

**KEEGAN WERLIN LLP**

ATTORNEYS AT LAW  
99 HIGH STREET, SUITE 2900  
BOSTON, MASSACHUSETTS 02110

—  
(617) 951-1400

TELECOPIER:  
(617) 951-1354

November 18, 2024

Daniel C. Goldner, Chairman  
New Hampshire Public Utilities Commission  
21 S. Fruit Street, Suite 10  
Concord, New Hampshire 03301

**Re: Docket No. DE 23-039  
Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty  
Request for Change in Distribution Rates  
Settlement Agreement**

Dear Chairman Goldner:

Enclosed for filing with the New Hampshire Public Utilities Commission (the “Commission”) please find a comprehensive settlement agreement in the above-referenced proceeding. The settlement agreement is by and between Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty, the Department of Energy, the Office of the Consumer Advocate, The Trustees of Dartmouth College, Clean Energy New Hampshire, the Conservation Law Foundation, Wal-Mart, Inc., and the Community Power Coalition of New Hampshire (the “Settling Parties”). There are no parties to this proceeding other than the Settling Parties. If approved by the Commission, the enclosed settlement agreement would comprehensively resolve all issues in relation to Liberty’s pending request to change its distribution rates.

As detailed in paragraph 2.1 of the Settlement Agreement, the Settlement Agreement would result in a modest increase to current rates effective February 1, 2025. The agreed upon rates allow the Company to recover base distribution revenues of \$53.4 million on an annual basis. The small increase to current rates is due, in part, to an error the Company identified in Docket No. DE 22-035 and that is described in the Company’s pending May 29, 2024 Motion involving, the Commission’s Order No. 26,836 which directed the Company to reduce its revenues by \$1.3 million effective June 1, 2024. The enclosed settlement agreement would resolve the pending motion in Docket DE 22-035 by (1) allowing the Company to recover the \$1.3 million removed from rates effective June 1, 2024 as part of the rates approved in this proceeding; and (2) rendering moot the Company’s request to recover the \$1.2 million that was incorrectly refunded between August 1, 2022 and June 1, 2023 (i.e., as set forth in paragraph 2.2 of the Settlement Agreement, the Company is agreeing to forego this request).

Other key provisions of the Settlement Agreement include the following: (1) maintains an obligation by DOE to perform an information technology audit and may encompass all elements of Liberty’s conversion to SAP with the costs for such an audit borne by Liberty’s shareholders (Section 13.1); (2) limits Liberty’s recovery of its rate case expense to fifty percent of costs incurred prior to the stay of this proceeding (Section 7.1); (3) states that the test year for Liberty’s

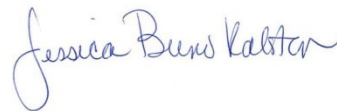
Letter to Chairman Goldner  
DE 23-039  
November 18, 2024  
Page 2 of 2

next base distribution rate case shall be no sooner than the twelve-month period ending December 31, 2025 (Section 12.1); (4) includes a provision requiring the Company to return any earnings over the allowed rate of return to customers (Section 4.2); (5) includes a cap on Liberty's capital investments (Section 5.1); (6) allows Liberty to defer incremental, actual depreciation expense (Section 5.5); (7) establishes an Electric Reconciliation Adjustment Mechanism (Section 6.1); (8) modifies the Company's existing vegetation management program (Section 8); (9) implements new electric vehicle rates; and (10) implements a time-of-use pilot program for the Company's G-1 customers (Section 9.3). The Settlement Agreement also resolves all outstanding issues in Liberty's pending revenue decoupling dockets, DE 23-081, and DE 24-099.

The Settling Parties have authorized Liberty to submit the Settlement Agreement and respectfully request the Commission's approval of the Settlement Agreement.<sup>1</sup>

Please contact me if you have any questions. Thank you.

Sincerely,

A handwritten signature in blue ink that reads "Jessica Buno Ralston". The signature is written in a cursive, flowing style.

Jessica Buno Ralston

cc: Service List, Docket DE 23-039

---

<sup>1</sup> As indicated in the Company's November 15, 2024 letter to the Commission in this docket, the parties have also requested an extension of the deadline to submit testimony regarding the Settlement Agreement until December 6, 2024.