



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

DE 19-051

Reliability Enhancement Plan and Vegetation Management Plan Report

Staff Data Requests - Set 1

Date Request Received: 4/4/19
Request No. Staff 1-6

Date of Response: 4/10/19
Respondent: Dave Simek

REQUEST:

Reference Bates page 50, beginning on line 12, where the Company explains that REM/VMP Adjustment Factor of \$0.00047 per kWh is a decrease of \$0.00012 per kWh from the \$0.00059 per kWh that would have been in effect over the past year if that planned increase had not been offset with dollars used from tax reform savings. Please also refer to Docket No. 18-050, Supplemental Technical Statement of Steven M. Mullen of April 25, 2018, which outlines several rate increases Liberty did not put into effect in order to pass on to customers the benefits of reduced corporate tax rates, and specifically to Supplemental Attachment 1, line 6, \$552,414 related to VMP O&M expense.

- a) Does Liberty agree this \$552,414 was effectively recovered through base rates in DE 18-050? If not, please explain.
- b) Please explain whether, and if so, how, the REP/VMP Adjustment Factor proposed in the docket should be adjusted to account for the rate treatment in DE 18-051, so that customers do not over pay for VMP O&M expense while the rates set in DE 18-051 remain in effect.

RESPONSE:

- a) Yes, the Company agrees that \$552,414 was recovered through base rates in DE 18-050.
- b) The REP/VMP O&M adjustment factor of \$0.00047 per kWh proposed in DE 19-051 does not need to change. The Company will remove the \$552,414 from base rates in DE 18-050, effective June 1, 2019.