

**THE STATE OF NEW HAMPSHIRE**  
**BEFORE THE PUBLIC UTILITIES COMMISSION**  
**JOINT PREPARED TESTIMONY OF**  
**LINDA M. ENDERWICK AND NICOLE M. HARRIS**  
**FOR COST RECOVERY FROM THE ELECTRIC ASSISTANCE PROGRAM FUND**  
**Docket No. DE 18-057**

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1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. Please state your name, by whom you are employed and in what capacity.**

3 A. Linda M. Enderwick: I am the Information Technology Manager, Business Services for  
4 Eversource Energy Service Company. In this capacity, I am responsible for oversight of  
5 various Information Technology (“IT”) initiatives that support Eversource Energy  
6 business functions in New Hampshire, including for Public Service Company of New  
7 Hampshire d/b/a Eversource Energy (“Eversource”), as well as for Eversource’s affiliated  
8 operating companies within New England.

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10 Nicole M. Harris: I am the Director of Customer Experience East Region for Liberty  
11 Utilities Service Corp. In this capacity, I am responsible for Customer Service,  
12 Marketing & Communications, Collections, and Billing operations for Liberty Utilities’  
13 electric and gas utilities in New Hampshire, Massachusetts, and Georgia, including  
14 Liberty Utilities (Granite State Electric) Corp. (“Liberty”).

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

16 A. Linda M Enderwick: No, I have not testified before this Commission.

1 Nicole M. Harris: Yes, I have.

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

3 A. The purpose of our testimony is to present an overview of the costs incurred due to  
4 implementation of changes to Eversource's and Liberty's respective Customer  
5 Information Systems ("CIS") to facilitate income eligible customers on the Electric  
6 Assistance Program ("EAP") taking competitive supply to receive a discount on the  
7 energy supply component of their bill. In accordance with Order No. 26,132 issued on  
8 May 4, 2018 in Docket No. DE 18-057, Eversource and Liberty are seeking recovery of  
9 all costs associated with the successful implementation of the billing system changes  
10 which were implemented in compliance with the Commission's Order.

11 **II. PROJECT OVERVIEW AND COST**

12 **Q. What was the total cost of implementing the billing system changes?**

13 A. Eversource: The final total project cost for Eversource was \$70,345.

14 Liberty: The final project cost total was \$195,666.

15 **Q. Please describe the breakdown of what is included in the total cost.**

16 A. Eversource: Eversource entered into a fixed-price Statement of Work ("SOW") with  
17 Tata Consultancy Services Limited ("TCS") on June 11, 2018. Pursuant to the terms and  
18 conditions contained in the SOW, TCS was responsible for project management activities  
19 including scheduling and coordination of any consultants employed by TCS, detailed  
20 project schedules demonstrating that all tasks would be completed on time, and that the  
21 entire project would be completed according to the schedule set out in the Commission's

1 Order. Additionally, TCS was responsible for requirements analysis, system design and  
2 development, testing and ultimate implementation of all aspects of the new billing system  
3 features.

4 Liberty: Approximately 68% of the total cost was associated with vendor costs  
5 (Cogsdale for CIS and Fiserve for bill print) and the remaining 32% was for Liberty's  
6 project labor cost for: (a) Corporate IT activities of project management, system  
7 configuration, quality assurance, code deployment, and release; and (b) the local New  
8 Hampshire Business support, the development of requirements, and user acceptance  
9 testing.

10 **Q. Please explain any variances from the initial estimates provided to the EAP**  
11 **Advisory Board.**

12 A. Eversource: The preliminary estimate of \$180,000 provided by Eversource, and included  
13 in the EAP Advisory Board recommendation filed with the Commission on April 5, 2018  
14 as part of this docket, was a high-level estimate that was not the product of a detailed  
15 process to analyze the specific tasks that would be required to implement the billing  
16 system changes. Once it was determined that Eversource would need to move ahead with  
17 the project, work began with TCS to review all aspects of the project plan and negotiate  
18 the fixed-price SOW agreement. It was during this phase that Eversource was able to  
19 lock-in the final amount of \$70,345 for the total cost of the project, a reduction of over  
20 \$109,000 from the initial estimate. TCS was able to deliver the changes in line with the  
21 amount determined in the review phase.

1 Liberty: The preliminary estimate provided by Liberty was \$182,303 a difference of  
2 \$13,363. The primary difference between that estimate and the actual costs is that the  
3 estimate provided to the EAP Board did not include burdens and AFDUC.

4 **Q. What is the breakdown of costs associated with implementation?**

5 A. Eversource: The costs by major task for TCS are as follows:

<u>Milestone</u>	<u>Fixed Price</u>
Analysis & Design	\$15,790
Build & Unit Testing	\$18,612
System Integration Testing	\$14,151
User Acceptance Testing	\$ 8,745
Implementation	\$ 5,632
Warranty Support	<u>\$ 7,415</u>
TOTAL	<u>\$70,345</u>

14 Attachment LME-1 includes the TCS invoices by major project category that were paid  
15 by Eversource to support the above amounts.

17 Liberty: The costs incurred by Liberty are provided in the table below:

<u>Expense</u>	<u>Actual</u>	<u>Estimate</u>	<u>Variance</u>
Vendor Costs	\$ 133,665	\$ 133,898	\$ (233)
Labor - Corporate	\$ 35,260	\$ 26,265	\$ 8,995
Labor - New Hampshire	\$ 6,515	\$ 17,000	\$ (10,485)
Contingency		\$ 5,140	\$ (5,140)
Burdens	\$ 18,282	\$ -	\$ 18,282
AFDUC	<u>\$ 1,944</u>	<u>\$ -</u>	<u>\$ 1,944</u>
	\$ 195,666	\$ 182,303	\$ 13,363

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1 **III. TIMING OF IMPLEMENTATION**

2 **Q. When were the changes implemented into the respective CIS Systems?**

3 A. Eversource: The billing system changes were completed on schedule on October 1,  
4 2018.

5 Liberty: The code was deployed into the Cogsdale production environment over the  
6 weekend of December 15, 2018. The credit for low income customers was manually  
7 calculated and applied to the accounts as of the first bill cycle effective October 1, 2018,  
8 as required by Order No. 26,132. The decision to manually process the credits until the  
9 deployment of the system change was an intentional decision because simultaneous  
10 programming changes were taking place to implement the decoupling mechanism for  
11 EnergyNorth, as approved in Docket No. DG 17-048, Order No. 26,122. The code  
12 changes necessary to implement the decoupling mechanism for Normal Weather  
13 Adjustments went into effect November 1, 2018, and it was necessary to isolate the  
14 efforts related to that change for EnergyNorth from the EAP changes related to Granite  
15 State.

16 **IV. METHOD OF COST RECOVERY**

17 **Q. How do Eversource and Liberty propose to recover their CIS-related costs**  
18 **associated with the EAP modifications for competitive supply customers?**

19 A. Consistent with the EAP Advisory Board's April 5, 2018, recommendation filed with the  
20 Commission, considering that these CIS-related costs would not have been incurred but

1 for the EAP, Eversource and Liberty are proposing that the costs be recovered directly  
2 from the EAP funds.

3 **VI. CONCLUSION**

4 **Q. Does this conclude your joint testimony?**

5 **A.** Yes, it does.