

**STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION**

DE 23-031

LIBERTY UTILITIES (GRANITE STATE ELECTRIC) CORP. d/b/a LIBERTY

**Vegetation Management Program
Calendar Year 2022 Reconciliation and Rate Adjustment Filing**

Order Approving Reconciliation

ORDER NO. 26,805

April 25, 2023

In this order, the Commission approves the reconciliation of costs and revenues associated with Liberty's 2022 vegetation management plan (VMP), effective May 1, 2023. The net result of the reconciliation is estimated to be approximately a \$(0.00002) per kilowatt hour (kWh) VMP adjustment factor, which represents a credit of approximately 2 cents in the monthly bill of an average residential customer using 650 kWh per month. The Commission's approval herein of the adjustment factor neither approves nor forecloses further scrutiny of the Company's operation of its vegetation management program and associated spending. Issues that may warrant further scrutiny in Liberty's upcoming rate case or other proceeding before the Commission include its management of contracts related to vegetation management, as well as contributions that may be warranted from joint pole owners.

I. BACKGROUND

On March 15, 2023, Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities (Liberty, or the Company), filed its Calendar Year 2022 VMP reconciliation and rate adjustment filing in this docket, pursuant to the terms of the Settlement Agreement entered into in Docket No. DE 19-064, and approved by the Commission. With its filing, the Company submitted supporting testimony and related schedules

detailing the reconciliation of VMP costs and revenues. See Hearing Exhibit 1. An adjudicative proceeding was commenced by a procedural order issued on March 24, 2023 and a hearing on the merits of the Company's filing was held on April 19, 2023. The Office of the Consumer Advocate (OCA) filed a letter of participation on April 11, 2023. No petitions to intervene were filed.

The petition and subsequent docket filings, other than any information for which confidential treatment is requested of or granted by the Commission, are posted on the Commission's website at

<https://www.puc.nh.gov/Regulatory/Docketbk/2023/23-031.html>

II. POSITIONS

A. Liberty

Liberty's filing proposed new rates for the recovery of costs associated with its VMP, resulting in a \$(0.00002) per kWh VMP credit to the Company's distribution rates. This is a decrease of \$0.00003 per kWh from the current VMP adjustment factor approved by the Commission in Docket No. DE 22-014, in Order No. 26,620 (April 28, 2022). Hearing Exhibit 1 at Bates Page 18. Liberty further requested recovery of \$2,749,187 in VMP-related spending for 2022, which is a capped sum incorporating the base level of VMP budget funding of \$2,200,000 for 2022, the contingency over-spend amount of 10 percent of this approved budget, and a \$329,187 carryover from unspent 2021 VMP monies that was approved by the Commission in Docket No. DE 22-014, in Order No. 26,620. Hearing Exhibit 1 at Bates Page 7. Liberty noted that 162 miles of circuits were trimmed in 2022, compared with the planned 153 miles. *Id.*

B. DOE

The DOE, in a letter filed on April 12, 2023, stated that it supported the Company's VMP proposal for this program year as filed, a position that DOE representatives reiterated at hearing.

C. OCA

The OCA indicated at hearing that it supported approval of the Company's VMP proposal. Following the hearing, in a letter filed on April 19, 2023, the OCA made comments regarding pending legislation relating to local traffic control practices.

III. COMMISSION ANALYSIS

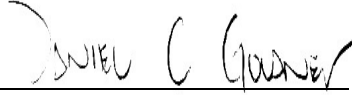
We find that Liberty's VMP activities in 2022 are generally consistent with the program goals and parameters authorized initially by the Commission in Docket DE 19-064 through approval of the settlement reached among parties in that proceeding. In sum, based on the evidence presented in this proceeding, we approve a VMP adjustment factor to be included in distribution rates, as a credit of \$(0.00002) per kWh to take effect on May 1, 2023. We find that rate adjustment to be just and reasonable, as required by RSA 374:2 and RSA 378:7. A review of ongoing VMP matters may be warranted in Liberty's upcoming general rate proceeding, as well, including issues surrounding its management of contracts related to vegetation management, as well as contributions that may be warranted from joint pole owners for vegetation management work.

Based upon the foregoing, it is hereby

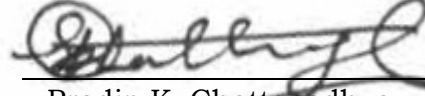
ORDERED, that Liberty is authorized to apply an adjustment factor credit of \$(0.00002) per kWh for costs associated with vegetation management expenses incurred in 2022 as described in Hearing Exhibit 1, effective with rates on and after May 1, 2023; and it is

FURTHER ORDERED, that Liberty shall file tariff pages as required by N.H. Code Admin. R., Puc 1603 conforming to this order within fifteen (15) days of the date of this order, or May 10, 2023.

By order of the Public Utilities Commission of New Hampshire this twenty-fifth day of April, 2023.



Daniel C. Goldner
Chairman



Pradip K. Chattopadhyay
Commissioner

Service List - Docket Related

Docket#: 23-031

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Email Addresses

ClerksOffice@puc.nh.gov
Michael.J.Crouse@oca.nh.gov
Energy-Litigation@energy.nh.gov
paul.b.dexter@energy.nh.gov
jay.e.dudley@energy.nh.gov
thomas.c.frantz@energy.nh.gov
Heather.Green@libertyutilities.com
maureen.karpf@libertyutilities.com
James.King@libertyutilities.com
heidi.w.lemay@energy.nh.gov
Erica.Menard@libertyutilities.com
elizabeth.r.nixon@energy.nh.gov
amanda.o.noonan@energy.nh.gov
ocalitigation@oca.nh.gov
michael.sheehan@libertyutilities.com
karen.sinville@libertyutilities.com
anthony.strabone@libertyutilities.com
heather.tebbetts@libertyutilities.com
mark.p.toscano@energy.nh.gov
Matthew.C.Young@energy.nh.gov