

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Summary of Proposed Rates For Stranded Cost and Transmission \$/kWh**

1	Rate Class	Stranded Cost Charge	Stranded Cost Adjustment Factor	Net Stranded Cost Charge	Transmission Charge	Transmission Service Cost Adjustment	RGGI Auction Proceeds Refund	Property Tax Adjustment Mechanism	Net Transmission Charge
2		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
3		DE 22-003	HMT-2 P1	(a) + (b)	HMT-3 P1	HMT-3 P4	HMT-4	HMT-5	(d) + (e) + (f) + (g)
4	D	(\$0.00040)	\$0.00009	(\$0.00031)	\$0.03928	(\$0.00139)	(\$0.00488)	\$0.00056	\$0.03357
5	D-10	(\$0.00040)	\$0.00007	(\$0.00033)	\$0.01935	(\$0.00139)	(\$0.00488)	\$0.00056	\$0.01364
6	T	(\$0.00040)	\$0.00010	(\$0.00030)	\$0.02792	(\$0.00139)	(\$0.00488)	\$0.00056	\$0.02221
7	G-1	(\$0.00040)	\$0.00009	(\$0.00031)	\$0.02494	(\$0.00139)	(\$0.00488)	\$0.00056	\$0.01923
8	G-2	(\$0.00040)	\$0.00009	(\$0.00031)	\$0.02764	(\$0.00139)	(\$0.00488)	\$0.00056	\$0.02193
9	G-3	(\$0.00040)	\$0.00010	(\$0.00030)	\$0.02875	(\$0.00139)	(\$0.00488)	\$0.00056	\$0.02304
10	V	(\$0.00040)	\$0.00009	(\$0.00031)	\$0.03114	(\$0.00139)	(\$0.00488)	\$0.00056	\$0.02543
11	Streetlights	(\$0.00040)	\$0.00009	(\$0.00031)	\$0.02295	(\$0.00139)	(\$0.00488)	\$0.00056	\$0.01724

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Calculation of Stranded Cost Adjustment Factor
Effective May 1, 2023 - April 30, 2024**

1	Rate Class	Total (Over)/Under Collection	Total Period Forecasted kWh	Stranded Cost Adj. Factor
2		(a)	(b)	(c)
3	D	\$ 27,811	298,227,167	\$ 0.00009
4	D-10	\$ 515	7,290,436	\$ 0.00007
5	T	\$ 1,135	11,919,879	\$ 0.00010
6	G-1	\$ 34,307	375,266,024	\$ 0.00009
7	G-2	\$ 13,417	144,872,818	\$ 0.00009
8	G-3	\$ 8,005	83,864,016	\$ 0.00010
9	V	\$ 24	272,833	\$ 0.00009
10	M- Streetlights	\$ 256	2,802,668	\$ 0.00009
11		\$ 85,471	924,515,841	\$ 0.00009

(a) Attachment HMT-2 Pages 3 and 4

(b) Company forecast

(c) Column (a) / Column (b), truncated after 5 decimal places

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Stranded Cost Reconciliation Summary
All Rate Classes
May 2022 - April 2023**

		(Over)/Under Beginning Balance	Stranded Cost Revenue (Refund)	CTC Expense (Credit)	Monthly (Over)/Under	(Over)/Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Cumulative Interest	
1	Month	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
2											
3	May-22	\$49,138	(\$42,984)	(\$35,715)	\$7,269	\$56,407	\$52,773	3.50%	\$154	\$154	
4	Jun-22	\$56,561	(\$37,557)	(\$32,881)	\$4,677	\$61,238	\$58,899	4.00%	\$196	\$350	
5	Jul-22	\$61,434	(\$42,540)	(\$36,523)	\$6,017	\$67,451	\$64,443	4.75%	\$255	\$605	
6	Aug-22	\$67,707	(\$45,962)	(\$41,707)	\$4,256	\$71,963	\$69,835	5.50%	\$320	\$925	
7	Sep-22	\$72,283	(\$42,494)	(\$45,014)	(\$2,520)	\$69,763	\$71,023	5.50%	\$326	\$1,251	
8	Oct-22	\$70,089	(\$26,681)	(\$41,649)	(\$14,968)	\$55,121	\$62,605	6.25%	\$326	\$1,577	
9	Nov-22	\$55,447	(\$26,716)	(\$26,157)	\$559	\$56,006	\$55,727	6.25%	\$290	\$1,867	
10	Dec-22	\$56,296	(\$36,845)	(\$26,052)	\$10,794	\$67,090	\$61,693	7.00%	\$360	\$2,227	
11	Jan-23	\$67,450	(\$38,401)	(\$36,081)	\$2,320	\$69,770	\$68,610	7.50%	\$429	\$2,656	
12	Feb-23	\$70,199	(\$43,765)	(\$30,084)	\$13,681	\$83,880	\$77,039	7.75%	\$498	\$3,153	
*	13 Mar-23	\$84,378	(\$37,982)	(\$37,982)	\$0	\$84,378	\$84,378	7.75%	\$545	\$3,698	
*	14 Apr-23	\$84,923	(\$34,971)	<u>(\$34,971)</u>	\$0	\$84,923	\$84,923	7.75%	\$548	\$4,247	
15			(\$456,900)	(\$424,814)							
16		Projected Cumulative (Over)/Under Collection of Stranded Cost Charge:					\$85,471				

- (a) May-22 ties to the deferral account balance, all other months are Prior Month Column (e) + Prior Month Column (h)
- (b) Company financials
- (c) Company financials
- (d) Column (c) - Column (b)
- (e) Column (a) + Column (d)
- (f) [Column (a) + Column (e)] ÷ 2
- (g) Interest rate on customer deposits
- (h) Column (f) x [Column (g) ÷ 12]
- (i) Column (h) + Prior Month Column (i)
- * Projected

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Stranded Cost Reconciliation
May 2022 - April 2023

	Rate D	(Over)/ Under Beginning Balance	Stranded Cost Revenue (Refund)	CTC Expense (Credit)	Monthly (Over)/ Under	(Over)/ Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Total Interest	
	Month	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
2	Month	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
3	May-22	\$ 15,989	\$ (13,986)	\$ (11,621)	\$2,365	\$ 18,354	\$ 17,172	3.50%	\$ 50	\$ 50	
4	Jun-22	\$ 18,404	\$ (12,221)	\$ (10,699)	\$1,522	\$ 19,926	\$ 19,165	4.00%	\$ 64	\$ 114	
5	Jul-22	\$ 19,990	\$ (13,842)	\$ (11,884)	\$1,958	\$ 21,948	\$ 20,969	4.75%	\$ 83	\$ 197	
6	Aug-22	\$ 22,031	\$ (14,956)	\$ (13,571)	\$1,385	\$ 23,416	\$ 22,723	5.50%	\$ 104	\$ 301	
7	Sep-22	\$ 23,520	\$ (13,827)	\$ (14,647)	(\$820)	\$ 22,700	\$ 23,110	5.50%	\$ 106	\$ 407	
8	Oct-22	\$ 22,806	\$ (8,682)	\$ (13,552)	(\$4,870)	\$ 17,936	\$ 20,371	6.25%	\$ 106	\$ 513	
9	Nov-22	\$ 18,042	\$ (8,693)	\$ (8,511)	\$182	\$ 18,224	\$ 18,133	6.25%	\$ 94	\$ 608	
10	Dec-22	\$ 18,318	\$ (11,989)	\$ (8,477)	\$3,512	\$ 21,830	\$ 20,074	7.00%	\$ 117	\$ 725	
11	Jan-23	\$ 21,947	\$ (12,495)	\$ (11,740)	\$755	\$ 22,702	\$ 22,325	7.50%	\$ 140	\$ 864	
12	Feb-23	\$ 22,842	\$ (14,241)	\$ (9,789)	\$4,452	\$ 27,294	\$ 25,068	7.75%	\$ 162	\$ 1,026	
* 13	Mar-23	\$ 27,455	\$ (12,359)	\$ (12,359)	\$0	\$ 27,455	\$ 27,455	7.75%	\$ 177	\$ 1,203	
* 14	Apr-23	\$ 27,633	\$ (11,379)	\$ (11,379)	\$0	\$ 27,633	\$ 27,633	7.75%	\$ 178	\$ 1,382	
			\$ (148,670)	\$ (138,229)							
15	Cumulative (Over)/Under Collection of Stranded Cost						\$ 27,811				

	Rate T	(Over)/ Under Beginning Balance	Stranded Cost Revenue (Refund)	CTC Expense (Credit)	Monthly (Over)/ Under	(Over)/ Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Total Interest	
	Month	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
2	Month	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
3	May-22	\$ 652	\$ (571)	\$ (474)	\$97	\$ 749	\$ 701	3.50%	\$ 2	\$ 2	
4	Jun-22	\$ 751	\$ (499)	\$ (437)	\$62	\$ 813	\$ 782	4.00%	\$ 3	\$ 5	
5	Jul-22	\$ 816	\$ (565)	\$ (485)	\$80	\$ 896	\$ 856	4.75%	\$ 3	\$ 8	
6	Aug-22	\$ 899	\$ (610)	\$ (554)	\$57	\$ 955	\$ 927	5.50%	\$ 4	\$ 12	
7	Sep-22	\$ 960	\$ (564)	\$ (598)	(\$33)	\$ 926	\$ 943	5.50%	\$ 4	\$ 17	
8	Oct-22	\$ 931	\$ (354)	\$ (553)	(\$199)	\$ 732	\$ 831	6.25%	\$ 4	\$ 21	
9	Nov-22	\$ 736	\$ (355)	\$ (347)	\$7	\$ 744	\$ 740	6.25%	\$ 4	\$ 25	
10	Dec-22	\$ 747	\$ (489)	\$ (346)	\$143	\$ 891	\$ 819	7.00%	\$ 5	\$ 30	
11	Jan-23	\$ 896	\$ (510)	\$ (479)	\$31	\$ 926	\$ 911	7.50%	\$ 6	\$ 35	
12	Feb-23	\$ 932	\$ (581)	\$ (399)	\$182	\$ 1,114	\$ 1,023	7.75%	\$ 7	\$ 42	
* 13	Mar-23	\$ 1,120	\$ (659)	\$ (659)	\$0	\$ 1,120	\$ 1,120	7.75%	\$ 7	\$ 49	
* 14	Apr-23	\$ 1,127	\$ (482)	\$ (482)	\$0	\$ 1,127	\$ 1,128	7.75%	\$ 7	\$ 56	
			\$ (6,238)	\$ (5,812)							
15	Cumulative (Over)/Under Collection of Stranded Cost						\$ 1,135				

	Rate D-10	(Over)/ Under Beginning Balance	Stranded Cost Revenue (Refund)	CTC Expense (Credit)	Monthly (Over)/ Under	(Over)/ Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Total Interest	
	Month	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
2	Month	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
3	May-22	\$ 296	\$ (259)	\$ (215)	\$44	\$ 340	\$ 318	3.50%	\$ 1	\$ 1	
4	Jun-22	\$ 341	\$ (226)	\$ (198)	\$28	\$ 369	\$ 355	4.00%	\$ 1	\$ 2	
5	Jul-22	\$ 370	\$ (256)	\$ (220)	\$36	\$ 407	\$ 388	4.75%	\$ 2	\$ 4	
6	Aug-22	\$ 408	\$ (277)	\$ (251)	\$26	\$ 434	\$ 421	5.50%	\$ 2	\$ 6	
7	Sep-22	\$ 436	\$ (256)	\$ (271)	(\$15)	\$ 420	\$ 428	5.50%	\$ 2	\$ 8	
8	Oct-22	\$ 422	\$ (161)	\$ (251)	(\$90)	\$ 332	\$ 377	6.25%	\$ 2	\$ 10	
9	Nov-22	\$ 334	\$ (161)	\$ (158)	\$3	\$ 338	\$ 336	6.25%	\$ 2	\$ 11	
10	Dec-22	\$ 339	\$ (222)	\$ (157)	\$65	\$ 404	\$ 372	7.00%	\$ 2	\$ 13	
11	Jan-23	\$ 407	\$ (231)	\$ (217)	\$14	\$ 420	\$ 414	7.50%	\$ 3	\$ 16	
12	Feb-23	\$ 423	\$ (264)	\$ (181)	\$82	\$ 506	\$ 464	7.75%	\$ 3	\$ 19	
* 13	Mar-23	\$ 509	\$ (357)	\$ (357)	\$0	\$ 509	\$ 509	7.75%	\$ 3	\$ 22	
* 14	Apr-23	\$ 512	\$ (267)	\$ (267)	\$0	\$ 512	\$ 512	7.75%	\$ 3	\$ 26	
			\$ (2,938)	\$ (2,745)							
15	Cumulative (Over)/Under Collection of Stranded Cost						\$ 515				

	Rate M Streetlights	(Over)/ Under Beginning Balance	Stranded Cost Revenue (Refund)	CTC Expense (Credit)	Monthly (Over)/ Under	(Over)/ Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Total Interest	
	Month	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
2	Month	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
3	May-22	\$ 147	\$ (129)	\$ (107)	\$22	\$ 169	\$ 158	3.50%	\$ 0	\$ 0	
4	Jun-22	\$ 169	\$ (113)	\$ (99)	\$14	\$ 183	\$ 176	4.00%	\$ 1	\$ 1	
5	Jul-22	\$ 184	\$ (127)	\$ (109)	\$18	\$ 202	\$ 193	4.75%	\$ 1	\$ 2	
6	Aug-22	\$ 203	\$ (138)	\$ (125)	\$13	\$ 216	\$ 209	5.50%	\$ 1	\$ 3	
7	Sep-22	\$ 217	\$ (127)	\$ (135)	(\$8)	\$ 209	\$ 213	5.50%	\$ 1	\$ 4	
8	Oct-22	\$ 210	\$ (80)	\$ (125)	(\$45)	\$ 165	\$ 188	6.25%	\$ 1	\$ 5	
9	Nov-22	\$ 166	\$ (80)	\$ (78)	\$2	\$ 168	\$ 167	6.25%	\$ 1	\$ 6	
10	Dec-22	\$ 169	\$ (110)	\$ (78)	\$32	\$ 201	\$ 185	7.00%	\$ 1	\$ 7	
11	Jan-23	\$ 202	\$ (115)	\$ (108)	\$7	\$ 209	\$ 206	7.50%	\$ 1	\$ 8	
12	Feb-23	\$ 210	\$ (131)	\$ (90)	\$41	\$ 251	\$ 231	7.75%	\$ 1	\$ 9	
* 13	Mar-23	\$ 253	\$ (124)	\$ (124)	\$0	\$ 253	\$ 253	7.75%	\$ 2	\$ 11	
* 14	Apr-23	\$ 254	\$ (120)	\$ (120)	\$0	\$ 254	\$ 254	7.75%	\$ 2	\$ 13	
			\$ (1,394)	\$ (1,297)							
15	Cumulative (Over)/Under Collection of Stranded Cost						\$ 256				

- (a) May-22 ties to the deferral account balance, all other months are Prior Month Column (e) + Prior Month Column (h)
- (b) Company billing system report; Includes adjustment factor
- (c) Allocation of CTC expenses by rate class
- (d) Expense (Column c) - Revenue (Column b)
- (e) Column (a) + Column (d)
- (f) [Column (a) + Column (e)] ÷ 2
- (g) Interest rate
- (h) Column (f) x [Column (g) ÷ 12]
- (i) Column (h) + Prior Month Column (i)
- * Projected

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Stranded Cost Reconciliation
May 2022 - April 2023

		(Over)/ Under Beginning Balance	Stranded Cost Revenue (Refund)	CTC Expense (Credit)	Monthly (Over)/ Under	(Over)/ Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Total Interest
1	Rate G-1	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
2	Month									
3	May-22	\$ 19,724	\$ (17,253)	\$ (14,336)	\$2,918	\$ 22,641	\$ 21,183	3.50%	\$ 62	\$ 62
4	Jun-22	\$ 22,703	\$ (15,075)	\$ (13,198)	\$1,877	\$ 24,580	\$ 23,642	4.00%	\$ 79	\$ 141
5	Jul-22	\$ 24,659	\$ (17,075)	\$ (14,660)	\$2,415	\$ 27,075	\$ 25,867	4.75%	\$ 102	\$ 243
6	Aug-22	\$ 27,177	\$ (18,449)	\$ (16,741)	\$1,708	\$ 28,885	\$ 28,031	5.50%	\$ 128	\$ 371
7	Sep-22	\$ 29,014	\$ (17,057)	\$ (18,068)	(\$1,011)	\$ 28,002	\$ 28,508	5.50%	\$ 131	\$ 502
8	Oct-22	\$ 28,133	\$ (10,710)	\$ (16,718)	(\$6,008)	\$ 22,125	\$ 25,129	6.25%	\$ 131	\$ 633
9	Nov-22	\$ 22,256	\$ (10,724)	\$ (10,499)	\$225	\$ 22,481	\$ 22,368	6.25%	\$ 117	\$ 750
10	Dec-22	\$ 22,597	\$ (14,790)	\$ (10,457)	\$4,333	\$ 26,930	\$ 24,763	7.00%	\$ 144	\$ 894
11	Jan-23	\$ 27,074	\$ (15,414)	\$ (14,482)	\$931	\$ 28,005	\$ 27,540	7.50%	\$ 172	\$ 1,066
12	Feb-23	\$ 28,177	\$ (17,567)	\$ (12,075)	\$5,491	\$ 33,669	\$ 30,923	7.75%	\$ 200	\$ 1,266
* 13	Mar-23	\$ 33,869	\$ (14,805)	\$ (14,805)	\$0	\$ 33,869	\$ 33,869	7.75%	\$ 219	\$ 1,485
* 14	Apr-23	\$ 34,087	\$ (14,569)	\$ (14,569)	\$0	\$ 34,087	\$ 34,087	7.75%	\$ 220	\$ 1,705

15 Cumulative (Over)/Under Collection of Stranded Cost \$ 34,307

		(Over)/ Under Beginning Balance	Stranded Cost Revenue (Refund)	CTC Expense (Credit)	Monthly (Over)/ Under	(Over)/ Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Total Interest
1	Rate G-2	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
2	Month									
3	May-22	\$ 7,714	\$ (6,748)	\$ (5,606)	\$1,141	\$ 8,855	\$ 8,284	3.50%	\$ 24	\$ 24
4	Jun-22	\$ 8,879	\$ (5,896)	\$ (5,162)	\$734	\$ 9,613	\$ 9,246	4.00%	\$ 31	\$ 55
5	Jul-22	\$ 9,644	\$ (6,678)	\$ (5,733)	\$945	\$ 10,588	\$ 10,116	4.75%	\$ 40	\$ 95
6	Aug-22	\$ 10,628	\$ (7,215)	\$ (6,547)	\$668	\$ 11,297	\$ 10,963	5.50%	\$ 50	\$ 145
7	Sep-22	\$ 11,347	\$ (6,671)	\$ (7,066)	(\$396)	\$ 10,951	\$ 11,149	5.50%	\$ 51	\$ 196
8	Oct-22	\$ 11,002	\$ (4,188)	\$ (6,538)	(\$2,350)	\$ 8,653	\$ 9,828	6.25%	\$ 51	\$ 248
9	Nov-22	\$ 8,704	\$ (4,194)	\$ (4,106)	\$88	\$ 8,792	\$ 8,748	6.25%	\$ 46	\$ 293
10	Dec-22	\$ 8,837	\$ (5,784)	\$ (4,090)	\$1,694	\$ 10,532	\$ 9,685	7.00%	\$ 56	\$ 350
11	Jan-23	\$ 10,588	\$ (6,028)	\$ (5,664)	\$364	\$ 10,952	\$ 10,770	7.50%	\$ 67	\$ 417
12	Feb-23	\$ 11,020	\$ (6,870)	\$ (4,723)	\$2,148	\$ 13,167	\$ 12,094	7.75%	\$ 78	\$ 495
* 13	Mar-23	\$ 13,245	\$ (6,032)	\$ (6,032)	\$0	\$ 13,245	\$ 13,245	7.75%	\$ 86	\$ 581
* 14	Apr-23	\$ 13,331	\$ (5,647)	\$ (5,647)	\$0	\$ 13,331	\$ 13,331	7.75%	\$ 86	\$ 667

15 Cumulative (Over)/Under Collection of Stranded Cost \$ 13,417

- (a) May-22 ties to the deferral account balance, all other months are Prior Month Column (e) + Prior Month Column (h)
- (b) Company billing system report; Includes adjustment factor
- (c) Allocation of CTC expenses by rate class
- (d) Expense (Column c) - Revenue (Column b)
- (e) Column (a) + Column (d)
- (f) [Column (a) + Column (e)] ÷ 2
- (g) Interest rate
- (h) Column (f) x [Column (g) ÷ 12]
- (i) Column (h) + Prior Month Column (i)
- * Projected

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		(Over)/ Under Beginning Balance	Stranded Cost Revenue (Refund)	CTC Expense (Credit)	Monthly (Over)/ Under	(Over)/ Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Total Interest
1	Rate G-3	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
2	Month									
3	May-22	\$ 4,602	\$ (4,026)	\$ (3,345)	\$681	\$ 5,283	\$ 4,942	3.50%	\$ 14	\$ 14
4	Jun-22	\$ 5,297	\$ (3,517)	\$ (3,079)	\$438	\$ 5,735	\$ 5,516	4.00%	\$ 18	\$ 33
5	Jul-22	\$ 5,754	\$ (3,984)	\$ (3,421)	\$564	\$ 6,317	\$ 6,035	4.75%	\$ 24	\$ 57
6	Aug-22	\$ 6,341	\$ (4,305)	\$ (3,906)	\$399	\$ 6,740	\$ 6,540	5.50%	\$ 30	\$ 87
7	Sep-22	\$ 6,770	\$ (3,980)	\$ (4,216)	(\$236)	\$ 6,534	\$ 6,652	5.50%	\$ 30	\$ 117
8	Oct-22	\$ 6,564	\$ (2,499)	\$ (3,901)	(\$1,402)	\$ 5,162	\$ 5,863	6.25%	\$ 31	\$ 148
9	Nov-22	\$ 5,193	\$ (2,502)	\$ (2,450)	\$52	\$ 5,245	\$ 5,219	6.25%	\$ 27	\$ 175
10	Dec-22	\$ 5,272	\$ (3,451)	\$ (2,440)	\$1,011	\$ 6,283	\$ 5,778	7.00%	\$ 34	\$ 209
11	Jan-23	\$ 6,317	\$ (3,596)	\$ (3,379)	\$217	\$ 6,534	\$ 6,426	7.50%	\$ 40	\$ 249
12	Feb-23	\$ 6,575	\$ (4,099)	\$ (2,818)	\$1,281	\$ 7,856	\$ 7,215	7.75%	\$ 47	\$ 295
* 13	Mar-23	\$ 7,902	\$ (3,662)	\$ (3,662)	\$0	\$ 7,902	\$ 7,902	7.75%	\$ 51	\$ 346
* 14	Apr-23	\$ 7,953	\$ (3,239)	\$ (3,239)	\$0	\$ 7,953	\$ 7,953	7.75%	\$ 51	\$ 398

15 Cumulative (Over)/Under Collection of Stranded Cost \$ 8,005

		(Over)/ Under Beginning Balance	Stranded Cost Revenue (Refund)	CTC Expense (Credit)	Monthly (Over)/ Under	(Over)/ Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Total Interest
1	Rate V	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)
2	Month									
3	May-22	\$ 14	\$ (12)	\$ (10)	\$2	\$ 16	\$ 15	3.50%	\$ 0	\$ 0
4	Jun-22	\$ 16	\$ (11)	\$ (9)	\$1	\$ 17	\$ 17	4.00%	\$ 0	\$ 0
5	Jul-22	\$ 17	\$ (12)	\$ (10)	\$2	\$ 19	\$ 18	4.75%	\$ 0	\$ 0
6	Aug-22	\$ 19	\$ (13)	\$ (12)	\$1	\$ 20	\$ 20	5.50%	\$ 0	\$ 0
7	Sep-22	\$ 21	\$ (12)	\$ (13)	(\$1)	\$ 20	\$ 20	5.50%	\$ 0	\$ 0
8	Oct-22	\$ 20	\$ (8)	\$ (12)	(\$4)	\$ 16	\$ 18	6.25%	\$ 0	\$ 0
9	Nov-22	\$ 16	\$ (8)	\$ (7)	\$0	\$ 16	\$ 16	6.25%	\$ 0	\$ 1
10	Dec-22	\$ 16	\$ (10)	\$ (7)	\$3	\$ 19	\$ 18	7.00%	\$ 0	\$ 1
11	Jan-23	\$ 19	\$ (11)	\$ (10)	\$1	\$ 20	\$ 20	7.50%	\$ 0	\$ 1
12	Feb-23	\$ 20	\$ (12)	\$ (9)	\$4	\$ 24	\$ 22	7.75%	\$ 0	\$ 1
* 13	Mar-23	\$ 24	\$ (11)	\$ (11)	\$0	\$ 24	\$ 24	7.75%	\$ 0	\$ 1
* 14	Apr-23	\$ 24	\$ (10)	\$ (10)	\$0	\$ 24	\$ 24	7.75%	\$ 0	\$ 1

15 Cumulative (Over)/Under Collection of Stranded Cost \$ 24

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Transmission Charge Calculation
Rates by Class**

	Total	D	D-10	G-1	G-2	G-3	Streetlights	T	V
1 Estimate of Transmission Expense	\$28,038,128								
2 Coincident Peak (KW)	1,699,408	710,064	8,552	567,274	242,767	146,162	3,900	20,174	515
3 Coincident Peak Allocator	100.00%	41.78%	0.50%	33.38%	14.29%	8.60%	0.23%	1.19%	0.03%
4 Allocated Transmission Expense	\$28,038,128	\$11,715,177	\$141,097	\$9,359,319	\$4,005,355	\$2,411,492	\$64,345	\$332,846	\$8,497
5 Forecasted kWh Sales	924,515,841	298,227,167	7,290,436	375,266,024	144,872,818	83,864,016	2,802,668	11,919,879	272,833
6 Proposed Transmission Charge per kWh	\$0.03032	\$0.03928	\$0.01935	\$0.02494	\$0.02764	\$0.02875	\$0.02295	\$0.02792	\$0.03114
7 Current Transmission Charge per kWh	\$0.03161	\$0.03890	\$0.02593	\$0.02747	\$0.02784	\$0.03269	\$0.03258	\$0.02870	\$0.02183
8 Increase (Decrease) in Transmission Charge per kWh	(\$0.00129)	\$0.00038	(\$0.00658)	(\$0.00253)	(\$0.00020)	(\$0.00394)	(\$0.00963)	(\$0.00078)	\$0.00931

- 1 Schedule JDW-1, Line (10)
- 2 Attachment HMT-3, Page 2 of 7
- 3 Line (2) as a percent of total Line (2)
- 4 Line (1) x Line (3)
- 5 Per Company Forecast
- 6 Line (4) ÷ Line (5), truncated after 5 decimal places
- 7 Per Currently Effective Tariffs
- 8 Line (6) - Line (7)

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Transmission Charge Calculation
Coincident Peak Data for 2022**

		Total	D	D-10	G-1	G-2	G-3	Streetlights	T	V
1										
2	January-22	148,352	66,062	893	44,065	19,444	14,858	694	2,284	52
3	February-22	129,583	55,720	810	40,177	17,539	12,480	612	2,174	71
4	March-22	121,939	52,768	673	37,936	16,691	11,420	578	1,794	79
5	April-22	104,382	37,734	544	39,117	15,583	9,296	615	1,461	32
6	May-22	156,561	76,741	467	47,776	19,121	11,426	4	996	30
7	June-22	146,814	72,374	517	44,709	17,730	10,321	3	1,131	29
8	July-22	186,187	85,506	947	56,684	24,721	16,392	4	1,881	52
9	August-22	189,937	81,379	949	62,893	25,999	16,776	4	1,885	52
10	September-22	143,975	39,686	903	67,694	21,577	12,213	5	1,863	34
11	October-22	115,542	38,725	450	48,782	16,774	9,181	460	1,145	25
12	November-22	125,591	46,761	581	36,527	29,440	10,247	487	1,520	28
13	December-22	<u>130,545</u>	56,608	818	40,914	18,148	11,552	434	2,040	31
14	Total	1,699,408	710,064	8,552	567,274	242,767	146,162	3,900	20,174	515

Source: Company Load Data

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Transmission Charge Reconciliation
May 2022 - April 2023**

1	Month	(Over)/Under Beginning Balance	Transmission Revenue	Transmission Expense	Monthly (Over)/Under	(Over)/Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Cumulative Interest	
2		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	
3	May-22	(\$482,573)	\$2,205,925	\$2,332,546	\$126,621	(\$355,951)	(\$419,262)	3.50%	(\$1,223)	(\$1,223)	
4	Jun-22	(\$357,174)	\$2,367,074	\$2,977,859	\$610,785	\$253,611	(\$51,782)	4.00%	(\$173)	(\$1,395)	
5	Jul-22	\$253,438	\$2,729,097	\$2,081,548	(\$647,549)	(\$394,111)	(\$70,336)	4.75%	(\$278)	(\$1,674)	
6	Aug-22	(\$394,389)	\$2,963,036	\$3,167,349	\$204,314	(\$190,075)	(\$292,232)	5.50%	(\$1,339)	(\$3,013)	
7	Sep-22	(\$191,415)	\$2,767,558	\$2,503,035	(\$264,523)	(\$455,937)	(\$323,676)	5.50%	(\$1,484)	(\$4,497)	
8	Oct-22	(\$457,421)	\$1,774,508	\$1,882,576	\$108,069	(\$349,352)	(\$403,387)	6.25%	(\$2,101)	(\$6,598)	
9	Nov-22	(\$351,453)	\$1,724,019	\$1,922,759	\$198,740	(\$152,713)	(\$252,083)	6.25%	(\$1,313)	(\$7,911)	
10	Dec-22	(\$154,026)	\$2,225,471	\$2,145,629	(\$79,842)	(\$233,868)	(\$193,947)	7.00%	(\$1,131)	(\$9,042)	
11	Jan-23	(\$234,999)	\$2,490,797	\$2,322,314	(\$168,484)	(\$403,483)	(\$319,241)	7.50%	(\$1,995)	(\$11,037)	
12	Feb-23	(\$405,478)	\$2,780,178	\$1,997,513	(\$782,665)	(\$1,188,144)	(\$796,811)	7.75%	(\$5,146)	(\$16,183)	
*	13 Mar-23	(\$1,193,290)	\$2,354,145	\$2,354,145	\$0	(\$1,193,290)	(\$1,193,290)	7.75%	(\$7,707)	(\$23,890)	
*	14 Apr-23	(\$1,200,996)	<u>\$2,167,539</u>	<u>\$2,167,539</u>	\$0	(\$1,200,996)	(\$1,200,996)	7.75%	(\$7,756)	(\$31,646)	
15			\$28,549,346	\$27,854,812							
16		Projected Cumulative (Over)/Under Collection of Transmission Charge:					(\$1,208,753)				

- (a) May-22 ties to the deferral account balance, all other months are Prior Month Column (e) + Prior Month Column (h)
- (b) Company financials
- (c) Company financials
- (d) Column (c) - Column (b)
- (e) Column (a) + Column (d)
- (f) [Column (a) + Column (e)] ÷ 2
- (g) Interest rate on customer deposits
- (h) Column (f) x [Column (g) ÷ 12]
- (i) Column (h) + Prior Month Column (i)
- * Projected

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Calculation of Transmission Service Cost Adjustment
Effective May 1, 2022 - April 30, 2023**

1 Transmission Service (Over)/Under Collection	(\$1,208,753)
2 Working Capital	(\$73,439)
3 Total	(\$1,282,192)
4 Forecast kWh Deliveries	<u>924,515,841</u>
5 Transmission Service Cost Adjustment per kWh	(\$0.00139)

- 1 Attachment HMT-3 Page 3
- 2 Attachment HMT-3 Page 5
- 3 Line (1) + Line (2)
- 4 Per Company forecast
- 5 Line (3) ÷ Line (4), truncated after 5 decimal places

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Transmission Service Cost Adjustment
Working Capital Calculation**

	Days of <u>Cost</u> (a)	Invoice Payment <u>Lag %</u> (b)	Customer Payment <u>Lag %</u> (c)	<u>CWC %</u> (d)	<u>Expense</u> (e)	Working Capital <u>Requirement</u> (f)
1 2021 Transmission Costs	(60.33)	-16.53%	13.73%	-2.80%	\$28,038,128	(\$785,007)
2 Working Capital Requirement						(\$785,007)
3 Capital Structure Post-tax						7.60%
4 Working Capital Impact						(\$59,642)
5 Capital Structure Pre-tax						<u>9.36%</u>
6 Working Capital Impact						(\$73,439)

Columns:

- 1(a) HMT/AMH-3 Page 6
- (b) Column (a) ÷ 365
- (c) HMT-3 Page 7
- (d) Column (b) + Column (c)
- 1(e) HMT-3 Page 1
- (f) Column (d) x Column (e)

Lines:

- 3 Per Settlement Agreement Docket No. DE 19-064
- 4 Line (2) x Line (3)
- 5 Per Settlement Agreement Docket No. DE 19-064
- 6 Line (2) x Line (5)

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Transmission Service Cost Adjustment
Working Capital Calculation
Expense Lead/Lag**

	Bill Receipt <u>Date</u> (a)	Expense <u>Description</u> (b)	Invoice <u>Amount</u> (c)	Service Period <u>Mid-Point</u> (d)	Payment <u>Date</u> (e)	Elapsed <u>(Days)</u> (f)	% of <u>Total</u> (g)	Weighted <u>Days</u> (h)
1	Dec-21	NEP LNS Bill	\$ 863,808.19	11/15/2021	1/14/2022	60	3.11%	1.87
2	Jan-22	ISO RNS-Bill	\$ 1,580,562.00	11/15/2021	1/12/2022	58	5.70%	3.30
3	Jan-22	NEP LNS Bill	\$ 501,518.78	12/16/2021	2/22/2022	68	1.81%	1.23
4	Feb-22	ISO RNS-Bill	\$ 1,645,570.03	12/16/2021	2/16/2022	62	5.93%	3.68
5	Feb-22	NEP LNS Bill	\$ 545,967.22	1/16/2022	3/25/2022	68	1.97%	1.34
6	Mar-22	ISO RNS-Bill	\$ 1,853,245.59	1/16/2022	3/16/2022	59	6.68%	3.94
7	Mar-22	NEP LNS Bill	\$ 476,037.95	2/14/2022	4/15/2022	60	1.72%	1.03
8	Apr-22	ISO RNS-Bill	\$ 1,619,177.88	2/14/2022	4/12/2022	57	5.84%	3.33
9	Apr-22	NEP LNS Bill	\$ 453,693.65	3/16/2022	5/23/2022	68	1.64%	1.11
10	May-22	ISO RNS-Bill	\$ 1,491,250.58	3/16/2022	5/18/2022	63	5.37%	3.39
11	May-22	NEP LNS Bill	\$ 412,715.33	4/15/2022	6/21/2022	67	1.49%	1.00
12	Jun-22	ISO RNS-Bill	\$ 1,311,030.75	4/15/2022	6/15/2022	61	4.72%	2.88
13	Jun-22	NEP LNS Bill	\$ 452,312.41	5/16/2022	7/21/2022	66	1.63%	1.08
14	Jul-22	ISO RNS-Bill	\$ 1,915,240.40	5/16/2022	7/13/2022	58	6.90%	4.00
15	Jul-22	NEP LNS Bill	\$ 538,578.85	6/15/2022	8/15/2022	61	1.94%	1.18
16	Aug-22	ISO RNS-Bill	\$ 1,793,826.43	6/15/2022	8/17/2022	63	6.46%	4.07
17	Aug-22	NEP LNS Bill	\$ 668,490.67	7/16/2022	9/20/2022	66	2.41%	1.59
18	Sep-22	ISO RNS-Bill	\$ 2,270,674.26	7/16/2022	9/14/2022	60	8.18%	4.91
19	Sep-22	NEP LNS Bill	\$ 710,200.11	8/16/2022	10/21/2022	66	2.56%	1.69
20	Oct-22	ISO RNS-Bill	\$ 2,440,951.50	8/16/2022	10/12/2022	57	8.80%	5.01
21	Oct-22	NEP LNS Bill	\$ 542,692.12	9/15/2022	11/9/2022	55	1.96%	1.08
22	Nov-22	ISO RNS-Bill	\$ 1,765,676.41	9/15/2022	11/14/2022	60	6.36%	3.82
23	Nov-22	NEP LNS Bill	\$ 460,540.14	10/16/2022	12/1/2022	46	1.66%	0.76
24	Dec-22	ISO RNS-Bill	\$ 1,434,307.94	10/16/2022	12/14/2022	59	5.17%	3.05
25		Total	\$27,748,069				Days	60.33

Columns:

- (a) Month in which obligation for payment occurred
- (b) Per invoices
- (c) Per invoices
- (d) Applicable service period
- (e) Per invoices
- (f) Column (e) - Column (d)
- (g) Column (c) / Column (c) Line 25
- (h) Column (f) x Column (g)

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Revenue Lead/Lag Applied to Transmission and Stranded Cost Mechanisms**

<u>Service Period</u>		Monthly Customer <u>Accts.Receivable</u> (a)	Monthly <u>Sales</u> (b)	Days <u>In Month</u> (c)	Average <u>Daily Revenues</u> (d)
1/1/2022	1/31/2022	\$13,874,291	\$13,001,968	31	\$419,418
2/1/2022	2/28/2022	\$14,240,765	\$13,349,266	28	\$476,760
3/1/2021	3/31/2022	\$15,366,642	\$16,113,380	31	\$519,786
4/1/2022	4/30/2022	\$13,878,360	\$14,326,913	30	\$477,564
5/1/2022	5/31/2022	\$11,852,065	\$12,553,965	31	\$404,967
6/1/2022	6/30/2022	\$13,129,736	\$12,431,389	30	\$414,380
7/1/2022	7/31/2022	\$14,958,961	\$14,192,916	31	\$457,836
8/1/2022	8/31/2022	\$18,829,611	\$16,571,543	31	\$534,566
9/1/2022	9/30/2022	\$19,590,327	\$16,797,495	30	\$559,917
10/1/2022	10/31/2022	\$13,763,794	\$13,298,088	31	\$428,971
11/1/2022	11/30/2022	\$12,565,580	\$11,530,395	30	\$384,347
12/1/2022	12/31/2022	\$16,050,611	\$12,606,165	31	\$406,650
Average		\$14,841,729			\$457,097
1 Service Lag					15.21
2 Collection Lag					32.47
3 Billing Lag					<u>2.59</u>
4 Total Average Days Lag					50.27
5 Customer Payment Lag-annual percent					13.73%

Columns:

- (a) Accounts Receivable per general ledger at end of applicable month
- (b) Per Company billing data
- (c) Number of days in applicable service period
- (d) Column (b) ÷ Column (c)

Lines:

- 1 Per Settlement Agreement Docket No. DE 19-064
- 2 (a) / (d)
- 3 Per Settlement Agreement Docket No. DE 19-064
- 4 Line (1) + Line (2) + Line (3)
- 5 Line (5) ÷ 365

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Calculation of RGGI Auction Proceeds Refund**

Month	Beginning Balance With Interest	RGGI Rebate	Actual Refund	(Over)/Under Balance	Balance Subject to Interest	Effective Interest Rate	Interest	Cumulative Interest
	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
1	May-22 (\$1,114,477)	(\$895,857)	\$198,491	(\$1,811,842)	(\$1,463,159)	3.50%	(\$4,268)	(\$4,268)
2	Jun-22 (\$1,816,110)		\$283,580	(\$1,532,530)	(\$1,674,320)	4.00%	(\$5,581)	(\$9,849)
3	Jul-22 (\$1,538,111)	(\$840,164)	\$325,946	(\$2,052,329)	(\$1,795,220)	4.75%	(\$7,106)	(\$16,955)
4	Aug-22 (\$2,059,435)		\$351,700	(\$1,707,735)	(\$1,883,585)	5.50%	(\$8,633)	(\$25,588)
5	Sep-22 (\$1,716,368)		\$325,458	(\$1,390,909)	(\$1,553,639)	5.50%	(\$7,121)	(\$32,709)
6	Oct-22 (\$1,398,030)	(\$810,856)	\$204,547	(\$2,004,339)	(\$1,701,185)	6.25%	(\$8,860)	(\$41,569)
7	Nov-22 (\$2,013,199)		\$203,724	(\$1,809,476)	(\$1,911,338)	6.25%	(\$9,955)	(\$51,524)
8	Dec-22 (\$1,819,431)	(\$780,896)	\$282,150	(\$2,318,177)	(\$2,068,804)	7.00%	(\$12,068)	(\$63,592)
9	Jan-23 (\$2,330,245)		\$294,029	(\$2,036,216)	(\$2,183,230)	7.50%	(\$13,645)	(\$77,237)
10	Feb-23 (\$2,049,861)		\$333,701	(\$1,716,160)	(\$1,883,010)	7.75%	(\$12,161)	(\$89,398)
* 11	Mar-23 (\$1,728,321)		\$291,248	(\$1,437,072)	(\$1,582,697)	7.75%	(\$10,222)	(\$99,620)
* 12	Apr-23 (\$1,447,294)		\$268,162	(\$1,179,132)	(\$1,313,213)	7.75%	(\$8,481)	(\$108,101)
13	Total	(\$3,327,773)	\$3,362,737	(\$1,187,613)				
14	2023 (Over)/Under Refund			(\$1,187,613)				
15	Forecasted 2023 RGGI Refund			(\$3,327,773)				
16	Total Refund Due			(\$4,515,386)				
17	Forecast kWh Deliveries			924,515,841				
18	RGGI Refund Rate Effective 5/1/2023			(\$0.00488)				

- (a) May-22 ties to the deferral account balance, all other months are Prior Month Column (e) + Prior Month Column (h)
- (b) Company financials
- (c) Company financials
- (d) Column (a) - [(Column (c) - Column (b))]
- (e) Average of Column (a) and Column (c)
- (f) Interest rate on customer deposits
- (g) Column (e) x [Column (f) ÷ 12]
- (h) Prior month Column (h) + Current month Column (g)
- 14 Sum of column (d)
- 15 Forecast based on 2021 auction proceeds
- 16 Sum of lines 14 + 15
- 17 Company forecast
- 18 Line 16 / Line 17
- * Estimate

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Property Tax Adjustment Mechanism Rate Calculation
Effective May 1, 2023 - April 30, 2024

Line No.			
1	Prior Period (Over)/Under Recovery	\$23,275	Attachment HMT-5, Page 2, Line 16
2	2022 Property Tax Year Variance	\$498,988	Attachment HMT-5, Page 3, Line 6
3	Total PTAM to be Recovered	<u>\$522,263</u>	Line 1 + Line 2
4	Forecasted Distribution kWh Sales	924,515,841	Company Forecast
5	Transmission Rate - PTAM Portion (\$/kWh)	\$0.00056	Line 3 / Line 4

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
PTAM Reconciliation
May 2022 - April 2023

1	Month	(Over)/Under Beginning Balance	PTAM Revenue	Monthly (Over)/Under	(Over)/Under Ending Balance	Balance Subject to Interest	Interest Rate	Interest	Cumulative Interest	
2		(a)	(b)	(c.)	(d)	(e.)	(f)	(g)	(h)	
3	May-22	\$330,873	(\$23,721)	\$307,152	\$307,152	\$319,012	3.25%	\$864	\$864	
4	Jun-22	\$308,016	(\$26,349)	\$281,667	\$281,667	\$294,841	3.25%	\$799	\$1,663	
5	Jul-22	\$282,465	(\$30,089)	\$252,376	\$252,376	\$267,421	4.00%	\$891	\$2,554	
6	Aug-22	\$253,268	(\$32,476)	\$220,792	\$220,792	\$237,030	4.00%	\$790	\$3,344	
7	Sep-22	\$221,582	(\$24,239)	\$197,343	\$197,343	\$209,462	4.00%	\$698	\$4,042	
8	Oct-22	\$198,041	(\$18,871)	\$179,170	\$179,170	\$188,606	5.50%	\$864	\$4,907	
9	Nov-22	\$180,035	(\$18,795)	\$161,240	\$161,240	\$170,637	5.50%	\$782	\$5,689	
10	Dec-22	\$162,022	(\$31,838)	\$130,184	\$130,184	\$146,103	5.50%	\$670	\$6,358	
11	Jan-23	\$130,854	(\$26,980)	\$103,874	\$103,874	\$117,364	7.00%	\$685	\$7,043	
12	Feb-23	\$104,558	(\$30,787)	\$73,771	\$73,771	\$89,165	7.00%	\$520	\$7,563	
*	13 Mar-23	\$74,291	(\$26,865)	\$47,427	\$47,427	\$60,859	7.00%	\$355	\$7,918	
*	14 Apr-23	\$47,782	(\$24,735)	\$23,047	\$23,047	\$35,414	7.75%	\$229	\$8,147	
15			(\$315,745)							
16		Projected Cumulative (Over)/Under Collection of PTAM Charge:				\$23,275				

- (a) May-22 DE 22-018 Approved Recovery Amount
- (b) Company financials
- (c) Column (c) - Column (b)
- (d) Column (a) + Column (d)
- (e) [Column (a) + Column (e)] ÷ 2
- (f) Interest rate on customer deposits
- (g) Column (f) x [Column (g) ÷ 12]
- (h) Column (h) + Prior Month Column (i)
- * Projected

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Property Tax Adjustment Mechanism
Property Tax Summary

<u>Line</u>		<u>Amount</u>	<u>Reference</u>
1	Total Property Taxes in Base Rates 2021	\$4,335,347	DE 22-018 Bates 57 line 10
2	2022 Property Tax Year Bills	<u>\$4,883,044</u>	HMT-5 Page 4 Line 58
3	Total	547,696.57	
4	DE 22-018 Audit Results	(\$48,709)	Attachment HMT-7
5	2022 Property Tax Year Variance	<u><u>\$498,988</u></u>	Line 5 - Line 4

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Property Tax Adjustment Mechanism
Municipal Property 2022 Tax Invoices**

Line	Municipality	Parcel	Tax Year 2022		
			Installment #1	Installment #2	Total Due
1	Acworth	999-00000-00999-00D	\$10,975.00	\$13,406.00	\$24,381.00
2	Alstead	999-UTIL-001	\$51,397.00	\$51,268.00	\$102,665.00
3	Atkinson	00UTIL-000001-000000	\$1,035.00	\$1,048.00	\$2,083.00
4	Bath	00-GSE	\$827.14	\$748.93	\$1,576.07
5	Canaan	00UTIL-00ELEC-000001	\$51,719.00	\$54,324.00	\$106,043.00
6	Charlestown	119-033	\$1,575.12	\$1,736.53	\$3,311.65
7	Charlestown	000-003	\$151,228.96	\$122,541.99	\$273,770.95
8	Charlestown	103-050	\$1,167.50	\$1,287.14	\$2,454.64
9	Charlestown	103-051	\$6.24	\$6.88	\$13.12
10	Charlestown	107-001	\$22.96	\$25.32	\$48.28
11	Cornish	000UTL - 000UTL - 00ELEC	\$3,092.00	\$3,744.00	\$6,836.00
12	Derry	11-100	\$2,728.17	\$2,689.27	\$5,417.44
13	Enfield	0033-0034-00000-00000	\$1,000.32	\$1,099.46	\$2,099.78
14	Enfield	OUTL-0001-00000-00000	\$107,887.83	\$92,447.82	\$200,335.65
15	Grafton	000UTL-00001-00000	\$709.00	\$335.00	\$1,044.00
16	Goffstown	99-4-3	\$116.23	\$92.59	\$208.82
17	Hanover	0-0-11	\$109,174.00	\$163,753.00	\$272,927.00
18	Hanover	23-1-1	\$0.00		\$0.00
19	Langdon	1-00000.-0	\$14,949.94	\$17,154.15	\$32,104.09
20	Lebanon	103-14	\$462,237.00	\$540,349.00	\$1,002,586.00
21	Lebanon	105-105	\$2,010.00	\$1,321.00	\$3,331.00
22	Lebanon	116-4	\$43.00	\$71.00	\$114.00
23	Lebanon	117-17	\$737.00	\$1,116.00	\$1,853.00
24	Lebanon	157/1	\$13,136.00	\$39,640.00	\$52,776.00
25	Lebanon	157/2	\$3,860.60	\$9,437.00	\$13,297.60
26	Londonderry	6-1	\$2,667.00	\$811.00	\$3,478.00
27	Londonderry	999-2	\$54,952.00	\$39,656.00	\$94,608.00
28	Marlow	81-14-1	\$4,949.40	\$4,480.20	\$9,429.60
29	Monroe	81-14-0	\$7,130.40	\$5,163.30	\$12,293.70
30	Orange	U7C	\$607.59	\$374.11	\$981.70
31	Pelham	000000-000002-000000	\$4,438.07	\$2,930.66	\$7,368.73
32	Pelham	0041-00011	\$8.44	\$8.51	\$16.95
33	Plainfield	00UTLS-000GSE-000000	\$0.00	\$1,653.46	\$1,653.46
34	Salem	0-14-3	\$89,721.00	\$349,245.00	\$438,966.00
35	Salem	29-7-114-1-UBO	\$31,149.00	\$67,889.00	\$99,038.00
36	Salem	000233-000020-000000	\$27,945.00	\$21,931.00	\$49,876.00
37	Salem	67-9809	\$1,416.00	\$1,527.00	\$2,943.00
38	Salem	68-10101	\$236.00	\$257.00	\$493.00
39	Salem	68-10102	\$277.00	\$299.00	\$576.00
40	Salem	68-10103	\$151.00	\$160.00	\$311.00
41	Salem	89-1099	\$594.00	\$639.00	\$1,233.00
42	Salem	89-10115	\$925.00	\$995.00	\$1,920.00
43	Salem	99-12572	\$8,449.34	\$6,303.00	\$14,752.34
44	Salem	114-10116	\$0.00	\$0.00	\$0.00
45	Salem	116-9915	\$9,011.00	\$9,712.00	\$18,723.00
46	Salem	116-9915-2	\$672.00	\$723.00	\$1,395.00
47	Salem	136-9903	\$1,360.00	\$1,465.00	\$2,825.00
48	Salem	157-9715	\$50,812.00	\$49,465.00	\$100,277.00
49	Salem	157-9715-1	\$654,151.00	\$981,409.00	\$1,635,560.00
50	Salem	157-9715-2	\$0.00		\$0.00
51	Springfield	000000-000000-000003-0091-07	\$105.00	\$92.00	\$197.00
52	Surry	000UTL-000003-000GSE	\$1,355.00	\$458.00	\$1,813.00
53	Tilton	00UTL-000LIB-000GSE	\$118.00	\$158.00	\$276.00
54	Walpole	00UTIL-00UTIL-00001B	\$85,535.00	\$77,092.00	\$162,627.00

**Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
Typical Residential Customer
Retail Rate Filing Bill Comparison**

1 Usage	650 kWh				
		Current	May 1, 2023 Proposed	Current	May 1, 2023 Proposed
2		Rates	Rates	Bill	Bill
3 Customer Charge		\$14.74	\$14.74	\$14.74	\$14.74
4 Distribution Charge		\$0.05909	\$0.05909	\$38.41	\$38.41
5 Storm Recovery Adjustment		(\$0.00202)	(\$0.00202)	(\$1.31)	(\$1.31)
6 Transmission Charge		\$0.03635	\$0.03357	\$23.63	\$21.82
7 Stranded Cost Charge		(\$0.00051)	(\$0.00031)	(\$0.33)	(\$0.20)
8 System Benefits Charge		\$0.00700	\$0.00700	\$4.55	\$4.55
9 Subtotal Retail Delivery Services		<u>\$0.09991</u>	<u>\$0.09733</u>	\$79.68	\$78.01
10 Default Service Charge		<u>\$0.22007</u>	<u>\$0.22007</u>	<u>\$143.05</u>	<u>\$143.05</u>
11 Total Bill				\$222.73	\$221.05
<hr/>					
15	Monthly \$ decrease in 650 kWh Total Residential Bill			(\$1.68)	
16	Monthly % decrease in 650 kWh Total Residential Bill			-0.75%	
<hr/>					

STATE OF NEW HAMPSHIRE
Intra-Department Communication

DATE: June 10, 2022

FROM: Audit Staff, Division of Enforcement
NH Department of Energy

SUBJECT: Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
FINAL Audit Report DE 22-018

TO: Tom Frantz, Director, Regulatory
Elizabeth Nixon, Director Electric, Regulatory
Jay Dudley, Analyst, Regulatory
Paul Dexter, Attorney, NH Department of Energy

Introduction

The Enforcement division Audit staff of the Department of Energy was requested by the Legal staff of the Department to review the property tax adjustment portion of the Annual Retail Rate filing submitted to the PUC on March 22, 2022. The filing has been docketed as DE 22-018.

Statutory Establishment

HB 700 established a methodology for valuing utility distribution assets for property tax purposes, codified as RSA 72:8-d and -e, for implementation August 2019. The statute reads:

TITLE V
TAXATION
CHAPTER 72
PERSONS AND PROPERTY LIABLE TO TAXATION
Property Taxes
Section 72:8-d

72:8-d Valuation of Electric, Gas, and Water Utility Company Distribution Assets. –

I. In this section:

- (a) "FERC" means the Federal Energy Regulatory Commission.
- (b) "Utility company assets" means the following property not exempt under RSA 72:23:
 - (1) For an electric company providing electricity service to retail customers: the distribution poles, wires, conductors, attachments, meters, transformers, and substations accounted for by the utility in accordance with FERC Form 1, buildings, contributions in aid of construction (CIAC), construction works in progress (CWIP), and land rights, including use of the public rights of way, easements on private land owned by third parties, and land owned in fee by the electric company, so long as such easements and fee land are associated solely with distribution power

lines classified as distribution according to FERC standards.

(2) For a gas company providing gas service to retail customers: distribution pipes, fittings, meters, pressure reducing stations, buildings, contributions in aid of construction (CIAC), construction works in progress (CWIP), and land rights including use of the public rights of way, easements on private land owned by third parties, and land owned in fee by the gas company.

(3) For a water company providing water service to retail customers: pipes, fittings, meters, wells, pressure/pump stations, buildings, contributions in aid of construction (CIAC), construction works in progress (CWIP), and land rights including use of the public rights of way, easements on private land owned by third parties, and land owned in fee by the water company. No electric power fixtures employed solely as an emergency source of electric power in a public water distribution system shall be taxable.

(c) "Utility company assets" shall not include:

(1) Electric company transmission poles, wires, conductors, attachments, meters, transformers, and substations, classified as transmission according to FERC standards, buildings associated with transmission, and land rights, including easements on private land owned by third parties, and land owned in fee by the electric company, so long as such easements and fee land are associated with transmission power lines classified as transmission according to FERC standards.

(2) Electric generation facilities and associated land rights, whether in fee or by easement.

(3) Gas transmission pipeline facilities regulated by FERC and associated land rights, whether in fee or easement.

(4) Wholly owned telephone, cable, or Internet service providers, and large scale natural gas and propane gas liquid storage and processing facility assets.

(5) Fee-owned land, office buildings, garages, and warehouses.

(d) "Retention dam" means a dam constructed for the purpose of impounding drinking water supply.

II. (a) The selectmen or assessors shall appraise utility company assets lying within the limits of the town or city using a unified method of valuing the utility company assets, excluding land rights, according to the following formula:

(1) For electric and gas utility company assets: a weighted average of 70 percent of each asset's original cost and 30 percent of each asset's net book cost as reported in compliance with paragraphs IV and V.

(2) For water utility company assets: a weighted average of 25 percent of each asset's original cost and 75 percent of each asset's net book cost as reported in compliance with paragraphs IV and V.

(b) To the appraisal under subparagraph (a), for the use of public rights of way and private distribution system easements, the selectmen or assessors shall add 3 percent of the valuation determined under subparagraph (a).

(c) The total of subparagraphs (a) and (b), as implemented under paragraph VI, shall be the valuation of the utility company's assets for purposes of local property taxation, and added to the municipality's assessed value of the utility company's fee-owned land, office buildings, garages, and warehouses.

III. Any water utility company land parcel owned in fee for sanitary radii, retention dams, and/or watershed protection purposes which is subject to regulation by the department of environmental services to protect water quality shall be entitled to be assessed under RSA 79-C at the value such land would have been assigned under the current use values established pursuant to RSA 79-A if the land had met the criteria for open space land under that chapter, even if said parcel is

less than 10 acres in size and/or has a well structure and related piping on the parcel.

IV. Each utility company shall report by May 1 of each year to the selectmen or assessors of each town or city in which its utility company assets are located and to the department of revenue administration, the original cost and net book value as of December 31 of the preceding year of each account code category of distribution, transmission, and generation assets, if any, located within such town or city in accordance with FERC Form 1 and/or Form 2 Federal Account Code items.

V. The commissioner of the department of revenue administration shall adopt rules under RSA 541-A for the forms and requirements for the reporting under paragraph IV. Such reporting requirements shall also include an obligation on the utility company with utility company assets to utilize an accounting system to report and track with the best information available, in an efficient, equitable and transparent manner using the best information then available from the utility company's accounting records, contributions in aid of construction (CIAC), construction works in progress (CWIP), and undistributed plant assets in each town or city and the original cost of each such asset as reported by the contributing entity.

VI. (a) The assessed value of all utility company assets existing and assessed as of April 1, 2018 determined in subparagraph II(c) shall be implemented over a 5-year period as follows:

(1) The value for assessment of property taxes for the tax year effective April 1, 2020 shall be a weighted average of 80 percent of the final locally assessed value effective April 1, 2018 and 20 percent of the apportioned value determined under subparagraph II(c) effective April 1, 2020.

(2) The value for assessment of property taxes for the tax year effective April 1, 2021 shall be a weighted average of 60 percent of the final locally assessed value effective April 1, 2018 and 40 percent of the apportioned value determined under subparagraph II(c) effective April 1, 2021.

(3) The value for assessment of property taxes for the tax year effective April 1, 2022 shall be a weighted average of 40 percent of the final locally assessed value effective April 1, 2018 and 60 percent of the apportioned value determined under subparagraph II(c) effective April 1, 2022.

(4) The value for assessment of property taxes for the tax year effective April 1, 2023 shall be a weighted average of 20 percent of the final locally assessed value effective April 1, 2018 and 80 percent of the apportioned value determined under subparagraph II(c) effective April 1, 2023.

(5) For each of the years in subparagraphs (a)(1) through (4), all utility company assets installed after April 1, 2018, and not included in assessment as of April 1, 2018, shall be assessed at the apportioned value determined under subparagraph II(c) effective as of April 1 of the property tax year. For each of the years in subparagraphs (a)(1) through (4), all utility company assets retired after April 1, 2018, and included in assessment as of April 1, 2018, shall not be assessed.

(6) Beginning with the tax year effective April 1, 2024 and every tax year thereafter the locally assessed value shall be the apportioned value determined under subparagraph II(c) effective as of April 1 of the property tax year.

(b) For purposes of subparagraph (a), "final locally assessed value effective April 1, 2018" means the municipality's value of the utility company's assets as taken from the department of revenue administration's form MS-1 for 2018.

VII. All determinations or decisions under this section shall be appealable by the electric, gas, or water utility company or the town or city by petition to the board of tax and land appeals under RSA 71-B. **Source.** 2019, 117:2, eff. Aug. 20, 2019.

Section 72:8-e

72:8-e Recovery of Taxes by Electric, Gas and Water Utility Companies. –

For the implementation period of the valuation of utility company assets under RSA 72:8-d, VI and terminating with the property tax year effective April 1, 2024, the public utility commission shall by order establish a rate recovery mechanism for any public utility owning property that meets the definition of utility company assets under RSA 72:8-d, I. Such rate recovery mechanism shall either:

- I. Adjust annually to recover all property taxes paid by each such utility on such utility company assets based upon the methodology set forth in of RSA 72:8-d; or
- II. Be established in an alternative manner acceptable to both the utility and the public utility commission. **Source.** 2019, 117:2, eff. Aug. 20, 2019.

Filing

Within the direct testimony of Heather Tebbetts and Adam Hall, filed on March 22, 2022, on Bates pages 037-039 is discussion of the dockets, etc., that impacted the calculated (over)/under recovery of the April 1, 2020 through March 31, 2021 (2020 property tax year) and the April 1, 2021 through March 31, 2022 (2021 property tax year). Specifically:

Bates page 057

Schedule HMT/AMH-5 page 2 of 4

<u>Tax year 2020</u>	<u>Reference</u>
\$ 4,798,551	DE 19-064 Corrections and Updates filing Bates 16 line 107
\$ (962,839)	State Property Taxes in DE 19-064
<u>\$ 3,835,712</u>	sum
\$ (19,378)	CY 2019 REP
\$ 26,743	CY 2020 REP
\$ 198,142	2019 Step Increase effective 7/1/2020 (9 months included)
<u>\$ 4,041,219</u>	Total 2020 Property Taxes in Rates

<u>Tax year 2021</u>	<u>Reference</u>
\$ 4,041,219	Total 2020 property taxes to be collected in rates in 2021
\$ 66,047	2019 Step increase effective 7/1/2020 (3 months included)
\$ 220,911	2020 step increase effective 7/1/21 (9 months of \$294,548 Order 26,494)
\$ 7,170	2020 step increase (5 months of \$17,208 Order 26,537)
<u>\$ 4,335,347</u>	Total
\$ 8,376,566	Total Property Taxes Collected in Rates 2020 and 2021

	<u>Muni Tax Billed</u>	<u>Collected in Rates</u>	<u>Difference</u>
2020	\$ 4,514,178	\$ 4,041,219	\$ 472,959
2021	\$ 4,193,261	\$ 4,335,347	\$ (142,086)
	<u>\$ 8,707,439</u>	<u>\$ 8,376,566</u>	<u>\$ 330,873</u>

Audit verified the reported tax year 2020 and 2021 Property Tax expense details to pdf copies of actual invoices. The municipal invoices are summarized below, with recommended adjustments based on reviews of all first and second property tax invoices for both tax years:

<u>Municipality</u>	<u>Tax Year 2020</u>	<u>Tax Year 2020</u>	<u>Audit</u>	<u>Tax Year 2021</u>	<u>Tax Year 2021</u>	<u>Audit</u>
	<u>4/20-3/21</u>	<u>Adjustments</u>	<u>Recommended</u>	<u>4/21-3/22</u>	<u>Adjustments</u>	<u>Recommended</u>
Acworth	\$ 26,915.00	\$ -	\$ 26,915.00	\$ 21,951.00	\$ -	\$ 21,951.00
Alstead	\$ 92,358.00	\$ -	\$ 92,358.00	\$ 102,698.00	\$ -	\$ 102,698.00
Atkinson	\$ 145.00	\$ -	\$ 145.00	\$ 2,070.00	\$ -	\$ 2,070.00
Bath	\$ 1,768.57	\$ -	\$ 1,768.57	\$ 1,654.27	\$ -	\$ 1,654.27
Canaan	\$ 138,917.00	\$ -	\$ 138,917.00	\$ 103,438.00	\$ -	\$ 103,438.00
Charlestown - 5 parcels	\$ 270,829.92	\$ -	\$ 270,829.92	\$ 308,326.43	\$ (9,098.54)	\$ 299,227.89
Cornish	\$ 2,030.00	\$ -	\$ 2,030.00	\$ 6,188.00	\$ -	\$ 6,188.00
Derry	\$ 4,889.99	\$ -	\$ 4,889.99	\$ 5,456.34	\$ -	\$ 5,456.34
Enfield-2 parcels	\$ 202,989.86	\$ -	\$ 202,989.86	\$ 217,588.20	\$ -	\$ 217,588.20
Franconia	\$ 132.32	\$ (67.32)	\$ 65.00	\$ -	\$ -	\$ -
Grafton	\$ 1,374.00	\$ -	\$ 1,374.00	\$ 1,417.00	\$ -	\$ 1,417.00
Goffstown	\$ 244.28	\$ -	\$ 244.28	\$ 232.46	\$ -	\$ 232.46
Hanover-2 parcels	\$ 244,084.00	\$ -	\$ 244,084.00	\$ 221,088.00	\$ -	\$ 221,088.00
Langdon	\$ 30,427.72	\$ (405.00)	\$ 30,022.72	\$ 29,899.88	\$ -	\$ 29,899.88
Lebanon-8 parcels	\$ 1,249,767.00	\$ -	\$ 1,249,767.00	\$ 1,082,007.00	\$ (36,720.00)	\$ 1,045,287.00
Londonderry-2 parcels	\$ 21,602.40	\$ -	\$ 21,602.40	\$ 24,145.50	\$ -	\$ 24,145.50
Marlow	\$ 1,004.13	\$ -	\$ 1,004.13	\$ 992.56	\$ -	\$ 992.56
Monroe	\$ 8,559.94	\$ -	\$ 8,559.94	\$ 8,868.23	\$ -	\$ 8,868.23
Nashua	\$ -	\$ -	\$ -	\$ 16.88	\$ -	\$ 16.88
Orange	\$ 1,914.86	\$ -	\$ 1,914.86	\$ 1,892.21	\$ -	\$ 1,892.21
Pelham-2 parcels	\$ 324,946.00	\$ -	\$ 324,946.00	\$ 241,738.00	\$ -	\$ 241,738.00
Plainfield	\$ 57,680.00	\$ -	\$ 57,680.00	\$ 55,890.00	\$ -	\$ 55,890.00
Salem -14 parcels	\$ 1,497,716.95	\$ -	\$ 1,497,716.95	\$ 1,459,497.00	\$ (2,418.02)	\$ 1,457,078.98
Springfield	\$ 247.00	\$ -	\$ 247.00	\$ 210.00	\$ -	\$ 210.00
Surry	\$ 5,114.00	\$ -	\$ 5,114.00	\$ 2,710.00	\$ -	\$ 2,710.00
Tilton	\$ 274.00	\$ -	\$ 274.00	\$ 236.00	\$ -	\$ 236.00
Walpole-2 parcels	\$ 245,852.00	\$ -	\$ 245,852.00	\$ 223,814.00	\$ -	\$ 223,814.00
Windham-2 parcels	\$ 79,090.00	\$ -	\$ 79,090.00	\$ 69,236.00	\$ -	\$ 69,236.00
	\$ 4,510,873.94	\$ (472.32)	\$ 4,510,401.62	\$ 4,193,260.96	\$ (48,236.56)	\$ 4,145,024.40
	Tax Year 2020			Tax Year 2021		

Property Tax Year 2020 Adjustments

The recommended Franconia disallowance of \$67.32 represents the second issuance 2019 property tax invoice of \$65 and associated late fee of \$2.32. The notice of delinquent taxes was sent to Liberty on February 14, 2020. The Company indicated that the \$132.32 represented the full tax year 2020, but the documentation provided did not support that.

The Langdon recommended disallowance of \$405 is based on a refund of the State Education tax portion of a 2019 property tax invoice that included \$2,695 in State Education tax, while the 2020 first issue included \$3,505 in State Education tax. One half of the variance of \$810 results in the recommended reduction of \$405.

In addition to Langdon, Audit noted within the Property Tax Year 2020 three towns assessed Liberty with the State Education tax. Liberty properly excluded those State Education taxes from the filing, but did pay them, thus overpaying:

- Charlestown-all five parcels
- Lebanon-two of six parcels
- Salem-one of two parcels

Liberty should ensure that the municipal level property tax invoices are adjusted at the town level to discontinue the State Education assessment.

Property Tax Year 2021 Adjustments

The Charlestown recommended disallowance of \$9,098.54 is based on the inclusion of the State Education property tax being assessed to each parcel in tax year 2021, and being included in the filing total. As above, it is recommended that the town cease assessing Liberty for the State Education tax.

The recommended disallowance of the Lebanon associated \$36,720.00 is based on parcels 157/1 and 157/2 at 366 and 384 Plainfield Road respectively. The parcels were new to Liberty with the first issuance in tax year 2021, both include State Education assessments. Audit requested clarification of the properties, and Liberty explained that the parcels “will serve as the future location for the new electric operations center in Lebanon. Because the properties are not currently in service to customers, the properties do not fit with the RSA definition of property eligible for treatment within statute 72:8-d and 72:8-e.

The Salem recommended disallowance of \$2,418.02 represents inclusion of the State Education in the first issue tax year 2021 for parcel 99-12572 for utilities at 1 Tuscan Blvd. (Granite State Electric provides electrical service to the Tuscan Village, while Northern Utilities provides gas service.)

Verification to the FERC Form 1 and General Ledger

The FERC Form 1 calendar year 2020 Annual Report income statement reflects Taxes Other than Income, account 408.1, on line 14 of \$5,721,390. The 2021 figure was noted to be \$6,423,995. The totals are comprised of the following general ledger expense accounts:

	<u>12/31/2020</u>	<u>12/31/2021</u>
8830-2-9810-69-5040-4080 Social Security Taxes	\$ 568,946.12	\$ 659,083.24
8830-2-9810-69-5041-4080 Federal Unemployment taxes	\$ 4,267.94	\$ 4,329.61
8830-2-9810-69-5041-4082 Tx Oth Inc Tx-St Unempl Tax	\$ 7,111.25	\$ 27,248.11
8830-2-9810-69-5042-4080 Medicare	\$ 139,123.57	\$ 150,028.92
8830-2-9820-69-5680-4080 Property Tax	<u>\$5,001,941.28</u>	<u>\$5,583,305.18</u>
Taxes Other than Income FERC Form 1	\$5,721,390.16	\$6,423,995.06

Summary

Based on a review of the general ledger and the Liberty Utilities (Granite State Electric) Corp's 2020 and 2021 municipal property tax year invoices, the proposal to recover \$330,873 should be reduced by \$48,708.88, resulting in an adjusted figure of \$282,164.12.

Company Comment (June 10, 2022)

The Company agrees with the Audit findings on the \$48,708.88 disallowance due to the state education taxes.

Audit Conclusion

Audit reminds the reader that \$36,720 of the recommended disallowance is the result of two Lebanon parcels that are not currently used, useful and in service to rate payers.

The Commission approved the proposed rates by Order 26,619, effective for twelve months beginning on May 1, 2022. As a result, Audit recommends that the overall exclusion of \$48,708.88 be identified explicitly in the Company's next Annual Retail Rate filing in 2023.