

BEFORE THE
STATE OF NEW YORK
PUBLIC SERVICE COMMISSION

In the Matter of
Liberty Utilities (St. Lawrence Gas) Corp.
Case 24-G-0668
April 1, 2025

Prepared Exhibits of:

Staff Revenue Requirement Panel

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Liberty Utilities (St. Lawrence Gas) Corp.

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Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Statement of Operating Income
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 1

	<u>Rate Year Ending October 31, 2026</u>	<u>Adj. #</u>	<u>Staff Adjustments</u>	<u>Rate Year As Adjusted by Staff</u>	<u>Base Revenue Increase Required</u>	<u>Rate Year Ending October 31, 2026</u>
Operating Revenues	\$ 35,184,747	1	\$ (154,838)	\$ 35,029,909	\$ (1,191,358)	\$ 33,838,551
Deductions						
Purchased Gas Costs	\$ 16,238,574	2	\$ 26,653	\$ 16,265,227	\$ -	\$ 16,265,227
Revenue Taxes	462,907	3	(13)	462,894	(11,914)	450,980
Total Deductions	<u>\$ 16,701,481</u>		<u>\$ 26,640</u>	<u>\$ 16,728,121</u>	<u>\$ (11,914)</u>	<u>\$ 16,716,207</u>
Gross Margin	<u>\$ 18,483,266</u>		<u>\$ (181,478)</u>	<u>\$ 18,301,789</u>	<u>\$ (1,179,444)</u>	<u>\$ 17,122,344</u>
Total Operation & Maintenance Expenses	\$ 8,352,034	4	\$ (1,424,128)	\$ 6,927,905	\$ (5,837)	\$ 6,922,068
Amortization of Regulatory Deferrals	250,970	5	(270,145)	(19,175)	-	(19,175)
Depreciation, Amort. & Loss on Disposition	3,578,389	6	(415,320)	3,163,069	-	3,163,069
Taxes Other Than Revenue & Income Taxes	2,974,809	7	472,400	3,447,209	-	3,447,209
Total Operating Revenue Deductions	<u>\$ 15,156,201</u>		<u>\$ (1,637,193)</u>	<u>\$ 13,519,008</u>	<u>\$ (5,837)</u>	<u>\$ 13,513,171</u>
Operating Income Before Income Taxes	<u>\$ 3,327,065</u>		<u>\$ 1,455,716</u>	<u>\$ 4,782,780</u>	<u>\$ (1,173,607)</u>	<u>\$ 3,609,173</u>
Income Taxes						
State Income Taxes	\$ 121,376	9	\$ 103,850	\$ 225,226	\$ (76,284)	\$ 148,942
Federal Income Taxes	307,033	8	292,140	599,173	(230,438)	368,735
Total Income Taxes	<u>\$ 428,409</u>		<u>\$ 395,990</u>	<u>\$ 824,399</u>	<u>\$ (306,722)</u>	<u>\$ 517,677</u>
Operating Income After Income Taxes	<u>\$ 2,898,655</u>		<u>\$ 1,059,726</u>	<u>\$ 3,958,381</u>	<u>\$ (866,885)</u>	<u>\$ 3,091,496</u>
Rate Base	<u>\$ 57,926,280</u>	10	<u>\$ (12,328,998)</u>	<u>\$ 45,597,282</u>		<u>\$ 45,597,282</u>
Rate of Return	<u>5.00%</u>			<u>8.68%</u>		<u>6.78%</u>

Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Operation & Maintenance Expenses
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 2

<u>Operation & Maintenance Expenses:</u>	<u>Rate Year Ending</u>					<u>Revenue</u>		<u>Rate Year As</u>
<u>Departmental Items:</u>	<u>October 31, 2026</u>	<u>Adj. #</u>	<u>Staff Adjustments</u>	<u>Inflation Change</u>		<u>Increase</u>		<u>Adjusted by Staff</u>
Direct Labor	\$ 4,320,669	4a	\$ (609,580)		-	-		\$ 3,711,089
Direct Intercompany	492,468	4b	(23,003)		-			469,465
Indirect Allocated Labor	900,927	4c	(131,893)		-			769,034
Oper - Mains & Services Exp.	507,830	4d	(3,565)	4,932				509,197
Oper - Cust Install Exp	24,297			238				24,534
Oper - Meas & Reg Station Exp	37,990			372				38,361
Oper - Other Invoices	339,584			3,321				342,905
Maint - Maint of Mains	40,705			398				41,103
Maint - Other Invoices	(57,782)			(565)				(58,347)
Acct - Meter Reading Exp.	117,388			1,148				118,536
Billing & Collection Expenses	173,068	4e	(134,296)	379				39,152
Uncollectibles	459,513	4f	(287,866)	-		(5,837)		165,809
Acct-Other Invoices	436			4				440
Cust Rel - Informational Adv	-			-				-
Cust Rel - Other Invoices	18,091			177				18,268
Expenses - Informational Adv	7,546			74				7,620
Office Supplies and Exp	946,816	4g	(58,328)	8,690				897,178
Admin Exp and Admin Exp Transfer - Credit	(280,694)			(2,745)				(283,440)
Outside Services	459,234	4h	(253,659)	2,011				207,585
Indirect Allocation Intercompany	1,339,588	4i	(89,385)	11,523				1,261,726
Injuries & Damages	312,800	4j	(7,608)	2,985				308,177
Pension	(1,090,601)	4k	(155,332)	-				(1,245,933)
Health Insurance	972,822			9,515				982,337
Employee Benefits	(999,544)			(9,776)				(1,009,320)
OPEB's	(1,316,565)	4l	(40,644)					(1,357,209)
Other Employee Benefits	200,384			1,960				202,344
Regulatory Commission Exp	207,090	4m	(13,998)	1,889				194,981
Maint of General Plant	163,647			1,601				165,248
Other Expenses	58,190	4n	(271,611)	(3,116)				(216,537)
Productivity	-	4o	(26,225)					(26,225)
Rents	(3,863)			(38)				(3,901)
Low Income Program	-	4p	573,977					573,977
Arrears Management Program	-	4q	73,912					73,912
Sub Total - Departmental	\$ 8,352,034		\$ (1,459,104)	\$ 34,975		\$ (5,837)		\$ 6,922,068
TOTAL	\$ 8,352,034		\$ (1,459,104)	\$ 34,975		\$ (5,837)		\$ 6,922,068

Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Taxes Other Than Income Taxes
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 3

	<u>Rate Year Ending October 31, 2026</u>	<u>Adj. #</u>	<u>Staff Adjustments</u>	<u>Rate Year As Adjusted by Staff</u>
<u>Taxes Other Than Income Taxes</u>				
Payroll Tax	\$ 428,969	7a	\$ (44,871)	\$ 384,097
Property Tax	2,545,840	7b	517,272	3,063,111
Total Taxes Other Than Income Taxes	<u>\$ 2,974,809</u>		<u>\$ 472,400</u>	<u>\$ 3,447,209</u>

Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Summary of Income Taxes
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 4

	<u>Rate Year Ending October 31, 2026</u>	<u>Adj. #</u>	<u>Staff Adjustments</u>	<u>Rate Year As Adjusted by Staff</u>
Operating Income Before Income Taxes	\$ 3,327,065		\$ 1,455,716	\$ 4,782,780
Operating Income Adjustments:				
Interest Expense	\$ (1,459,742)		\$ 141,981	\$ (1,317,761)
Taxable Income	\$ 1,867,323		\$ 1,597,696	3,465,019
State Income Tax Rate	6.50%		6.50%	6.50%
Total State Income Taxes	<u>\$ 121,376</u>	9	<u>\$ 103,850</u>	<u>\$ 225,226</u>
Federal Taxable Income before State Tax Deduction	\$ 1,867,323		\$ 1,597,696	\$ 3,465,019
Adjust: State Tax Deduction	(121,376)		(103,850)	(225,226)
Income Subject to Federal Income Tax	<u>\$ 1,745,947</u>		<u>\$ 1,493,846</u>	<u>\$ 3,239,793</u>
Federal Income Tax Rate	21%		21%	21%
Federal Income Taxes	\$ 366,649	8b	\$ 313,708	\$ 680,356
Adjust: Amortization of EADIT	(59,615)	8a	(21,568)	(81,183)
Total Federal Income Taxes	<u>\$ 307,033</u>		<u>\$ 292,140</u>	<u>\$ 599,173</u>
Total Income Taxes	<u>\$ 428,409</u>		<u>\$ 395,990</u>	<u>\$ 824,399</u>

Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Capital Structure Forecast
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 5

Staff Capital Structure

	Total Annual Avg	Weighting Percent	Cost	Weighted Cost	Pre-Tax Weighted Cost
Long Term Debt	25,908,376	56.82%	5.01%	2.85%	2.85%
Short Term Debt	-	0.00%	0.00%	0.00%	0.00%
Customer Deposits	538,048	1.18%	3.00%	0.04%	0.04%
Common Equity	19,150,858	42.00%	9.25%	3.89%	5.27%
Total	<u>\$ 45,597,282</u>	<u>100.00%</u>		<u>6.78%</u>	<u>8.16%</u>

Company Capital Structure

	Total Annual Avg	Weighting Percent	Cost	Weighted Cost	Pre-Tax Weighted Cost
Long Term Debt	29,438,135	50.82%	4.88%	2.48%	2.48%
Short Term Debt	-	0.00%	0.00%	0.00%	0.00%
Customer Deposits	683,530	1.18%	3.00%	0.04%	0.04%
Common Equity	27,804,614	48.00%	9.90%	4.75%	6.43%
Total	<u>\$ 57,926,280</u>	<u>100.00%</u>		<u>7.27%</u>	<u>8.95%</u>

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OTHER REVENUE REQUIREMENT INPUTS

Forecast Rate Year Rates To Apply To Rev Req	
Bad Debt % For Rev Req	0.49%
GRT Rate For Rev Req	1.00%
Federal Income Tax Rate	21.00%
NYS Income Tax Rate	6.50%

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Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Summary of Rate Base
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 6

	<u>Rate Year Ending October 31, 2026</u>	<u>Adj. #</u>	<u>Staff Adjustments</u>	<u>Rate Year As Adjusted by Staff</u>
Utility Plant	\$ 97,947,596	10a	\$ (2,683,662)	\$ 95,263,934
Depreciation Reserve	(41,061,557)	10b	128,479	(40,933,078)
Net Utility Plant	<u>\$ 56,886,040</u>		<u>\$ (2,555,183)</u>	<u>\$ 54,330,856</u>
Accumulated Deferred Income Taxes	(1,916,332)	10c	86,077	(1,830,255)
Regulatory Liability Tax Reform	(1,309,348)			(1,309,348)
Unamortized Deferrals	493,941	10d	(368,079)	125,862
Working Capital				
Materials and supplies	\$ 559,627		\$ -	\$ 559,627
Prepayments	1,322,503		-	1,322,503
O&M Cash Allowance (1/8 O&M exp)	955,194	10e	(108,265)	846,929
Subtotal Working Capital	<u>\$ 2,837,324</u>		<u>\$ (108,265)</u>	<u>\$ 2,729,059</u>
Subtotal Avg. Before EBCAP Adj.	<u>\$ 56,991,625</u>		<u>\$ (2,945,450)</u>	<u>\$ 54,046,175</u>
Excess Earnings Base Adjustment	<u>\$ 934,654</u>	10f	<u>\$ (9,383,547)</u>	<u>\$ (8,448,893)</u>
Total Rate Base	<u><u>\$ 57,926,280</u></u>		<u><u>\$ (12,328,998)</u></u>	<u><u>\$ 45,597,282</u></u>

Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Depreciation Expense and Amortization of Regulatory Deferrals
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 7

	Rate Year Ending October 31, 2026	Adj. #	Staff Adjustments	Rate Year As Adjusted by Staff
Depreciation Expense	\$ 2,512,598	6	\$ (415,320)	\$ 2,097,278
Amortization Expense	1,065,791		-	1,065,791
Total Depreciation & Amortization Expense	<u>\$ 3,578,389</u>		<u>\$ (415,320)</u>	<u>\$ 3,163,069</u>

Summary of Amortization of Regulatory Deferrals**Amortization of Regulatory Deferrals**

Rate Case Expense 24-G-0668	\$ 422,678	5a	\$ (200,527)	\$ 222,151
Other Regulatory Liability - Low Income 21-G-0577 Deferral	(68,885)	5b	34,443	(34,442)
EAP	(2,802)		-	(2,802)
Property Tax 21-G-0577 Deferral	(57,917)		-	(57,917)
NRAs CY 2023	(42,105)		-	(42,105)
Gas Safety PRA Deferral	-	5c	30,445	30,445
Gas Safety NRA Deferral	-	5d	(105,201)	(105,201)
Untimely Filing NRA Deferral	-	5e	(29,305)	(29,305)
	<u>\$ 250,970</u>		<u>\$ (270,145)</u>	<u>\$ (19,175)</u>

Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Tax Deduction for Interest Expense
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 8

	Rate Year Ending October 31, 2026	Staff Adjustments	Rate Year As Adjusted by Staff
Avg Rate Base Per Books	\$ 56,991,625	\$ (2,945,450)	\$ 54,046,175
Less: Excess Earnings Adj (EBCAP)	(934,654)	9,383,547	8,448,893
	<u>\$ 57,926,280</u>	<u>\$ (12,328,998)</u>	<u>\$ 45,597,282</u>
Weighted Cost of LTD Debt	2.48%	0.37%	2.85%
Weighted Cost of Cust Deposits	0.04%	0.00%	0.04%
	<u>2.52%</u>	<u>0.37%</u>	<u>2.89%</u>
Total Income Tax Interest Deduction	<u><u>\$ 1,459,742</u></u>	<u><u>\$ (141,981)</u></u>	<u><u>\$ 1,317,761</u></u>

Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Working Capital - Cash Allowance
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 9

<u>Description</u>	<u>Rate Year Ending October 31, 2026</u>	<u>Staff Adjustments</u>	<u>Rate Year As Adjusted by Staff</u>
Total O&M Expense	\$ 8,352,034	\$ (1,424,128)	\$ 6,927,905
<u>Remove Major Non-Cash Items Included in O&M Expense:</u>			
Uncollectibles	\$ (459,513)	\$ 287,866	\$ (171,647)
Amortization of Regulatory Deferrals	(250,970)	270,145	19,175
Subtotal	<u>\$ (710,483)</u>	<u>\$ 558,011</u>	<u>\$ (152,471)</u>
<u>Add Major Cash Items Not Included in O&M Expense:</u>			
Other	\$ -	\$ -	\$ -
Subtotal	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Adjustments	<u>\$ (710,483)</u>	<u>\$ 558,011</u>	<u>\$ (152,471)</u>
Adjusted O&M Expense	<u>\$ 7,641,551</u>	<u>\$ (866,117)</u>	<u>\$ 6,775,434</u>
Departmental Cash Allowance - 1/8 (45 days)	<u>\$ 955,194</u>	<u>\$ (108,265)</u>	<u>\$ 846,929</u>

Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Summary of Adjustments
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 10
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<u>Adj. 1</u>	<u>Operating Revenues</u>	<u>Witness</u>	<u></u>
a. Gas Revenue			
(1)	To reflect Staff's sales forecast	\$ 84,399	Gadomski/SRARDP
(2)	To reflect Staff's update to the MFC/DRA	(122,936)	Gadomski/SRARDP
			\$ (38,537)
b. Miscellaneous Service Revenue			
	To remove CIAC per DPS-342	\$ (116,301)	SRARDP
			\$ (116,301)
	Total adjustments to Operating Revenues		\$ (154,838)
Adj. 2			
	Purchased Gas Costs		
	To reflect Staff's sales forecast	\$ 26,653	SRARDP
			\$ 26,653
Adj. 3			
	Revenue Taxes		
	To reflect Staff's sales forecast	\$ (13)	SRARDP
			\$ (13)
Adj. 4			
	Operating and Maintenance Expenses		
	Inflation		
	To update the general inflation factor to 5.877%	\$ 34,975	SRRP/Gadomski
			\$ 34,975
a. Direct Labor			
(1)	To adjust direct labor expense removing the analyst III position	\$ (70,811)	SRRP
(2)	To adjust direct labor expense to adjust the analyst I position salary	(8,191)	SRRP
(3)	To adjust direct labor expense to remove incentive compensation	(530,578)	SRRP
			\$ (609,580)
b. Direct Intercompany			
(1)	To adjust direct intercompany expense to remove forecasted wage increases	\$ 11,270	SRRP
(2)	To adjust direct intercompany to remove incentive compensation	(34,273)	SRRP
			(23,003)
c. Indirect Allocated Labor			
(1)	To adjust indirect allocated labor to remove wage increases forecasted through the Rate Year	\$ (53,302)	SRRP
(2)	To adjust indirect allocated labor to remove incentive compensation	(55,345)	SRRP
(3)	To adjust indirect allocated labor to the reduce allocated labor tracking Staff's cybersecurity recommendation	(23,246)	SRRP
			\$ (131,893)
d. Oper - Mains & Services Exp.			
	To adjust oper - mains & services expense to remove membership due expense	\$ (3,565)	SRRP
			\$ (3,565)
e. Billing & Collection Expenses			
	To adjust billing and collection expenses to remove non-reoccurring costs from a certain vendor	\$ (134,296)	SRRP
			\$ (134,296)
f. Uncollectibles			
	To adjust uncollectibles to reflect Staff's net write-off rate	\$ (287,866)	SRRP
			\$ (287,866)
g. Office Supplies and Expense			
(1)	To adjust Office and Supplies and Exp to remove membership dues from organizations that participate in lobbying	\$ (11,622)	SRRP
(2)	To adjust office and Supplies and Exp to remove the costs associated with beverages	(21,676)	SRRP
(3)	To adjust office and Supplies and Exp to normalize bank fees	(15,069)	SRRP
(4)	To adjust office and Supplies and Exp to remove a misclassified expense	(9,961)	SRRP
			\$ (58,328)
h. Outside Services			
(1)	To adjust Outside Services to remove the disallowed portion of prior rate case expenses	\$ (134,296)	SRRP
(2)	To adjust Outside Services to remove non-reoccurring paving expenses	(77,422)	SRRP
(3)	To adjust Outside Services to remove normalize "consulting" costs	(41,941)	SRRP
			\$ (253,659)
i. Indirect Allocation Intercompany			
(1)	To adjust indirect allocation intercompany to reduce O&M related to cybersecurity	\$ (20,329)	SRRP
(2)	To adjust indirect allocation intercompany to remove incentive compensation	(69,056)	SRRP
			\$ (89,385)
j. Injuries & Damages			
(1)	To adjust injuries and damages to normalize damage invoices	\$ (7,608)	SRRP
			\$ (7,608)
k. Pensions			
(1)	To adjust pension expense to apply a capitalization rate of 17.58% to the service cost component per DPS-574	\$ (56,877)	SRRP
(2)	To adjust pension expense to apply the Company capitalization rate to the service cost component	(98,455)	SRRP
			\$ (155,332)
l. OPEB's			
(1)	To OPEB expense to apply a capitalization rate of 34.57% to the service cost component per DPS-574	\$ (29,270)	SRRP
(2)	To adjust OPEB expense to apply the capitalization rate of 48 percent to the service cost component	(11,374)	SRRP
			\$ (40,644)
m. Regulatory Commission Expense			
(1)	To adjust regulatory commission expense to reflect the latest known billings	\$ 12,450	SRRP
(2)	To adjust regulatory commission expense to reflect a refund	(26,449)	SRRP
			\$ (13,998)
n. Other Expenses			
(1)	To remove the costs associated with the Greenhouse Gas Reduction Program	\$ (56,812)	SGSP
(2)	To remove the costs associated with the PSMS Program	(320,000)	SPP
(3)	To adjust other expense to reflect the costs of Staff's proposed RMD program	105,201	SGSP
			\$ (271,611)
o. Productivity			
	To reflect the Commission standard 1% productivity adjustment	\$ (26,225)	SRRP
			\$ (26,225)
p. Low Income Program			
(1)	To reflect the costs of the Low Income Program in base delivery rates	\$ 486,204	SRRP
(2)	To update the costs of the Low Income Program to reflect Staff's recommendation	87,773	SCSP
			\$ 573,977

Liberty Utilities (St. Lawrence Gas) Corp.
PSC Case No. 24-G-0668
Summary of Adjustments
For the Rate Year Ending October 31, 2026
(Whole Dollars)

Schedule 10
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<u>Adi. 4</u>	<u>Operating and Maintenance Expenses (Continued)</u>	<u>Witness</u>	<u>Amount</u>
q.	Arrears Management Program To reflect the costs of the Low Income Program in base delivery rates	SCSP	\$ 73,912
Total Operating and Maintenance Expense Adjustment			\$ (1,424,128)
<u>Adi. 5</u>	Regulatory Deferrals		
a.	Rate Case Expense 24-G-0668		
(1)	To adjust rate case expense to reduce total compensation study	SRRP	\$ (8,768)
(2)	To adjust rate case expense to reduce depreciation study	SRRP	(12,950)
(3)	To adjust rate case expense to reduce allocated cost of service study	SRRP	(16,694)
(4)	To adjust rate case expense to reduce rate design study	SRRP	(26,820)
(5)	To adjust rate case expense to reduce cost of capital study	SRRP	(34,725)
(6)	To adjust rate case expense to reduce data collection costs	SRRP	(5,833)
(7)	To adjust rate case expense to reduce outside counsel costs	SRRP	(94,737)
			\$ (200,527)
b.	Low Income 21-G-0577 Deferral To adjust the low income amortization to reflect the correct balance as of June 30, 2024	SRRP	\$ 34,443
c.	Gas Safety PRA Deferral To amortize Gas Safety PRA deferral over one-year	SRRP/SGSP	\$ 30,445
d.	Gas Safety NRA Deferral To amortize Gas Safety NRA deferral over one-year to offset the costs of Staff's proposed RMD program	SRRP/SGSP	\$ (105,201)
e.	Untimely Filing NRA Deferral To amortize the NRAs associated with the untimely filing deferral over a three-years	SRRP	\$ (29,305)
Total Regulatory Deferral Adjustments			\$ (270,145)
<u>Adi. 6</u>	Depreciation Expense		
(1)	To adjust depreciation expense tracking Staff's adjustments to gas utility plant, and to reflect Staff's depreciation rates	SNPGIOP	\$ (327,714)
(2)	To adjust depreciation expense to reflect the amortization of depreciation reserve excess	SNPGIOP	(87,606)
			\$ (415,320)
<u>Adi. 7</u>	Taxes Other Than Revenue & Income Taxes		
a.	Property Taxes To adjust property taxes to reflect correct calculation	SRRP	\$ 517,272
b.	Payroll Taxes		
(1)	To adjust payroll tax to reflect Staff's calculation	SRRP	\$ 18,220
(2)	To adjust payroll tax tracking Staff's adjustment to direct labor expense	SRRP	(63,092)
			\$ (44,871)
<u>Adi. 8</u>	Federal Income Taxes		
(1)	To reflect Staff's adjustment to the amortization of excess accumulated deferred income taxes	SRRP	\$ (21,568)
(2)	To adjust current federal income taxes, tracking staff's adjustments	SRRP	313,708
			\$ 292,140
<u>Adi. 9</u>	State Income Taxes To adjust current state income taxes, tracking staff's adjustments	SRRP	\$ 103,850
Total Current Income Tax Adjustments			\$ 395,990
<u>Adi. 10</u>	Rate Base		
a.	Utility Plant To adjust Utility Plant to reflect Staff's forecast of plant additions	SNPGIOP	\$ (2,683,662)
b.	Accumulated Depreciation To adjust accumulated depreciation tracking Staff's forecast of plant additions	SNPGIOP	\$ 128,479
Total Net Utility Plant Adjustment			\$ (2,555,183)
c.	Accumulated Deferred Income Taxes (ADIT) To adjust ADIT tracking Staff's forecast of plant additions and amortization of deferrals	SRRP	\$ 86,077
d.	Unamortized Deferrals To adjust unamortized deferrals tracking amortization of regulatory deferrals (net of ADIT)	SRRP	\$ (368,079)
e.	Working Capital To adjust working capital to reflect Staff's O&M adjustments	SRRP	\$ (108,265)
f.	Excess Earnings Base (EB/CAP) To reflect Historic Test Year calculation	SRRP	\$ (9,383,547)
Total Rate Base Adjustments			\$ (12,328,998)

Liberty Utilities (St. Lawrence Gas) Corp.

Exhibit__(SRRP-2)

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Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Revenue Summary

Staff	<u>Present Rates</u>	<u>Proposed</u>	<u>Difference</u>
Operating Revenues	\$ 35,029,909	\$ 33,838,551	\$ (1,191,358)
Purchased Gas	(16,265,227)	-	
GRT	(462,894)	(450,981)	11,914
Base Revenue Increase	<u>\$ 18,301,787</u>		<u>\$ (1,179,444)</u>
	Total Revenue %		-2.69%
	Base Delivery %		-6.44%
	ESCO Commodity Revenue	\$ 9,237,279	

Company	<u>Present Rates</u>	<u>Proposed</u>	<u>Difference</u>
Operating Revenues	\$ 35,184,747	\$ 37,003,698	\$ 1,818,951
Purchased Gas	(16,238,574)	-	
GRT	(462,907)	(481,097)	(18,190)
Base Revenue Increase	<u>\$ 18,483,266</u>		<u>\$ 1,800,761</u>
	Total Revenue %		4.09%
	Base Delivery %		9.74%
	ESCO Commodity Revenue	\$ 9,237,279	

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Direct Labor Expense

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to remove Analyst III position</u>	<u>Adjustment to reduce Analyst I position</u>	<u>Adjustment to remove incentive compensation</u>	<u>Staff's Rate Year Forecast</u>
Direct Labor Expense	\$ 4,320,669	\$ (70,811)	\$ (8,191)	\$ (530,578)	\$ 3,711,089
Total	<u>\$ 4,320,669</u>	<u>\$ (70,811)</u>	<u>\$ (8,191)</u>	<u>\$ (530,578)</u>	<u>\$ 3,711,089</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Direct Labor Expense

Company Position		RATE YEAR 1															
Analyst I Position																Analyst I Position	\$ 80,320
Description		11/30/2025	12/31/2025	1/31/2026	2/28/2026	3/31/2026	4/30/2026	5/31/2026	6/30/2026	7/31/2026	8/31/2026	9/30/2026	10/31/2026	Total	Less: Capitalized	\$ (25,702)	
Analyst I Position - Salary and Bonus	\$	6,350	6,350	6,350	6,350	6,541	6,541	6,541	6,541	6,541	6,541	6,541	6,541	77,727	Total	\$ 54,618	
2025 Merit Increase - Effective February 2025		3.00%	3.00%	3.00%	3.00%												
2026 Merit Increase - Effective February 2026						3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%				
Analyst I Position Adjustment	\$	6,541	6,541	6,541	6,541	6,770	6,770	6,770	6,770	6,770	6,770	6,770	6,770	80,320			

Staff Position		RATE YEAR 1														
Analyst I Position															Analyst I Position	\$ 68,275
Description		11/30/2025	12/31/2025	1/31/2026	2/28/2026	3/31/2026	4/30/2026	5/31/2026	6/30/2026	7/31/2026	8/31/2026	9/30/2026	10/31/2026	Total	Less: Capitalized	\$ (21,848)
Analyst I Position - Salary and Bonus	\$	5,398	5,398	5,398	5,398	5,560	5,560	5,560	5,560	5,560	5,560	5,560	5,560	66,071	Total	\$ 46,427
2025 Merit Increase - Effective February 2025		3.00%	3.00%	3.00%	3.00%											
2026 Merit Increase - Effective February 2026						3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%	3.50%			
Analyst I Position Adjustment	\$	5,560	5,560	5,560	5,560	5,754	5,754	5,754	5,754	5,754	5,754	5,754	5,754	68,275	Staff Adjustment	\$ (8,191)

Liberty Utilities Corp. (St. Lawrence Gas Company)**Case 24-G-0668****Direct Intercompany Expense**

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to remove proxy of direct labor wages increases</u>	<u>Adjustment to remove incentive compensation</u>	<u>Staff's Rate Year Forecast</u>
Direct Intercompany Expense	\$ 492,468	\$ (34,273)	\$ 11,270	\$ 469,465
Total	<u><u>\$ 492,468</u></u>	<u><u>\$ (34,273)</u></u>	<u><u>\$ 11,270</u></u>	<u><u>\$ 469,465</u></u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Indirect Allocated Labor Expense

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to reduce cybersecurity costs</u>	<u>Adjustment to remove proxy of direct labor wages increases</u>	<u>Adjustment to remove incentive compensation</u>	<u>Staff's Rate Year Forecast</u>
Indirect Allocated Labor Expense	\$ 900,927	\$ (23,246)	\$ (55,345)	\$ (53,302)	\$ 769,034
Total	<u><u>\$ 900,927</u></u>	<u><u>\$ (23,246)</u></u>	<u><u>\$ (55,345)</u></u>	<u><u>\$ (53,302)</u></u>	<u><u>\$ 769,034</u></u>

Liberty Utilities Corp. (St. Lawrence Gas Company)

Case 24-G-0668

Indirect Allocated Labor Expense

	<u>Company C&U</u> <u>Rate Year Forecast</u>	<u>Staff</u>	<u>Difference</u>
Adjustment to reduce cybersecurity Allocated Labor Source: Schedule 6-10 Cyber Security Program	\$ 105,665	\$ 82,419	\$ (23,246)
Percentage reduction tracking Cybersecurity CapEx recommendation	-22%		

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Labor Components

Source: DPS-253

	Twelve-month end June 30, 2021	Twelve-month end June 30, 2022	% change	Twelve-month end June 30, 2023	% change	Twelve-month end June 30, 2024	% change
Direct Labor	\$ 3,563,434	\$ 2,494,335	-30.0%	\$ 3,391,052	36.0%	\$ 3,962,418	16.8%
Direct Intercompany	1,535,148	1,347,905	-12.2%	1,074,699	-20.3%	\$ 458,196	-57.4%
Indirect Allocated Labor	-	42,748	0.0%	774,349	1711.4%	\$ 739,917	-4.4%
Total Labor	\$ 5,098,582.0	\$ 3,884,988.4	-23.8%	\$ 5,240,099.4	34.9%	\$ 5,160,530.0	-1.5%

Source DPS-321

Payroll Tax		\$ 322,049		\$ 268,317	-16.7%	\$ 384,484	43.3%
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Liberty Utilities Corp. (St. Lawrence Gas Company)**Case 24-G-0668****Billing and Collection Expense**

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to remove non- recurring expense (per DPS-496)</u>	<u>Adjustment to Reflect Staff's Inflation rate</u>	<u>Staff's Rate Year Forecast</u>
Billing and Collection Expense	\$ 173,068	\$ (134,296)	\$ 379	\$ 39,152
Total	<u>\$ 173,068</u>	<u>\$ (134,296)</u>	<u>\$ 379</u>	<u>\$ 39,152</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Uncollectibles Expense

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to reflect Staff's net write-off rate</u>	<u>Staff's Rate Year Forecast</u>
Uncollectibles Expense	\$ 459,513	\$ (287,866)	\$ 171,647
Total	<u><u>\$ 459,513</u></u>	<u><u>\$ (287,866)</u></u>	<u><u>\$ 171,647</u></u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Uncollectibles Expense

Company (Source: Schedule 6-6-1)

	1/31/2022	2/28/2022	3/31/2022	4/30/2022	5/31/2022	6/30/2022	7/31/2022	8/31/2022	9/30/2022	10/31/2022	11/30/2022	12/31/2022	
Gross Write-offs	\$ 13,484	\$ 13,201	\$ 12,225	\$ 926	\$ 62	\$ 780	\$ -	\$ 649	\$ -	\$ 766	\$ -	\$ 820	
Recalls & Recoveries	(1,988)	(2,798)	(3,095)	(1,407)	(339)	(111)	(1,039)	(210)	(160)	(1,932)	(711)	(820)	
Net Write-Offs	\$ 11,495	\$ 10,403	\$ 9,130	\$ (481)	\$ (277)	\$ 669	\$ (1,039)	\$ 438	\$ (160)	\$ (1,165)	\$ (711)	\$ -	

	1/31/2023	2/28/2023	3/31/2023	4/30/2023	5/31/2023	6/30/2023	7/31/2023	8/31/2023	9/30/2023	10/31/2023	11/30/2023	12/31/2023	1/31/2024
	\$ -	\$ 243	\$ 10,796	\$ 459	\$ 1,215	\$ 448	\$ 923	\$ -	\$ -	\$ 32	\$ -	\$ 8,082	\$ 1,202
	(149)	-	(448)	(243)	(1,394)	(365)	(689)	(382)	(445)	(1,107)	(29)	(186)	(2,418)
	\$ (149)	\$ 243	\$ 10,348	\$ 216	\$ (179)	\$ 84	\$ 235	\$ (382)	\$ (445)	\$ (1,075)	\$ (29)	\$ 7,896	\$ (1,215)

	2/29/2024	3/31/2024	4/30/2024	5/31/2024	6/30/2024
	\$ 378,788	\$ 710,868	\$ 16,141	\$ 4,347	\$ 16,697
	(4,920)	(3,926)	(8,455)	(5,832)	(8,897)
	\$ 373,868	\$ 706,942	\$ 7,686	\$ (1,484)	\$ 7,800

Average	\$ 2,358
Months	12
Annualized Average	\$ 28,302
HTY Revenues	\$ 34,876,790
Net Write-Off Rate	0.081%

Company Calculated Uncollectible

Rate Year Revenues	\$ 35,184,747
Net Write-off Rate	0.08%
Uncollectible expense	\$ 28,500

Staff (Source March response to DPS-304)

	4/30/2024	5/31/2024	6/30/2024	7/31/2024	8/31/2024	9/30/2024	10/31/2024	11/30/2024	12/31/2024	1/31/2025
Gross Write-offs	\$ 16,141	\$ 4,347	\$ 16,697	\$ 24,887	\$ 17,482	\$ 35,491	\$ 102,077	\$ 6,882	\$ 1	\$ 18,695
Recalls & Recoveries	(8,455)	(5,832)	(8,897)	(8,377)	(10,114)	(7,875)	(15,690)	(13,533)	(18,603)	(14,275)
Net Write-Offs	\$ 7,686	\$ (1,484)	\$ 7,800	\$ 16,510	\$ 7,368	\$ 27,616	\$ 86,387	\$ (6,651)	\$ (18,602)	\$ 4,420
Monthly Revenue	\$ 3,251,953	\$ 2,703,184	\$ 1,609,644	\$ 1,309,965	\$ 1,194,035	\$ 1,460,932	\$ 2,389,104	\$ 3,008,053	\$ 4,341,658	\$ 5,439,394
Net Write-Offs	\$ 131,049									
Revenues	\$ 26,707,923									
Net Write-off rate	0.49%									

Staff Calculated Uncollectible

Staff Rate Year Revenues	\$ 35,029,909
Net Write-off Rate	0.49%
Uncollectible expense	\$ 171,647

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Office Supplies and Expense

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to remove all membership dues</u>	<u>Adjustment to remove beverages category</u>	<u>Adjustment to normalize bank fees</u>	<u>Adjustment to remove misclassified expense from postage category</u>	<u>Adjustment to Reflect Staff's Inflation rate</u>	<u>Staff's Rate Year Forecast</u>
Office Supplies and Expense	\$ 946,816	\$ (11,622)	\$ (21,676)	\$ (15,069)	\$ (9,961)	\$ 8,690	\$ 897,178
Total	<u>\$ 946,816</u>	<u>\$ (11,622)</u>	<u>\$ (21,676)</u>	<u>\$ (15,069)</u>	<u>\$ (9,961)</u>	<u>\$ 8,690</u>	<u>\$ 897,178</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Operations - Mains and Services

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to remove all membership dues</u>	<u>Adjustment to Reflect Staff's Inflation rate</u>	<u>Staff's Rate Year Forecast</u>
Operations - Mains and Services	\$ 507,830	\$ (3,565)	\$ 4,932	\$ 509,197
Total	<u><u>\$ 507,830</u></u>	<u><u>\$ (3,565)</u></u>	<u><u>\$ 4,932</u></u>	<u><u>\$ 509,197</u></u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Outside Services

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to remove prior rate case expenses</u>	<u>Adjustment to remove non- recurring paving costs</u>	<u>Adjustment to remove normalize consulting costs</u>	<u>Adjustment to Reflect Staff's Inflation rate</u>	<u>Staff's Rate Year Forecast</u>
Outside Services	\$ 459,234	\$ (134,295.87)	\$ (77,422.33)	\$ (41,940.59)	\$ 2,011	\$ 207,585
Total	<u>\$ 459,234</u>	<u>\$ (134,296)</u>	<u>\$ (77,422)</u>	<u>\$ (41,941)</u>	<u>\$ 2,011</u>	<u>\$ 207,585</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)**Case 24-G-0668****Indirect Allocation Intercompany**

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to reduce cybersecurity O&M</u>	<u>Adjustment to remove incentive compensation</u>	<u>Adjustment to Reflect Staff's Inflation rate</u>	<u>Staff's Rate Year Forecast</u>
Indirect Allocation Intercompany	\$ 1,339,588	\$ (20,329)	\$ (69,056)	\$ 11,523	\$ 1,261,726
Total	<u>\$ 1,339,588</u>	<u>\$ (20,329)</u>	<u>\$ (69,056)</u>	<u>\$ 11,523</u>	<u>\$ 1,261,726</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Injuries & Damages Expense

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to reflect three-year average of damage invoices</u>	<u>Adjustment to Reflect Staff's Inflation rate</u>	<u>Staff's Rate Year Forecast</u>
Injuries & Damages Expense	\$ 312,800	\$ (7,608)	\$ 2,985	\$ 308,177
Total	<u>\$ 312,800</u>	<u>\$ (7,608)</u>	<u>\$ 2,985</u>	<u>\$ 308,177</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)**Case 24-G-0668****Injuries & Damages Expense**

	Twelve-month end June 30, 2022	Twelve-month end June 30, 2023	Twelve-month end June 30, 2024
Damage Invoice	\$ -	\$ -	\$ 10,884
Three-year Average	\$ 3,628		
Adjustment	\$ 7,256		

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Pensions and OPEBs

	<u>Company's CU Rate Year Forecast</u>	<u>Company updates per DPS-574</u>	<u>Company's updated C&U Rate Year Forecast</u>	<u>Staff adjustment to apply the capitalization rate to the service cost component</u>	<u>Staff's Rate Year Forecast</u>
Pensions	\$ (1,090,601)	\$ (56,877)	\$ (1,147,478)	\$ (98,455)	\$ (1,245,933)
OPEBS	<u>\$ (1,316,565)</u>	<u>\$ (29,270)</u>	<u>\$ (1,345,835)</u>	<u>\$ (11,374)</u>	<u>\$ (1,357,209)</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Pensions and OPEBs

	Rate Year	Rate Year
Net Periodic Pension Cost	(415,625)	(1,025,497)
Less: Additional Allocation to Non-Utility	\$ (3,058)	\$ 32,720
Total	\$ (418,683)	\$ (992,777)
Amortization of Deferral	(827,250)	(364,432)
Total	\$ (1,245,933)	\$ (1,357,209)

Source: DPS-574, DPS-299 Revised Supplemental,
DPS-299 Supplemental Revised

	Pension	Company	Staff	Difference
Service cost	266,732	168,277	(98,455)	
Interest cost	868,498	868,498	0	
Expected return on plan assets	(995,048)	(995,048)	0	
Amortization of prior service cost (credit)	33,537	33,537	0	
Amortization of net loss (gain)	(490,889)	(490,889)	0	
	<u>(317,170)</u>	<u>(415,625)</u>	<u>(260,293)</u>	

Capitalization Rate **17.58%** **48%**

Source: DPS-574, DPS-299 Revised Supplemental,
DPS-299 Supplemental Revised

	OPEB	Company	Staff	Company
Service cost	55,405	44,031	(11,374)	
Interest cost	387,626	387,626	0	
Expected return on plan assets	(819,027)	(819,027)	0	
Amortization of prior service cost (credit)	23,953	23,953	0	
Amortization of net loss (gain)	(662,080)	(662,080)	0	
	<u>(1,014,123)</u>	<u>(1,025,497)</u>	<u>(984,853)</u>	

Capitalization Rate **34.57%** **48%**

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Regulatory Commission Expense

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to latest known General Assessment</u>	<u>Adjustment to reflect historic overestimation</u>	<u>Adjustment to Reflect Staff's Inflation rate</u>	<u>Staff's Rate Year Forecast</u>
Regulatory Commission Expense	\$ 207,090	\$ 12,450	\$ (26,449)	\$ 1,889	\$ 194,981
Total	<u>\$ 207,090</u>	<u>\$ 12,450</u>	<u>\$ (26,449)</u>	<u>\$ 1,889</u>	<u>\$ 194,981</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Regulatory Commission Expense

Initial Assessments	Feb 2025	Feb 2024	Feb 2023	Feb 2022	
General	\$ 167,148	\$ 148,326	\$ 153,072	\$ 148,728	
Updated Assessments	2025-2026	Aug 2024 2024-2025	Aug 2023 2023-2024	Aug 2022 2022-2023	Aug 2021 2021-2022
NYSERDA	0	\$ 42,234.19	\$ 44,772.49	\$ 35,731.03	\$ 40,781.90
General	\$ 167,148	\$ 158,220.40	\$ 149,790.29	\$ 152,240.02	\$ 113,378.31
Total	\$ 167,148.29	\$ 200,454.59	\$ 194,562.78	\$ 187,971.05	\$ 154,160.21
Final Assessments			Oct 2024 2023-2024	Oct 2023 2022-2023	Oct 2022 2021-2022
General			125,570.43	112,076.99	113,104.17
NYSERDA			44,772.49	35,731.03	40,781.90
Total			170,342.92	147,808.02	153,886.07
Overestimation %			(24,220)	(40,163)	(274)
3 year average	-12.0%		-12.4%	-21.4%	-0.2%

Adjustment 1 - Latest Known Assessment		Adjustment 2 - Historic Overestimation	
Staff			
Latest known General Assessment	\$ 167,148	Latest known General Assessment	\$ 167,148
Latest known NYSERDA Assessment	42,234	Latest known NYSERDA Assessment	\$ 42,234
Total	\$ 209,382	Total	\$ 209,382
Company	\$ 197,508	* Overestimation	-12.0%
Difference	\$ 11,874	* Company Inflation of 4.85%	\$ (25,225)
* Company Inflation of 4.85%	4.85%	* Company Inflation of 4.85%	4.85%
Adjustment	\$ 12,450	Adjustment	\$ (26,449)

Liberty Utilities Corp. (St. Lawrence Gas Company)**Case 24-G-0668****Other Expense**

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to remove GHG Program</u>	<u>Adjustment to remove Quality Management FTE</u>	<u>Adjustment to reflect costs of an RMD Program</u>	<u>Adjustment to Reflect Staff's Inflation rate</u>	<u>Staff's Rate Year Forecast</u>
Other Expense	\$ 58,190	\$ (320,000)	\$ (56,812)	\$ 105,201	\$ (3,116)	\$ (216,537)
Total	<u>\$ 58,190</u>	<u>\$ (320,000)</u>	<u>\$ (56,812)</u>	<u>\$ 105,201</u>	<u>\$ (3,116)</u>	<u>\$ (216,537)</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Productivity

<u>Staff's Rate Year Forecast</u>	<u>Productivity</u>	<u>-1%</u>
Direct Labor	3,711,089	(37,111)
Direct Intercompany	469,465	(4,695)
Indirect Allocated Labor	769,034	(7,690)
Administrative Expense Transfer - Credit	(283,440)	2,834
Pension	(1,245,933)	12,459
Health Insurance	982,337	(9,823)
Employee Benefits	(1,009,320)	10,093
OPEB's	(1,357,209)	13,572
Other Employee Benefits	202,344	(2,023)
Payroll Taxes	384,097	(3,841)
Total	\$ 2,622,464	\$ (26,225)

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Inflation Expense

O&M Item	Company					Staff							
	Historic Test Year Amount	Historic Test Year Adjustments	Historic Test Year Adjusted	Inflation Rate	Rate Year	Company Historic Test Year Adjusted	Adjustments	Historic Test Year Adjusted	Rate Year per Company Inflation	Grossed up Adjustment Amount	Staff Inflation	Rate Year per Staff inflation	Inflation Adjustment
Direct Labor	\$ 3,962,418	\$ 358,252	4,320,669	0.00%	4,320,669	4,320,669	(609,580)	3,711,089	3,711,089	(609,580)	0.00%	3,711,089	-
Direct Intercompany	458,196	34,273	492,468	0.00%	492,468	492,468	(23,003)	469,465	469,465	(23,003)	0.00%	469,465	-
Indirect Allocated Labor	739,917	161,010	900,927	0.00%	900,927	900,927	(131,894)	769,034	769,034	(131,894)	0.00%	769,034	-
Oper - Mains & Services Exp.	470,514	13,819	484,333	4.85%	507,830	484,333	(3,400)	480,933	504,265	(3,565)	5.88%	509,197	4,932
Oper - Cust Install Exp	22,328	845	23,172	4.85%	24,297	23,172		23,172	24,297		5.88%	24,534	238
Oper - Meas & Reg Station Exp	33,548	2,684	36,232	4.85%	37,990	36,232		36,232	37,990		5.88%	38,361	372
Oper - Other Invoices	496,718	(172,846)	323,872	4.85%	339,584	323,872		323,872	339,584		5.88%	342,905	3,321
Maint - Maint of Mains	38,371	450	38,822	4.85%	40,705	38,822		38,822	40,705		5.88%	41,103	398
Maint - Other Invoices	(74,523)	19,414	(55,109)	4.85%	(57,782)	(55,109)		(55,109)	(57,782)		5.88%	(58,347)	(565)
Acct - Meter Reading Exp.	-	111,957	111,957	4.85%	117,388	111,957		111,957	117,388		5.88%	118,536	1,148
Billing & Collection Expenses	202,674	(37,613)	165,060	4.85%	173,068	165,060	(128,082)	36,978	38,772	(134,296)	5.88%	39,152	379
Uncollectibles	713,043	(266,262)	459,513	0.00%	459,513	459,513	(287,866)	171,647	171,647	(287,866)	0.00%	171,647	-
Acct-Other Invoices	(63)	479	416	4.85%	436	416		416	436		5.88%	440	4
Cust Rel - Informational Adv	-	-	-	0.00%	-	-		-	-		-	-	-
Cust Rel - Other Invoices	(6,094)	23,347	17,254	4.85%	18,091	17,254		17,254	18,091		5.88%	18,268	177
Expenses - Informational Adv	(7,285)	14,482	7,197	4.85%	7,546	7,197		7,197	7,546		5.88%	7,620	74
Office Supplies and Exp	1,487,263	(584,256)	903,007	4.85%	946,816	903,007	(55,629)	847,378	888,488	(58,328)	5.88%	897,178	8,690
Admin Exp and Admin Exp Transfer - Credit	(267,706)	-	(267,706)	4.85%	(280,694)	(267,706)		(267,706)	(280,694)		5.88%	(283,440)	(2,745)
Outside Services	449,611	(11,626)	437,985	4.85%	459,234	437,985	(241,922)	196,063	205,575	(253,659)	5.88%	207,585	2,011
Indirect Allocation Intercompany	1,112,225	77,252	1,189,477	4.85%	1,339,588	1,189,477	(86,190)	1,123,616	1,250,203	(89,385)	5.88%	1,261,725	11,523
Injuries & Damages	298,327	-	298,327	4.85%	312,800	298,327	(7,256)	291,071	305,192	(7,608)	5.88%	308,177	2,985
Pension	249,082	(64,008)	(1,090,601)	0.00%	(1,090,601)	(1,090,601)	(155,332)	(1,245,933)	(1,245,933)	(155,332)	-	(1,245,933)	-
Supplemental Pensions	-	-	-	0.00%	-	-		-	-		-	-	-
Health Insurance	(60,048)	987,858	927,810	4.85%	972,822	927,810		927,810	972,822		5.88%	982,337	9,515
Employee Benefits	492,725	(1,446,020)	(953,295)	4.85%	(999,544)	(953,295)		(953,295)	(999,544)		5.88%	(1,009,320)	(9,776)
OPEB's	(381,475)	16,204	(1,316,565)	0.00%	(1,316,565)	(1,316,565)	(40,644)	(1,357,209)	(1,357,209)	(40,644)	-	(1,357,209)	-
Other Employee Benefits	(291,479)	482,591	191,112	4.85%	200,384	191,112		191,112	200,384		5.88%	202,344	1,960
Regulatory Commission Exp	169,513	27,995	197,508	4.85%	207,090	197,508	(13,350)	184,158	193,092	(13,998)	5.88%	194,981	1,889
Maint of General Plant	156,075	-	156,075	4.85%	163,647	156,075		156,075	163,647		5.88%	165,248	1,601
Other Expense	(942,691)	638,812	(303,879)	4.85%	58,190	(303,879)	(271,611)	(303,879)	(213,421)	(271,611)	5.88%	(216,537)	(3,116)
Productivity	-	-	-	0.00%	-	-	(26,225)	(26,225)	(26,225)	(26,225)	0.00%	(26,225)	-
Rents	13,115	(16,800)	(3,685)	4.85%	(3,863)	(3,685)		(3,685)	(3,863)		5.88%	(3,901)	(38)
Low Income Program	-	-	-	0.00%	-	-	573,977	573,977	573,977	573,977	0.00%	573,977	-
Arrears Management Program	-	-	-	0.00%	-	-	73,912	73,912	73,912	73,912	0.00%	73,912	-
Total	9,534,301	372,291	7,692,353		8,352,035	7,692,353	(1,142,154)	6,550,198	6,892,930	(1,459,104)		6,927,905	\$ 34,975

Total O&M
Inflation
Adjustment

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Payroll Tax Expense

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to reflect Staff's payroll tax calculation</u>	<u>Adjustment tracking Staff's direct labor expense forecast</u>	<u>Staff's Rate Year Forecast</u>
Payroll Tax Expense	\$ 428,969	\$ 18,220	\$ (63,092)	\$ 384,097
Total	<u><u>\$ 428,969</u></u>	<u><u>\$ 18,220</u></u>	<u><u>\$ (63,092)</u></u>	<u><u>\$ 384,097</u></u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Payroll Tax Expense

	Company C&U Rate Year Forecast	Staff correcting Company's Forecast	Difference
Direct Labor	4,320,669	4,320,669	-
Payroll Taxes	428,969	447,189	18,220
Source DPS-321		-	
Social Security Tax	6.20%		
Medicare Tax	1.45%		
Federal Unemployment Tax	0.60%		
State Unemployment Tax	2.10%		
Total Payroll Tax Rate	10.35%		

	Staff correcting Company's Forecast	Staff Direct Labor expense	Difference
Direct Labor	4,320,669	3,711,089	-
Payroll Taxes	447,189	384,098	(63,092)
Source DPS-321		-	
Social Security Tax	6.20%		
Medicare Tax	1.45%		
Federal Unemployment Tax	0.60%		
State Unemployment Tax	2.10%		
Total Payroll Tax Rate	10.35%		

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Property Tax Expense

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to fix error in Company forecast</u>	<u>Staff's Rate Year Forecast</u>
Property Tax Expense	\$ 2,545,840	\$ 517,272	\$ 3,063,111
Total	<u><u>\$ 2,545,840</u></u>	<u><u>\$ 517,272</u></u>	<u><u>\$ 3,063,111</u></u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Amortization of Regulatory Deferrals / Unamortized Deferrals

Description	Company's CU Rate Year Forecast	Staff Adjustment to reduce Rate Case expense	Staff Adjustment to adjust Low Income deferral balance	Staff Adjustment to amortize Gas Safety PRA	Staff Adjustment to amortize Gas Safety NRA	Staff Adjustment to amortize Untimely Filing NRA	Staff's Rate Year Forecast	Difference
Amortization of Regulatory Deferrals	\$ 250,970	\$ (200,527)	\$ 34,443	\$ 30,445	\$ (105,201)	\$ (29,305)	\$ (19,174)	\$ (270,144)
	Company's CU Rate Year Forecast	Total Staff Adjustments						
Unamortized Deferrals (net of ADIT)	\$ 493,941	\$ 125,862	\$ (368,079)					

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Amortization of Regulatory Deferrals / Unamortized Deferrals

Description	LINK PERIOD																	
	6/30/2024	7/31/2024	8/31/2024	9/30/2024	10/31/2024	11/30/2024	12/31/2024	1/31/2025	2/28/2025	3/31/2025	4/30/2025	5/31/2025	6/30/2025	7/31/2025	8/31/2025	9/30/2025	10/31/2025	
STAFF																		
Unamortized Deferrals	\$ (869,259)	\$ (956,247)	\$ (913,962)	\$ (871,678)	\$ (829,393)	\$ (787,109)	\$ (744,825)	\$ (702,540)	\$ (660,256)	\$ (617,971)	\$ (575,687)	\$ (533,403)	\$ (491,118)	\$ (448,834)	\$ (406,549)	\$ (364,265)	\$ (321,984)	
State Tax Effect @ 6.50%	56,502	62,156	59,408	56,659	53,911	51,162	48,414	45,665	42,917	40,168	37,420	34,671	31,923	29,174	26,426	23,677	20,929	
Federal Tax Effect @ 21.00%	170,679	187,759	179,456	171,154	162,851	154,549	146,246	137,944	129,641	121,339	113,036	104,734	96,431	88,129	79,826	71,523	63,222	
Net Unamortized Deferrals	\$ (642,078)	\$ (706,332)	\$ (675,098)	\$ (643,865)	\$ (612,631)	\$ (581,398)	\$ (550,165)	\$ (518,931)	\$ (487,698)	\$ (456,464)	\$ (425,231)	\$ (393,998)	\$ (362,764)	\$ (331,531)	\$ (300,297)	\$ (269,065)	\$ (237,833)	
COMPANY																		
Unamortized Deferrals	\$ (869,259)	\$ (956,247)	\$ (913,962)	\$ (871,678)	\$ (829,393)	\$ (787,109)	\$ (744,825)	\$ (702,540)	\$ (660,256)	\$ (617,971)	\$ (575,687)	\$ (533,403)	\$ (491,118)	\$ (448,834)	\$ (406,549)	\$ (364,265)	\$ (321,984)	
State Tax Effect @ 6.50%	56,502	62,156	59,408	56,659	53,911	51,162	48,414	45,665	42,917	40,168	37,420	34,671	31,923	29,174	26,426	23,677	20,929	
Federal Tax Effect @ 21.00%	170,679	187,759	179,456	171,154	162,851	154,549	146,246	137,944	129,641	121,339	113,036	104,734	96,431	88,129	79,826	71,523	63,222	
Net Unamortized Deferrals	\$ (642,078)	\$ (706,332)	\$ (675,098)	\$ (643,865)	\$ (612,631)	\$ (581,398)	\$ (550,165)	\$ (518,931)	\$ (487,698)	\$ (456,464)	\$ (425,231)	\$ (393,998)	\$ (362,764)	\$ (331,531)	\$ (300,297)	\$ (269,065)	\$ (237,833)	
COMPANY																		
Unamortized Deferrals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
State Tax Effect @ 6.50%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Federal Tax Effect @ 21.00%	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Net Unamortized Deferrals	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

Description	RATE YEAR 1											RY1 Avg. 10/31/2026	
	11/30/2025	12/31/2025	1/31/2026	2/28/2026	3/31/2026	4/30/2026	5/31/2026	6/30/2026	7/31/2026	8/31/2026	9/30/2026		10/31/2026
STAFF													
Unamortized Deferrals	\$ 183,396	\$ 184,994	\$ 186,592	\$ 188,190	\$ 189,788	\$ 191,386	\$ 192,984	\$ 194,582	\$ 196,180	\$ 197,778	\$ 199,376	\$ 200,974	\$ 170,395
State Tax Effect @ 6.50%	(11,921)	(12,025)	(12,128)	(12,232)	(12,336)	(12,440)	(12,544)	(12,648)	(12,752)	(12,856)	(12,959)	(13,063)	(11,076)
Federal Tax Effect @ 21.00%	(36,010)	(36,324)	(36,637)	(36,951)	(37,265)	(37,579)	(37,892)	(38,206)	(38,520)	(38,834)	(39,148)	(39,461)	(33,457)
Net Unamortized Deferrals	\$ 135,465	\$ 136,645	\$ 137,827	\$ 139,007	\$ 140,187	\$ 141,367	\$ 142,548	\$ 143,728	\$ 144,908	\$ 146,088	\$ 147,269	\$ 148,450	\$ 125,862
COMPANY													
Unamortized Deferrals	\$ 821,809	\$ 800,894	\$ 779,980	\$ 759,066	\$ 738,152	\$ 717,238	\$ 696,324	\$ 675,410	\$ 654,495	\$ 633,581	\$ 612,667	\$ 591,753	\$ 668,708
State Tax Effect @ 6.50%	(53,418)	(52,058)	(50,699)	(49,339)	(47,980)	(46,620)	(45,261)	(43,902)	(42,542)	(41,183)	(39,823)	(38,464)	(43,466)
Federal Tax Effect @ 21.00%	(161,362)	(157,256)	(153,149)	(149,043)	(144,936)	(140,830)	(136,723)	(132,617)	(128,510)	(124,404)	(120,297)	(116,191)	(131,301)
Net Unamortized Deferrals	\$ 607,029	\$ 591,580	\$ 576,132	\$ 560,684	\$ 545,236	\$ 529,788	\$ 514,340	\$ 498,891	\$ 483,443	\$ 467,994	\$ 452,547	\$ 437,098	\$ 493,941
COMPANY													
Unamortized Deferrals	\$ (638,413)	\$ (615,900)	\$ (593,388)	\$ (570,876)	\$ (548,364)	\$ (525,852)	\$ (503,340)	\$ (480,828)	\$ (458,315)	\$ (435,803)	\$ (413,291)	\$ (390,779)	\$ (498,313)
State Tax Effect @ 6.50%	\$ 41,497	\$ 40,033	\$ 38,571	\$ 37,107	\$ 35,644	\$ 34,180	\$ 32,717	\$ 31,254	\$ 29,790	\$ 28,327	\$ 26,864	\$ 25,401	\$ 32,390
Federal Tax Effect @ 21.00%	\$ 125,352	\$ 120,932	\$ 116,512	\$ 112,092	\$ 107,671	\$ 103,251	\$ 98,831	\$ 94,411	\$ 89,990	\$ 85,570	\$ 81,149	\$ 76,730	\$ 97,844
Net Unamortized Deferrals	\$ (471,564)	\$ (454,935)	\$ (438,305)	\$ (421,677)	\$ (405,049)	\$ (388,421)	\$ (371,792)	\$ (355,163)	\$ (338,535)	\$ (321,906)	\$ (305,278)	\$ (288,648)	\$ (368,079)

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Amortization of Regulatory Deferrals / Unamortized Deferrals

Staff
RATE YEAR 1

Description	Balance 11/1/25	Monthly Amortization	Rate Year 1 Amortization	Balance 10/31/26
Rate Case Expense 24-G-XXXX	666,454	(18,513)	(222,151) \$	444,303
Other Regulatory Liability - Low Income 21-G-0577 Deferral	(103,327)	2,870	34,442	(68,885)
EAP	(2,802)	233	2,802	-
Property Tax 21-G-0577 Deferral	(173,751)	4,826	57,917	(115,834)
NRAs CY 2023	(42,105)	3,509	42,105	-
Gas Safety PRA Deferral	30,445	(2,537)	(30,445)	-
Gas Safety NRA Deferral	(105,201)	8,767	105,201	-
Untimely Filing NRA Deferral	(87,915)	2,442	29,305	(58,610)
Net Deferrals	\$ 181,798	\$ 1,598	\$ 19,176	\$ 200,974

Company
RATE YEAR 1

Description	Balance 11/1/25	Monthly Amortization	Rate Year 1 Amortization	Balance 10/31/26
Rate Case Expense 24-G-068	1,268,035	(35,223)	(422,678) \$	845,357
Other Regulatory Liability - Low Income 21-G-0577 Deferral	(206,655)	5,740	68,885	(137,770)
EAP	(2,802)	233	2,802	-
Property Tax 21-G-0577 Deferral	(173,751)	4,826	57,917	(115,834)
NRAs CY 2023	(42,105)	3,509	42,105	-
Net Deferrals	\$ 842,723	\$ (20,914)	\$ (250,970)	\$ 591,753

Difference
RATE YEAR 1

Description	Balance 11/1/25	Monthly Amortization	Rate Year 1 Amortization	Balance 10/31/26
Rate Case Expense 24-G-0668	(601,581)	16,711	200,527	(401,054)
Other Regulatory Liability - Low Income 21-G-0577 Deferral	103,327	(2,870)	(34,443)	68,885
EAP	-	-	-	-
Property Tax 21-G-0577 Deferral	-	-	-	-
NRAs CY 2023	-	-	-	-
Gas Safety PRA Deferral	30,445	(2,537)	(30,445)	-
Gas Safety NRA Deferral	(105,201)	8,767	105,201	-
Untimely Filing NRA Deferral	(87,915)	2,442	29,305	(58,610)
Net Deferrals	\$ (660,925)	\$ 22,512	\$ 270,145	\$ (390,779)

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Amortization of Regulatory Deferrals / Unamortized Deferrals

STAFF

	<u>11/30/2025</u>	<u>12/31/2025</u>	<u>1/31/2026</u>	<u>2/28/2026</u>	<u>3/31/2026</u>	<u>4/30/2026</u>	<u>5/31/2026</u>	<u>6/30/2026</u>	<u>7/31/2026</u>	<u>8/31/2026</u>	<u>9/30/2026</u>	<u>10/31/2026</u>	<u>Total</u>
\$	18,513	\$ 18,513	\$ 18,513	\$ 18,513	\$ 18,513	\$ 18,513	\$ 18,513	\$ 18,513	\$ 18,513	\$ 18,513	\$ 18,513	\$ 18,513	222,151
	(2,870)	(2,870)	(2,870)	(2,870)	(2,870)	(2,870)	(2,870)	(2,870)	(2,870)	(2,870)	(2,870)	(2,870)	(34,442)
	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(2,802)
	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(57,917)
	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(42,105)
	2,537	2,537	2,537	2,537	2,537	2,537	2,537	2,537	2,537	2,537	2,537	2,537	30,445
	(8,767)	(8,767)	(8,767)	(8,767)	(8,767)	(8,767)	(8,767)	(8,767)	(8,767)	(8,767)	(8,767)	(8,767)	(105,201)
	(2,442)	(2,442)	(2,442)	(2,442)	(2,442)	(2,442)	(2,442)	(2,442)	(2,442)	(2,442)	(2,442)	(2,442)	(29,305)

Monthly Amortization	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (1,598)	\$ (19,176)
Balance	183,396	184,994	186,592	188,190	189,788	191,386	192,984	194,582	196,180	197,778	199,376	200,974	

COMPANY

	<u>11/30/2025</u>	<u>12/31/2025</u>	<u>1/31/2026</u>	<u>2/28/2026</u>	<u>3/31/2026</u>	<u>4/30/2026</u>	<u>5/31/2026</u>	<u>6/30/2026</u>	<u>7/31/2026</u>	<u>8/31/2026</u>	<u>9/30/2026</u>	<u>10/31/2026</u>	<u>Total</u>
\$	-	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	-
	35,223	35,223	35,223	35,223	35,223	35,223	35,223	35,223	35,223	35,223	35,223	35,223	422,678
	(5,740)	(5,740)	(5,740)	(5,740)	(5,740)	(5,740)	(5,740)	(5,740)	(5,740)	(5,740)	(5,740)	(5,740)	(68,885)
	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(233)	(2,802)
	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(4,826)	(57,917)
	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(3,509)	(42,105)
Monthly Amortization	\$ 20,914	\$ 20,914	\$ 20,914	\$ 20,914	\$ 20,914	\$ 20,914	\$ 20,914	\$ 20,914	\$ 20,914	\$ 20,914	\$ 20,914	\$ 20,914	\$ 250,970
Balance	821,809	800,894	779,980	759,066	738,152	717,238	696,324	675,410	654,495	633,581	612,667	591,753	

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Rate Case Expense

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to reduce total compensation study</u>	<u>Adjustment to reduce depreciation study</u>	<u>Adjustment to reduce allocated cost of service study</u>	<u>Adjustment to reduce rate design study</u>
Rate Case Expense	\$ 422,678	\$ (8,768)	\$ (12,950)	\$ (16,694)	\$ (26,820)
Total	<u>\$ 422,678</u>	<u>\$ (8,768)</u>	<u>\$ (12,950)</u>	<u>\$ (16,694)</u>	<u>\$ (26,820)</u>
	<u>Adjustment to reduce cost of capital study</u>	<u>Adjustment to reduce data collection costs</u>	<u>Adjustment to reduce outside counsel costs</u>	<u>Staff's Rate Year Forecast</u>	
Rate Case Expense	\$ (34,725)	\$ (5,833)	\$ (94,737)	\$ 222,151	
Total	<u>\$ (34,725)</u>	<u>\$ (5,833)</u>	<u>\$ (94,737)</u>	<u>\$ 222,151</u>	

Liberty Utilities Corp. (St. Lawrence Gas Company)**Case 24-G-0668****Rate Case Expense**

Total Dollars					
Rate Case Expense Components	Company Proposal	Actual expense incurred	Expense not realized	Adjustment	Staff Recommendation
Total Compensation Study	75,000	48,696	-	(26,304)	48,696
Depreciation Study	115,250	76,400	-	(38,850)	76,400
Allocated Cost of Service Study	136,964	86,881	-	(50,083)	86,881
Rate Design	132,100	43,200	8,440	(80,460)	51,640
Cost of Capital Study	185,220	81,045	-	(104,175)	81,045
Data Collection	17,901	401	-	(17,500)	401
Travel	5,600	-	5,600	-	5,600
Outside Counsel	600,000			(284,210)	315,790
Rate Case Expense	1,268,035			(601,581)	666,454

Per Year

Rate Case Expense Components	Company Proposal	Adjustment	Staff Recommendation
Total Compensation Study	25,000	(8,768)	16,232
Depreciation Study	38,417	(12,950)	25,467
Allocated Cost of Service Study	45,655	(16,694)	28,960
Rate Design	44,033	(26,820)	17,213
Cost of Capital Study	61,740	(34,725)	27,015
Data Collection	5,967	(5,833)	134
Travel	1,867	-	1,867
Outside Counsel	200,000	(94,737)	105,263
Rate Case Expense	422,678	(200,527)	222,151

Outside Counsel Costs	<u>Case 21-G-0577</u>	
Three-month mark	141,899	Per DPS-550 of Case 21-G-0577
Total incurred	793,019	Per DPS-45 of Case 24-G-0668
Ratio at three-month mark	18%	
	<u>Case 24-G-0668</u>	
Three-month mark	56,506	Per DPS-563 of Case 24-G-0668
Ratio	18%	
Estimated Outside Counsel costs	315,790	

Liberty Utilities Corp. (St. Lawrence Gas Company)**Case 24-G-0668****Amortization of Excess ADIT**

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to reflect Staff's amortization of EADIT</u>	<u>Staff's Rate Year Forecast</u>
Amortization of EADIT	\$ (59,615)	\$ (21,568)	\$ (81,183)
Total	<u>\$ (59,615)</u>	<u>\$ (21,568)</u>	<u>\$ (81,183)</u>

Liberty Utilities Corp. (St. Lawrence Gas Company)
Case 24-G-0668
Untimely Filing NRA

Filing	Filing Due Date	Actual Date of Filing	NRA Basis Point	NRA \$
O&M Program Audit	12/12/2022	12/22/2022	3.0	\$ (7,867)
O&M Program Audit	07/06/2023	07/07/2023	3.0	\$ (7,867)
Interruptions of Service	12/27/2023	12/29/2023	3.0	\$ (7,854)
Public Awareness Program Audit	02/05/2024	02/08/2024	3.0	\$ (7,854)
Greenhouse Gas (GHG) Emissions Reporting	04/15/2024	5/3/2024	3.0	\$ (7,854)
Customer First Billing Success Rate	05/15/2024	6/1/2024	3.0	\$ (7,854)
Billing Communication Report	05/01/2024	5/31/2024	3.0	\$ (7,854)
Interruptions of Service	11/06/2024	11/7/2024	3.0	\$ (8,228)
Interruptions of Service	11/13/2024	11/26/2024	3.0	\$ (8,228)
Interruptions of Service	11/20/2024	11/26/2024	3.0	\$ (8,228)
Revenue Decoupling Mechanism (RDM)	12/16/2024	12/17/2024	3.0	\$ (8,228)
Total NRAs to be deferred				\$ (87,916)

Calculation of A Basis Point (Case 21-G-0557)			
	RY 3 (TME 10/31/2023)	RY 3 (TME 10/31/2024)	RY 3 (TME 10/31/2025)
Rate Base	\$ 39,747,766	\$ 39,685,081	\$ 41,570,246
Equity Ratio	48.00%	48.00%	48.00%
	19,078,928	19,048,839	19,953,718
1 Basis Point	0.01%	0.01%	0.01%
	1,908	1,905	1,995
Retention Factor	72.76%	72.76%	72.76%
Basis Point Amount	\$ 2,622	\$ 2,618	\$ 2,743

Deferred Liability to be booked: \$ (87,916)
Amortization Amount: \$ (29,305)

St. Lawrence Gas Company
Case 24-G-0668
Accumulated Deferred Income Taxes

	<u>Company's CU Rate Year Forecast</u>	<u>Adjustment to reflect Staff's ADIT</u>	<u>Staff's Rate Year Forecast</u>
Accumulated Deferred Income Taxes (plant related)	\$ (1,916,332)	86,077	\$ (1,830,255)
Total	<u>\$ (1,916,332)</u>	<u>\$ 86,077</u>	<u>\$ (1,830,255)</u>

St. Lawrence Gas Company
Case 24-G-0668
Accumulated Deferred Income Taxes

	<u>Rate Year Ending October 30, 2026</u>	<u>Rate Year As Adjusted by Staff</u>	<u>Ratio of ADIT to plant-in- service</u>	<u>Staff Adjustment to ADIT</u>	<u>Staff ADIT</u>
Net Utility Plant	\$ 56,886,040	\$ 54,330,856			
Accumulated Deferred Income Taxes	(1,916,332)	(1,916,332)	-3%	\$ 86,077	\$ (1,830,255)

Liberty Utilities (St. Lawrence Gas) Corp.

Exhibit__(SRRP-3)

Interrogatory Requests

(Exhibit__(SRRP-3) will be filed in its entirety on April 8, 2025)

<u>Request #</u>	<u>Subject</u>	<u>Page #</u>
DPS-041	Other Expenses	x
DPS-045	Other	x
DPS-249	Incentive Compensation	x
DPS-265	Operation - Mains & Services Exp	x
DPS-276	Direct Labor	x
DPS-297	Dues - Industry Associations	x
DPS-299	Pension and OPEBS	x
DPS-304	Uncollectibles Expense	x
DPS-312	Property Tax	x
DPS-315	Office Supplies Exp	x
DPS-322	Productivity	x
DPS-327	Earnings Base Capitalization	x
DPS-344	Injuries & Damages	x
DPS-365	Indirect Allocated Labor	x
DPS-373	Regulatory Commission Expense	x
DPS-376	Rate Case Expense	x
DPS-378	Billing and Collection Expenses	x
DPS-381	Timely Filings	x
DPS-438	Excess Accumulated Deferred Income Tax	x
DPS-439	Earnings Base Capitalization	x
DPS-441	Indirect Allocation Intercompany	x
DPS-466	Direct Labor	x
DPS-467	Direct Labor	x
DPS-478	Uncollectibles	x

DPS-496	Revenues and Expenses	x
DPS-498	Outside Services	x
DPS-500	Office Supplies Expense	x
DPS-504	Indirect Allocation Intercompany	x
DPS-510	Revenues and Expenses	x
DPS-516	Regulatory Commission Expense	x
DPS-528	Incentive Compensation	x
DPS-533	Injuries & Damages	x
DPS-550	Rate Case Expense (Case 21-G-0577)	x
DPS-563	Rate Case Expense	x
DPS-574	Pension and OPEBS	x

**Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations
of Liberty Utilities (St. Lawrence Gas) Corp. for Gas Service**

**LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.'S OBJECTIONS & RESPONSES
TO STAFF OF THE DEPARTMENT OF PUBLIC SERVICE
INTERROGATORY/DOCUMENT REQUEST**

Request No.: DPS-550
Requested By: John Ross
Information Requested of: Kim Baxter
Date of Request: March 31, 2022
Response Due Date: April 11, 2022
Subject: Rate Case Expense

LIBERTY UTILITIES (ST. LAWRENCE GAS) CORP.'S GENERAL DEFINITIONS

1. "CEII" shall mean "critical infrastructure" and "critical energy infrastructure" information as defined in Public Officers Law § 86 (5) and 18 CFR § 388.133 (c) (2), respectively.
2. "DPS" shall mean the New York State Department of Public Service.
3. "General Objections" shall mean the general objections Liberty SLG provided in response to DPS-230.
4. "Liberty SLG" or the "Company" shall mean Liberty Utilities (St. Lawrence Gas) Corp.
5. "PSC" shall mean the New York Public Service Commission.
6. "MI" shall mean the Multiple Intervenors.
7. "PSL" shall mean the New York State Public Service Law.
8. "Protective Order" shall mean Administrative Law Judge Michael C. Clarke's December 2, 2021 Ruling Adopting Protective Order.
9. "Staff" shall mean DPS Staff.

DPS-550

In the same format as the Company’s response to DPS-339, provide the actual rate case expenses incurred for Case 21-G-0577 for January and February 2022. Also continue providing this information for future months, on a monthly basis, once available.

Liberty SLG’s Response to DPS-550. Liberty SLG hereby incorporates the General Objections. Subject to and without waiving any of the General Objections, Liberty SLG provides the following response:

Please see below for the estimated rate case expense for January, February, and March 2022. Currently, the only ongoing expenses are from Daymark Energy Advisors and Harris Beach PLLC.

Liberty Utilities (St. Lawrence Gas) Corp.							
Rate Case Expense 21-G-0577							
	2021				2022	Grand	
	Total	Jan-22	Feb-22	Mar-22	Total	Total	
DEA	\$ 396,885.50			\$33,954.50 ²	\$ 33,954.50	\$ 430,840.00	
FTI	\$ 11,535.00				\$ -	\$ 11,535.00	
Mercer	\$ 71,494.48				\$ -	\$ 71,494.48	
Harris Beach	\$ 77,512.51	\$64,386.00	\$ 79,021.50	\$39,853.00 ¹	\$ 183,260.50	\$ 260,773.01	
	\$ 557,427.49	\$64,386.00	\$ 79,021.50	\$ 73,807.50	\$ 217,215.00	\$ 774,642.49	
		¹ January-March 2022 services rendered, paid in April 2022					
		The Company anticipates increased cost due to management of discovery originally expected to be done in-house and review of the Supplemental Filing.					
		² unpaid at April 11, 2022; contract amendment negotiations in progress					

Name and Title of Person(s) Responsible for Response: Kim Baxter Manager, Rates and Regulatory Affairs

Date: April 11, 2022