

Liberty Utilities (Midstates Natural Gas) Corp.**Stipulation and Agreement on Non-Revenue Requirement Issues****Schedule C****Weather Normalization Adjustment Rider (“WNAR”)**

The parties agree that Liberty’s Weather Normalization Adjustment Rider (“WNAR”) be continued with modifications consistent with revenue normalization decisions in this case. Certain values within the WNAR tariff sheets P.S.C MO. No. 2, Sheets 67 and 67.1 will be updated consistent with the weather normalization ordered by the Commission in this case to ensure the WNAR adjustment is aligned with the Commission-authorized rates for the residential and small general service rate classes. Specifically, the parties agree that the following factors within these WNAR tariff sheets will be modified to ensure the WNAR adjustment is aligned with the Commission-authorized rates.

Factors which require updating:

1. Applicable coefficients – These coefficients reflect the change in customer usage due to changes in temperature measured in heating degree days (“HDD”). The coefficients, designated as β on tariff sheet 67, are different by district and rate class. They are the HDD component in the weather normalization regression models.
2. Weather Stations – The appropriate weather stations to use to determine the deviation from normal of HDD. The weather stations for actual and normal weather provided on tariff sheet 67 should be consistent with the weather stations used in the normalization models used to determine the applicable coefficients.
3. Volumetric rates – the volumetric rate (WRVR) is the distribution commodity charge as determined in the most recent general rate case for the residential and small general service class.
4. References to the general rate case number of the most recent general rate case in which modifications to the WNAR tariff sheets 67 and 67.1 were made should be updated.

Liberty Utilities (Midstates Natural Gas) Corp.
d/b/a Liberty Utilities or Liberty

FOR – All Areas

Name of Issuing Corporation

Community, Town or City

WEATHER NORMALIZATION ADJUSTMENT RIDER

APPLICABILITY

The Weather Normalization Adjustment (“WNA”) Rider is applicable to each ccf of gas delivered under the terms of the residential and small general service (“SGS”) rate schedules of Liberty Utilities (Midstates Natural Gas) Corp’s d/b/a Liberty Utilities (“Liberty”) until such time as it may be discontinued or modified by order of the Commission in a general rate case. The Northeast and West District and the Southeast District will have separate rider rates that will be applied as a separate line item on a customer’s bill.

CALCULATION OF ADJUSTMENT

The WNA Factor will be calculated for each billing cycle and billing month as follows:

$$WNA_i = \sum_{j=1}^{18} ((NDD_{ij} - ADD_{ij}) \cdot C_{ij}) \cdot \beta$$

Where:

- i = the applicable billing cycle month
- WNA_i = Weather Normalization Adjustment
- j = the billing cycle
- NDD_{ij} = the total normal heating degree days based upon Staff’s daily normal weather as determined in the most recent rate case.
- ADD_{ij} = the total actual heating degree days, base 65° at the applicable weather station; Kirksville, MO as computed based on the Chillicothe station, as adjusted, for the Northeast and West Districts along with Cape Girardeau, MO for the Southeast district.

1. The following factors are to be used to increase the Chillicothe actual HDDs to Kirksville area due to the absence of a weather station in Kirksville:

Jan 2.89%	Mar 7.06%	May 28.83%	Jul 74.94%	Sep 30.93%	Nov 4.26%
Feb 3.98%	Apr 11.25%	Jun 67.18%	Aug 107.58%	Oct 11.14%	Dec 2.88%

C_{ij} = the total number of customer charges charged in billing cycle j and billing month i
= the applicable coefficient; 0.1355769 for the residential class and 0.3169712 for the SGS class in the Northeast district, 0.1129329 for the residential class and 0.2777887 for the SGS class in the West district and 0.1197439 for the residential class and 0.2938893 for the SGS class in the Southeast district.

1. Monthly WNA_i = WNA_i x Weighted Volumetric Rate (“WRVR”),
2. The Residential WRVR in the Northeast and West District shall be equal to the Residential Distribution Commodity rate established at the conclusion of each general rate case. For Case No. GR-2024-0106, the amount is \$0.48582. [Highlighted value will be updated based on final rates.]

DATE OF ISSUE: February 9, 2024
month day year

DATE EFFECTIVE: March 10, 2024
month day year

ISSUED BY: Charlotte Emery
name of officer

Sr. Director, Rates and Regulatory Affairs
title

Joplin, Mo
address

Liberty Utilities (Midstates Natural Gas) Corp.
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WEATHER NORMALIZATION ADJUSTMENT RIDER (CONT'D)

For the Residential class in the Southeast District, the Residential WRVR shall be equal to the Residential Distribution Commodity rate established at the conclusion of each general rate case. For Case No. GR-2024-0106, the amount is \$0.36017. [Highlighted value will be updated based on final rates.]

For the SGS class, the SGS WRVR shall be equal to the SGS Distribution Commodity rate established at the conclusion of each general rate case. For Case No. GR-2024-0106, the SGS WRVR in the Northeast and West District is \$0.26705, and in the Southeast District is \$0.18701. [Highlighted values will be updated based on final rates.]

3. The Current Annual WNA (“CSWNA”) shall be the sum of the billing cycle WNA for each of the six Monthly WNA_i for the billing months in the applicable six month period divided by the annual volumetric billing determinates set for the residential rate class or the small general service class (whichever is applicable) in the most recent rate case.

4. Annual Reconciliation Rate (“ARR”): Three (3) months prior to the end of the twelve (12) months of billing of each CSWNA, the over- or under-billing of the numerator of the CSWNA shall be calculated based on nine (9) months actual sales and three (3) months projected sales. The amount of over- or under-billing shall be adjusted as ordered by the Commission, if applicable. The resulting amount shall be divided by the annual volumetric billing determinates set for the residential rate class in the most recent rate case. Three (3) months prior to the end of the twelve (12) months of billing of each ARR, the over- or under-billing of the ARR shall be calculated based on nine (9) months actual sales and three (3) months projected sales. Any remaining over- or underbilling from the ARR shall be applied to the next ARR. The three (3) months projected sales associated with each CSWNA and ASR shall be trued-up with actuals upon calculation of the next applicable ASR.

5. The Company will make a semiannual rate filing with the Commission 30 days prior to the first effective day referenced in the CSWNA table to adjust the WNA Rider. Each CSWNA and ARR will remain in effect for twelve (12) months. The total WNA Rider rate shall be the sum of all effective CSWNAs and ARR.

6. There shall be a limit of \$0.05 per ccf on upward adjustments for the WNA and no limit on downward adjustment. Any WNA adjustment amounts in excess of \$0.05 per ccf will be deferred for recovery from customers in the next WNA adjustment and applicable to part a. below.

- a. Each month, carrying costs, at a simple rate of interest equal to the prime bank lending rate (as published in The Wall Street Journal on the first business day of such month), minus two percentage points, shall be applied to the Company’s average beginning and ending monthly WNA balances. In no event shall the carrying cost rate be less than 0%. Corresponding interest income and expense amounts shall be recorded on a net cumulative basis for the WNA deferral period.

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