



Liberty Utilities®


A change to your bill effective 11/1/18 - Revenue Decoupling

As part of the approval of Liberty Utilities' recent rate case, we will be implementing a change in the way we charge our customers for gas delivery service. You will see a new line item on your bill called the Weather Normalization Adjustment.

In April, the New Hampshire Public Utilities Commission issued a ruling on our rate case filing (DG 17-048). As part of the filing, we requested revenue decoupling. Our request was granted, and as a result, you will see a change on your bill effective November 1st.

Revenue decoupling separates the amount of gas you use from the amount of revenue we collect. The NHPUC decides on a fair amount of revenue Liberty Utilities can collect based on the costs to run and maintain a safe and reliable system. With revenue decoupling, we don't make more money by selling more gas. This means customers can use less gas

(continued on back)



through conservation and energy efficiency without the utility being financially penalized because of the resulting reduction in gas usage. Being energy efficient not only saves money for our customers, it means less impact on our environment.

Part of revenue decoupling includes the Weather Normalization Adjustment. If customers use more gas during a billing period as a result of colder-than-normal temperatures, customers will receive a bill credit. Conversely, if customers use less gas during a billing period as a result of warmer-than-normal temperatures, there will be an additional charge on customers' bills. This allows the company to more accurately set and meet budgets. It also provides for more stability in bill amounts that would otherwise vary due to temperature extremes.

For a complete explanation of decoupling, please visit our website at www.libertyutilities.com.



News for our Natural Gas Customers



Liberty employees volunteering at a soup kitchen in Derry.

NOVEMBER/DECEMBER 2018

How to reach us

Power Outages/Emergencies
1-855-327-7758

Customer Service/Billing/Payments
1-800-833-4200 or www.libertyutilities.com

For Storm Updates and Info
www.twitter.com/LibertyUtil_NH
www.facebook.com/LibertyUtilitiesNH

Customer Walk-In Centers
See us in person

| | |
|---|--|
| 9 Lowell Road Salem, NH 03079 9AM - 4PM M-F | 15 Buttrick Road Londonderry, NH 03053 9AM - 4PM M-F |
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| 407 Miracle Mile Lebanon, NH 03766 9AM - 4PM M-F | 116 North Main Street Concord, NH 03301 9AM - 4PM M-F |
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Bill Payment Locations

Payments can be made at our walk-in centers, Western Union locations, most Walmart locations, and other authorized CheckFreePay® locations. To find one near you, visit www.libertyutilities.com.

Did You Know...?

We encourage all of our employees to volunteer by giving them three "Liberty Days" a year to volunteer out in the communities we serve.



Coming Soon: Renewable Natural Gas

In October, we announced a major initiative aimed at combating climate change, developing a new source of local renewable energy and reducing energy costs. By partnering with RUDARPA Inc., we plan to develop a new Renewable Natural Gas (RNG) production facility at the Bethlehem, N.H. landfill.

This project will capture the gas currently being produced by decomposing organic matter at the Bethlehem landfill and process it, so that it will match the chemical composition of conventional natural gas. We will then provide this locally-produced, clean, renewable fuel to the 92,000 customers we serve in New Hampshire.



This project is expected to provide approximately 475,000 dekatherms of Renewable Natural Gas annually in the first 10 years of operation, all of which will be used to serve customers in New Hampshire. The Renewable Natural Gas generated by the project is comparable to the cost of conventional natural gas, but New Hampshire's innovative Thermal Renewable Portfolio Standard enables Liberty Utilities to further lower the cost of RNG so that customers will actually pay less for RNG than for conventional natural gas.

If the agreement is approved, Liberty Utilities would begin providing Renewable Natural Gas to Keene and its existing natural gas customers in the summer of 2019.

For more information, please visit www.libertyutilities.com.

Neighbor Helping Neighbor

With today's soaring energy costs, many New Hampshire residents are unable to pay their utility bills due to job loss, uninsured illness, or other bad breaks.

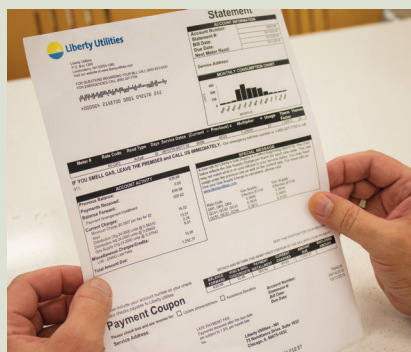
By contributing to Neighbor Helping Neighbor, you can help others who face an energy emergency but don't qualify for federally funded energy assistance programs. Your donation is 100% tax-deductible and goes directly to someone who needs help.

Included in your bill is a pre-addressed envelope that can be used for your donation. You can also donate by going to www.nhfund.org.



Winter Rates In Effect November 1st

A slight increase expected compared to last winter.



In September, we asked the New Hampshire Public Utilities Commission to approve our winter Residential Heating Gas Supply charge of **\$0.7411** per therm, effective November 1st. As of the printing of this newsletter, the PUC has not yet ruled on our filing.

Last year the Gas Supply Charge was \$0.6659/therm in November. Keep in mind that this rate can fluctuate from month-to-month and is particularly volatile in the winter. Please visit www.libertyutilities.com to see our current rates now in effect.

Keep Your Meter Clear

In the event of an emergency, we need to be able to quickly and safely access your meter. Overgrown vegetation can impede our ability to do so, as well as damage your meter and interfere with its operation. Please verify that all vegetation is a minimum of 36 inches away.



Never tamper with your gas meter. We have trained professionals available 24/7 to respond to emergencies who will shut off your meter if needed.

Revenue Decoupling:

A Change to Your Bill Effective 11/1/18

In April, the New Hampshire Public Utilities Commission granted our request for revenue decoupling. As a result, you will see a new line item on your bill called the Weather Normalization Adjustment effective November 1st.

Revenue decoupling separates the amount of gas you use from the amount of revenue we collect. The NHPUC decides on the amount of revenue Liberty Utilities can collect based on the costs to run and maintain a safe and reliable system.

With revenue decoupling, we don't make more money by selling more gas. This means customers can use less

gas through conservation and energy efficiency. Being energy efficient not only saves money for our customers, it means less impact on our environment.

Part of revenue decoupling includes the Weather Normalization Adjustment. If customers use more gas during a billing period as a result of colder-than-normal temperatures, customers will receive a bill credit. Conversely, if customers use less gas during a billing period as a result of warmer-than-normal temperatures, there will be an additional charge on customers' bills.

For a complete explanation of decoupling, please visit www.libertyutilities.com.

Customer Care: 1-800-833-4200

Emergencies: 1-855-327-7758

Local and Responsive. We Care.

Liberty Utilities lives in and supports the communities we serve. We deliver safe and reliable service with care and integrity.

Need to pay a bill?

Find convenient, authorized payment options.

[Pay My Bill ▶](#)

Liberty employees at United Way's Sleep Out for Homelessness.

Have you recently moved? Find out how to start service at your new location.

[Contact Us to Start New Service ▶](#)

News & Events

[View All News & Events ▶](#)

Potential Traffic Delays

Click below to see where our crews will be working this week.

[Learn More ▶](#)

Community Involvement

See what our employees have been doing to help our communities.

[Learn More ▶](#)

What Are Our Customers Saying?

Click the image below to find out!



Soup Kitchen Stars

See how our employees are making a difference, one meal at a time.

[Learn More ▶](#)

Helping Our Environment

Check out our new initiative to combat climate change with Renewable Natural Gas.

[Learn More ▶](#)

Decoupling Explained

Effective November 1, 2018, gas customers will notice a change on their bill.

[Learn More ▶](#)

Emergencies

For emergencies call 1-855-327-7758

We strive to provide reliable service, but emergencies can happen at any time. Call us if you suspect a leak, outage, or other emergency.

[What To Do ▶](#)

General Inquiries and Service Hours

Our experienced Customer Service Representatives are ready to help you get your service started or answer questions about your Liberty Utility services.

[Click Here ▶](#)

Decoupling Q&A

What is Revenue decoupling? It's the separation or decoupling of a utility's revenue from customer usage. The Commission determines a just and reasonable revenue level, based on the costs to run and maintain a safe and reliable gas system. Under decoupling, this revenue will not be affected by customer usage that varies due to abnormal weather, conservation or energy efficiency.

Why did Liberty ask for decoupling? This arrangement means the company can better budget and plan for expenses and revenues. It also means the company is not penalized when customers use less gas due to conservation and energy efficiency measures taken. Decoupling will also compensate for extreme weather events that can put Liberty's revenue significantly above or below budget. The benefit to customers is less fluctuation in the distribution charges on their bills and further incentive to participate in energy efficiency programs.

Does this mean Liberty is guaranteed a profit regardless of how they manage their business? No. The company has an agreed level of revenue but not a guaranteed profit. The company still needs to control costs and make good business decisions in order to be profitable. Both of which are reviewed and regulated by the Commission.

How will decoupling work? Before decoupling, when we forecasted our budget, we predicted our revenue using several factors including historic trends based on weather. We know the typical amount of gas used in a "normal" month but sometimes a month can be colder or warmer than normal. If a month was colder than normal, the company received more revenue due to increased usage. If a month was warmer than normal, the company received less revenue due to decreased usage.

With decoupling we apply a credit or charge to customers' bills in order to compensate for variations in expected weather during the customer's billing cycle. We calculate the difference between the typical (or normal) weather and the actual weather that occurred. We then apply a credit or a charge to customers' bills so that the revenue collected matches our forecast.

How will this affect my bill?

During the winter rate period (November 1 – April 30), each month you will see a new line item on your bill called **Normal Weather Adjustment**. This will show a credit or charge on your bill to compensate for a colder- or warmer-than-normal month.

If the month is colder than normal, our customers will use more gas than expected. This means we will collect more revenue than budgeted. The Normal Weather Adjustment would apply a credit to customers' bills to refund that over collection.

If a month is warmer than normal, customers will use less gas than expected and the company will fall short of its expected revenue. In this case the Normal Weather Adjustment will show up as a charge on customers' bills.

There will also be an adjustment to your bill to compensate for decreased usage due to energy efficiency and conservation. This adjustment is made annually on November 1st. This adjustment is part of the Distribution Adjustment Charge on your bill.

PLEASE NOTE: The Gas Supply Charge is based on market pricing. We purchase gas on the open energy market and pass those costs on to customers without a markup in price. Gas supply pricing can vary significantly. This is especially true when comparing summer to winter pricing. Decoupling will not affect the Gas Supply Charge on customers' bills.

Is my bill still based on how much gas I use?

Yes, you are still charged based on the number of therms of gas you use.

Will my bill go up if I use less gas?

No. Using less gas means you will be charged less for Distribution, less for Distribution Adjustment and less Gas Supply. Even in months where there is a Normal Weather Adjustment charge, you will still see a reduction in your bill for using less energy.

What is the main purpose of decoupling?

The main purpose of decoupling is to promote energy efficiency. Customers who take advantage of energy efficiency measures will reduce their usage, lower bills and help the environment.

Separating a utility's revenue from overall customer usage means that the utility will have more incentive to promote energy efficiency programs, rather than selling more gas, because the utility will not incur a revenue loss as a result of energy efficiency measures utilized by customers.

Is decoupling a new concept?

Liberty Utilities is the first utility company in New Hampshire to make decoupling part of their rate structure. While decoupling is a new concept in New Hampshire, the concept has been around for many years and is being used in over half the states in the country.