STATE OF NEW YORK
DEPARTMENT OF PUBLIC SERVICE

May 29, 2026

SUBJECT: Proposed Major Revenue Increase for Rate Year Ending April 30, 2028
Case No.: 26-W-0358
Utility: **Liberty Utilities (New York Water) Corp.**
Date Filed: May 29, 2026 Final Suspension Date: April 30, 2027

Liberty Utilities (New York Water) Corp. (Liberty Water or the Company) filed tariff amendments, requesting increases in annual revenues of approximately $24.59 million or 21.87 percent for Service Area (SA) 1, and $13.52 million or 30.14 percent for SA 2, for the rate year ending April 30, 2028. (For rate purposes, the Company's service territory is divided into two service areas. SA 1 is comprised of Beaver Dam Lake, Cambridge, Dykeer, Hoey-DeGraw, Kingsvale, Long Island, Waccubuc, West Branch Acres, and Wild Oaks districts. SA 2 is comprised of the Merrick and Sea Cliff districts.) The Company estimates that the requested increase in revenues will result in an average monthly residential bill increase of approximately $27.77 or 28.3 percent for customers in SA 1 outside of the New Vernon district; and $35.47 or 59.35 percent for SA 1 customers in New Vernon. For SA 2, the increase would result in average monthly residential bill increases of $26.89 or 29.71 percent in the Sea Cliff district, and $21.20 or 36.99 percent in the Merrick district. The residential bill impacts are based on monthly usage of 8,000 gallons of water per month. In this rate filing, Liberty Water is proposing to increase meter and volumetric charges to align revenues with cost causation as determined by a cost-of-service study, however the rates of the New Vernon district would receive a lower increase to avoid rate shock. Liberty Water is also proposing increases to the fixed charges for private fire protection but maintaining the fixed charges for fire hydrant service.

The Company states that a primary driver of the proposed revenue increase is capital investment – $127 million of investments since its prior rate filing and an additional $144 million planned for January 1, 2026 through April 30, 2028. These capital investments

address system reliability and improvements to meet water quality standards, including treatment for perfluorooctanoic acid (PFOA) and perfluorooctane sulfonic acid (PFOS), as well as investments in information technology and cybersecurity. Other significant drivers include increased costs for healthcare benefits and four additional full-time employees to comply with changes to federal rules aimed to control lead and copper in drinking water. Property taxes also represent a significant portion of the requested increase. The rate increase drivers are offset by proceeds and reduced property tax burdens realized through litigation and tax certiorari efforts.

Rate cases are a primary instrument of government regulation of these industries. Interested persons may intervene and become parties in a utility company's rate case. Typical intervenors include: industrial, commercial and other large-scale users of electricity; public interest groups; representatives of residential, low-income and elderly customers; local municipal officials; and, dedicated advocacy groups. The applicable legal requirements require the Public Service Commission (PSC) to render a decision within 11 months after a major rate case is filed. Rate cases proceed in an entirely public and open process.