



**COMMONWEALTH OF MASSACHUSETTS  
DEPARTMENT OF PUBLIC UTILITIES**

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Liberty Utilities (New England )  
Natural Gas Company) Corp. d/b/a Liberty )  
\_\_\_\_\_)

D.P.U. 23-91

**JOINT MOTION FOR APPROVAL OF OFFER OF SETTLEMENT**

Pursuant to 220 CMR 1.10(8), Liberty Utilities (New England Natural Gas Company) Corp. d/b/a Liberty (“Company” or “Liberty”), the Department of Energy Resources (“DOER”), the Office of the Attorney General (“Attorney General” or “AGO”), and the Low-Income Weatherization and Fuel Assistance Program Network and the Low-Income Energy Affordability Network (together, “LEAN”) (all collectively, the “Settling Parties”), having entered into a settlement agreement dated as of December 12, 2023 (the “Settlement Agreement”), hereby jointly request that the Department of Public Utilities (the “Department”) approve the Settlement Agreement submitted herewith. This Settlement Agreement, if approved by the Department, will resolve all issues specified in the Settlement Agreement, eliminate the need for the Department to further adjudicate the Company’s August 25, 2023 petition for a midterm modification (“MTM Request”) of its 2022-2024 Three-Year Energy Efficiency Plan as previously reviewed and approved by the Department in D.P.U. 21-123 (the “Plan”), thereby avoiding costs and resource-consuming litigation, and will allow the Company to continue offering its energy efficiency programs to its customers in the same capacity as originally approved by the Department in D.P.U. 21-123. In order for Liberty to move forward with implementing the necessary changes to the residential sector that will bring their BCR closer to 1.0, it is crucial that the Department act expeditiously to review and approve the Settlement. When Liberty made its initial filing on August 25, 2023, it anticipated a sixty-day review before the Energy Efficiency Advisory Council

(“EEAC”) with some review from the Department over the fall period. Therefore, the Settling Parties request approval no later than January 31, 2024 to ensure that there will be no disruption in Liberty’s provision of energy efficiency services for these Programs when entering the third year of the Plan. Failure to approve this Settlement Agreement by that time may jeopardize the ability of the Company to be able to continue to fund these Programs.

## **I. Overview**

The Settlement Agreement resolves all issues relating to the MTM Request filed with the Department on August 25, 2023, by Liberty seeking an increase to its program budgets for the following programs: Residential Existing Buildings, Income Eligible Existing Buildings, and Commercial and Industrial Existing Buildings Program.<sup>1</sup> The Settlement Agreement permits the budgetary increase as requested by the Company, while also providing a pathway for the Company to project a cost-effective benefit-cost ratio (“BCR”) for its Residential Sector over the current Plan Term. The Settling Parties acknowledge that the Company’s projected BCR for the remainder of the term may differ from the Company’s actual performance for the full term. Specifically, the Settling Parties agree not to oppose the Company’s requests for cost-recovery in delivering energy efficiency services pursuant to the terms of this Settlement or as otherwise approved by the Department, even if the Company’s realized Residential Sector is not cost-effective for the full Plan term, so long as the Company has made prudent efforts to achieve the residential savings and GHG reduction targets in the Settlement Agreement.

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<sup>1</sup> The AGO submitted its Notice of Intervention and Appearance of Counsel (“Notice of Intervention”) on September 5, 2023. DOER submitted its Notice of Intervention on September 25, 2023. LEAN submitted its Notice of Intervention on October 13, 2023. To date, the Department has engaged in one round of information requests on October 20, 2023. Following its Notice of Intervention, the AGO has engaged in two rounds of information requests, the first set on September 29, 2023 and the second set on November 2, 2023. The AGO has engaged in settlement negotiations with the Company, DOER, and LEAN ultimately resulting in the Settlement Agreement today for the Department’s review and approval.

## **II. Request for Approval of Settlement Agreement**

This Settlement Agreement is proposed in connection with the Department's review of the Company's MTM Request made pursuant to Chapter 169 of the Acts of 2008 ("the Green Communities Act"), as amended, section 3.8 of the Department's Energy Efficiency Guidelines and other Department precedent. See G.L. c. 25, §§19-22; Energy Efficiency Guidelines, D.P.U. 20-150-A, Appendix A (2021) ("Energy Efficiency Guidelines"). The terms of the Settlement Agreement permit the Company to increase its budget as requested in its MTM Request. However, the terms also require the Company to file an updated BCR model indicating a projected cost-effective Residential Sector. The Company agrees to achieve this predominantly by increasing its production of wi-fi thermostats and low-flow showerheads. This Settlement Agreement allows the Company to increase its budgets while maintaining cost-effective sectors as required by statute. Because the Company is currently pausing the approval of certain projects pending the approval of its MTM Request, the Parties respectfully request the Department's approval of this Settlement Agreement on or before January 31, 2024.

**WHEREFORE**, the Settling Parties request that the Department grant this Joint Motion for Approval of Settlement Agreement and make the following findings:

- a. Determine that the Settlement Agreement, and the terms thereof, are reasonable and consistent with the public interest;
- b. Determine that the MTM Request as modified by the terms of the Settlement Agreement is consistent with the public interest, G.L. c. 25, §§19-22, the Energy Efficiency Guidelines, and should be approved; and
- c. Move into the record the Company's August 25, 2023 filing including testimony, exhibits, and petition, as well as responses to all information requests issued during this proceeding.

Respectfully submitted this 12<sup>th</sup> day of December 2023, for the Settling Parties by their attorneys,

**LIBERTY UTILITIES (NEW ENGLAND  
NATURAL GAS COMPANY) CORP.  
D/B/A LIBERTY**

**ANDREA JOY CAMPBELL  
MASSACHUSETTS ATTORNEY  
GENERAL**

By its attorneys,



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Kevin F. Penders, Esq.  
Michael B. Hershberg, Esq.  
176 Federal Street  
Boston, MA 02110  
Tel: (617) 556-3800

/s/ William C. Rose

By: \_\_\_\_\_  
William C. Rose, Esq.  
Assistant Attorney General  
Massachusetts Attorney General  
One Ashburton Place  
Boston, MA 02108  
Tel: (617) 727-2200

**DEPARTMENT OF ENERGY  
RESOURCES**

**LOW-INCOME WEATHERIZATION  
AND FUEL ASSISTANCE PROGRAM  
NETWORK AND THE LOW-INCOME  
ENERGY AFFORDABILITY NETWORK**

/s/ Rachel Graham Evans

By: \_\_\_\_\_  
Rachel Graham Evans, Esq.  
Deputy General Counsel  
Massachusetts Department of Energy  
Resources  
100 Cambridge Street, 9<sup>th</sup> Floor  
Boston, MA 02114  
Tel: (617) 305-3620

/s/ Jerrold Oppenheim

By: \_\_\_\_\_  
Jerrold Oppenheim, Esq.  
57 Middle Street  
Gloucester, MA 01930  
Tel: (978) 283-0897