



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

DE 18-057
Electric Assistance Program

Staff Data Requests - Set 1

Date Request Received: 11/22/19
Request No. Staff 1-5

Date of Response: 12/13/19
Respondent: Nicole Harris
Laura Sasso

REQUEST:

Reference Pre-hearing Conference Transcript (October 23, 2019) at 15-17.

At approximately the same time that Liberty was working on design changes to its billing system to achieve the EAP outcome at issue in this docket, Liberty was working on software changes to implement a decoupling mechanism that included a real-time weather normalization adjustment. The decoupling billing system changes cost approximately \$50,000 and were described as including complex "almost day-by-day and customer-by-customer daily adjustment." Pre-hearing Conference Transcript at 16-17.

- Why were the costs to implement the EAP design change approximately 400% of the costs associated with decoupling design change(s)?
- How did Liberty and/or Cogsdale differentiate between billing system changes needed for decoupling (including real-time weather normalization), and changes required for the EAP design change? How did Liberty and/or Cogsdale track those differences?
- Were any of the changes required for the decoupling project also required for the EAP project, and, if so, how did the company allocate the costs to each project?

RESPONSE:

To clarify the reference to the \$50,000 decoupling billing system change costs, recovery of such billing system upgrade and software costs was capped at \$50,000 under the settlement agreement between Liberty and the OCA in Docket No. DG 17-048. Although that settlement agreement was not approved by the Commission, it was further clarified by the Commission in Order No. 26,187 (November 2, 2018) in that docket that its approval of decoupling was intended to include the \$50,000 limitation on cost recovery contained in that agreement (see pages 12–13 of the order).

The cost associated to the Weather Normalization Adjustment was an entirely separate project with different requirement specifications for system modifications than the EAP-Cogsdale CIS project. Different job numbers were create and charged respectively.

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Job Number	Project Number	Project Description
401865-30301	8840-1865	Weather Normalization
301873-04001	8830-1873	EAP-Cogsdale CIS System Modification