2014**

**Introduction**

Liberty Utilities (Granite State Electric) Corp. (“Liberty Utilities” or the “Company”) is submitting its Annual Storm Fund Recovery Report for 2014, in compliance with the Settlement Agreement in Docket No. DG 06-107 approved by Order 24,777. Consistent with the Settlement Agreement, this report: (1) provides a description of the one major storm experienced in 2014; (2) provides a summary of the extent of the damage to the distribution system, including the number of outages and length of outages associated with that storm; (3) details the collections credited to the storm fund; and (4) provides the details of any qualifying storm costs that were charged to the fund during calendar year 2014.

**Annual Report of Storm Fund Activity**

Included in this report is a preliminary report of the annual storm fund activity, pending final accounting of storm costs incurred during calendar year 2014. This report shows the opening balance of the storm fund, monthly collections, including those in base rates and the Storm Recovery Adjustment Factor, monthly interest applied, preliminary qualifying storm costs charged to the storm fund, and the closing balance of the storm fund (Attachment 1).

Attachment 2 shows the monthly detail of the preliminary storm-related charges applied to the storm fund during calendar year 2014 by individual storm event. Detailed descriptions and costs related to these qualifying storm fund storm events including pre-storm staging charges are provided in Attachment 3.

Attachment 1 – 2014 Annual Storm Fund Accounting.

Attachment 2 – 2014 Monthly Accounting for storm events.

Attachment 3 – Table 1 - November 26<sup>th</sup> Snow Storm Event EII Table

Table 2 - November 26<sup>th</sup> Snow Storm Event Outages

Table 3 - November 26<sup>th</sup> Snow Storm Event Charges

Table 4 - November 26<sup>th</sup> O&M Restoration Costs

Table 5 - February 8<sup>th</sup> Nor’Easter Storm Event Charges

Table 6 - 1/2/14 Snow Storm Event Staging Charges

Table 7 - 2/5/14 Snow Storm Event Staging Charges

Table 8 - 2/13/14 Snow Storm Event Staging Charges

Table 9 - 3/12/14 Snow Storm Event Staging Charges

**Liberty Utilities (Granite State Electric) Corp.**  
**Annual Storm Fund Report**  
**November Winter Storm – November 26<sup>th</sup> – November 27<sup>th</sup>**

In accordance with the operational reporting requirements found in § 5 of Exhibit GSE-7 of the Rate Plan Settlement in Docket No. DG 06-107, the Company is providing a description of the November, 2014 storm and a summary of the extent of the damage to the distribution system, including the number of outages and length of outages.

**1. Description of the Storm**

The November, 2014 snow storm was a large storm that impacted 5,880 customers in New Hampshire causing interruptions in 9 of the 21 New Hampshire communities served by the Company. Despite the damage and large number of customer interruptions, Liberty Utilities led a successful storm restoration effort, and was able to restore all of its customers by November 27, 2014.

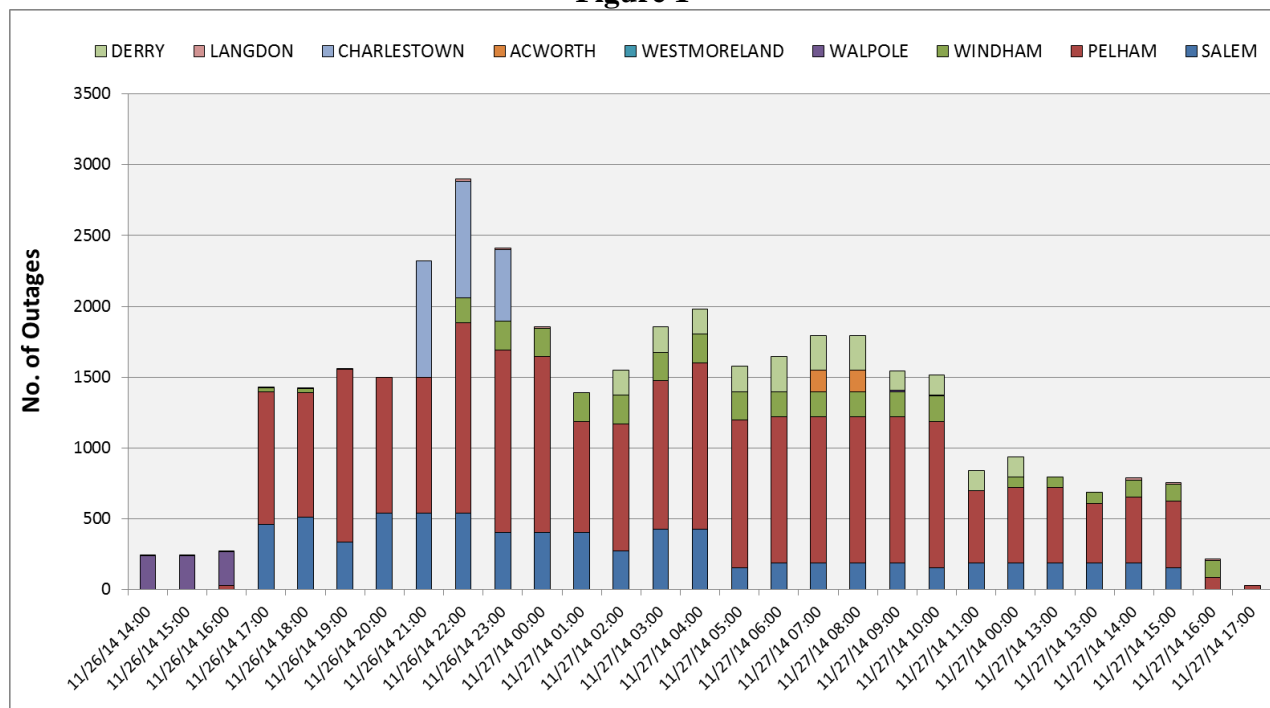
Overnight (Wednesday, Nov. 26th into Thursday, Feb. 27th), heavy wet snow and winds interrupted service to over 5,880 customers in New Hampshire. The winds, combined with snow, toppled trees bringing down utility poles and power lines. In New Hampshire the outages were concentrated in the communities of Salem, Pelham, and Charlestown; however, the storm impacted customers in 9 of the 21 New Hampshire communities serviced by Liberty Utilities.

**2. Summary of the Extent of the Storm Damage**

Due to the wind gusts and heavy snow, a number of customers were without power from November 26<sup>th</sup>, through November 27<sup>th</sup> 2014. See Figure 1 for peak outages by town. Attachment 3 Table 2 details the event log for the storm and observed damage to Liberty Utilities' distribution system by feeder.

At the peak, on November 26<sup>th</sup>, approximately 2,900 customers were interrupted (see Figure 1). In response to these peak outages, additional internal crews were called in and additional external contractor line crews were procured. In response to these peak outages, there were a total of 13 restoration crews which included internal line crews and external contractor line crews. The external contractor line crews were mobilized by the morning of November 27<sup>th</sup> 2014. Liberty Utilities also mobilized a peak of 6 contractor tree crews.

**Figure 1**



Ninety percent of customers were restored by November 27<sup>th</sup> at approximately 4 pm. All remaining customers were restored by November 27<sup>th</sup> at approximately 11 p.m.

In all, Liberty Utilities experienced over 5,880 total customers interrupted during the November 26<sup>th</sup> – 27<sup>th</sup> storm. Liberty Utilities reviewed the interruption data stored in the Responder System and determined that the storm event qualified as a major storm, since approximately 100 trouble incidents occurred. Per PUC definition, A “Major Storm” shall be defined as a severe weather event or events causing 30 concurrent troubles and 15% of customers interrupted, or 45 concurrent troubles. Attachment 3 Table 2 details the event log for the storm and observed damage to Liberty Utilities’ distribution system by feeder.

### **3. Details of Qualifying Costs Charged to the Storm Fund in 2014**

Attachment 3 Table 3 and Attachment 3 Table 4, detail the preliminary costs associated with the November 26<sup>th</sup> snow storm event that were charged to the storm fund during calendar year 2014.

Attachment 3 Tables 5, 6, 7, 8 and 9 detail the staging costs associated with pre-storm planning with the 2/8/13, 1/2/14, 2/5/14, 2/13/14 and 3/12/14 storm events. These events had an EEI forecast of 3 with a high probability.

**Liberty Utilities (Granite State Electric) Corp.  
 d/b/a Liberty Utilities  
 Annual Report of Storm Fund Activity  
 For the Year Ended December 31, 2014 (Estimated)**

Line	Month	Beginning Balance	Collections		Monthly Interest	Estimated Storm Charges	Ending Balance
			Base Rate Contribution 1/ (a)	SRA Factor Contribution 2/ (b)			
1	January-14	\$ (5,200,591)	\$ 10,000	\$ 285,548	\$ (13,685)	\$ -	\$ (4,918,728)
2	February	(4,918,728)	10,000	262,544	(13,087)	(99,538)	(4,758,809)
3	March	(4,758,809)	10,000	250,945	(12,826)	(214,979)	(4,725,669)
4	April	(4,725,669)	67,500	244,340	(12,402)	(18,601)	(4,444,833)
5	May	(4,444,833)	125,000	237,533	(11,547)	-	(4,093,846)
6	June	(4,093,846)	125,000	236,466	(10,598)	-	(3,742,978)
7	July	(3,742,978)	125,000	244,278	(9,637)	-	(3,383,337)
8	August	(3,383,337)	125,000	231,712	(8,680)	-	(3,035,304)
9	September	(3,035,304)	125,000	253,898	(7,708)	-	(2,664,114)
10	October	(2,664,114)	125,000	240,764	(6,720)	-	(2,305,070)
11	November	(2,305,070)	125,000	196,702	(5,893)	(63,008)	(2,052,269)
12	December-14	(2,052,269)	125,000	\$ 205,254	(5,229)	(87,128)	(1,814,371)
13							
14	Year Ended 12/31/14	<u>\$ (5,200,591)</u>	<u>\$ 1,097,500</u>	<u>\$ 2,889,985</u>	<u>\$ (118,012)</u>	<u>\$ (483,254)</u>	<u>\$ (1,814,371)</u>

- 1/ Effective April 1, 2014, the base rate contribution increased by \$1,380,000 annually (\$115,000 per month) from \$120,000 annually (\$10,000 per month) to \$1,500,000 annually (\$125,000 per month) per the Settlement Agreement dated October 30, 2014 in Docket DE 13-063, Order No. 25,738, dated November 26, 2014.
- 2/ The storm fund changed from \$0.00223 per kWh to \$0.00329 effective November 1, 2013 and from \$0.00329 per kWh to \$0.00221 effective November 1, 2014 per Docket DE 13-196, Order No. 25,585, dated October 21, 2013. (includes border sales collections)

**Liberty Utilities (Granite State Electric ) Corp.  
d/b/a Liberty Utilities  
Annual Report of Storm Fund Activity (Estimated)  
For the Year Ended December 31, 2014**

Line	Month	Nor'Easter Feb 7-9 2013	Snow Storm Jan 2 2014	Snow Event Feb 5 2014	Snow Storm Feb 13 2014	Snow Storm Mar 12 2014	Thanksgiving Nov 26 2014	Total Costs
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
1	January-14	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
2	February	-	-	36,880	62,658	-	-	99,538
3	March	159	84,740	33,451	51,761	44,868	-	214,979
4	April	-	-	-	-	18,601	-	18,601
5	May	-	-	-	-	-	-	-
6	June	-	-	-	-	-	-	-
7	July	-	-	-	-	-	-	-
8	August	-	-	-	-	-	-	-
9	September	-	-	-	-	-	-	-
10	October	-	-	-	-	-	-	-
11	November	-	-	-	-	-	63,008	63,008
12	December-14	-	643	(418)	3,209	(1,397)	85,091	87,128
13								
14	Year Ended 12/31/14	<u>\$ 159</u>	<u>\$ 85,383</u>	<u>\$ 69,912</u>	<u>\$ 117,629</u>	<u>\$ 62,072</u>	<u>\$ 148,098</u>	<u>\$ 483,254</u>

EEI	NorthwestMo nroe Bath NH	SouthernSalem Derry NH	Montauk NY	NorthernLebanon Hanover NH	WesternAlstea d Charlestown NH
Day 1 WindSpeed	1	1	1	1	1
Day 1 WindGust	1	1	2	1	1
Day 1 Snow	2	3	1	2	3
Day 1 Ice	1	1	1	1	1
Day 1 Confidence	Medium	Medium	High	Medium	Medium
Day 2 WindSpeed	1	1	1	1	1
Day 2 WindGust	1	1	2	1	1
Day 2 Snow	2	3	1	2	3
Day 2 Ice	1	1	1	1	1
Day 2 Confidence	Medium	Medium	High	Medium	Medium
Day 3 WindSpeed	1	1	1	1	1
Day 3 WindGust	1	1	1	1	1
Day 3 Snow	1	1	1	1	1
Day 3 Ice	1	1	1	1	1
Day 3 Confidence	High	High	High	High	High
Day 4 WindSpeed	1	1	1	1	1
Day 4 Snow	1	1	1	1	1
Day 4 Ice	1	1	1	1	1
Day 4 Confidence	High	High	High	High	High
Day 5 WindSpeed	1	1	1	1	1
Day 5 Snow	1	1	1	1	1
Day 5 Ice	1	1	1	1	1
Day 5 Confidence	High	High	High	High	High
Day 6 WindSpeed	1	1	1	1	1
Day 6 Snow	1	1	1	1	1
Day 6 Ice	1	1	1	1	1
Day 6 Confidence	High	High	High	High	High
Day 7 WindSpeed	1	1	1	1	1
Day 7 Snow	1	1	1	1	1
Day 7 Ice	1	1	1	1	1
Day 7 Confidence	High	High	High	High	High
Day 8 WindSpeed	1	1	1	1	1
Day 8 Snow	1	1	1	1	1
Day 8 Ice	1	1	1	1	1
Day 9 WindSpeed	1	1	1	1	1
Day 9 Snow	1	1	1	1	1
Day 9 Ice	1	1	1	1	1
Day 10 WindSpeed	1	1	1	1	1
Day 10 Snow	1	1	1	1	1
Day 10 Ice	1	1	1	1	1

Schneider Electric Event Index Definition

Without Leaves (November 1 - March 31)

	Wind Speed	Wind Gust	Ice	Snow	Confidence Levels	
<b>EEI 1</b>	<40 mph	<45mph	&lt; 1/10 inch	<6 inches	Low	<30% Chance
<b>EEI 2</b>	>=45 mph	>=45 mph	>=1/10 inch	>=6 inches		
<b>EEI 3</b>	>=50 mph	>=55 mph	>3/8 inch	>8 inches	Medium	>=30 to <60% Chance
<b>EEI 4</b>	>=60 mph	>=70 mph	>1/2 inch	>12 inches		
<b>EEI 5</b>	>=70 mph	>=85 mph	>1 inch	>24 inches	High	>=60% Chance

**November 26<sup>th</sup> – 27<sup>th</sup> Snow Storm Event Outage History**

<b>Feeder</b>	<b>Date</b>	<b>Elapsed</b>	<b>CI</b>	<b>CMI</b>	<b>Town</b>	<b>Cause</b>
12L2	11/26/2014	2:33	242	37,026	Walpole	Tree - Broken Limb
14L2	11/26/2014	1:09	27	1,863	Pelham	Tree Fell
13L1	11/26/2014	11:07	272	181,424	Salem	Tree - Broken Limb
14L3	11/26/2014	1:02	28	1,736	Windham	Tree - Broken Limb
14L2	11/26/2014	3:41	119	26,299	Pelham	Tree - Broken Limb
12L1	11/26/2014	2:28	2	296	Acworth	Tree - Broken Limb
10L4	11/26/2014	2:49	16	2,704	Salem	Tree Fell
14L3	11/26/2014	1:27	951	82,737	Pelham	Tree - Broken Limb
14L3	11/26/2014	1:04	41	2,624	Pelham	Tree - Broken Limb
14L2	11/26/2014	10:06	50	30,300	Pelham	Tree - Broken Limb
13L1	11/26/2014	1:19	48	960	Salem	Tree - Broken Limb
14L2	11/26/2014	14:27	97	84,099	Pelham	Tree - Broken Limb
14L2	11/26/2014	1:35	241	22,895	Pelham	Tree - Broken Limb
14L2	11/26/2014	4:53	455	133,315	Pelham	Tree - Broken Limb
9L2	11/26/2014	2:20	134	18,760	Salem	Tree - Broken Limb
14L3	11/26/2014	2:51	57	9,747	Pelham	Tree - Broken Limb
13L1	11/26/2014	2:49	49	8,281	Pelham	Tree - Broken Limb
13L3	11/26/2014	5:34	133	44,422	Salem	Tree Fell
14L1	11/26/2014	8:55	9	4,815	Pelham	Tree - Broken Limb
40L1	11/26/2014	2:14	506	67,804	Charlestown	Unknown
8L1	11/26/2014	0:58	319	18,502	Charlestown	Unknown
14L3	11/26/2014	6:01	13	4,693	Pelham	Tree - Broken Limb
14L3	11/27/2014	13:40	29	23,780	Pelham	Tree - Broken Limb
14L3	11/26/2014	5:44	133	45,752	Pelham	Tree - Broken Limb
14L3	11/26/2014	11:20	658	447,440	Pelham	Tree - Broken Limb
12L1	11/26/2014	3:00	13	2,340	Langdon	Tree - Broken Limb
9L3	11/26/2014	6:13	25	9,325	Windham	Tree - Broken Limb
14L3	11/27/2014	13:41	114	93,594	Pelham	Tree - Broken Limb
13L2	11/27/2014	9:22	69	38,778	Derry	Tree Fell
13L2	11/27/2014	5:37	108	36,396	Derry	Tree Fell
14L3	11/27/2014	11:53	150	106,950	Pelham	Tree - Broken Limb
13L3	11/27/2014	11:27	156	107,172	Salem	Tree - Broken Limb
14L2	11/27/2014	8:20	111	55,500	Pelham	Tree - Broken Limb
13L3	11/27/2014	3:18	30	5,940	Salem	Tree - Broken Limb
13L1	11/27/2014	6:02	72	26,064	Derry	Tree - Broken Limb
12L1	11/27/2014	1:19	152	12,008	Acworth	Tree - Broken Limb
12L1	11/27/2014	0:57	10	570	Walpole	Tree Fell
14L2	11/27/2014	4:53	8	2,344	Pelham	Tree - Broken Limb
13L2	11/27/2014	2:14	33	4,422	Salem	Tree - Broken Limb
14L2	11/27/2014	3:33	21	4,473	Pelham	Tree - Broken Limb
9L3	11/27/2014	4:15	77	19,635	Windham	Tree - Broken Limb
12L1	11/27/2014	1:47	13	1,391	Langdon	Tree Fell



**Liberty Utilities (Granite State Electric) Corp.**  
**d/b/a/ Liberty Utilities**  
**Total O&M Restoration Costs for Winter Storm Thanksgiving - November 26 2014 (Estimated)**  
**January 1, 2014 through December 31, 2014**

<u>Line No.</u>	<u>Description</u>	<u>Total Restoration Costs</u>
1	Charges for employee payroll	\$ 62,708
2		
3	Charges for Transportation on GSE vehicles	2,673
4		
5	Charges from outside companies	82,718
6		
7	Charges for employee expenses	-
8		
9	Total	<u>\$ 148,098</u>

**Liberty Utilities (Granite State Electric) Corp.  
 d/b/a Liberty Utilities  
 O&M Restoration Costs From Winter Storm Thanksgiving November 26 2014 (Estimated)**

Line No.	Outside Companies	Nov-14	Dec-14	Total Costs
1	Asplundh Tree Expert Co.	\$ -	\$ 29,161	\$ 29,161
2	Evans Line	-	22,078	22,078
3	Hi-Volt Line Construction	-	18,359	18,359
4	Utility Service & Assistance Inc.	-	11,584	11,584
5	Power Line Contractors	-	-	-
5	Vendors < \$10,000	1,172	364	1,536
6	Total Outside Companies	<u>1,172</u>	<u>81,546</u>	<u>82,718</u>
7				-
8	Company Payroll	61,836	872	62,708
9	Transportation	-	2,673	2,673
10	Employee Expenses	-	-	-
11	Total O&M Restoration Costs	<u>63,008</u>	<u>85,091</u>	<u>148,098</u>
12				
13	Amount Charged to Storm Fund	<u>\$ 63,008</u>	<u>\$ 85,091</u>	<u>\$ 148,098</u>

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities  
d/b/a Liberty Utilities  
Total O&M Staging Costs Snow Storm February 7-9 2013 (Estimated)  
January 1, 2014 Through December 31, 2014**

Line No.	Description	Total Staging Costs
1	Payroll charges including payroll overheads for GSE Employees	\$0
2		
3	Charges for Transportation on GSE vehicles	-
4		
5	Charges from outside companies	-
6		
7	Charges for Materials and Supplies	-
8		
9	Charges for employee expenses	159
10		
11		
12		
13	Total	<u><u>\$159</u></u>

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities  
 d/b/a Liberty Utilities  
 Total O&M Staging Costs Snow Storm January 2 2014 (Estimated)  
 January 1, 2014 Through December 31, 2014**

Line No.	Description	Total Staging Costs
1	Payroll charges including payroll overheads for GSE Employees	\$6,590
2		
3	Charges for Transportation on GSE vehicles	-
4		
5	Charges from outside companies	78,150
6		
7	Charges for Materials and Supplies	-
8		
9	Charges for employee expenses	643
10		
11		
12		
13	Total	<u><u>\$85,383</u></u>

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities  
 d/b/a Liberty Utilities  
 Total O&M Staging Costs Snow Event February 5 2014 (Estimated)  
 January 1, 2014 Through December 31, 2014**

Line No.	Description	Total Staging Costs
1	Payroll charges including payroll overheads for GSE Employees	\$13,258
2		
3	Charges for Transportation on GSE vehicles	-
4		
5	Charges from outside companies	54,390
6		
7	Charges for Materials and Supplies	-
8		
9	Charges for employee expenses	2,264
10		
11		
12		
13	Total	<u><u>\$69,912</u></u>

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities  
 d/b/a Liberty Utilities  
 Total O&M Staging Costs Snow Storm February 13 2014 (Estimated)  
 January 1, 2014 Through December 31, 2014**

Line No.	Description	Total Staging Costs
1	Payroll charges including payroll overheads for GSE Employees	\$23,477
2		
3	Charges for Transportation on GSE vehicles	126
4		
5	Charges from outside companies	86,534
6		
7	Charges for Materials and Supplies	-
8		
9	Charges for employee expenses	7,492
10		
11		
12		
13	Total	\$117,629

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities  
 d/b/a Liberty Utilities  
 Total O&M Staging Costs Snow Storm March 12 2014 (Estimated)  
 January 1, 2014 Through December 31, 2014**

Line No.	Description	Total Staging Costs
1	Payroll charges including payroll overheads for GSE Employees	\$12,939
2		
3	Charges for Transportation on GSE vehicles	1,800
4		
5	Charges from outside companies	45,515
6		
7	Charges for Materials and Supplies	-
8		
9	Charges for employee expenses	1,818
10		
11		
12		
13	Total	\$62,072