



**STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION**

Docket No. DE 18-XXX

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
Annual Retail Rate

**DIRECT TESTIMONY
OF
HEATHER M. TEBBETTS**

March 30, 2018

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1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. Please state your full name, business address, and position.**

3 A. My name is Heather M. Tebbetts and my business address is 15 Buttrick Road,
4 Londonderry, New Hampshire. I am a Senior Analyst for Liberty Utilities Service Corp.
5 (“Liberty”) which provides services to Liberty Utilities (Granite State Electric) Corp.
6 (“Liberty Utilities” or “the Company”) and, in this capacity, am responsible for providing
7 rate and regulatory-related services for the Company.

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 of 2014. Prior to my employment at Liberty, I was employed
14 by Public Service Company of New Hampshire (“PSNH”) as a Senior Analyst in NH
15 Revenue Requirements from 2010 to 2014. Prior to my position in NH Revenue
16 Requirements, I was a Staff Accountant in PSNH’s Property Tax group from 2007 to
17 2010, and a Customer Service Representative III in PSNH’s Customer Service
18 Department from 2004 to 2007.

19 **Q. Have you previously testified before the New Hampshire Public Utilities
20 Commission (“the Commission”)?**

21 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. The purpose of my testimony is to present Liberty Utilities' request for recovery of lost
4 revenues associated with customer-generators participating in the net metering program.

5 **Q. Please briefly describe the net metering program.**

6 A. Customer-generators, as defined in RSA 362-A:I-a, II-B, may install renewable
7 generation behind-the-meter to offset their electricity use. Customers with these
8 installations may participate in net metering by following the interconnection procedures
9 provided in Chapter Puc 900 (the "Puc 900 rules") of the N.H. Code of Admin. Rules and
10 each utility's interconnection tariff, along with the installation of a utility-owned net
11 meter that allows the meter to "spin backwards" to record the amount of power exported
12 back to the grid. As of its Puc 2503.04 compliance filing on February 1, 2018, Liberty
13 Utilities had 458 net metered customers, 457 with solar installations, and one customer
14 with a wind installation.

15 **III. LOST REVENUE ADJUSTMENT MECHANISM**

16 **Q. What is the lost revenue adjustment mechanism ("LRAM")?**

17 A. The Puc 900 rules, specifically Puc 903.02(o), allow the utility to perform an annual
18 calculation on its distribution revenues and expenses in the prior calendar year. At this
19 time, the Company has provided that calculation for calendar years 2016 and 2017.

20 **Q. Why is the Company filing two years of lost revenues in this filing?**

21 A. In 2016, the Commission opened Docket No. DE 16-576 after the Legislature amended
22 several provisions of RSA 362-A:9, effective May 2, 2016. As part of that docket, the

1 Commission was tasked with creating an alternative net metering tariff. Although the
2 docket was opened in 2016, an alternative net metering tariff was not approved in that
3 proceeding until after an extensive and exhaustive adjudicative process. (*See* Order No.
4 26,029 (June 23, 2017) that was effective September 1, 2017). Considering the docket
5 was ongoing in 2017, the Company believed it was most appropriate to file for recovery
6 of lost revenues after an alternative tariff was adopted.

7 **Q. What method did the Company use to calculate the LRAM?**

8 A. Puc 903.02(o) states that a utility-specific method to calculate lost revenues will be
9 approved after Commission notice and hearing. In 2015, Unitil Energy Systems, Inc.
10 filed for lost revenue recovery from its net metered customers in Docket No. DE 15-147.
11 In that docket, parties filed a joint settlement agreement that provided for a method to
12 calculate lost revenues, which settlement was approved in Order No. 25,991 (Feb. 21,
13 2017). In this filing, the Company used the same method as approved in that order.

14 **Q. Did the order in Docket No. DE 16-576 address a method to calculate lost revenues?**

15 A. Yes, it did. As part of the Settlement Agreement filed by a coalition of utility and
16 consumer parties (“UCC”), the UCC parties agreed that the method recently approved in
17 Docket No. DE 15-147 for recovering lost revenues from net metering was the most
18 appropriate method as it had been through the adjudicative process and approved by the
19 Commission. In Order No. 26,029, which approved, in part, the UCC Settlement
20 Agreement, the Commission adopted the process and methodology for the determination
21 and collection of lost revenues based on Order No. 25,991 in Docket No. DE 15-147.

1 **Q. Through what rate component is the Company requesting to recover the lost**
2 **revenues?**

3 A. The Company is requesting to recover lost revenues through its transmission charge, as
4 shown in Schedule DBS-1. The transmission charge is fully reconciling annually, and
5 the recovery proposal follows the same method as approved in Docket No. DE 15-147
6 whereby Unitil Energy Systems, Inc. is recovering the lost revenues associated with net
7 metering through its External Delivery Charge, also an annually reconciling mechanism,
8 similar to the Company's transmission charge.

9 **Q. Have you calculated the lost revenues associated with net metering?**

10 A. Yes, a description of the calculation is provided in the testimony of David Simek. The
11 calculation is provided in Schedule DBS-5.

12 **IV. CONCLUSION**

13 **Q. Does this conclude your testimony?**

14 A. Yes, it does.