STATE OF NEW HAMPSHIRE
PUBLIC UTILITIES COMMISSION

DG 26-037

LIBERTY UTILITIES (ENERGYNORTH NATURAL GAS) CORP. d/b/a LIBERTY

Request for Change in Rates

Order Suspending Proposed Tariffs and Commencing Adjudicative Proceeding, and Notice of Prehearing Conference and Hearing

O R D E R N O. 28,244

August 17, 2026

On July 30, 2026, Liberty Utilities (EnergyNorth Natural Gas) Corp. d/b/a Liberty (Liberty or the Company) filed a petition asking the Commission to approve a permanent increase of approximately $36 million in annual distribution revenues, which would result in an estimated 16.54 percent increase in the average residential customer's (Rate R-3) total bill.[1] Should the Commission suspend Liberty's proposed permanent rates tariff, Liberty requested a temporary increase in annual distribution revenues of approximately $11 million, with temporary rates effective November 1, 2026, pending the Commission's decision regarding a permanent rate increase. Liberty requested that the Commission issue its order on permanent rates by August 1, 2027, for rates effective September 1, 2027.

In its petition, Liberty requested other relief, including authorization to implement three step adjustments, approval of new customer assistance programs, and revisions to its Local Distribution Adjustment Clause (LDAC) and tariff. Liberty also filed a motion for protective treatment and a motion for waiver of New Hampshire Code of Administrative Rules, Puc

[1] Testimony of Anthony Strabone at Bates page 0479.

1603.06. All docket filings, other than any information subject to confidential treatment, are available on the Commission's website at PUC Virtual File Room, see Docket DG 26-037.

I. BACKGROUND AND PROCEDURAL HISTORY

In Liberty's last rate case, filed in Docket No. DG 23-067, the Commission approved, in its entirety, a settlement agreement, in which all parties to the docket agreed to continue the temporary rates approved in Order No. 26,899 (October 31, 2023) as permanent rates effective September 1, 2025 (Settlement Agreement). Procedural Order dated August 26, 2025; Order No. 28,194 at 8, 18-19 (November 7, 2025). Among other things, the Settlement Agreement provided that: (1) Liberty's return on equity would remain at 9.3 percent. *Id.* at 9 (referring to Settlement Agreement, Subsection 4.1); (2) Liberty would not implement its Arrearage Management Program and Fee Free Payment Program but could propose them in its next base distribution rate case. *Id.* at 12 (referring to Settlement Agreement, Subsection 9); (3) Liberty would maintain its existing revenue decoupling mechanism until it proposed a new or revised mechanism in the next base distribution rate case. *Id.* at 12-13 (referring to Settlement Agreement, Subsections 10.1, 10.3); and (4) Liberty could propose step adjustments as part of its next base distribution rate case. *Id.* at 13 (referring to Settlement Agreement, Subsection 11).

On June 18, 2026, Liberty filed a notice of intent to file rate schedules in Docket No. DG 26-037. The New Hampshire Department of Energy filed its appearance on June 22, 2026, and the Office of the Consumer Advocate filed an appearance on June 30, 2026. Liberty submitted its petition as part of its full rate case filing on July 30, which included the direct testimony of the following Liberty Utilities Service Corp. employees: Anthony Strabone, President of Liberty (Strabone Testimony); Steven E. Mullen, Director, Rates and Regulatory Affairs in the East Region, and Felicia Midkiff, Senior Manager, Rates and Regulatory Affairs (Mullen and Midkiff

Testimony); Nicole Cadek, Director, Voice of the Customer and Revenue Management (Cadek Testimony); Matt Croft, Manager, Black and Veatch Corporation, and Felicia Midkiff (Croft and Midkiff Testimony); Robert Garcia, Senior Manager, Rates and Regulatory Affairs (Garcia Testimony); and Testimony of Robert Garcia and Kenneth A. Sosnick, Managing Director, Black and Veatch Corporation (Garcia and Sosnick Testimony).

Liberty requested that the Commission waive its compliance with Puc 1603.06, which requires utilities proposing revisions to an existing tariff to file an original of the proposed tariff pages showing requested changes, and a redlined version of the current tariff pages. *See* N.H. Admin. R., Puc 1603.06(a)-(b). Liberty maintained that it would furnish the Commission with more accurate information by filing updated temporary rate schedules and illustrative tariff pages prior to any hearing on its request for temporary rates, while still satisfying the purpose of Puc 1603.06, which is to provide sufficient notice of proposed tariff revisions. No objections to Liberty's request to waive Puc 1603.06 were filed.

In this docket, Liberty proposed the following:

A. Proposed Permanent Rate Increase

Liberty requested a permanent increase in annual distribution revenues of approximately $35.8 million based on a historical test year ending December 31, 2025. Strabone Testimony at Bates page 0479. It calculated an annual revenue deficiency of $35,812,259 based on a rate base of $510,268,073. Mullen and Midkiff Testimony at Bates page 0523. If the requested amount were recovered, it would represent a 32.41 percent increase in Liberty's distribution revenues, or an 18.14 percent increase in total operating revenues. *Id.* at Bates page 0523. The Company stated that the requested permanent rate increase was required as a result of increases in capital investments and increases in plant-related costs and operation and maintenance expenses since the Company's last rate case. Strabone Testimony at Bates page 0479; *see also* Mullen and Midkiff Testimony at Bates page 0525.

B. Proposed Temporary Rate Increase

Liberty proposed temporary rates for effect on November 1, 2026, if its proposed permanent rate tariffs are suspended. Mullen and Midkiff Testimony at Bates page 0537; Croft and Midkiff Testimony at Bates pages 0492-0493, 0495. The requested temporary rates would generate additional annual gross distribution revenues of $10,929,559 or a 9.89 percent increase in distribution revenues. Croft and Midkiff Testimony at Bates page 0495. If approved, a residential heating customer (Rate R-3) using 727 therms per year would see an annual increase of $71.57 or an increase of 3.80 percent on a total bill basis. *Id.* at Bates pages 0497-0498.

C. Other Relief Requested

Liberty requested other relief, including:

1. Step Adjustments

The Company proposed three step adjustments to recover non-growth capital investments to be completed in 2026, 2027, and 2028. Strabone Testimony at Bates page 0479; Mullen and Midkiff Testimony at Bates page 0535. The first proposed step adjustment in 2027 would seek an increase in revenues of $4,005,097 for non-growth or non-revenue producing plant additions to rate base completed in 2026. Mullen and Midkiff Testimony at Bates pages 0524, 0534. If approved, it would take effect on September 1, 2027, when the proposed permanent rate increase would be implemented. *Id.* at Bates pages 0524, 0534. The second proposed step adjustment, to take effect on or about September 1, 2028, would seek an increase in revenues of $5,334,103 for non-growth plant additions completed in 2027. *Id.* at Bates pages 0524, 534. The third proposed step adjustment, to take effect on or about September 1, 2029, would seek an increase in revenues of $1,499,826 for non-growth plant additions completed in 2028. *Id.* at Bates pages 0524-0525, 0534.

2. Implementation of New Customer Programs

The Company proposed offering two new customer programs: an Arrearage Management Program (AMP) and a Fee Free Payment Program. The AMP would provide eligible low-income residential customers with $100 in arrearage forgiveness per month for each timely payment of their monthly bill, unless the remaining arrearage is less than $100. Cadek Testimony at Bates pages 0728-0729; Garcia Testimony at Bates page 1125. To eliminate transaction or convenience fees and to support timely payments, Liberty proposed implementing a Fee Free Payment Program consisting of a fee free credit card, debit card, and electronic check payment option that would be available to both residential and non-residential customers. Cadek Testimony at Bates pages 0735-0738.

3. Revisions to LDAC

The LDAC is charged to all Liberty customers on a per therm basis and consists of eight component rates, including the Revenue Decoupling Adjustment Factor (RDAF), Lost Revenue Factor (LRF), and Regulatory Reconciliation Adjustment (RRA) mechanism. Garcia Testimony at Bates pages 1121-1122. Liberty proposed modifying the RDAF to add a 5.00 percent cap, which is slightly higher than previously approved caps, on under- and over-recoveries, beginning in Decoupling Year 9 (September 2026 to August 2027). Garcia and Sosnick Testimony at Bates pages 1472, 1474. It proposed expanding the LRF to recover recoupment, which is the recovery of the difference between temporary rates and permanent rates, and renaming it the "Lost Revenue and Recoupment Factor." Garcia Testimony at Bates page 1123. Liberty proposed expanding the RRA to recover the costs to develop and litigate future Integrated Gas Distribution

Plans. Garcia Testimony at Bates page 1124. Further, Liberty proposed amending the LDAC to add new component rates, the Residential Assistance Factor, which would recover costs associated with past due balances forgiven, such as through the AMP, and related programmatic expenses, and the Fee Free Adjustment, which would recover the actual costs of waived convenience fees for credit card, debit card, and electronic check payments. Garcia Testimony at Bates pages 1126-1127.

4. Revisions to Tariff

The Company's proposed revisions to its tariff include expanding the definition of "abnormal costs" in Section 8 and clarifying that customers will be responsible for paying the costs of replacing existing meters when replacement is required by changes in customer usage (Section 10). Garcia Testimony at Bates page 1128. Liberty proposed discontinuing the requirement, contained in Section 7.1(a) of the settlement agreement approved by Order No. 26,505 (July 30, 2021) (issued in Docket No. DG 20-105), that it partially defer the recovery of compressed natural gas supply costs if they exceed propane supply costs. *Id.* at Bates pages 1129-1130.

II. ISSUES PRESENTED

The filing presents, *inter alia,* the following issues: whether the plant, equipment, or capital investments made by Liberty for which it seeks recovery through the permanent rates proposed in this docket were prudent, used, and useful, as required by RSA 378:28; whether Liberty correctly and appropriately calculated its revenue deficiency and revenue requirement based on the test year ending December 31, 2025 and authorized return on equity; whether the permanent and temporary rates proposed by Liberty will yield a just and reasonable rate of return on the prudent cost of plant, equipment, or capital improvements used and useful in Liberty's provision of service to the public, less accrued depreciation, as required by RSA 378:27 and RSA 378:28; whether the proposed temporary and permanent rates are just and reasonable, as required by RSA 374:2, RSA 378:5, and RSA 378:7; whether the three proposed step adjustments will result in rates that are just and reasonable, as required by RSA 374:2, RSA 378:5, and RSA 378:7; whether Liberty's proposed AMP and Fee Free Payment Program are necessary and likely to be effective, and whether they should be ratepayer, as opposed to shareholder, expenses; whether Liberty's proposed AMP and Fee Free Payment Program are alternative forms of regulation and, if so, whether they meet the standards for approval in New Hampshire Code of Administrative Rules Part 206 and RSA 374:3-a; and whether Liberty's proposed revisions to its LDAC and tariffs are fair, equitable, and lawful, and will result in just and reasonable rates, as required by RSA 374:2, RSA 378:5, RSA 378:7, and RSA 378:28. Accordingly, an adjudicative proceeding will be convened to address these issues.

The Commission will be conducting the prehearing conference and any hearings scheduled in this matter in person. The Commission will consider requests to conduct hearings using a hybrid format to permit remote participation by a specific individual only if the Commission has determined that a sufficient reason has been provided for why that individual would be unable to attend in person. Any party requesting that a specific individual be permitted to participate remotely should file a written request with the Commission's Clerk's Office no later than fifteen (15) days prior to the prehearing conference or hearing date. If the Commission determines that one or more individuals will be permitted to appear remotely, then individuals in the Commission's hearing room, including the Commissioners, will be broadcast on a web-enabled platform.

Based upon the foregoing, it is hereby

ORDERED, that Liberty's proposed tariffs are suspended until September 1, 2027, consistent with the request in Liberty's petition and RSA 378:6, I(a), pending investigation and further order of the Commission; and it is

FURTHER ORDERED, that Liberty's Motion for Waiver of Puc 1603.06 is GRANTED; and it is

FURTHER ORDERED, that an adjudicative proceeding be commenced for the purpose of reviewing and resolving the foregoing issues pursuant to RSA chapter 541-A, RSA 378:27 RSA 378:28, RSA 374:2, RSA 378:5, RSA 378:7, and the Commission's procedural rules; and it is is

FURTHER ORDERED, that the Commission will hold a prehearing conference, pursuant to Puc 204.07, at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on September 10, 2026, at 10:00 a.m., at which each party should be prepared to address any of the issues set forth in Puc 204.07; and it is

FURTHER ORDERED, that Liberty shall circulate a Structuring Statement to the parties on or before August 26, 2026 and file the Structuring Statement with the Commission no later than September 8, 2026; and it is

FURTHER ORDERED, that during the prehearing conference, the Commission will consider the matters listed in Puc 204.07(f), including the establishment of a procedural schedule governing the remainder of the proceeding. Parties and potential parties are encouraged to facilitate the development of a procedural schedule by conferring prior to the prehearing conference, so that the presiding officer can address any matters on which there is disagreement during the prehearing conference; and it is

FURTHER ORDERED, that, immediately following the prehearing conference, Liberty shall make appropriate personnel available for the parties to hold a technical session to review the filing; and it is

FURTHER ORDERED, that any entity or individual may petition to intervene and seek to be admitted as a party in this proceeding. Each party has the right to have an attorney represent the party at the party's own expense; and it is

FURTHER ORDERED, that, consistent with RSA 541-A:32, Puc 204.08, and Puc 203.06, any entity or individual seeking to intervene in the proceeding shall file with the Commission a petition to intervene with copies sent to Liberty and any other parties on the service list, on or before August 31, 2026. The petition shall state the facts demonstrating how the petitioner's rights, duties, privileges, immunities, or other substantial interests may be affected by the proceeding, consistent with Puc 204.08; and it is

FURTHER ORDERED, that any party objecting to a petition to intervene make said objection on or before September 9, 2026; and it is

FURTHER ORDERED, that the parties may submit a stipulation containing a discovery schedule, statement of any additional issues not identified in this order of notice, and at least three dates on which they would be available for a final hearing in this matter, including how much time will be required, with a pleading complying with the Commission's administrative rules which requests that the prehearing conference and technical session be cancelled, on or before September 4, 2026. The Commission may cancel the prehearing conference and technical session upon approval of such a stipulation; and it is

FURTHER ORDERED, that parties shall file any proposed exhibits, written testimony, motions, or other documents intended to become part of the record in this proceeding with the

Commission in accordance with the Commission's administrative rules. Parties may elect to submit any filing in electronic form unless otherwise ordered by the Commission. Filings will be considered filed as of the time the electronic copy is received by the Commission; and it is

FURTHER ORDERED, that routine procedural inquiries may be made by contacting the Commission's Clerk's Office at (603) 271-2431 or www.puc.nh.gov/about-us/contact-us. All requests to the Commission should be made in a written pleading filed with the Commission. Unless otherwise authorized by law, *ex parte* communications are prohibited; and it is

FURTHER ORDERED, that pursuant to Puc 204.04, Liberty shall notify all entities and individuals desiring to be heard at this hearing by publishing a copy of this order of notice on its website no later than two business days after the date of issue, such publication to be documented by affidavit filed with the Commission on or before August 24, 2026. In addition, the Clerk shall publish this order of notice on the Commission's website no later than two business days after the date of issue; and it is

FURTHER ORDERED, that the Commission will hold a one-day hearing on Liberty's request for temporary rates at its offices located at 21 S. Fruit St., Suite 10, Concord, New Hampshire, on October 6, 2026, at 10:00 a.m.; and it is

FURTHER ORDERED, that any hearings in this matter shall be conducted in accordance with the attached hearing guidelines.

So ordered, this seventeenth day of August 2026.

Christopher J. Ellms, Jr. Chairman	Pradip K. Chattopadhyay Commissioner	Mark W. Dell'Orfano Commissioner

Individuals needing assistance or auxiliary communication aids due to sensory impairment or other disability should contact the NHPUC, 21 S. Fruit St., Suite 10, Concord, New Hampshire 03301-2429; 603-271-2431; TDD Access: Relay N.H. 1-800-735-2964. Notification of the need for assistance should be made one week prior to the scheduled event.

Service List - Docket Related

Docket#: 26-037

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