

**NEW YORK STATE
PUBLIC SERVICE COMMISSION**

Case 24-G-0668 – Proceeding on Motion of the Commission as to the Rates, Charges, Rules and Regulations of Liberty Utilities (St. Lawrence Gas) Corp. for Gas Service

Case 24-G-0369 – Petition of Liberty Utilities (St. Lawrence Gas) Corp. for Approval to Implement Automated Meter Reading and Recover Associated Costs

SUMMARY OF JOINT PROPOSAL

On August 29, 2025, Liberty Utilities (St. Lawrence Gas) Corp. (Liberty SLG or the Company), Staff of the Department of Public Service (DPS Staff), and Multiple Intervenors entered into an unopposed Joint Proposal (Joint Proposal), which proposes a three-year rate plan for Liberty SLG from November 1, 2025 through October 31, 2028 (Rate Plan). Besides the Company, DPS Staff, and Multiple Intervenors (collectively, the Signatory Parties), the only other party to this proceeding, the Utility Intervention Unit of the Division of Consumer Protection of the New York State Department of State, has not signed the Joint Proposal but does not oppose it. If adopted by the New York State Public Service Commission (Commission), the Joint Proposal will resolve all contested issues in Cases 24-G-0668 and 24-G-0369.¹ The key provisions of the Joint Proposal are summarized below.

Revenue Requirement: The revenue requirement increase in gas delivery service for Rate Year 1 is \$399,729; for Rate Year 2 is \$1,876,203; and for Rate Year 3 is \$1,645,275. The Joint Proposal sets forth base rate increases on a levelized total revenue percentage basis to reduce rate volatility to customers over the term of the Rate Plan. The resulting revenue requirement increases for Rate Year 1 is \$1,064,511, for Rate Year 2 is \$1,093,427, and for Rate Year 3 is \$1,123,626, which will result in a 2.4% total revenue increase in all three Rate Years.

Bill Impacts: The following table presents the levelized total monthly residential bill impact for a typical customer using approximately 81 therms per month, exclusive of any potential make whole provision:

¹ By petition filed on June 7, 2024 in Case 24-G-0369, Liberty SLG proposed to implement automated meter reading (AMR) throughout the Company’s service territory and allow for associated cost recovery. This Joint Proposal recommends the Commission authorize the implementation of AMR and associated cost recovery.

	Rate Year 1		Rate Year 2		Rate Year 3	
	\$ Increase	% Increase	\$ Increase	% Increase	\$ Increase	% Increase
SC 1 Total	\$3.01	3.4%	\$3.11	3.4%	\$3.47	3.7%

Return on Equity (ROE) and Capital Structure: The cost of capital for the Company during the term of the Rate Plan shall be based on an ROE of 9.30% and a long-term debt cost rate of 5.01%. The common equity ratio for setting rates is 46% in Rate Year 1, 47% in Rate Year 2, and 48% in Rate Year 3. The Joint Proposal recommends an earnings sharing mechanism applicable to the Company, whereby annual earnings in excess of 9.80% will be shared with customers.

Rate Design: The rate design reduces the differential between the rate blocks for the Company’s residential service classifications over the three-year Rate Plan.

Reconciliations: The Joint Proposal recommends reconciliation of certain expenses, including but not limited to: make-whole provision; Low Income Program, equity ratio, earnings base capitalization; AMR implementation; gas planning/long-term plan; net plant and other capital project trackers; property taxes; and legislative, accounting, regulatory, tax and related actions.

Climate Leadership and Community Protection Act (CLCPA) Goals: The Joint Proposal contains several provisions that are intended to further New York State’s ability to meet the goals of the CLCPA, including:

- (1) a mechanism requiring Commission review and approval of any proposed non-mandatory gas main extension projects for which the Company seeks rate recovery;
- (2) for any potential mandatory gas main extension projects over 500 feet, requiring the Company consult with DPS Staff on potential non-pipes alternatives, provide information on the consistency of the project with the CLCPA, and refer prospective customers to clean heat programs conducted by applicable electric utilities;
- (3) requiring the Company to continue encouraging energy efficiency and gas conservation through messaging to existing customers;
- (4) continuation of a Residential Methane Detector Pilot Program;
- (5) continuation of a Behavioral Demand Response program to encourage customers to reduce their gas usage during times of peak usage, which benefits customers by lowering utility bills and reducing gas consumption;
- (6) requiring the Company to continue providing annual reporting of its greenhouse gas emissions;
- (7) provisions to encourage the continued repairing of any leak prone pipes;
- (8) continuation of the Company’s Outreach & Education program with increased outreach for customers in disadvantaged communities;

(9) requiring the Company to annually conduct a three-year look ahead at areas of potential pressure concerns on the gas system as a proactive analysis for improving NPA applicability; and

(10) requiring the Company to coordinate with local electric providers to proactively address potential electric distribution issues due to increased electricity demand as a result of NPA solutions.

Capital Investment Plan Reporting: The Company will file a three-year capital investment plan with the Commission, which will include (1) a high-level schedule of major capital investments that the Company plans to make over the three-year period; and (2) a description of the capital projects, as well as details explaining any major shifts in the capital expenditure budget approved by the Commission for this Rate Plan.

Gas Supply: The Joint Proposal recommends that the Company shall solicit the purchase of renewable natural gas (“RNG”) as a supply component to meet system-wide natural gas requirements during the term of the Rate Plan, provided that the Company purchases any RNG at a discount from the current published Dawn, Ontario Index price of natural gas.

Gas Safety: The Company will maintain its current targets and associated revenue adjustments with respect to gas safety performance metrics in the areas of emergency response, damage prevention, leak management, and pipeline safety regulatory compliance until changed by the Commission.

Customer Service: The Company will continue to monitor customer service through Customer Service Performance Indicators, which will include metrics with performance thresholds, and associated revenue adjustments based on the Overall Customer Satisfaction Index and the Commission Complaint Rate. The Company will enhance its outreach and education for the Company’s low-income, elderly, and customers in disadvantaged communities. The Company will also translate outreach materials into the top two languages spoken in Liberty SLG’s service territory, aside from English.

Low-Income Program: The Company will continue to employ a four-tiered approach to providing bill discounts for its Low-Income Program based on the Commission’s recognition of varying levels of need that correlate with the Home Energy Assistance Program (HEAP) benefits. The Low-Income Program funding will be \$573,977 in Rate Year 1, \$626,123 in Rate Year 2, and \$705,599 in Rate Year 3.

Arrearage Management Program: The Company will implement an Arrearage Management Program (AMP) that offers arrears forgiveness up to \$1,200 annually for eligible low-income customers.