



Liberty Utilities®

Important Notice Regarding Gas Rates

Beginning May 1, 2019, residential customers will see a rate of \$0.0511 per therm associated with the monthly decoupling adjustment established in connection with the Department of Public Utilities' approved pricing structure mandate to promote energy efficiency. A similar rate of \$0.0585 per therm and \$0.0129 per therm will be shown for the Company's commercial and industrial low load factor and high load factor sectors, respectively. These adjustments are intended to help manage monthly energy costs by eliminating excessive high or low gas bills due to substantial changes in temperature. This charge encourages customers to pursue energy efficiency opportunities and reduce energy costs.

In addition, beginning May 1, 2019, the Company's cost of gas will decrease from the currently effective \$0.4490 per therm to \$0.1139 per therm. Last year's off-peak season cost of gas price in October 2018 was \$0.3116 per therm. If your bill contains any gas usage prior to May 1st, your cost of gas will reflect pricing from both periods. The cost of gas is a straight pass through cost on which Liberty Utilities makes no profit. For more information regarding this adjustment, please go to www.libertyutilities.com.

Lastly, beginning May 1, 2019, residential customers will see a rate of \$0.4444 per therm associated with the local distribution adjustment factor ("LDAF"), an increase of \$0.1073 per therm from the currently effective LDAF rate of \$0.3371. On that basis, the average residential heating customer using 176 therms over the off-peak period will see an average monthly increase of \$3.16 per month, or 7.52 percent. A similar rate of \$0.2849 per therm and \$0.2103 per therm will be shown for the Company's commercial and industrial low load factor and high load factor sectors, respectively. These adjustments are designed to recover costs associated with the Company's infrastructure replacement program.