

Important Message for Customers Regarding Electricity Rates

Please be advised that **Liberty Utilities is seeking permission from the New Hampshire Public Utilities Commission (PUC) to increase its distribution rates.** These rates comprise some but not all of the charges on each customer's monthly electric bill. Distribution rates cover the cost of Liberty's facilities that deliver electricity to the homes and businesses of our customers. Other charges pay for the actual electricity we deliver and the cost of the federally regulated bulk power transmission system.

The request, which we filed with the PUC on May 5, 2023, is commonly referred to as a "rate case." Under applicable law, the rate case will consist of two phases: a request for a temporary rate increase and, later, a request for new permanent rates. The PUC must complete the entire rate case within one year.

If granted in its entirety, **the request for new permanent distribution rates would increase Liberty's annual revenue by \$15,487,002** effective on July 1, 2023. The PUC will not render its final decision in the rate case until well after that date, but the new rates will be reconciled back to July 1. In other words, a future surcharge would make up the difference in revenue between current rates and the new permanent rates. The temporary rates requested by Liberty are intended to lessen the magnitude of such a future surcharge.

For residential customers using 650 kilowatt hours per month, the monthly bill impact of the requested permanent rates would be an increase of approximately \$13.76 or 6.2 percent as compared to the distribution rates in effect today. Bill impacts for commercial and industrial customers will vary. For information regarding the specific rates proposed for each class of service, go to www.libertyenergyandwater.com.

In addition to its proposal to increase distribution rates, **Liberty is also asking the PUC to approve a multi-year rate plan.** Under the plan, rates would increase automatically in 2024 and 2025 without requiring Liberty to file a new rate case.

Each Liberty customer has the right to participate in the rate case we have filed with the PUC. You may file written comments with the PUC, and, in some circumstances, you may have the right to participate as a full party to the rate case. The Commission has opened Docket No. DE 23-039 to consider our rate request. Documents associated with the rate case are available from the PUC's virtual file room at <https://www.puc.nh.gov/Regulatory/Docketbk/2023/23-039.html>. The PUC's procedural rules are available at <https://www.puc.nh.gov/Regulatory/Rules/Puc200.pdf>. The Office of the Consumer Advocate maintains a guide to public participation PUC proceedings on its website <https://www.oca.nh.gov/get-help/participate-puc-proceeding>.

Details of the temporary and permanent rates we have requested are listed below. Following the information about the requested rates, we provide information about certain new rate offerings for which we are also seeking the PUC's approval in the rate case.

DOMESTIC SERVICE CUSTOMERS (RATE D)

Based on Liberty's requested temporary rate increase, residential customers would see an average increase of approximately 2.6% this summer. The projected average increase in monthly bills at the conclusion of the rate proceeding for residential customers on Default Service would be approximately 6.2%.

DOMESTIC TIME-OF-USE SERVICE CUSTOMERS (RATE D-10)

Based on Liberty's requested temporary rate increase, residential time-of-use customers would see an average increase of approximately 2.3% this summer. The projected average increase in monthly bills at the conclusion of the rate proceeding for residential time-of-use customers on Default Service would be approximately 2.4%.

BATTERY STORAGE PILOT CUSTOMERS (RATE D-11)

Based on Liberty's requested temporary rate increase, residential battery storage pilot customers would see an average increase of approximately 2.3% this summer. The projected average decrease in monthly bills at the conclusion of the rate proceeding for residential battery storage pilot customers on Default Service would be approximately -0.1%.

GENERAL TIME-OF-USE SERVICE CUSTOMERS (RATE G-1)

The monthly bill impact for a regular general service time-of-use customer will vary based upon demand. Liberty's requested temporary rate increase would result in an average increase in monthly bills of approximately 1.9% this summer. The projected average increase in monthly bills at the conclusion of the rate proceeding for regular general service time-of-use customers on Default Service would be approximately 6.0%.

GENERAL LONG HOUR SERVICE CUSTOMERS (RATE G-2)

The monthly bill impact for a general long hour service customer will vary based upon demand. Liberty's requested temporary rate increase would result in an average increase in monthly bills of approximately 1.8% this summer. The projected average increase in monthly bills at the conclusion of the rate proceeding for general long hour service customers on Default Service is approximately 6.2%.

GENERAL SERVICE CUSTOMERS (RATE G-3)

Based on Liberty's requested temporary rate increase, general service customers would see an average increase of approximately 21.9% this summer. The projected average increase in monthly bills at the conclusion of the rate proceeding for general service customers on Default Service would be approximately 28.6%.

OUTDOOR LIGHTING SERVICE CUSTOMERS (RATE M/LED-1/LED-2)

Liberty's requested temporary rate increase varies by type of service, but a typical outdoor lighting service customer's average increase in monthly bills would be approximately 15.7% this summer. The projected average change in monthly bills at the conclusion of the rate proceeding for a typical outdoor lighting customer on Default Service is an increase of approximately 2.9%.

LIMITED TOTAL ELECTRIC LIVING CUSTOMERS (RATE T)

Liberty's requested temporary rate increase would result in an average increase in monthly bills of approximately 1.8% this summer. The projected average change in monthly bills at the conclusion of the rate proceeding for limited total electric living customers on Default Service is a decrease of approximately 0.4%.

LIMITED COMMERCIAL SPACE HEATING CUSTOMERS (RATE V)

Liberty's requested temporary rate increase would result in an average increase in monthly bills of approximately 2.0% this summer. The projected average change in monthly bills at the conclusion of the rate proceeding for limited commercial space heating customers on Default Service is an increase of approximately 5.6%.

NEW RATE OFFERINGS

In its filing, Liberty included several new offerings related to time-based energy rates (TOU) and electric vehicle (EV) charging energy-only rates in order to provide additional choices for customers. These rates are proposed to go into effect upon approval of the case next year. These offerings include:

DOMESTIC "WHOLE-HOUSE" TOU (D-TOU)

The Domestic "Whole-House" TOU rate is offered to allow residential customers to benefit from time-based energy optimization and includes peak, mid-peak and off-peak rates.

SMALL GENERAL SERVICE EV TOU (G3-TOU)

The Small General Service TOU rate is offered to allow businesses, municipalities, and other small general service customers to benefit from time-based energy optimization and includes peak, mid-peak and off-peak rates.

COMMERCIAL PLUG IN ELECTRIC VEHICLE CHARGING ENERGY ONLY OPTION (EV-L-E)

The "high demand draw" large general service EV TOU energy only option rate is offered to provide those customers with separately metered EV charging for passenger car fleet customers, heavy duty vehicles, or large public charging sites, an energy-only rate option as an alternative to the EV-L rate with a demand charge.

COMMERCIAL PLUG IN ELECTRIC VEHICLE CHARGING ENERGY ONLY OPTION (EV-M-E)

The small general service EV TOU energy only rate is offered to allow businesses, municipalities, and other small general service customers offering options for charging electric vehicles an energy-only rate option as an alternative to the EV-M rate with a demand charge.