

Liberty Utilities (the "Company") purchases gas to meet customer requirements. The price for this gas is determined by market conditions, and is a straight pass-through cost in which the Company makes no profit. Peak period gas costs have increased significantly as a result of extreme weather and interstate pipeline constraints. Therefore, effective March 1, 2014, the Company's gas adjustment factor ("GAF") will increase from \$0.6452 to \$1.0475 per therm, for all consumption after March 1, 2014 and for the remaining two months of the winter season. The increase is subject to investigation and reconciliation by the Department of Public Utilities; the Company is only entitled to recover its prudently incurred gas costs.

The resulting increases effective for the remainder of the winter season are as follows:

- A monthly bill increase of \$6.56 (23.71%) for a non-heating customer using an average of 14 therms a month during March and April.
- A monthly bill increase of \$50.00 (36.03%) for a heating customer using an average of 105 therms a month during March and April.
- Commercial customers' consumption will vary depending on usage.

Please note that for customers currently enrolled on the Company's Fixed Price Option, the GAF rate will remain at \$0.5920 per therm.

For further information, contact the Company at (800) 544-4944.