

**STATE OF NEW HAMPSHIRE  
PUBLIC UTILITIES COMMISSION**

**DE 24-044**

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

**2023 VEGETATION MANAGEMENT PROGRAM PLAN**

**COMMENCEMENT OF ADJUDICATIVE PROCEEDING, WAIVER OF PUC 1603.05,  
AND NOTICE OF HEARING**

On March 15, 2024, Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty submitted its calendar year (CY) 2023 vegetation management program (VMP) reconciliation and rate adjustment filing. In that filing, Liberty requested that the Commission approve a VMP Adjustment Factor of \$0.00000 per kWh effective May 1, 2024 through April 30, 2025, to reconcile its CY 2023 VMP costs. The filing consists of the combined pre-filed direct testimony of Heather Green, Jeffrey Faber, and Robert Garcia (Direct Testimony), as well as related attachments. In addition, in its cover letter, Liberty requested that the Commission waive N.H. Code of Admin. R., Puc 1603.05(a)(1) to forego filing revised tariff pages reflecting the rate changed rate changes. All docket filings, other than any information subject to confidential treatment, are available on the Commission's website at <https://www.puc.nh.gov/Regulatory/Docketbk/2024/24-044.html>.

**I. BACKGROUND AND PROCEDURAL HISTORY**

As noted in the Direct Testimony, a certain portion of Liberty's operations and maintenance (O&M) expenses are allocated to its VMP, which serves to maintain the safety and reliability of Liberty's electric distribution system through vegetation management activities such as trimming vegetation along power lines and tree removal. The settlement agreement that the Commission approved in Order No. 26,376 (June 30, 2024), issued in Docket No. DE 19-064, provided that:

The base rate increase agreed to in this Agreement includes an increase in the VMP spending to \$2,200,000 for 2020, which shall continue until changed in a future base rate case. The Company shall not recover any VMP expenses that exceed 10% of that amount, or in excess of \$2,420,000, through the annual reconciliation filing, or otherwise. The VMP spending shall be reconciled each year, with any under spending carried into the next program year or returned to customers, as determined by the Commission.

Docket No. DE 19-064, Hearing Exhibit 37 at Bates Page 11. Pursuant to the settlement agreement, Liberty was required to maintain a 4-year cycle of tree trimming and vegetation management. Order No. 26,376 at 9. Liberty's current VMP Adjustment Factor, in effect since May 1, 2023, is \$(0.00002). *See* Order No. 26,805 (April 25, 2024) in Docket No. DE 23-031.

The Direct Testimony explained the difference between Liberty's actual O&M spending for its CY 2023 VMP and its CY 2023 budgeted expenses. According to the Direct Testimony, Liberty's actual CY 2023 VMP expenditures totaled \$2,149,760, which is \$50,240 less than what is in base rates. *See* Direct Testimony at Bates Page 6. However, rather than refund this amount, Liberty seeks to carry it over to CY 2024 to complete certain projects that it budgeted for but did not complete in 2023 related to tree planting and rights-of-way maintenance. *See* Direct Testimony at Bates Page 14–15. Because Liberty is proposing to neither recover for or refund any VMP expenditures, it requests a VMP Adjustment Factor of \$0.00000 per kWh effective May 1, 2024, which is an increase of \$0.00002 from the existing rate. *See id.* at 16. Liberty estimates that, for a typical residential customer using 650 kWh per month, the total bill impact of the proposed VMP rates, would be a monthly bill increase of \$0.01 or 0.01% above current rates. *Id.* at Bates Page 17.

In its March 15, 2024 letter, Liberty also requested that the Commission waive New Hampshire Code of Administrative Rules, Puc 1603.05(a)(1), which requires a utility proposing revisions to less than 50 percent of an existing tariff to file the entire

page on which a revision occurs. Liberty represents that any tariff pages it filed at the outset of this docket may not be accurate given proposed tariff changes in contemporaneous dockets. Liberty maintained that a waiver pursuant to Puc 201.05 would not disrupt the orderly and efficient resolution of the matters before the Commission and would serve the public interest, in that the purpose of Puc 1603.05(a)(1) would be satisfied through an alternative method, namely that Liberty would file clean and redlined tariff revisions following the Commission's order in this docket and the resolution of the pending tariff matters.

## **II. ISSUES PRESENTED**

The filing presents, inter alia, the following issues: whether Liberty's VMP activities during CY 2023 were consistent with the VMP goals and parameters authorized by the Commission; whether Liberty appropriately accounted for the CY 2022 costs of its VMP; whether Liberty appropriately calculated the proposed VMP expense adjustment factor and related prior period overcollection; whether carrying over the \$50,240 difference between the budgeted and actual VMP expenditures is appropriate; and whether the resulting VMP expense adjustment factor rate, if approved, would be just and reasonable, as required by RSA 374:2, RSA 378:5 and RSA 378:7. Accordingly, an adjudicative proceeding will be convened to address these issues.

The Commission will be conducting the prehearing conference and any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should file a written request

with the Commission's Clerk's Office no later than fifteen (15) days prior to the prehearing conference or hearing date. If the Commission determines that one or more individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

**Based upon the foregoing, it is hereby**

**ORDERED**, that Liberty's request to waive the requirements of Puc 1603.05(a)(1) is GRANTED, pursuant to Puc 201.05; and it is

**FURTHER ORDERED**, that an adjudicative proceeding be commenced for the purpose of reviewing and resolving the foregoing issues pursuant to RSA chapter 541-A, RSA 374:2, RSA 378:5 and RSA 378:7, and the Commission's procedural rules; and it is

**FURTHER ORDERED**, that the Commission will hold a hearing in this matter at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on April 16, 2024, at 1:00 p.m. Three hours shall be allotted for this hearing; and it is

**FURTHER ORDERED**, that the New Hampshire Department of Energy shall file its response regarding Liberty's petition, including the reasons for this position, on or before April 12, 2024; and it is

**FURTHER ORDERED**, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is

**FURTHER ORDERED**, that, consistent with N.H. Admin. R., Puc 203.17 and Puc 203.02, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to Liberty and any other parties on the service list, on or before April 12, 2024. The petition shall state the facts

demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with N.H. Admin. R., Puc 203.17; and it is

**FURTHER ORDERED**, that any party objecting to a petition to intervene make said objection on or before April 16, 2024; and it is

**FURTHER ORDERED**, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the Commission. Pursuant to the secretarial letter issued on March 17, 2020, which is posted on the Commission's website at <https://www.puc.nh.gov/Regulatory/Secretarial%20Letters/20200317-SecLtr-Temp-Changes-in-Filing-Requirements.pdf>, all Commission rules requiring the filing of paper copies are suspended until further notice. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

**FURTHER ORDERED**, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or [ClerksOffice@puc.nh.gov](mailto:ClerksOffice@puc.nh.gov). All requests to the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

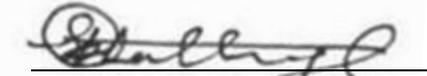
**FURTHER ORDERED**, that pursuant to N.H. Admin. R., Puc 203.12, Liberty shall notify all entities and individuals desiring to be heard at this hearing by publishing a copy of this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before April 5, 2024. In addition, the Clerk shall publish this order

of notice on the Commission's website no later than two business days after the date of issue; and it is

**FURTHER ORDERED**, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

So ordered, this twenty-ninth day of March, 2024.

  
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Daniel C. Goldner  
Chairman

  
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Pradip K. Chattopadhyay  
Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

## Service List - Docket Related

Docket#: 24-044

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Email Addresses

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ClerksOffice@puc.nh.gov  
Michelle.Azulay@libertyutilities.com  
Marie-Helene.B.Bailinson@energy.nh.gov  
Michael.J.Crouse@oca.nh.gov  
Tyler.Culbertson@libertyutilities.com  
Energy-Litigation@energy.nh.gov  
paul.b.dexter@energy.nh.gov  
jay.e.dudley@energy.nh.gov  
Jeffrey.Faber@libertyutilities.com  
thomas.c.frantz@energy.nh.gov  
Robert.Garcia@libertyutilities.com  
Heather.Green@libertyutilities.com  
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  
Charles.J.Underhill@oca.nh.gov  
Adam.Yusuf@Libertyutilities.com