

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION** 1 JUN '18 am 11:28

May 17, 2018 - 4:17 p.m.
Concord, New Hampshire

**RE: DG 18-050
LIBERTY UTILITIES (GRANITE STATE
ELECTRIC) CORP. d/b/a LIBERTY
UTILITIES: Investigation to Determine
Rate Effects of Federal and State
Corporate Tax Reductions for Step
Increase
(Hearing on the Merits)**

PRESENT: Chairman Martin P. Honigberg, Presiding
Commissioner Kathryn M. Bailey
Commissioner Michael S. Giaimo

Clare E. Howard-Pike, Clerk

**APPEARANCES: Reptg. Liberty Utilities (EnergyNorth
Natural Gas) Corp. d/b/a Liberty
Utilities:
Michael J. Sheehan, Esq.**

Representing Residential Ratepayers:

Brian D. Buckley, Esq.
James Brennan
Office of the Consumer Advocate

Reptg. PUC Staff:

Paul B. Dexter, Esq.
Suzanne B. Amidon, Esq.
Jay Dudley- Electric Division

Court Reporter: Susan J. Robidas, NH LCR No. 44

I N D E X

1
2
3 WITNESS: STEVE E. MULLEN
4
5
6

7 EXAMINATION PAGE

8 Direct Examination by Mr. Sheehan 6

9 Cross-examination by Mr. Buckley 10

10 Cross-examination by Mr. Dexter 20

11 INTERROGATORIES BY COMMISSIONERS:

12 Commissioner Bailey 29

13 Commissioner Giaimo 32

14
15 Redirect Examination by Mr. Sheehan 33

16
17 CLOSING STATEMENTS BY:

18 Mr. Buckley 35

19 Mr. Dexter 35

20 Mr. Sheehan 37

I N D E X (CONT'D)

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

EXHIBITS

PAGE

1	Technical Statement of Steven E. Mullen with attachments	PREMARKED
2	Supplemental Technical Statement of Steven E. Mullen with attachments	PREMARKED
3	Testimony of Steven E. with attachments	PREMARKED
4	Bill Calculation-Tax Reform and Retail Rate Adjustments	PREMARKED

P R O C E E D I N G S

1
2 CHAIRMAN HONIGBERG: We're
3 here in Docket DE 18-050, which is Liberty
4 Utilities (Granite State Electric) Corp.'s
5 filing regarding changes in federal and state
6 tax rates. We have one exhibit up here on
7 the table, which I'm sure will be explained.
8 But before we do anything else, let's take
9 appearances.

10 MR. SHEEHAN: Good afternoon,
11 Commissioners. Mike Sheehan for Liberty
12 Utilities (Granite State Electric.)

13 MR. BUCKLEY: Good afternoon,
14 Chairman and Commissioners. My name is Brian
15 D. Buckley. To my left is Mr. James Brennan.
16 We are here with the Office of Consumer
17 Advocate, representing the interests of
18 residential ratepayers.

19 MR. DEXTER: Good afternoon.
20 Dexter and Suzanne Amidon for the Commission
21 Staff. Joining us today is Jay Dudley from
22 the Electric Division.

23 CHAIRMAN HONIGBERG: And how
24 are we proceeding on this one, Mr. Sheehan?

1 MR. SHEEHAN: Thank you. The
2 Company has premarked four exhibits.
3 Exhibit 1 is Commission Tab 5, April 13
4 Mullen technical statement and attachments;
5 Exhibit 2 is Tab 7, the April 25 Mullen
6 supplemental technical statement and
7 attachments; and Exhibit 3 is Commission Tab
8 11, the testimony just filed, I don't have a
9 date written down -- by Mr. Mullen; and then
10 tab -- I mean Exhibit 4 is the piece of paper
11 that's in front of you which should look
12 familiar by now, and it's the same document
13 we used in the prior proceedings with a
14 docket number for this case.

15 CHAIRMAN HONIGBERG: Anything
16 we need to deal with before we have the
17 witness sworn in?

18 MR. SHEEHAN: None from me.

19 CHAIRMAN HONIGBERG: Would you
20 do the honors, please.

21
22 (WHEREUPON, STEVEN E. MULLEN was duly
23 sworn and cautioned by the Court
24 Reporter.)

1 DIRECT EXAMINATION

2 BY MR. SHEEHAN:

3 Q. Mr. Mullen, please state your name and your
4 position with Liberty.5 A. My name is Steven Mullen. I'm the senior
6 manager of rates and regulatory affairs for
7 Liberty Utilities Service Corp.8 Q. And Mr. Mullen, you just heard me describe
9 the first three exhibits that have been
10 marked: A technical statements with
11 attachments by you, dated April 13, which is
12 Exhibit 1; a supplemental technical statement
13 and attachments by you, dated April 25, which
14 is Exhibit 2; and testimony you filed on or
15 about May 10 in this matter, which is
16 Exhibit 3. Do you have those in front of
17 you?

18 A. I do.

19 Q. Do you have any changes to any of them?

20 A. I have. For the first two, I have some
21 labeling corrections that I had mentioned in
22 my testimony, which is Exhibit 3.23 If you turn to Exhibit 1, the first
24 page, right under the two bullets, the first

1 sentence that has a date of July 1, 2017,
2 that should be May 1, 2017.

3 Further down that same page, at the
4 start of the next paragraph, the same change;
5 July 1, 2017 should be May 1, 2017.

6 And if you turn to Attachment 1 of that
7 filing, on Lines 1 and 2, the dates of
8 July 1, 2017 should be May 1, 2017.

9 Q. And those were all changes to Exhibit 1. Do
10 you have changes to any other exhibits?

11 A. I have two more on that same thing. On
12 Attachment 2, and you've heard this before,
13 Line 1 and Line 23, the dates of July 1, 2017
14 should be May 1, 2017. I have too many dates
15 in my head.

16 Exhibit 2, some of the same information
17 was provided.

18 If you turn to Supplemental
19 Attachment 1, Lines 1 and 2, the dates of
20 July 1, 2017 should both be May 1, 2017.

21 And if you turn to labeled "CORRECTED
22 Attachment 2," Lines 1 and 23, the dates of
23 July 1, 2017 should both be May 1, 2017.

24 As mentioned in my testimony, there's no

1 changes to the actual calculations. These
2 are all labeling.

3 Q. Aside from those, or with those changes in
4 mind, do you here today adopt your testimony
5 and these two technical statements of your
6 testimony today?

7 A. I do.

8 Q. And could you give us a very high overview of
9 what the Company is proposing in this docket.

10 A. Yes. Essentially I like to kind of refer to
11 this myself as "dollars for dollars."
12 Calculate the tax impact related to changes
13 in federal and state taxes. And overall what
14 the Company has proposed is that other rate
15 increases, distribution rate increases that
16 would have otherwise taken effect on
17 June 1st, 2018, the Company's proposal is to
18 offset those increases fully with the impact
19 of tax reform.

20 Also, as part of the proposal, the
21 Company has proposed to end sooner than it
22 would have happened the remaining recovery of
23 rate case expenses and recoupment from the
24 Company's most recent rate case, DE 16-383.

1 So that would basically give customers a more
2 immediate decrease to their rates for the
3 ending of that collection than what would
4 otherwise have occurred on January 1st, 2019.

5 Q. So is it fair to say the amount of decrease
6 due to tax reform more than offsets all the
7 other rate changes we've discussed over the
8 last two weeks in 16-383, 18-034 and the
9 retail rate case? Is that correct?

10 A. Except for the last case. It would offset
11 the distribution rate increases that were
12 proposed in 18-034 and 16-383.

13 Q. And there's some extra after it offsets all
14 those costs; is that correct?

15 A. Correct.

16 Q. And how is that treated?

17 A. There is, if you turn to --

18 Q. And by "excess," I mean there's more of the
19 tax savings that has not been used up yet, if
20 you will.

21 A. Correct. If you turn to Attachment 1 of
22 Exhibit 1, this schedule runs through the
23 numbers that I just mentioned in words. And
24 after taking the impact of tax reform, this

1 is the total going-forward impact, the \$1.4
2 million shown on Line 3. On Line 8, there's
3 approximately \$442,000 remaining. And for
4 that, the Company proposed to do an
5 across-the-board decrease to all the
6 distribution rates and charges by an
7 additional 1.06 percent.

8 Q. Did the Commission's order establishing the
9 so-called "tax reform" Docket 18-001 and this
10 document require the Company to make a
11 proposal that returns all of the tax savings
12 immediately?

13 A. No.

14 Q. It's what this Company chose to do; is that
15 correct?

16 A. Yes.

17 MR. SHEEHAN: I have no
18 further questions. Thank you.

19 CHAIRMAN HONIGBERG: Mr.
20 Buckley.

21 MR. BUCKLEY: Thank you Mr.
22 Chairman.

23 CROSS-EXAMINATION

24 BY MR. BUCKLEY:

1 Q. Mr. Mullen, if I could ask you to turn to
2 Exhibit 3, which is the most recently filed
3 testimony. Bates Page 11, Lines 7 through 8,
4 there's a table there that I think does a
5 really good job of summarizing everything
6 that's going on here. It's similar to what
7 Attorney Sheehan just covered, but slightly
8 more recent.

9 A. Yes, it's essentially the same numbers we
10 just ran through. Yes.

11 Q. Right. So would it be accurate to say here
12 that the chart at Line 7 through 8
13 essentially describes the two sides of the
14 ledger relative to the revenue requirements,
15 with one side being a permanent reduction
16 associated with the tax decrease and the
17 other side being the various increases which
18 had already been planned and approved, with a
19 net overall decrease of \$442,365?

20 A. After offsetting those other increases, yes.

21 Q. And for my own clarity here and the clarity
22 of the record, are there expenses within this
23 overall calculation that are one-time
24 expenses, non-permanent, non-recurring, that

1 only reduce the revenue requirement at this
2 time for this, I guess you would say year?

3 A. Yes, there are some.

4 Q. And can you identify those?

5 A. Well, the rate case expenses on Line 5,
6 again, that's a limited time. That would
7 have been a limited-time recovery for the
8 remainder of the year. And the O&M for the
9 VMP on Line 6, that is something that is
10 looked at each year, and the rates are
11 adjusted accordingly based on the change from
12 one year to the next.

13 Q. And so what would happen if next year the O&M
14 value associated with the REP above the base
15 case were not the value that it is here, the
16 \$552,414?

17 A. Well, I guess it depends on if it's higher or
18 lower.

19 Q. Let's say it were just the base case.

20 A. If it were just the base case, then there
21 would be no incremental spending above the
22 base case. So there wouldn't be... if we
23 recover -- if we offset the 552,000 this
24 year, then if you look from this year to next

1 year, there would be no incremental recovery
2 one way or the other because what we would
3 be -- the difference wouldn't change.

4 Q. So can you just describe to me why, using the
5 tax reform to offset the O&M expense above
6 the Commission-approved base case of \$1.5
7 million won't result in a de facto increase
8 to the base case REP and O&M allowance?

9 A. Because this is also a test year. And as it
10 is a test year, when we normalize our
11 test-year revenues, any changes related to
12 the REP, the VMP, O&M, that will be factored
13 into the normalized test-year revenue.
14 Having the test year coincide with the year
15 that this is all happening was actually
16 advantageous, because having that rate case
17 coming up, then we'll be able to make sure
18 that everybody is made whole and that going
19 forward the annual revenues will be at the
20 right level.

21 Q. Can you tell me today whether the Company is
22 planning to increase that O&M base case value
23 in the next rate case?

24 A. I can't. I do not know.

1 Q. I understand. Yeah.

2 Can I ask you now to turn to Bates 14,
3 Line 9 through Bates 15 on the top there?
4 And I'm going to ask you some questions about
5 that \$38,000 figure we've heard about in
6 previous dockets relative to this June 1st
7 rate change.

8 Can you please summarize for me the
9 reason for the remaining \$38,855?

10 A. Yes. If you turn to Attachment 2 -- excuse
11 me -- Exhibit 2, and if you look at
12 Supplemental Attachment 1, this goes through
13 the calculation of how that \$38,000 remainder
14 was determined. Starting on Line 12, you
15 take the annual revenue reduction, which was
16 calculated on Line 3, and you look at the
17 amount -- the portion of the year prior to
18 this June 1st proposed rate change. So
19 that's five months. So if you take the
20 annual impact times five-twelfths, the
21 601,380 on Line 14 represents the amount of
22 the annual impact to lower taxes that would
23 not otherwise have been reflected on
24 June 1st, 2018. So that's really like a

1 one-time item.

2 So, then, if you compare that to what's
3 on Line 18 -- and I will get to the
4 derivation of Line 18 in a minute -- Line 18
5 is the amount of recoupment of rate case
6 expenses remaining to be recovered. And
7 that's for the period June 1st, 2018 through
8 December 31st, 2018, the end of the 20-month
9 recovery period that was approved in the
10 16-383 settlement agreement.

11 In order to get to that number, on Line
12 15 and 16 are numbers pulled right from the
13 settlement agreement, which are annualized
14 amounts of recoupment. And actually, I see a
15 typo here. That's what I get for cutting and
16 pasting. Line 16, the word "recoupment"
17 should say "rate case expense." So, both of
18 those numbers on Lines 15 and 16 were the
19 annualized amount. And again, in order to
20 do -- to figure how much to increase rates at
21 the start of this recovery, we used the
22 annual revenues, and we used the annualized
23 amounts of those recoupment and rate case
24 expenses. Those annualized amounts totalled

1 964,330, which is the sum below Line 16.

2 Since there's only seven months remaining of
3 2018 over which the annual amount would be
4 recovered, that amounts to the 562,526 that
5 I've calculated on Line 18 as to the amount
6 of those two items that have still yet to be
7 recovered. If you compare that 562 on
8 Line 18 to the 601,380 on Line 14, you end up
9 with an excess of just under \$39,000.

10 Q. And the company has proposed -- is it correct
11 that the Company has proposed to defer this
12 until the next rate case to cover future rate
13 case expenses?

14 A. Yes. As I explained in my testimony, since
15 it's really a one-time calculation, it's just
16 trying to treat this one-time item the same
17 as rate case expenses will be. We know we're
18 going to have rate case expenses coming. And
19 considering the relatively small amount of
20 that, which I think if you were to put it in
21 a rate calculation, I'm not even sure if that
22 would show up in a customer bill. I'd have
23 to do the calculation. But it being
24 relatively small, we figured that with all

1 the other changes and all the other offsets
2 that we're doing, having that remainder and
3 just putting it against costs that would
4 otherwise be charged to customers in the
5 future, we figured that was a reasonable
6 proposal. I've reviewed other filings by
7 other utilities, and there's a variety of
8 things that have been proposed; some have
9 been against storm reserves and other types
10 of accounts like that which basically operate
11 in the same manner. Again, being a
12 relatively small amount, we figured we'd
13 treat this one-time thing similar to how the
14 reminder of the 601,000 was being treated.

15 Q. And is it correct that you provide your
16 reasoning for this at the bottom of Bates 14
17 of the document we've been discussing?

18 A. Yes.

19 Q. And essentially reading from Line 20, you
20 note this is a one-time event, and that's
21 part of the reasoning.

22 A. Correct.

23 Q. So aren't there other components within this
24 rate change that we just spoke about -- I

1 think it was at Bates 11 -- that are also
2 one-time events?

3 A. Yes, as we previously discussed.

4 Q. Mr. Mullen, the Office of the Consumer
5 Advocate has some concern here that,
6 especially in the case of -- I guess this has
7 been discussed in previous dockets -- where
8 this would not be earning any interest as it
9 defers, that this would be more appropriately
10 returned to ratepayers.

11 A. And as I discussed in the earlier proceeding,
12 and I will say on the record here, the
13 treatment is really no different than any
14 rate case expenses that we incur over the
15 course of a proceeding. Those don't accrue
16 interest either. So, I mean, this is just a
17 similar type of treatment. Once we start
18 incurring the first rate case expenses, then
19 the net amount that would be in the deferral
20 account will actually end up being a positive
21 number. And I can imagine that the Office of
22 the Consumer Advocate would not want us to
23 recover interest on that amount.

24 Q. That is definitely correct. But in this

1 case, we are dealing with a piece of tax
2 reform, a reduction in the revenues required
3 by the Company that flows through from tax
4 changes rather than rate case expense. Would
5 you say that's correct?

6 A. That's correct. And we've also provided for
7 approximately \$2 million of benefit to
8 customers as compared to the \$38,000 we're
9 talking about.

10 Q. Mr. Mullen, could you conceive of a mechanism
11 which would flow that \$38,000 back to
12 customers prior to the next rate case
13 reconciliation?

14 A. I can conceive, you know, lots of things.
15 You know, I think our proposal stands on its
16 own as a way to get a lot of relief to
17 customers pretty quickly. You know, I don't
18 think anybody is going to be -- I don't think
19 anybody is going to hold out to the ends of
20 the earth for \$38,000. But, you know, our
21 proposal -- we put our proposal together the
22 way we did it to try to match up certain
23 pieces that fit together quite well.

24 Q. And I agree with you on that. But I think

1 that there have been -- it's been expressed
2 by parties in at least one, if not two, of
3 the various proceedings related to the
4 June 1st rate change, that possibly this
5 \$38,000 could go towards reducing what would
6 otherwise be a rate increase that would take
7 effect on June 1st.

8 A. Yes. And as I've said, the number is
9 relatively small. But we will do whatever
10 the Commission decides coming out of the
11 proceeding related to the \$38,000.

12 Q. And the OCA appreciates that, Mr. Mullen.

13 MR. BUCKLEY: No further
14 questions.

15 CHAIRMAN HONIGBERG: Mr.
16 Dexter.

17 MR. DEXTER: Thank you.

18 CROSS-EXAMINATION

19 BY MR. DEXTER:

20 Q. Mr. Mullen, I'm looking at Exhibit 2,
21 Supplemental Attachment 1. And you mentioned
22 earlier that the Company's proposal is to
23 return roughly \$2 million in tax benefits to
24 customers. Am I correct that that \$2 million

1 is the 1.4 million on Line 3 and the 601,000
2 on Line 14?

3 A. Correct.

4 Q. And you propose different treatments for
5 those two amounts; correct?

6 A. Yes.

7 Q. Could you explain why there's different
8 treatment for those two amounts?

9 A. Because one was calculated as the annual
10 impact. And basically when we came to the
11 \$1.4 million, we just started looking at what
12 else was happening on June 1st. And, you
13 know, the numbers matched up well. Plus, it
14 provided for an additional little more than
15 1 percent decrease to distribution rates.
16 And the 600,000 that is explained in my
17 testimony, that is more of a one-time type of
18 event. And we felt it was appropriate to
19 match that up against another one-time or
20 limited-time event I would say related to the
21 remaining recoupment and rate case expense
22 recovery.

23 Q. Why is the 601,000 a, quote, unquote,
24 one-time event?

1 A. Because as you look at the annual rate level,
2 rates will decrease on June 1st by \$1.4
3 million. However, the revenue at the end of
4 the year, if you looked at the total year,
5 since the rates had not been reduced prior to
6 June 1, the annual rate level would be that
7 much higher. But 1.4 million is the annual
8 impact. If you were to take the 600,000 as,
9 again, an annual impact, you'd be
10 double-counting that amount. I had some
11 discussion of this as kind of a -- it was
12 more of a heads-up in Exhibit 2, on Page 2 of
13 my supplemental technical statement,
14 explaining why the 601,000 is really a
15 one-time event. And this goes to my
16 discussion about looking at the -- since we
17 have a test year now as well, looking at the
18 normalized revenue on an annual basis. If
19 the annual impact of lower taxes is 1.4
20 million, that's all that the annual impact
21 should show when you normalize the revenue.
22 And, again, we'll have a full year of lower
23 tax expense in the test year. If you were to
24 layer on top of that the 601,000, you'd in

1 effect double-count that. So it has a
2 different nature because it's what existed
3 prior to reducing rates. If rates had been
4 reduced January 1st, the impact would still
5 have been \$1.4 million.

6 Q. So is it correct to say that the Company's
7 proposal is to pass back \$1.4 million on an
8 annual, ongoing basis?

9 A. That is the annual impact here. And as I
10 discussed with Mr. Buckley, some of these
11 things are one-time. So we have to take a
12 look at -- and everybody will have an
13 opportunity to review when we do the rate
14 case filing and we look at the normalized
15 revenues because of all the ins and outs that
16 go on in the course of the year. We have to
17 take a look at what is a normal level of
18 revenue, especially taking into account the
19 impact of lower taxes.

20 What we've done now, and again, where it
21 was beneficial having the timing of the test
22 year, if some of these are one-time, or if
23 they're not, what we're really doing is we're
24 providing immediate rate reduction or rate --

1 either rate reduction or offsetting other
2 rate increases that otherwise would have
3 happened. And that's where I go with my
4 "dollars for dollars" lingo.

5 Q. But the 1.4 million is proposed to be sent
6 back to the customers through a base rate
7 adjustment, negative adjustment, reduction of
8 1.06 percent; correct?

9 A. That's the remainder of the four -- of the
10 1.4 million. That's the \$442,000.

11 Q. And then turning to the \$38,000 which appears
12 on this page also -- or \$39,000 I guess it is
13 on Supplemental Attachment 1, under the
14 Company's proposal to offset this against
15 future rate case expenses, when would that
16 \$39,000 be returned to customers, and through
17 what mechanism?

18 A. Well, that would be through an adjustment.
19 Typically what happens with Granite State is
20 an adjustment to distribution rates at the
21 end of a proceeding. And so that would
22 happen, you know, following the end of the
23 proceeding. The rate case expenses that
24 would be recovered would be that much lower.

1 Q. And when would that be, date-wise?

2 A. Well, as I play this out, if we make the
3 filing in April of next year, if we get
4 permanent rates effective May 1 of 2020, it
5 would start then.

6 Q. And over what time period would it be sent
7 back to customers starting May 1, 2020?

8 A. Depends on what period of recovery the
9 parties agree to in that proceeding. The
10 last rate case for Granite State had a
11 20-month recovery period. But a lot of that
12 is going to depend on what else is happening
13 in the case and the amount of rate case
14 expenses incurred.

15 Q. So in the last rate case, it was a 20-month
16 period? Is that what you said?

17 A. I did.

18 Q. So under that scenario, then the pass-back
19 would carry into the end of 2022; is that
20 right?

21 A. 2021.

22 Q. 2021. So if the same format was followed in
23 the next rate case, the last dollars of this
24 would be passed back 12/31/2021.

1 A. Correct.

2 Q. And then that would be through a rate
3 deduction, presumably, if we followed the
4 model that was set up in the last Granite
5 State Electric case.

6 A. It would be through a lower recovery of rate
7 case expenses, that at the end of the
8 December 2021 the rate case expense recovery
9 would then come out of rates.

10 Q. And then I believe, again, if we follow the
11 model from 16-383, that would be a base rate
12 deduction were not for this intervening tax
13 change.

14 A. You lost me there.

15 Q. Sorry. Under the settlement, when you got to
16 the end of the rate case recovery period from
17 16-383, rate case expense recovery period,
18 what rate change would happen at that time?

19 A. The annualized recovery rate case expenses
20 and recoupment would come out of rates. As
21 discussed earlier, the total amount of those
22 annual amounts was \$964,000. So the annual
23 amount of that would have come out of rates
24 effective after December 31st of 2018. In

1 this case, we proposed to stop that much
2 sooner, effective June 1.

3 Q. Right. And my question is: When you say
4 "come out of rates," is that base rates or
5 through a surcharge? How does that happen?

6 A. Base rates.

7 Q. And again, I think we discussed this. I'm
8 getting the cases mixed up. It might have
9 been in the prior docket. But we discussed
10 at least the way rate case expenses were
11 dealt with in the last case, they're not
12 reconciled to actual recovery; is that
13 correct?

14 A. That's correct.

15 Q. Now, a few days ago the Commission reviewed
16 your Company's filings in what you call the
17 annual retail rate filing. I forget the
18 docket number. 18-051 maybe. Do you recall
19 that?

20 A. I was there at the end of the proceeding.

21 Q. Mechanically speaking, would there be a way
22 to include this \$38,855 in the filing of the
23 rates proposed in that case?

24 A. Well, mechanically speaking, you can move

1 dollars around, yes. I think you'd have to
2 reopen that proceeding to change that. But
3 as I said to Mr. Buckley, we'll do with the
4 38,000 whatever the Commission orders coming
5 out of this proceeding.

6 Q. And the rates that were -- or the costs that
7 were reviewed in 18-051, the annual retail
8 rate filing, those mechanisms are
9 reconciling; correct?

10 A. They are.

11 Q. So if the Commission were to order that
12 38,855 be delivered back to customers in that
13 docket, there would be a better chance that
14 the customers would get the 38,855 versus
15 doing it through a rate case expense recovery
16 mechanism, if we use the model that was laid
17 out in 16-383. Would you agree with that?

18 A. No. I would say they'd get it one way or the
19 other. We're not going to retain it.

20 Q. Yes, but you did agree that the rate case
21 expenses aren't reconciled to actual
22 recovery. So there is a chance for over or
23 under recovery; correct?

24 A. It can work either way, so they may actually

1 get more than that.

2 MR. DEXTER: That's all the
3 questions we have.

4 CHAIRMAN HONIGBERG: Commissio
5 ner Bailey.

6 COMMISSIONER BAILEY: Thank
7 you.

8 INTERROGATORIES BY COMMISSIONERS:

9 BY COMMISSIONER BAILEY:

10 Q. I just have one question about the rate
11 design in the \$440,000 that you're using to
12 decrease the distribution charges.

13 A. Yes.

14 Q. The block charges, the usage-based charges,
15 it seems like the reduction is more weighted
16 in the first 250-kilowatt-hour charge than
17 the excess 250-kilowatt-hour charge. But I
18 thought that the settlement, one of the
19 agreements in the settlement was to try to
20 get those two rates to be the same.

21 A. Eventually, over three years.

22 Q. But doesn't this make it worse, harder for
23 next year?

24 A. Make what worse?

1 Q. The separation between the first 250-kilowatt
2 hours and the excess?

3 A. No, because the way that the settlement reads
4 is that you take the difference between the
5 two and you keep ratcheting it down. So, to
6 the extent that they change -- and what's not
7 reflected in Exhibit 4 is one of the exhibits
8 we talked about in the last case, which was
9 the second step of moving the blocks closer,
10 we wanted to keep this the same presentation
11 as what was provided in the other dockets.
12 But what would really happen here is that by
13 implementing that second step of the phased
14 reduction and the difference between the
15 blocks is that there would be a slight --
16 there would be a -- what you see on Exhibit 4
17 for the proposed rates for the first 250
18 kilowatt hours and the excess of 250 kilowatt
19 hours, those rates, by factoring in that rate
20 design change, those would actually be a
21 little closer than what you see on this. The
22 actual impacts would be slightly different.
23 I mean, if you're looking at this bill impact
24 for a 650-kilowatt customer, it's not going

1 to make that much of a difference. If you
2 added 500 kilowatt hours, it wouldn't make
3 any difference because you'd have 250 and
4 250. So, for purposes of presentation,
5 without confusing things and changing those
6 rates for this exhibit to keep it the same,
7 that would still -- that's going to be one
8 other thing that just kind of factors in here
9 effective June 1.

10 So, a long way of trying to answer your
11 question, I don't think -- there shouldn't be
12 a problem going to the third step of this
13 because the third step of this is basically
14 to make the blocks the same. So whatever
15 they are, by the time we get to next year,
16 May 1st, 2019, those blocks will be the same.

17 Q. And the difference between the two blocks if
18 we implement this rate change on Exhibit 4,
19 isn't the difference between those two blocks
20 greater than -- maybe I'm wrong but...

21 (Discussion off the record among
22 Commissioners.)

23 COMMISSIONER BAILEY: All
24 right. Okay. I'm all set. Thank you.

1 CHAIRMAN HONIGBERG: Commissio
2 ner Giaimo.

3 BY COMMISSIONER GIAIMO:

4 Q. I'll continue on with the \$38,000 question.

5 Just so I understand this right, so,
6 effective May 1st, 2020, for 20 months from
7 that point forward, for 20 months, customers
8 will receive a relatively small savings to
9 capture the \$38,000 of savings which you're
10 suggesting deferring until after the next
11 rate case.

12 A. That's under the scenario posed by Mr.
13 Dexter, where we had a similar 20-month
14 recovery period.

15 Q. Okay. It could be fashioned differently is
16 what you're saying?

17 A. Exactly.

18 Q. Thank you. That helps.

19 And my follow-up question is what number
20 would be large enough for you to say let's
21 return this number, let's return this amount
22 immediately as opposed to waiting?

23 A. Well, I think you've seen that we took
24 numbers that we determined were large enough

1 to provide benefit for, and we did. This was
2 just the remainder. And considering the very
3 minimal impact it would have on a customer
4 bill, we said, well, okay, it's -- as I said
5 in my testimony, it's really a one-time
6 thing. So if we know we're going to have
7 rate case expenses coming up, you know, that
8 would eventually be recovered for customers.

9 Q. And not to be argumentative, but it is
10 possible that customers could leave over the
11 next six months. And even though it's a
12 small amount, that would be money that was
13 not recaptured by those customers.

14 A. That's true. And we could also have
15 customers who take service who didn't pay the
16 higher tax.

17 Q. Fair enough.

18 COMMISSIONER GIAIMO: Thanks.
19 I'm good.

20 CHAIRMAN HONIGBERG: I have no
21 questions.

22 Mr. Sheehan, do you have
23 anything further for Mr. Mullen?
24

1 REDIRECT EXAMINATION

2 BY MR. SHEEHAN:

3 Q. Once again I need to beat the \$38,000 horse
4 one more time.5 Just as a matter of scale, Mr. Hall has
6 done math for me. And I'm just going to ask
7 you if you think this is an appropriate order
8 of magnitude if you calculate a \$38,000
9 reduction in rates, it comes out to 4 cents
10 per month. Does that sound like a right
11 order of magnitude?

12 A. Subject to check, yes.

13 Q. And if we did that four-cent reduction per
14 month, we'd have to increase it at the end of
15 the time after recovering the \$38,000; is
16 that correct?17 A. Correct. And that goes again to my whole
18 test-year normalization discussion.19 MR. SHEEHAN: That's all I
20 have. Thank you.21 CHAIRMAN HONIGBERG: All
22 right. Thank you, Mr. Mullen.23 Is there anything else we need
24 to do before wrapping up?

1 [No verbal response]

2 CHAIRMAN HONIGBERG: Without
3 objection, we'll strike I.D. on Exhibits 1,
4 2, 3 and 4 and have the parties sum up. Mr.
5 Buckley.

6 CLOSING STATEMENTS

7 MR. BUCKLEY: Thank you, Mr.
8 Chairman.

9 Subject to the resolution of
10 the pendency of Docket 16-383's step increase
11 discussion, and with the caveat that we very
12 strongly believe that the \$38,000, roughly
13 \$38,000 figure, should be returned to
14 customers on June 1st, the OCA is supportive
15 of this filing and recommends the
16 Commission's approval. Thank you.

17 CHAIRMAN HONIGBERG: Mr.
18 Dexter.

19 MR. DEXTER: Thank you,
20 Commissioners.

21 Generally Staff is supportive
22 of the filing. We believe the Company did a
23 nice job in returning this \$1.4 million to
24 customers quickly, as well as the \$600,000 to

1 customers quickly. And we appreciate the
2 proposal to get that money back to customers
3 in a timely fashion.

4 Regarding the \$39,000 we've
5 discussed a number of different ways, I've
6 asked the witness what he thought
7 mechanically might work. I believe Staff's
8 recommendation would be to return this
9 \$39,000 through the annual retail rates that
10 we just went to hearing about 10 days ago.
11 And our reasons for that are two: One is
12 those rates would be effective June 1st and
13 so the money would start to flow back to
14 customers right away; and second, that rate
15 is reconciling, so that the \$38,000 -- the
16 \$39,000 would be returned in full. There
17 wouldn't be any over or under recovery to
18 worry about. We think that would be the
19 easiest way to do it. That rate is designed
20 for annual changes with recoveries of over
21 and under. So with that, we recommend the
22 Company's filing as submitted, with that
23 change for the \$39,000.

24 CHAIRMAN HONIGBERG: Thank

1 you, Mr. Dexter.

2 WITNESS MULLEN: May I
3 approach counsel for a second?

4 CHAIRMAN HONIGBERG: Sure.

5 MR. SHEEHAN: I thought
6 counsel was supposed to approach him.

7 CHAIRMAN HONIGBERG: Off the
8 record.

9 (Discussion off the record)

10 CHAIRMAN HONIGBERG: Mr.
11 Sheehan.

12 MR. SHEEHAN: Thank you.

13 We appreciate the other
14 parties' support for this filing. A lot of
15 thought and effort has gone into it over the
16 last six months, as not only New Hampshire,
17 but nationwide, as we all struggle with the
18 new tax law. And so I appreciate the support
19 and we ask the Commission approve it.

20 As to the possible retail rate
21 mechanism for returning the \$38,000, there
22 would have to be a determination of what
23 bucket it goes in. Retail rate only has
24 certain buckets of money to put it in. It

1 probably wouldn't be good to put this kind of
2 money into the transmission charge. And I'm
3 not sure what the others are. But it may
4 raise stranded costs. It may raise more
5 complications and issues than it's worth. So
6 I'd just ask that -- but I fall back to what
7 Mr. Mullen said. We'll do what you tell us
8 to do.

9 CHAIRMAN HONIGBERG: Thank
10 you, Mr. Sheehan.

11 All right. With nothing else
12 to do, we will close the hearing and take the
13 matter under advisement and issue an order as
14 quickly as we can.

15 (Hearing concluded a 4:55 p.m.)

16
17
18
19
20
21
22
23
24

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24

C E R T I F I C A T E

I, Susan J. Robidas, a Licensed
Shorthand Court Reporter and Notary Public
of the State of New Hampshire, do hereby
certify that the foregoing is a true and
accurate transcript of my stenographic
notes of these proceedings taken at the
place and on the date hereinbefore set
forth, to the best of my skill and ability
under the conditions present at the time.

I further certify that I am neither
attorney or counsel for, nor related to or
employed by any of the parties to the
action; and further, that I am not a
relative or employee of any attorney or
counsel employed in this case, nor am I
financially interested in this action.

Susan J. Robidas, LCR/RPR
Licensed Shorthand Court Reporter
Registered Professional Reporter
N.H. LCR No. 44 (RSA 310-A:173)

	added (1) 31:2	appreciate (3) 36:1;37:13,18	below (1) 16:1	17,23;16:12,13,17, 18;18:6,14,18;19:1,4, 12;21:21;23:14; 24:15,23;25:10,13, 13,15,23;26:5,7,8,16, 17,19;27:1,10,11,23; 28:15,20;30:8;32:11; 33:7
\$	additional (2) 10:7;21:14	appreciates (1) 20:12	beneficial (1) 23:21	cases (1) 27:8
\$1.4 (6) 10:1;21:11;22:2; 23:5,7;35:23	adjusted (1) 12:11	approach (2) 37:3,6	benefit (2) 19:7;33:1	cautioned (1) 5:23
\$1.5 (1) 13:6	adjustment (4) 24:7,7,18,20	appropriate (2) 21:18;34:7	benefits (1) 20:23	caveat (1) 35:11
\$2 (3) 19:7;20:23,24	adopt (1) 8:4	appropriately (1) 18:9	better (1) 28:13	cents (1) 34:9
\$38,000 (17) 14:5,13;19:8,11, 20;20:5,11;24:11; 32:4,9;34:3,8,15; 35:12,13;36:15; 37:21	advantageous (1) 13:16	approval (1) 35:16	bill (3) 16:22;30:23;33:4	certain (2) 19:22;37:24
\$38,855 (2) 14:9;27:22	advisement (1) 38:13	approve (1) 37:19	block (1) 29:14	CHAIRMAN (20) 4:2,14,23;5:15,19; 10:19,22;20:15;29:4; 32:1;33:20;34:21; 35:2,8,17;36:24;37:4, 7,10;38:9
\$39,000 (7) 16:9;24:12,16; 36:4,9,16,23	Advocate (3) 4:17;18:5,22	approved (2) 11:18;15:9	blocks (6) 30:9,15;31:14,16, 17,19	change (2) 28:13,22
\$440,000 (1) 29:11	affairs (1) 6:6	approximately (2) 10:3;19:7	both (3) 7:20,23;15:17	change (14) 7:4;12:11;13:3; 14:7,18;17:24;20:4; 26:13,18;28:2;30:6, 20;31:18;36:23
\$442,000 (2) 10:3;24:10	afternoon (3) 4:10,13,19	April (5) 5:3,5,6;11,13;25:3	bottom (1) 17:16	changes (12) 4:5;6:19;7:9,10; 8:1,3,12;9:7;13:11; 17:1;19:4;36:20
\$442,365 (1) 11:19	again (10) 12:6;15:19;17:11; 22:9,22;23:20;26:10; 27:7;34:3,17	argumentative (1) 33:9	Brennan (1) 4:15	changing (1) 31:5
\$552,414 (1) 12:16	against (4) 17:3,9;21:19;24:14	around (1) 28:1	Brian (1) 4:14	charge (3) 29:16,17;38:2
\$600,000 (1) 35:24	ago (2) 27:15;36:10	Aside (1) 8:3	bucket (1) 37:23	charged (1) 17:4
\$964,000 (1) 26:22	agree (4) 19:24;25:9;28:17, 20	associated (2) 11:16;12:14	buckets (1) 37:24	charges (4) 10:6;29:12,14,14
[agreement (2) 15:10,13	Attachment (9) 7:6,12,19,22;9:21; 14:10,12;20:21; 24:13	BUCKLEY (10) 4:13,15;10:20,21, 24;20:13;23:10;28:3; 35:5,7	chart (1) 11:12
[No (1) 35:1	agreements (1) 29:19	attachments (4) 5:4,7;6:11,13	bullet (1) 6:24	check (1) 34:12
A	allowance (1) 13:8	Attorney (1) 11:7	C	chose (1) 10:14
able (1) 13:17	Amidon (1) 4:20	away (1) 36:14	Calculate (2) 8:12;34:8	clarity (2) 11:21,21
above (3) 12:14,21;13:5	among (1) 31:21	B	calculated (3) 14:16;16:5;21:9	close (1) 38:12
accordingly (1) 12:11	amount (17) 9:5;14:17,21;15:5, 19;16:3,5,19;17:12; 18:19,23;22:10; 25:13;26:21,23; 32:21;33:12	back (9) 19:11;23:7;24:6; 25:7,24;28:12;36:2, 13;38:6	calculation (5) 11:23;14:13;16:15, 21,23	closer (2) 30:9,21
account (2) 18:20;23:18	amounts (7) 15:14,23,24;16:4; 21:5,8;26:22	Bailey (4) 29:5,6,9;31:23	calculations (1) 8:1	CLOSING (1) 35:6
accounts (1) 17:10	annual (22) 13:19;14:15,20,22; 15:22;16:3;21:9; 22:1,6,7,9,18,19,20; 23:8,9;26:22,22; 27:17;28:7;36:9,20	base (11) 12:14,19,20,22; 13:6,8,22;24:6; 26:11;27:4,6	call (1) 27:16	coincide (1) 13:14
accrue (1) 18:15	annualized (5) 15:13,19,22,24; 26:19	based (1) 12:11	came (1) 21:10	collection (1) 9:3
accurate (1) 11:11	appearances (1) 4:9	basically (4) 9:1;17:10;21:10; 31:13	can (10) 12:4;13:4,21;14:2, 8;18:21;19:14;27:24; 28:24;38:14	coming (5) 13:17;16:18;20:10;
across-the-board (1) 10:5	appears (1) 24:11	basis (2) 22:18;23:8	capture (1) 32:9	
actual (4) 8:1;27:12;28:21; 30:22		Bates (5) 11:3;14:2,3;17:16; 18:1	carry (1) 25:19	
actually (5) 13:15;15:14;18:20; 28:24;30:20		beat (1) 34:3	case (52) 5:14;8:23,24;9:9, 10;12:5,15,19,20,22; 13:6,8,16,22,23;15:5,	

28:4;33:7 Commissio (2) 29:4;32:1 Commission (8) 4:20;5:3,7;20:10; 27:15;28:4,11;37:19 Commission-approved (1) 13:6 COMMISSIONER (5) 29:6,9;31:23;32:3; 33:18 Commissioners (5) 4:11,14;29:8; 31:22;35:20 Commission's (2) 10:8;35:16 Company (12) 5:2;8:9,14,21;10:4, 10,14;13:21;16:10, 11;19:3;35:22 Company's (7) 8:17,24;20:22; 23:6;24:14;27:16; 36:22 compare (2) 15:2;16:7 compared (1) 19:8 complications (1) 38:5 components (1) 17:23 conceive (2) 19:10,14 concern (1) 18:5 concluded (1) 38:15 confusing (1) 31:5 considering (2) 16:19;33:2 Consumer (3) 4:16;18:4,22 continue (1) 32:4 Corp (1) 6:7 Corp's (1) 4:4 CORRECTED (1) 7:21 corrections (1) 6:21 costs (4) 9:14;17:3;28:6; 38:4 counsel (2) 37:3,6 course (2) 18:15;23:16 Court (1) 5:23	cover (1) 16:12 covered (1) 11:7 CROSS-EXAMINATION (2) 10:23;20:18 customer (3) 16:22;30:24;33:3 customers (21) 9:1;17:4;19:8,12, 17;20:24;24:6,16; 25:7;28:12,14;32:7; 33:8,10,13,15;35:14, 24;36:1,2,14 cutting (1) 15:15	15:4 describe (2) 6:8;13:4 describes (1) 11:13 design (2) 29:11;30:20 designed (1) 36:19 determination (1) 37:22 determined (2) 14:14;32:24 DEXTER (10) 4:19,20;20:16,17, 19;29:2;32:13;35:18, 19;37:1 difference (7) 13:3;30:4,14;31:1, 3,17,19 different (6) 18:13;21:4,7;23:2; 30:22;36:5 differently (1) 32:15 DIRECT (1) 6:1 discussed (9) 9:7;18:3,7,11; 23:10;26:21;27:7,9; 36:5 discussing (1) 17:17 discussion (6) 22:11,16;31:21; 34:18;35:11;37:9 distribution (6) 8:15;9:11;10:6; 21:15;24:20;29:12 Division (1) 4:22 Docket (8) 4:3;5:14;8:9;10:9; 27:9,18;28:13;35:10 dockets (3) 14:6;18:7;30:11 document (3) 5:12;10:10;17:17 dollars (6) 8:11,11;24:4,4; 25:23;28:1 done (2) 23:20;34:6 double-count (1) 23:1 double-counting (1) 22:10 down (3) 5:9;7:3;30:5 Dudley (1) 4:21 due (1) 9:6	duly (1) 5:22	E	30:2,18 excuse (1) 14:10 exhibit (21) 4:6;5:3,5,7,10; 6:12,14,16,22,23;7:9, 16;9:22;11:2;14:11; 20:20;22:12;30:7,16; 31:6,18 exhibits (5) 5:2;6:9;7:10;30:7; 35:3 existed (1) 23:2 expense (8) 13:5;15:17;19:4; 21:21;22:23;26:8,17; 28:15 expenses (19) 8:23;11:22,24; 12:5;15:6,24;16:13, 17,18;18:14,18; 24:15,23;25:14;26:7, 19;27:10;28:21;33:7 explain (1) 21:7 explained (3) 4:7;16:14;21:16 explaining (1) 22:14 expressed (1) 20:1 extent (1) 30:6 extra (1) 9:13
	D				F
	date (2) 5:9;7:1 dated (2) 6:11,13 dates (5) 7:7,13,14,19,22 date-wise (1) 25:1 days (2) 27:15;36:10 DE (3) 4:3;8:24;13:7 deal (1) 5:16 dealing (1) 19:1 dealt (1) 27:11 December (3) 15:8;26:8,24 decides (1) 20:10 decrease (8) 9:2,5;10:5;11:16, 19;21:15;22:2;29:12 deduction (2) 26:3,12 defer (1) 16:11 deferral (1) 18:19 deferring (1) 32:10 defers (1) 18:9 definitely (1) 18:24 delivered (1) 28:12 depend (1) 25:12 depends (2) 12:17;25:8 derivation (1)				facto (1) 13:7 factored (1) 13:12 factoring (1) 30:19 factors (1) 31:8 fair (2) 9:5;33:17 fall (1) 38:6 familiar (1) 5:12 fashion (1) 36:3 fashioned (1) 32:15 federal (2) 4:5;8:13 felt (1) 21:18 few (1) 27:15

<p>figure (3) 14:5;15:20;35:13</p> <p>figured (3) 16:24;17:5,12</p> <p>filed (3) 5:8;6:14;11:2</p> <p>filing (11) 4:5;7:7;23:14; 25:3;27:17,22;28:8; 35:15,22;36:22; 37:14</p> <p>filings (2) 17:6;27:16</p> <p>first (8) 6:9,20,23,24; 18:18;29:16;30:1,17</p> <p>fit (1) 19:23</p> <p>five (1) 14:19</p> <p>five-twelfths (1) 14:20</p> <p>flow (2) 19:11;36:13</p> <p>flows (1) 19:3</p> <p>follow (1) 26:10</p> <p>followed (2) 25:22;26:3</p> <p>following (1) 24:22</p> <p>follow-up (1) 32:19</p> <p>forget (1) 27:17</p> <p>format (1) 25:22</p> <p>forward (2) 13:19;32:7</p> <p>four (2) 5:2;24:9</p> <p>four-cent (1) 34:13</p> <p>front (2) 5:11;6:16</p> <p>full (2) 22:22;36:16</p> <p>fully (1) 8:18</p> <p>Further (4) 7:3;10:18;20:13; 33:23</p> <p>future (3) 16:12;17:5;24:15</p>	<p>14:12;22:15;34:17; 37:23</p> <p>going-forward (1) 10:1</p> <p>Good (6) 4:10,13,19;11:5; 33:19;38:1</p> <p>Granite (5) 4:4,12;24:19; 25:10;26:4</p> <p>greater (1) 31:20</p> <p>guess (4) 12:2,17;18:6;24:12</p>	<p>ID (1) 35:3</p> <p>identify (1) 12:4</p> <p>imagine (1) 18:21</p> <p>immediate (2) 9:2;23:24</p> <p>immediately (2) 10:12;32:22</p> <p>impact (16) 8:12,18;9:24;10:1; 14:20,22;21:10;22:8; 9,19,20;23:4,9,19; 30:23;33:3</p> <p>impacts (1) 30:22</p> <p>implement (1) 31:18</p> <p>implementing (1) 30:13</p> <p>include (1) 27:22</p> <p>increase (6) 13:7,22;15:20; 20:6;34:14;35:10</p> <p>increases (7) 8:15,15,18;9:11; 11:17,20;24:2</p> <p>incremental (2) 12:21;13:1</p> <p>incur (1) 18:14</p> <p>incurred (1) 25:14</p> <p>incurring (1) 18:18</p> <p>information (1) 7:16</p> <p>ins (1) 23:15</p> <p>interest (3) 18:8,16,23</p> <p>interests (1) 4:17</p> <p>INTERROGATORIES (1) 29:8</p> <p>intervening (1) 26:12</p> <p>into (5) 13:13;23:18;25:19; 37:15;38:2</p> <p>issue (1) 38:13</p> <p>issues (1) 38:5</p> <p>item (2) 15:1;16:16</p> <p>items (1) 16:6</p>	<p>James (1) 4:15</p> <p>January (2) 9:4;23:4</p> <p>Jay (1) 4:21</p> <p>job (2) 11:5;35:23</p> <p>Joining (1) 4:21</p> <p>July (6) 7:1,5,8,13,20,23</p> <p>June (14) 8:17;14:6,18,24; 15:7;20:4,7;21:12; 22:2,6;27:2;31:9; 35:14;36:12</p>	<p>7:13,13;10:2,2; 11:12;12:5,9;14:3,14, 16,21;15:3,4,4,11,16; 16:1,5,8,8;17:19; 21:1,2</p> <p>Lines (5) 7:7,19,22;11:3; 15:18</p> <p>lingo (1) 24:4</p> <p>little (2) 21:14;30:21</p> <p>long (1) 31:10</p> <p>look (8) 5:11;12:24;14:11, 16,22;1;23:12,14,17</p> <p>looked (2) 12:10;22:4</p> <p>looking (5) 20:20;21:11;22:16, 17;30:23</p> <p>lost (1) 26:14</p> <p>lot (3) 19:16;25:11;37:14</p> <p>lots (1) 19:14</p> <p>lower (7) 12:18;14:22;22:19, 22;23:19;24:24;26:6</p>
	H		K	
	<p>Hall (1) 34:5</p> <p>Hampshire (1) 37:16</p> <p>happen (5) 12:13;24:22;26:18; 27:5;30:12</p> <p>happened (2) 8:22;24:3</p> <p>happening (3) 13:15;21:12;25:12</p> <p>happens (1) 24:19</p> <p>harder (1) 29:22</p> <p>head (1) 7:15</p> <p>heads-up (1) 22:12</p> <p>heard (3) 6:8;7:12;14:5</p> <p>hearing (3) 36:10;38:12,15</p> <p>helps (1) 32:18</p> <p>high (1) 8:8</p> <p>higher (3) 12:17;22:7;33:16</p> <p>hold (1) 19:19</p> <p>HONIGBERG (17) 4:2,23;5:15,19; 10:19;20:15;29:4; 32:1;33:20;34:21; 35:2,17;36:24;37:4,7, 10;38:9</p> <p>honors (1) 5:20</p> <p>horse (1) 34:3</p> <p>hours (4) 30:2,18,19;31:2</p>	L	<p>keep (3) 30:5,10;31:6</p> <p>kilowatt (3) 30:18,18;31:2</p> <p>kind (4) 8:10;22:11;31:8; 38:1</p>	
			M	
				<p>magnitude (2) 34:8,11</p> <p>manager (1) 6:6</p> <p>manner (1) 17:11</p> <p>many (1) 7:14</p> <p>marked (1) 6:10</p> <p>match (2) 19:22;21:19</p> <p>matched (1) 21:13</p> <p>math (1) 34:6</p> <p>matter (3) 6:15;34:5;38:13</p> <p>May (15) 6:15;7:2,5,8,14,20, 23;25:4,7;28:24; 31:16;32:6;37:2; 38:3,4</p> <p>maybe (2) 27:18;31:20</p> <p>mean (4) 5:10;9:18;18:16; 30:23</p> <p>Mechanically (3)</p>
	I	J		
<p>Generally (1) 35:21</p> <p>Gaiimo (3) 32:2,3;33:18</p> <p>goes (4)</p>				

27:21,24;36:7 mechanism (4) 19:10;24:17;28:16; 37:21 mechanisms (1) 28:8 mentioned (4) 6:21;7:24;9:23; 20:21 might (2) 27:8;36:7 Mike (1) 4:11 million (15) 10:2;13:7;19:7; 20:23,24;21:1,11; 22:3,7,20;23:5,7; 24:5,10;35:23 mind (1) 8:4 minimal (1) 33:3 minute (1) 15:4 mixed (1) 27:8 model (3) 26:4,11;28:16 money (5) 33:12;36:2,13; 37:24;38:2 month (2) 34:10,14 months (6) 14:19;16:2;32:6,7; 33:11;37:16 more (13) 7:11;9:1,6,18;11:8; 18:9;21:14,17,22:12; 29:1,15;34:4;38:4 most (2) 8:24;11:2 move (1) 27:24 moving (1) 30:9 much (5) 15:20;22:7;24:24; 27:1;31:1 Mullen (16) 5:4,5,9,22;6:3,5,8; 11:1;18:4;19:10; 20:12,20;33:23; 34:22;37:2;38:7 myself (1) 8:11	nature (1) 23:2 need (3) 5:16;34:3,23 negative (1) 24:7 ner (2) 29:5;32:2 net (2) 11:19;18:19 New (2) 37:16,18 next (13) 7:4;12:12,13,24; 13:23;16:12;19:12; 25:3,23;29:23;31:15; 32:10;33:11 nice (1) 35:23 None (1) 5:18 non-permanent (1) 11:24 non-recurring (1) 11:24 normal (1) 23:17 normalization (1) 34:18 normalize (2) 13:10;22:21 normalized (3) 13:13;22:18;23:14 note (1) 17:20 number (8) 5:14;15:11;18:21; 20:8;27:18;32:19,21; 36:5 numbers (6) 9:23;11:9;15:12, 18;21:13;32:24	offsetting (2) 11:20;24:1 Once (2) 18:17;34:3 one (14) 4:6,24;11:15; 12:12;13:2;20:2; 21:9;28:18;29:10,18; 30:7;31:7;34:4;36:11 one-time (14) 11:23;15:1;16:15, 16;17:13,20;18:2; 21:17,19,24;22:15; 23:11,22;33:5 ongoing (1) 23:8 only (4) 12:1;16:2;37:16,23 operate (1) 17:10 opportunity (1) 23:13 opposed (1) 32:22 order (7) 10:8;15:11,19; 28:11;34:7,11;38:13 orders (1) 28:4 others (1) 38:3 otherwise (6) 8:16;9:4;14:23; 17:4;20:6;24:2 out (10) 19:19;20:10;25:2; 26:9,20,23;27:4;28:5, 17;34:9 outs (1) 23:15 over (10) 9:7;16:3;18:14; 25:6;28:22;29:21; 33:10;36:17,20; 37:15 overall (3) 8:13;11:19,23 overview (1) 8:8 own (2) 11:21;19:16	parties (3) 20:2;25:9;35:4 parties' (1) 37:14 pass (1) 23:7 pass-back (1) 25:18 passed (1) 25:24 pasting (1) 15:16 pay (1) 33:15 pendency (1) 35:10 per (2) 34:10,13 percent (3) 10:7;21:15;24:8 period (9) 15:7,9;25:6,8,11, 16;26:16,17;32:14 permanent (2) 11:15;25:4 phased (1) 30:13 piece (2) 5:10;19:1 pieces (1) 19:23 planned (1) 11:18 planning (1) 13:22 play (1) 25:2 please (3) 5:20;6:3;14:8 Plus (1) 21:13 pm (1) 38:15 point (1) 32:7 portion (1) 14:17 posed (1) 32:12 position (1) 6:4 positive (1) 18:20 possible (2) 33:10;37:20 possibly (1) 20:4 premarked (1) 5:2 presentation (2) 30:10;31:4 presumably (1) 26:3	pretty (1) 19:17 previous (2) 14:6;18:7 previously (1) 18:3 prior (6) 5:13;14:17;19:12; 22:5;23:3;27:9 probably (1) 38:1 problem (1) 31:12 proceeding (10) 4:24;18:11,15; 20:11;24:21,23;25:9; 27:20;28:2,5 proceedings (2) 5:13;20:3 proposal (11) 8:17,20;10:11; 17:6;19:15,21,21; 20:22;23:7;24:14; 36:2 propose (1) 21:4 proposed (12) 8:14,21;9:12;10:4; 14:18;16:10,11;17:8; 24:5;27:1,23;30:17 proposing (1) 8:9 provide (2) 17:15;33:1 provided (4) 7:17;19:6;21:14; 30:11 providing (1) 23:24 pulled (1) 15:12 purposes (1) 31:4 put (4) 16:20;19:21;37:24; 38:1 putting (1) 17:3
N	O	P	Q	
name (3) 4:14;6:3,5 nationwide (1) 37:17	O&M (6) 12:8,13;13:5,8,12, 22 objection (1) 35:3 OCA (2) 20:12;35:14 occurred (1) 9:4 off (3) 31:21;37:7,9 Office (3) 4:16;18:4,21 offset (5) 8:18;9:10;12:23; 13:5;24:14 offsets (3) 9:6,13;17:1	page (5) 6:24;7:3;11:3; 22:12;24:12 paper (1) 5:10 paragraph (1) 7:4 part (2) 8:20;17:21	raise (2) 38:4,4	

<p>ran (1) 11:10</p> <p>ratcheting (1) 30:5</p> <p>rate (64) 8:14,15,23,24;9:7, 9,11;12:5;13:16,23; 14:7,18;15:5,17,23; 16:12,12,17,18,21; 17:24;18:14,18;19:4, 12;20:4,6;21:21; 22:1,6;23:13,24,24; 24:1,2,6,15,23;25:10, 13,15,23;26:2,6,8,11, 16,17,18,19;27:10, 17;28:8,15,20;29:10; 30:19;31:18,32;11; 33:7;36:14,19;37:20, 23</p> <p>ratepayers (2) 4:18;18:10</p> <p>rates (28) 4:6;6:6;9:2;10:6; 12:10;15:20;21:15; 22:2,5;23:3,3;24:20; 25:4;26:9,20,23;27:4, 4,6,23;28:6;29:20; 30:17,19;31:6;34:9; 36:9,12</p> <p>rather (1) 19:4</p> <p>reading (1) 17:19</p> <p>reads (1) 30:3</p> <p>really (8) 11:5;14:24;16:15; 18:13;22:14;23:23; 30:12;33:5</p> <p>reason (1) 14:9</p> <p>reasonable (1) 17:5</p> <p>reasoning (2) 17:16,21</p> <p>reasons (1) 36:11</p> <p>recall (1) 27:18</p> <p>recaptured (1) 33:13</p> <p>receive (1) 32:8</p> <p>recent (2) 8:24;11:8</p> <p>recently (1) 11:2</p> <p>recommend (1) 36:21</p> <p>recommendation (1) 36:8</p> <p>recommends (1) 35:15</p>	<p>reconciled (2) 27:12;28:21</p> <p>reconciliation (1) 19:13</p> <p>reconciling (2) 28:9;36:15</p> <p>record (5) 11:22;18:12;31:21; 37:8,9</p> <p>recoupment (7) 8:23;15:5,14,16, 23;21:21;26:20</p> <p>recover (2) 12:23;18:23</p> <p>recovered (5) 15:6;16:4,7;24:24; 33:8</p> <p>recoveries (1) 36:20</p> <p>recovering (1) 34:15</p> <p>recovery (19) 8:22;12:7;13:1; 15:9,21;21:22;25:8, 11;26:6,8,16,17,19; 27:12;28:15,22,23; 32:14;36:17</p> <p>REDIRECT (1) 34:1</p> <p>reduce (1) 12:1</p> <p>reduced (2) 22:5;23:4</p> <p>reducing (2) 20:5;23:3</p> <p>reduction (10) 11:15;14:15;19:2; 23:24;24:1,7;29:15; 30:14;34:9,13</p> <p>refer (1) 8:10</p> <p>reflected (2) 14:23;30:7</p> <p>reform (6) 8:19;9:6,24;10:9; 13:5;19:2</p> <p>regarding (2) 4:5;36:4</p> <p>regulatory (1) 6:6</p> <p>related (5) 8:12;13:11;20:3, 11;21:20</p> <p>relative (2) 11:14;14:6</p> <p>relatively (5) 16:19,24;17:12; 20:9;32:8</p> <p>relief (1) 19:16</p> <p>remainder (5) 12:8;14:13;17:2; 24:9;33:2</p>	<p>remaining (6) 8:22;10:3;14:9; 15:6;16:2;21:21</p> <p>reminder (1) 17:14</p> <p>reopen (1) 28:2</p> <p>REP (3) 12:14;13:8,12</p> <p>Reporter (1) 5:24</p> <p>representing (1) 4:17</p> <p>represents (1) 14:21</p> <p>require (1) 10:10</p> <p>required (1) 19:2</p> <p>requirement (1) 12:1</p> <p>requirements (1) 11:14</p> <p>reserves (1) 17:9</p> <p>residential (1) 4:18</p> <p>resolution (1) 35:9</p> <p>response] (1) 35:1</p> <p>result (1) 13:7</p> <p>retail (6) 9:9;27:17;28:7; 36:9;37:20,23</p> <p>retain (1) 28:19</p> <p>return (4) 20:23;32:21,21; 36:8</p> <p>returned (4) 18:10;24:16;35:13; 36:16</p> <p>returning (2) 35:23;37:21</p> <p>returns (1) 10:11</p> <p>revenue (8) 11:14;12:1;13:13; 14:15;22:3,18,21; 23:18</p> <p>revenues (5) 13:11,19;15:22; 19:2;23:15</p> <p>review (1) 23:13</p> <p>reviewed (3) 17:6;27:15;28:7</p> <p>right (12) 6:24;11:11;13:20; 15:12;25:20;27:3; 31:24;32:5;34:10,22;</p>	<p>36:14;38:11</p> <p>roughly (2) 20:23;35:12</p> <p>runs (1) 9:22</p> <p style="text-align: center;">S</p> <p>same (14) 5:12;7:3,4,11,16; 11:9;16:16;17:11; 25:22;29:20;30:10; 31:6,14,16</p> <p>savings (4) 9:19;10:11;32:8,9</p> <p>saying (1) 32:16</p> <p>scale (1) 34:5</p> <p>scenario (2) 25:18;32:12</p> <p>schedule (1) 9:22</p> <p>second (4) 30:9,13;36:14;37:3</p> <p>seems (1) 29:15</p> <p>senior (1) 6:5</p> <p>sent (2) 24:5;25:6</p> <p>sentence (1) 7:1</p> <p>separation (1) 30:1</p> <p>Service (2) 6:7;33:15</p> <p>set (2) 26:4;31:24</p> <p>settlement (6) 15:10,13;26:15; 29:18,19;30:3</p> <p>seven (1) 16:2</p> <p>SHEEHAN (15) 4:10,11,24;5:1,18; 6:2;10:17;11:7; 33:22;34:2,19;37:5, 11,12;38:10</p> <p>show (2) 16:22;22:21</p> <p>shown (1) 10:2</p> <p>side (2) 11:15,17</p> <p>sides (1) 11:13</p> <p>similar (4) 11:6;17:13;18:17; 32:13</p> <p>six (2) 33:11;37:16</p> <p>slight (1)</p>	<p>30:15</p> <p>slightly (2) 11:7;30:22</p> <p>small (6) 16:19,24;17:12; 20:9;32:8;33:12</p> <p>so-called (1) 10:9</p> <p>sooner (2) 8:21;27:2</p> <p>Sorry (1) 26:15</p> <p>sound (1) 34:10</p> <p>speaking (2) 27:21,24</p> <p>spending (1) 12:21</p> <p>spoke (1) 17:24</p> <p>Staff (2) 4:21;35:21</p> <p>Staff's (1) 36:7</p> <p>stands (1) 19:15</p> <p>start (5) 7:4;15:21;18:17; 25:5;36:13</p> <p>started (1) 21:11</p> <p>Starting (2) 14:14;25:7</p> <p>State (8) 4:4,5,12;6:3;8:13; 24:19;25:10;26:5</p> <p>statement (4) 5:4,6;6:12;22:13</p> <p>statements (3) 6:10;8:5;35:6</p> <p>step (5) 30:9,13;31:12,13; 35:10</p> <p>STEVEN (2) 5:22;6:5</p> <p>still (3) 16:6;23:4;31:7</p> <p>stop (1) 27:1</p> <p>storm (1) 17:9</p> <p>stranded (1) 38:4</p> <p>strike (1) 35:3</p> <p>strongly (1) 35:12</p> <p>struggle (1) 37:17</p> <p>Subject (2) 34:12;35:9</p> <p>submitted (1) 36:22</p>
--	---	---	--	--

<p>suggesting (1) 32:10</p> <p>sum (2) 16:1;35:4</p> <p>summarize (1) 14:8</p> <p>summarizing (1) 11:5</p> <p>supplemental (7) 5:6;6:12;7:18; 14:12;20:21;22:13; 24:13</p> <p>support (2) 37:14,18</p> <p>supportive (2) 35:14,21</p> <p>supposed (1) 37:6</p> <p>surcharge (1) 27:5</p> <p>sure (5) 4:7;13:17;16:21; 37:4;38:3</p> <p>Suzanne (1) 4:20</p> <p>sworn (2) 5:17,23</p>	<p>though (1) 33:11</p> <p>thought (4) 29:18;36:6;37:5,15</p> <p>three (2) 6:9;29:21</p> <p>timely (1) 36:3</p> <p>times (1) 14:20</p> <p>timing (1) 23:21</p> <p>today (4) 4:21;8:4,6;13:21</p> <p>together (2) 19:21,23</p> <p>took (1) 32:23</p> <p>top (2) 14:3;22:24</p> <p>total (3) 10:1;22:4;26:21</p> <p>totalled (1) 15:24</p> <p>towards (1) 20:5</p> <p>transmission (1) 38:2</p> <p>treat (2) 16:16;17:13</p> <p>treated (2) 9:16;17:14</p> <p>treatment (3) 18:13,17;21:8</p> <p>treatments (1) 21:4</p> <p>true (1) 33:14</p> <p>try (2) 19:22;29:19</p> <p>trying (2) 16:16;31:10</p> <p>turn (9) 6:23;7:6,18,21; 9:17,21;11:1;14:2,10</p> <p>turning (1) 24:11</p> <p>two (15) 6:20,24;7:11;8:5; 9:8;11:13;16:6;20:2; 21:5,8;29:20;30:5; 31:17,19;36:11</p> <p>type (2) 18:17;21:17</p> <p>types (1) 17:9</p> <p>Typically (1) 24:19</p> <p>typo (1) 15:15</p>	<p>under (10) 6:24;16:9;24:13; 25:18;26:15;28:23; 32:12;36:17,21; 38:13</p> <p>unquote (1) 21:23</p> <p>up (14) 4:6;9:19;13:17; 16:8,22;18:20;19:22; 21:13,19;26:4;27:8; 33:7;34:24;35:4</p> <p>usage-based (1) 29:14</p> <p>use (1) 28:16</p> <p>used (4) 5:13;9:19;15:21,22</p> <p>using (2) 13:4;29:11</p> <p>Utilities (4) 4:4,12;6:7;17:7</p>	<p>5:17;36:6;37:2</p> <p>word (1) 15:16</p> <p>words (1) 9:23</p> <p>work (2) 28:24;36:7</p> <p>worry (1) 36:18</p> <p>worse (2) 29:22,24</p> <p>worth (1) 38:5</p> <p>wrapping (1) 34:24</p> <p>written (1) 5:9</p> <p>wrong (1) 31:20</p>	<p>16-383 (7) 8:24;9:8,12;15:10; 26:11,17;28:17</p> <p>16-383's (1) 35:10</p> <p>18 (5) 15:3,4,4;16:5,8</p> <p>18-001 (1) 10:9</p> <p>18-034 (2) 9:8,12</p> <p>18-050 (1) 4:3</p> <p>18-051 (2) 27:18;28:7</p> <p>1st (15) 8:17;9:4;14:6,18, 24;15:7;20:4,7; 21:12;22:2;23:4; 31:16;32:6;35:14; 36:12</p>
T		V	Y	2
<p>Tab (4) 5:3,5,7,10</p> <p>table (2) 4:7;11:4</p> <p>talked (1) 30:8</p> <p>talking (1) 19:9</p> <p>tax (17) 4:6;8:12,19;9:6,19, 24;10:9,11;11:16; 13:5;19:1,3;20:23; 22:23;26:12;33:16; 37:18</p> <p>taxes (4) 8:13;14:22;22:19; 23:19</p> <p>technical (6) 5:4,6;6:10,12;8:5; 22:13</p> <p>test (6) 13:9,10,14;22:17, 23;23:21</p> <p>testimony (10) 5:8;6:14,22;7:24; 8:4,6;11:3;16:14; 21:17;33:5</p> <p>test-year (3) 13:11,13;34:18</p> <p>Thanks (1) 33:18</p> <p>third (2) 31:12,13</p>	<p>transmission (1) 38:2</p> <p>treat (2) 16:16;17:13</p> <p>treated (2) 9:16;17:14</p> <p>treatment (3) 18:13,17;21:8</p> <p>treatments (1) 21:4</p> <p>true (1) 33:14</p> <p>try (2) 19:22;29:19</p> <p>trying (2) 16:16;31:10</p> <p>turn (9) 6:23;7:6,18,21; 9:17,21;11:1;14:2,10</p> <p>turning (1) 24:11</p> <p>two (15) 6:20,24;7:11;8:5; 9:8;11:13;16:6;20:2; 21:5,8;29:20;30:5; 31:17,19;36:11</p> <p>type (2) 18:17;21:17</p> <p>types (1) 17:9</p> <p>Typically (1) 24:19</p> <p>typo (1) 15:15</p>	<p>value (3) 12:14,15;13:22</p> <p>variety (1) 17:7</p> <p>various (2) 11:17;20:3</p> <p>verbal (1) 35:1</p> <p>versus (1) 28:14</p> <p>VMP (2) 12:9;13:12</p>	<p>years (1) 29:21</p>	<p>2 (13) 5:5;6:14;7:7,12,16, 19,22;14:10,11; 20:20;22:12,12;35:4</p> <p>20 (3) 17:19;32:6,7</p> <p>2017 (12) 7:1,2,5,5,8,8,13,14, 20,20,23,23</p> <p>2018 (6) 8:17;14:24;15:7,8; 16:3;26:24</p> <p>2019 (2) 9:4;31:16</p> <p>2020 (3) 25:4,7;32:6</p> <p>2021 (3) 25:21,22;26:8</p> <p>2022 (1) 25:19</p> <p>20-month (4) 15:8;25:11,15; 32:13</p> <p>23 (2) 7:13,22</p> <p>25 (2) 5:5;6:13</p> <p>250 (4) 30:17,18;31:3,4</p> <p>250-kilowatt (1) 30:1</p> <p>250-kilowatt-hour (2) 29:16,17</p>
	U	W	1	3
		<p>waiting (1) 32:22</p> <p>way (10) 13:2;19:16,22; 27:10,21;28:18,24; 30:3;31:10;36:19</p> <p>ways (1) 36:5</p> <p>weeks (1) 9:8</p> <p>weighted (1) 29:15</p> <p>what's (2) 15:2;30:6</p> <p>WHEREUPON (1) 5:22</p> <p>whole (2) 13:18;34:17</p> <p>within (2) 11:22;17:23</p> <p>without (2) 31:5;35:2</p> <p>witness (3)</p>	<p>1 (34) 5:3;6:12,23;7:1,2, 5,5,6,7,8,8,9,13,13, 14,19,19,20,20,22,23, 23;9:21,22;14:12; 20:21;21:15;22:6; 24:13;25:4,7;27:2; 31:9;35:3</p> <p>1.06 (2) 10:7;24:8</p> <p>1.4 (5) 21:1;22:7,19;24:5, 10</p> <p>10 (2) 6:15;36:10</p> <p>11 (3) 5:8;11:3;18:1</p> <p>12 (1) 14:14</p> <p>12/31/2021 (1) 25:24</p> <p>13 (2) 5:3;6:11</p> <p>14 (5) 14:2,21;16:8; 17:16;21:2</p> <p>15 (3) 14:3;15:12,18</p> <p>16 (4) 15:12,16,18;16:1</p>	<p>3 (8) 5:7;6:16,22;10:2; 11:2;14:16;21:1;35:4</p>

<p>31st (2) 15:8;26:24 38,000 (1) 28:4 38,855 (2) 28:12,14</p>				
<p>4</p>				
<p>4 (6) 5:10;30:7,16; 31:18;34:9;35:4 4:55 (1) 38:15</p>				
<p>5</p>				
<p>5 (2) 5:3;12:5 500 (1) 31:2 552,000 (1) 12:23 562 (1) 16:7 562,526 (1) 16:4</p>				
<p>6</p>				
<p>6 (1) 12:9 600,000 (2) 21:16;22:8 601,000 (5) 17:14;21:1,23; 22:14,24 601,380 (2) 14:21;16:8 650-kilowatt (1) 30:24</p>				
<p>7</p>				
<p>7 (3) 5:5;11:3,12</p>				
<p>8</p>				
<p>8 (3) 10:2;11:3,12</p>				
<p>9</p>				
<p>9 (1) 14:3 964,330 (1) 16:1</p>				