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STATE OF NEW HAMPSHIRE
BEFORE THE
PUBLIC UTILITIES COMMISSION

Docket No. DE 24-061

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty
2024 Energy Service Solicitation

UPDATED DIRECT TESTIMONY

OF

ROBERT GARCIA

AND

ADAM R. M. YUSUF

June 20, 2024



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1 **I. INTRODUCTION AND QUALIFICATIONS**

2 **Q. What are your full names, business addresses, and positions?**

3 A. (RG) My name is Robert Garcia. My business address is 15 Buttrick Road, Londonderry,
4 New Hampshire. My title is Manager, Rates and Regulatory Affairs.

5 (ARMY) My name is Adam R.M. Yusuf. I am an Analyst I for Rates and Regulatory
6 Affairs for LUSC, which provides service Liberty. My business address is 15 Buttrick
7 Road, Londonderry, New Hampshire.

8 **Q. By whom are you employed?**

9 A. We are employed by Liberty Utilities Service Corp. (“LUSC”), which provides services
10 to Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty and Liberty Utilities
11 (Granite State Electric) Corp. d/b/a Liberty (“Liberty” or the “Company”).

12 **Q. On whose behalf are you testifying?**

13 A. We are testifying on behalf of Liberty Utilities (Granite State Electric) Corp. (“Liberty”
14 or “the Company”).

15 **Q. Mr. Garcia, would you describe your business and educational background?**

16 A. I have an Artium Baccalaureus (Bachelor of Arts) degree in Political Science and French
17 from Wabash College (Crawfordsville, Indiana) and a Master of Public Administration
18 degree from the School of Public and Environmental Affairs at Indiana University
19 (Bloomington, Indiana) with concentrations in Policy (Quantitative) Analysis and
20 International Affairs. I also obtained a Certificat De Langue Et Civilisation Française
21 from the Université de Paris – Sorbonne (Paris, France) and, as part of my graduate

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1 studies, studied French and European government at the École Nationale
2 D'Administration (Paris, France).

3 I was employed by ComEd from April 2001 to March 2023. I began my employment
4 with ComEd in the Regulatory Department as a Regulatory Specialist and moved on to
5 the positions of Senior Regulatory Specialist in 2004, Manager of Regulatory Strategies
6 and Solutions in 2008, and Director of Regulatory Strategy and Services in 2013 before
7 assuming my last position as Director of Regulatory Innovation & Initiatives in 2021.

8 Prior to joining ComEd, I worked for nearly nine years at the Illinois Commerce
9 Commission, beginning in 1992 as an intern in what was then the Office of Policy and
10 Planning and ending in 2001 as the senior policy advisor to a Commissioner. I initially
11 joined the Commission Staff through the James H. Dunn Memorial Fellowship program,
12 a one-year program sponsored by the Office of the Governor. Through this Fellowship, I
13 also held short-term positions in the Bureau of the Budget and the Governor's Legislative
14 Office.

15 **Q. Mr. Yusuf, would you describe your business and educational background?**

16 A. I graduated from the University of New Hampshire, Durham, in 2009 with a Bachelor of
17 Science in Psychology with a minor in Kinesiology: Sports Studies. I received an
18 Associate Degree in Human Services from New Hampshire Technical Institute in
19 Concord, in 2014. I received a Master of Business Administration from Southern New
20 Hampshire University in 2022. I joined Liberty in April 2019, where I held positions as a

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1 Customer Service Representative and Billing Representative before joining the Rates and
2 Regulatory Affairs Department.

3 **Q. Mr. Garcia, have you testified before the New Hampshire Public Utilities
4 Commission (“Commission”)?**

5 A. Yes. I have testified before the Commission.

6 **Q. Mr. Yusuf, have you testified before the Commission?**

7 A. Yes. I have testified before the Commission.

8
9 **II. OVERVIEW**

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

11 A. The purpose of our updated testimony is to present Liberty’s proposed annual Energy
12 Service (“ES”) reconciliations for the period of August 1, 2023, to July 31, 2024, and
13 proposed ES rates. Our testimony includes the results of: (i) the reconciliation of Energy
14 Service power supply expense and applicable revenue, including Renewable Portfolio
15 Standard obligations and the applicable revenue, through the Energy Service Adjustment
16 Factor (“ESAF”); and (ii) the reconciliation of administrative costs and revenues
17 associated with providing Energy Service through the Energy Service Cost
18 Reclassification Adjustment Factor (“ESCRAF”), both of which have been updated to
19 include actual data for May 2024. Our testimony has also been updated to include (iii)
20 the proposed fixed ES rates, including a weighted-average fixed ES rate for the Small
21 Customer Group (“SCG”) and a monthly fixed ES rate for the Large Customer Group
22 (“LCG”), which, if approved, will both be applicable during the six-month August 1,

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1 2024, through January 31, 2025; (iv) proposed time of use (“TOU”) ES rates; and (v) the
2 resulting bill impacts for a typical residential (Rate D) customer using 650 kWh per
3 month. In addition, pursuant to Order 26,984 (March 29, 2024) in Docket No. DE 23-
4 044, Liberty proposes modest tariff revisions that would be required to implement the
5 Commission’s decision that the Company procure a portion of the default supply directly
6 from the market (and not through a competitive solicitation).

7 **Q. Please provide the list of schedules and attachments included in your testimony.**

8 A. The table below lists the schedules provided as attachments to our testimony.

Schedule	Description
Schedule 1	Energy Service Rates Summary – LCG
Schedule 2	Energy Service Rates Summary – SCG
Updated Schedule 3	Updated Reconciliation and Calculation of Proposed Energy Service Adjustment Factor
Updated Schedule 4	Updated Reconciliation and Calculation of Proposed Energy Service Cost Reclassification Adjustment Factor
Schedule 5	“Bill Impact- “From July 1, 2024 to Aug 1, 2024”
Schedule 6	“Bill Impact- “From August 1, 2023 to Aug 1, 2024”

9
10 Attachment 1 includes proposed revisions to Original Page 25 of the Company’s tariff,
11 both clean and redline versions, in order to comply with Order 26,984 in Docket No. DE
12 23-044. Updated tariff pages that reflect the proposed ES rates have been provided as
13 Attachment 2.

14 **Q. What are Energy Service rates?**

15 A. ES rates are what the Company charges for the energy that it procures to supply
16 customers who do not elect to take service from a competitive supplier or who is not
17 included in a Community Power Aggregation, including associated costs. ES is often

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1 referred to as default supply service. The rates for ES reflect a pass-through of the costs
2 with no mark-up or profit for the Company.

3 **Q. How many separate Energy Service rates are there?**

4 A. In general, ES rates are set based on the customer group. Fixed monthly Energy Service
5 rates are set for the classes supplied through the LCG. These rates change from month to
6 month during the six-month period August 1 through January 31. Fixed monthly rates
7 are also set for the classes served through the SCG; however, these rates are fixed for the
8 six-month period and do not vary from month to month. With respect to customers
9 served through either the LCG or SCG and taking service under TOU rates, separate
10 peak, mid peak, and off peak rates are set for the six-month period using models
11 approved for such rate updates.

12 **Q. Which customer classes comprise the Large Customer Group?**

13 A. The LCG includes Liberty's customers who receive service under rate classes G-1
14 (General Service Time-Of-Use), G-2 (General Long-Hour Service), and the time of use
15 rates EV-L (Commercial Plug In Electric Vehicle Charging Station) and EV-M
16 (Commercial Plug In Electric Vehicle Charging Station). Additional detail regarding the
17 class definitions is available in the Company's retail service tariff.¹

18 **Q. Which customer classes comprise the Small Customer Group?**

19 A. The SCG includes Liberty's customers who receive service under rate classes D
20 (Domestic Service), D-10 (Domestic Service with Optional Peak Load Pricing), M

¹ [<https://new-hampshire.libertyutilities.com/uploads/2023-04-05%20NHPUC%20No.%2021.pdf>]

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1 (Outdoor Lighting), T (Limited Total Electrical Living Rate), V (Limited Commercial
2 Space Heating), LED-1 (Outdoor Lighting), LED-2 (Outdoor Lighting) and G-3 (General
3 Service), and the time-of-use rates D-11 (Battery Storage Pilot) and D-12 (Residential
4 EV Charging). Additional detail regarding the class definitions is available in the
5 Company's retail service tariff. *Id.*

6 **Q. Are there other rate classes that are not included in this filing?**

7 A. No.

8
9 **III. BACKGROUND ON DEFAULT SUPPLY & PROCUREMENT**

10 **Q. When did it become necessary for electric utilities in New Hampshire to purchase
11 energy on behalf of their customers in the manner they do now?**

12 It began in 1996, when the New Hampshire legislature passed RSA 374-F, which
13 introduced retail competition for energy supply service and required utilities in the state
14 to divest their ownership of generation assets. Prior to 1996, the utilities generated most
15 or all of the power their customers consumed and passed the costs of doing so on to their
16 customers through regulated rates. With competition for commodity supply, customers
17 can either choose a third-party supplier to provide the commodity portion of their service
18 or receive the commodity portion of their service from their electric utility. For
19 customers who do not choose a third-party supplier, those customers are served by the
20 electric distribution utility under default supply service.

21 **Q. How have the procurement practices of the New Hampshire utilities changed since
22 deregulation was implemented?**

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1 A. The settlement agreements and orders in several dockets have established and then
2 refined how utilities make energy service solicitations, how they evaluate bids, and how
3 best to conduct the entire procurement process. Those proceedings include the
4 Settlement Agreement in Docket No. DE 05-126, dated November 18, 2005, which was
5 approved by the Commission in Order No. 24,577 (Jan. 13, 2006). The process
6 subsequently was amended by Order No. 24,922 (Dec. 19, 2008) in Docket No. DE 08-
7 011, by Order No. 25,601 (Nov. 27, 2013) in Docket No. DE 13-018, and further
8 amended by Order No. 25,806 (Sept. 2, 2015) in Docket No. DE 15-010. Most recently,
9 the procurement process was modified for customers served through the SCG in Order
10 26,984 (March 29, 2024) in Docket No. DE 23-044. Liberty has followed those approved
11 processes in conducting the energy service solicitation, as explained by Mr. Green.

12

13 **IV. ENERGY SERVICE RECONCILIATIONS**

14 **Q. Please summarize the Company's ESAF and ESCRAF reconciliations.**

15 A. The Company calculates the differences between revenues and costs for the following
16 items for this reconciliation filing:

17 ○ Energy Service Adjustment Factor ("ESAF") reconciliation reflects any

18 over- or under-collection of the prior period's ESAF, including:

19 ■ Base Energy Service (over)/under collection

20 ■ Renewable Portfolio Standard (over)/under collection

21 ■ Energy Service Adjustment Factor (over)/under collection

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- 1 ▪ Interest at the customer deposit rate applicable to the monthly
2 (over)/under collection balances
- 3 ○ Energy Service Cost Reclassification Adjustment Factor (“ESCRAF”)
4 reconciliation reflects any (over)/under collection of the prior period’s
5 ESCRAF, including (over)/under collection of administrative costs of
6 providing Energy Service (*i.e.*, all Energy Service-related labor, consulting
7 costs, payments for contract security, working capital costs, and customer
8 bad debt cost) and interest at the customer deposit rate applicable to the
9 monthly (over)/under collection balances.

10 The reconciliations are calculated for the period August 1, 2023, through July 31, 2024,
11 (“Reconciliation Period”). In this updated testimony, the forecasted amounts provided
12 for May in the original May 28, 2024 filing, were updated with actuals, leaving only
13 forecasts of estimated revenues and costs for June and July.

14 **Q. Has the Company calculated the reconciliation factors in the same manner as in**
15 **previous reconciliations?**

16 A. No. In previous years, the general practice was to reconcile cost and revenues for LGC
17 and SGC customers combined. Last year, in Docket No. DE 23-044, Liberty proposed
18 separate reconciliations by group for the LCG and SCG because the Company was forced
19 to serve the LCG through direct market procurement from February to April 2023, after
20 the second Block A solicitation failed to garner bids (*see* Order 26,758 in Docket No. DE
21 22-024) and there was a significant over-collection related to that specific group. In light

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1 of the recent approval of Liberty's proposed plan, made at the direction of the
2 Commission, to procure 20% of supply directly from the ISO-New England market for
3 the SCG (Order 26,984 in Docket No. DE 23-044), Liberty seeks to continue the practice
4 of applying separate reconciliations to customers served under the LCG and SCG. In
5 addition, Liberty finds that the separate reconciliations, while requiring a bit more effort,
6 represents a general improvement in cost allocation by customer group.

7 **Q. Are there any other changes that Liberty proposes in light of the procurement of**
8 **20% of SCG supply directly from ISO-New England?**

9 A. Yes. Historically, the ESAFs and ESCRAFs have been reset annually, as part of the
10 reconciliations filed in May. In light of the potential for the forecasted costs for 20% of
11 the SCG supply to deviate materially from actual supply costs, Liberty seeks approval to
12 update these rates, particularly the ESAF, as may be needed, in its December filings for
13 approval of default supply rates for the period February 1 through July 31. The discretion
14 to perform a mid-year adjustment to these rates would enable Liberty to avoid or address
15 inordinately large deferral balances that may occur. Furthermore, we believe that the
16 Commission will have questions at the hearing in December regarding the impact of the
17 direct procurement, which could be answered in part by performing the reconciliation
18 (regardless of whether the rates need to be adjusted or not).

19 **A. ENERGY SERVICE ADJUSTMENT FACTOR RECONCILIATION**

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1 **Q. Is the Company presenting a reconciliation of Energy Service power supply costs**
2 **and revenues in this filing?**

3 A. Yes. Updated Schedule 3 includes the summary and details supporting the calculation of
4 the Energy Service Adjustment Factors (“ESAF”) to be applied to default supply charges.
5 As noted above, the ESAF includes the (over)/under collection balances of Energy
6 Service, the Energy Service Adjustment Factor, RPS, and applicable interest, which are
7 presented in Updated Schedule 3, pages 2, 2-1, and 2-2.

8 **Q. Would you provide an overview of Updated Schedule 3?**

9 A. Updated Schedule 3, page 1 presents the estimated (over)/under collection by supply
10 group and the resulting ESAFs for the SCG and LCG, respectively. Updated Schedule 3,
11 page 2, presents the reconciliation of revenues and expenses by month for the
12 Reconciliation Period. Updated Schedule 3, pages 2-1 and 2-2, present the Energy
13 Service Reconciliation by SCG and LCG, respectively. Additional details behind each
14 month’s Energy Service revenue are included on page 3-1 (LCG) and 3-2 (SCG) of
15 Updated Schedule 3. Page 4 of Updated Schedule 3 provides support for the allocation of
16 total RPS expense by month, which was based on the total usage of each customer group
17 during the Reconciliation Period.

18 **Q. What is the result of the Company’s ESAF reconciliation for the period ending July**
19 **31, 2024?**

20 A. As shown on Updated Schedule 3, page 1, the Company has estimated an over collection
21 of Energy Service power supply costs of \$835,224 for the LCG and an over collection of

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1 \$829,497 for the SCG. When these (over)/under collections are divided by the estimated
2 Energy Service forecasted kilowatt-hour sales, it results in an estimated ESAF of
3 (\$0.01110) for the LCG and (\$0.00345) for the SCG to be included in Energy Service
4 rates effective August 1, 2024, through July 31, 2025.

5 **Q. Is the Company presenting a separate reconciliation of the cost of complying with**
6 **the Renewable Portfolio Standard obligation in this filing?**

7 A. No. Consistent with the previously approved methodology, the Company has included
8 RPS revenues and expenses in the ESAF reconciliation.

9 **Q. Has Liberty made any adjustments for the Class III REC costs at issue in Docket**
10 **No. DE 23-044?**

11 A. No. The Commission has not entered an order resolving this open issue as of the time of
12 this filing.

13 **B. ENERGY SERVICE COST RECLASSIFICATION ADJUSTMENT**
14 **FACTOR RECONCILIATION**

15 **Q. Is the Company presenting a reconciliation of administrative costs of providing**
16 **Energy Service and associated revenues in this filing?**

17 A. Yes. Updated Schedule 4 includes the summary and details supporting the calculation of
18 the Energy Service Cost Reclassification Adjustment Factors (“ESCRAF”) to be applied
19 to default supply charges. As noted above, the ESCRAF includes the (over)/under
20 collection balances of Energy Service related administrative costs and applicable interest,
21 which are presented in Updated Schedule 4, pages 2, 2-1, and 2-2.

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1 **Q. Would you provide an overview of Updated Schedule 4?**

2 A. Updated Schedule 4, page 1 presents the estimated (over)/under collection by supply
3 group and the resulting ESCRAFs for the SCG and LCG, respectively. Updated
4 Schedule 4, page 2, presents the reconciliation of revenues and expenses by month for the
5 Reconciliation Period. Pages 2-1 and 2-2 provide reconciliations for the Large and Small
6 customer groups, respectively. The detail and allocations supporting each month's
7 ESCRAF administrative expense are shown on pages 4, 4-1, and 4-2 of Updated
8 Schedule 4.

9 **Q. What is the result of the Company's ESCRAF reconciliation for the period ending**
10 **July 31, 2024?**

11 A. As shown on Updated Schedule 4, page 1, the Company has estimated an under
12 collection of administrative expenses of \$283,723 for the LCG and an under collection of
13 \$591,266 for the SCG. When these under collections are divided by the estimated
14 Energy Service forecasted kilowatt-hour sales, it results in an estimated ESCRAF of
15 \$0.00377 per kWh for the LCG and \$0.00246 per kWh for the SCG to be included in
16 Energy Service rates effective August 1, 2024, through July 31, 2025.

17 **Q. Do the proposed ESCRAFs reflect the cost of Tyr Energy LLC's White Paper**
18 **regarding call-option strategies that the Commission authorized in its Procedural**
19 **Order (April 24, 2024) in Docket No. DE 23-044?**

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1 A. The report is not due with the Commission until June 20, 2024, and no invoices have
2 been received from Tyr as of the date of this filing. Therefore, these costs will be
3 reflected in the next reconciliation.

4
5 **V. PROPOSED ENERGY SERVICES RATES**

6 **Q. How are the bid prices converted into Energy Service rates?**

7 A. As further described in Mr. Green's testimony, the Company went out for bids to supply
8 80% of the SCG and 100% of the LCG loads for the six-month period of August 2024
9 through January 2025. Those winning bids are initially translated into base energy
10 service rates using the monthly bid prices (per MWh) multiplied by the load loss factor,
11 which is calculated by Liberty's Energy Procurement group. With respect to SCG, the
12 base energy service rates reflect a load-weighted average of the forecasted cost for the
13 20% direct market procurements and the monthly bid prices for the 80% supplied through
14 the RFP. The base energy service rate calculations are provided in Schedules 1 and 2, line
15 13.

16 **Q. Are any further adjustments made to the base energy service rates for the Small and**
17 **Large Customer Supply Groups?**

18 A. Yes. Three adjustments are made to the base service rates to derive the ES rates: (1) a
19 Renewable Portfolio Standard ("RPS") adder, which reflects the cost of complying with
20 RPS obligations under RSA 362-F:3 for the period August 2023 through July 2024; (2)
21 the Energy Service Reconciliation Factor, which reconciles energy supply expenses and
22 applicable revenues, including those for RPS, for the historic period August 2023 through

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1 July 2024; and (3) the Energy Service Cost Reclassification Factor, which reconciles the
2 administrative and general expense, bad debt expense, cash working capital expense
3 associated with the ES offering, and NHPUC assessments, and revenues for the historic
4 period August 2023 through July 2024.

5 **Q. Have you calculated a new RPS adder and/or updated either of the reconciling**
6 **factors?**

7 A. Yes. The RPS adder of \$0.00880 is provided in the Testimony of Christopher Green.

8 **Q. Do the results of these adjustments establish the Energy Supply rates for Liberty's**
9 **default service customers?**

10 A. The ES rates charged to rate classes within the LCG reflect the monthly base energy
11 service rates calculated for the six-month period, plus the RPS adder and two reconciling
12 factors. However, for rate stability and simplicity, the SCG's monthly base energy
13 service rates are also load-weighted to derive a single, average rate for the six-month
14 period. Thus, six monthly ES rates are applicable to default supply customers in the
15 LCG, while default customers in the SCG are charged the same ES rate during the six-
16 month period.

17 **Q. What Energy Supply rate do you propose for the Small Customer Group?**

18 A. The proposed rate for the Small Customer Group is \$0.10976 per kWh.

19 **Q. What Energy Supply rates do you propose for the Large Customer Group?**

20 A. The proposed rates are shown in Tables 1 through 3 below:

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Table 1

G-1 and G-2 Rates Effective August 1, 2024

<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>January</u>
\$0.09324	\$ 0.07858	\$0.07008	\$ 0.08629	\$ 0.13537	\$ 0.18651

1

2 **Q. Do these proposed rates apply to customers on a TOU supply rate?**

3 A. No. The TOU supply rates for EV-L and EV-M are set using the model that was
 4 approved in Docket No. DE 20-170, Order No. 26,604 (April 7, 2022), for the six-month
 5 procurement period.

Table 2

EV-L Commercial EV TOU Charging Rate

<u>Period</u>	<u>Critical Peak</u>	<u>Mid Peak</u>	<u>Off Peak</u>
Summer (Aug 2024-Oct 2024)	\$ 0.33198	\$ 0.08149	\$ 0.06090
Winter (Nov 2024- Jan 2025)	\$ 0.10012	\$ 0.08465	\$ 0.07326

6

Table 3

EV-M Commercial EV TOU Charging Rate

<u>Period</u>	<u>Critical Peak</u>	<u>Mid Peak</u>	<u>Off Peak</u>
Summer (Aug 2024-Oct 2024)	\$ 0.33060	\$ 0.07984	\$ 0.05950
Winter (Nov 2024- Jan 2025)	\$ 0.10009	\$ 0.08503	\$ 0.07239

7 **Q. What rates do you propose for the TOU rates D-11 and D-12?**

8 A. Our proposed time-of-use rates are shown in Table 4 below:

Table 4

D-11 Battery Storage/ D-12 Residential EV TOU Charging Rate

<u>Period</u>	<u>Critical Peak</u>	<u>Mid-Peak</u>	<u>Off-Peak</u>
Summer (Aug 2024-Oct 2024)	\$ 0.16458	\$ 0.07202	\$ 0.04841
Winter (Nov 2024- Jan 2025)	\$0.12659	\$0.12200	\$0.10753

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1 D-11 and D-12 energy service rates are calculated following methodology approved in
2 Docket No. DE 17-189.

3 **Q. Have you provided workpapers that show your calculations?**

4 A. Yes, please see Schedules 1 and 2 for the workpapers supporting the non-TOU rate
5 calculations. The workpapers for the TOU rates contain thousands of lines of data and,
6 as such, filing the model as an attachment is not feasible, but can be provided in a live
7 excel version for review purposes.

8 Schedule 1 provides the calculation of the total monthly ES rates for the Large Customer
9 class including (i) the forecasted cost of Energy Service and (ii) the RPS adder and two
10 reconciling factors. The monthly rates for the six-month period are calculated on Line
11 17.

12 Schedule 2 provides the calculation of the total monthly ES rates for the Small Customer
13 class including (i) the forecasted cost of Energy Service and (ii) the RPS adder and two
14 reconciling factors. The weighted average fixed rate for the six-month period is
15 calculated on Line 21.

16 **Q. Please explain how the Time of Use rates are calculated.**

17 A. The TOU rates are calculated using the cost duration method as approved in Docket Nos.
18 DE 17-189 and DE 20-170. These calculations employ 2020 hourly load and locational
19 marginal price (“LMP”) data to develop cost ratios for each of the three pricing periods
20 (that is, sum of hourly load times applicable LMP for each hour of a period divided by

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1 total annual cost at LMP), which are in turn applied to the ES rates to develop critical
2 peak, mid-peak, and off-peak rates.

3
4 **VI. BILL IMPACTS**

5 **Q. Has the Company determined the impact of the energy service rate change on a**
6 **typical residential customer bill?**

7 A. Yes. As shown in Schedule 5, for a residential customer taking Energy Service and using
8 650 kWh per month, the total bill impact of the proposed rate in this filing, as compared
9 to current rates, is a bill increase of \$7.92 per month, or 5.21 percent, from \$151.91 to
10 \$159.83.

11 Schedule 6, compares actual historical rates in effect on August 1, 2023, to proposed
12 rates effective August 1, 2024. For a residential customer taking Energy Service and
13 using 650 kWh per month, the total bill impact of the proposed rate in this filing, as
14 compared to rates effective on August 1, 2023, is a bill decrease of \$7.30 per month, or -
15 4.37 percent, from \$167.13 to \$159.83. The Energy Service rate component alone as
16 compared to ES rates effective on August 1, 2023, amounts to a bill decrease of \$10.63
17 per month, or -12.97 percent, from \$81.98 to \$71.34 for just the ES charge compared to
18 rates effective on August 1, 2024.

19 **Q. Has the Company provided updated tariff pages as part of this filing?**

20 A. Yes. Updated tariff pages have been provided as Attachment 2.

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Docket No. DE 24-061

2024 Energy Service Solicitation

Updated Direct Testimony of R. Garcia and A. Yusuf

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1 **Q. Does Liberty require Commission approval of this rate by a specific date?**

2 A. Yes. In order to lock in the RFP results and make effective the contracts executed with
3 the winning bidders, Liberty is seeking approval of the proposed ES rates by June 28,
4 2024?

5
6 **VII. CONFORMING TARIFF CHANGES**

7 **Q. Are any revisions to Liberty's tariff needed in order to implement Order 26,984 in**
8 **Docket No. DE 23-044?**

9 A. Yes. Compliance with the Commission's recent approval of the plan to procure 20% of
10 supply directly from the ISO-New England market for the SCG would require a modest
11 change to paragraph 45 (Energy Service Adjustment Provision) of the Terms and
12 Conditions (Original Page 45), which generally refer to the procurement being made
13 through a "competitive bidding process." As also shown in Attachment 1, Liberty
14 proposes the following changes:

15 45. Energy Service Adjustment Provision

16 Energy Service shall be procured by the Company pursuant to a competitive
17 bidding process or as otherwise directed by the Commission, and the rates for
18 Energy Service shall be based on short-term market prices and include an estimate
19 of administrative costs associated with the provision of Energy Service.
20

21 Additional refinements to the tariff may be required in the future as the Commission
22 further explores alternatives to the current procurement processes, including most notably
23 the upcoming Tyr Energy LLC White Paper regarding call-option strategies.

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1 **VIII. CONCLUSION**

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

3 **A.** Yes, it does.