Rate request frequently asked questions

On June 13, Liberty filed to adjust distribution rates for our customers. An appropriate rate adjustment will help us maintain compliance with all new regulations and continue delivering safe and reliable service to customers.

What is a rate case?

A "rate case" is a formal process where a utility company, like Liberty, seeks approval from the Department to adjust the rates it charges its customers.

Why is Liberty filing this request now?

We are required by law to file a rate adjustment at least once every 10 years. Our last rate case was filed in 2015.

What will this rate request accomplish?

- It will maintain compliance with requirement to file at least every ten years.
- It will meet other new regulations to ensure pipeline safety that have been implemented since our last filing.
- It will help us continue to provide safe, reliable service through necessary investments in our infrastructure.
- It allows Liberty to propose new rates that reflect the actual costs of providing distribution services.

What does the filing request?

Specifically, our recent filing proposes new customer charges and distribution rates, as well as new reconciliation mechanisms to recover costs associated with new legal requirements.

How was the rate increase calculated?

In making this request, we carefully and prudently assessed many factors including:
- Inflation and the increased cost of materials necessary infrastructure investments to maintain safety and reliability
- New regulations and requirements
- Programs and initiatives aimed at improving the way we serve customers

What investments has Liberty made over the last 10 years since the last rate increase

Liberty's last base rate (Customer Charge and Distribution Rates) update was filed in 2015. Since then, Liberty has:

- Invested millions in our infrastructure through the implementation of automated meter reading, the ongoing replacement of leak-prone pipe through our gas system enhancement program (GSEP), the construction and launch of a liquified natural gas (LNG) conversion plant to enhance system reliability in the cold New England winters, and upgrades to our system design to prepare us for the future.
- Upgraded critical software systems to improve operations and service to our customers.
- Upgraded our processes and programs to remain in compliance with federal FEMSA regulations for pipeline safety that have been introduced since 2015.
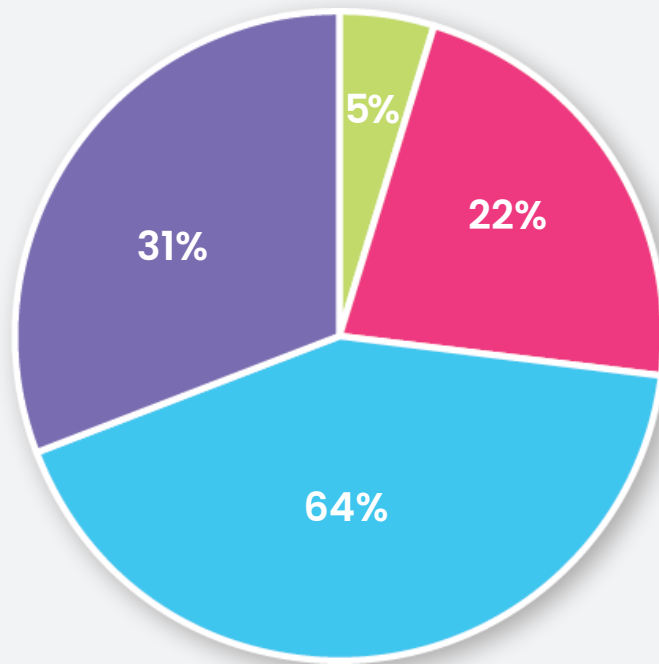
What does this mean for my bill?

If approved, the average monthly total bill impact for a typical residential heating customer is estimated to be:
- An increase of approximately $57, or 37 percent, for customers in Fall River, North Attleboro, Plainville, Swansea, Somerset, and Westport
- An increase of approximately $64, or 55 percent, for customers in Blackstone, South Bellingham, and parts of Wrentham.

For more information about this rate request, visit the "Rates" section of www.libertyenergyandwater.com.

What Is a Natural Gas Bill Made Up Of?

The graphic below dictates what is included in the natural gas bill of a typical residential heating customer using approximately 122 therms per month in November 2024 (on peak).

Cost of Gas: The **Cost of Gas** charge is comprised of costs associated with purchasing, storing, and delivering gas. This cost is passed through to customers. Liberty does not profit from this charge.

Customer Charge: The monthly **Customer Charge** recovers the basic cost of providing service to each customer. The Customer Charge is a fixed price and not determined by the amount of natural gas used.

Distribution: The **Distribution Charge** includes costs associated with operating, maintaining, and completing essential investments to Liberty's distribution system to continue to deliver safe and reliable service to customers.

Other: The **Other** category includes a revenue decoupling charge and other expenses related to conservation, environmental, and industry restructuring programs. Examples of these expenses include energy efficiency programs, residential assistance programs, reconciliation of charges, and gas system enhancements.