FILED
08/27/2026
Executive Secretary G.P.S.C.

Docket # 42959
Document # 228185

COMMISSIONERS:

JASON SHAW, Chairman
LAUREN "BUBBA" McDONALD, Vice-Chairman
PETER HUBBARD
DR. ALICIA M. JOHNSON
TRICIA PRIDEMORE

REECE McALISTER
EXECUTIVE DIRECTOR

SALLIE TANNER
EXECUTIVE SECRETARY

# Georgia Public Service Commission

(404) 656-4501
(800) 282-5813

244 WASHINGTON STREET, SW
ATLANTA, GEORGIA 30334-5701

FAX: (404) 656-2341
psc.ga.gov

**IN RE: DOCKET NO. 42959: LIBERTY UTILITIES (PEACH STATE NATURAL GAS) CORP.'s GEORGIA RATE ADJUSTMENT MECHANISM**

## FINAL ORDER APPROVING 2025 GEORGIA RATE ADJUSTMENT MECHANISM REVENUE TRUE-UP STIPULATION BETWEEN THE NATURAL GAS STAFF OF THE GEORGIA PUBLIC SERVICE COMMISSION AND LIBERTY UTILITIES (PEACH STATE NATURAL GAS) CORP.

### I. Background

On December 27, 2011, the Commission approved a Stipulated Agreement between the Georgia Public Service Commission Natural Gas Staff ("Staff") and Atmos Energy for an alternative form of ratemaking in accordance with O.C.G.A. 46-2-23.1. The process is called the Georgia Rate Adjustment Mechanism ("GRAM"). On February 26, 2013, Liberty Utilities (Peach State Natural Gas) Corp. ("Liberty" or "Company") purchased the Atmos Energy assets in Georgia and was ordered to continue to use the GRAM process. The asset purchase was final on April 1, 2013. On May 3, 2016, the Commission approved a new GRAM stipulated agreement between the Staff and Liberty that continued to incorporate the annual filing with a detailed revenue requirement and rate design model with eleven schedules and supporting workpapers. On July 30, 2020, the Commission approved a new GRAM Stipulated Agreement between Staff and Liberty Utilities for a continuation of GRAM as an alternative form of ratemaking in accordance with O.C.G.A. 46-2-23.1. In Section-5 of the 2020 GRAM Stipulation, it addresses the annual Mechanism to True Up Actual Revenues to Revenue Projections: Revenue True Up ("RTU").

### II. 2025 GRAM RTU: Staff and Liberty Discussions

Each year on April 30th, Liberty files its GRAM RTU pursuant to the 2020 GRAM Stipulation approved in the 2020 rate case. The RTU reconciles actual base revenues with the forecasted base revenues from the prior Rate Effective Period and identifies any over- or under-collection. For the 2025 RTU filing, the relevant Rate Effective Period is March 1, 2025, through February 28, 2026.

During April 2026, Liberty notified Staff of a $5.2 million under-collection for the 2025 RTU. Liberty attributed this shortfall to inaccurate revenue forecasts resulting from customer loads that did not materialize or were delayed, canceled projects, and customer-provided usage forecasts that were incorrect. When Staff indicated that it could not support full recovery of this amount in the 2027 GRAM filing, Liberty agreed to reduce the $5.2 million under-recovery by 30 percent, which is a $1.6 million reduction, leaving a remaining balance of $3.6 million. At Staff's request, Liberty agreed to delay its April 30, 2026, 2025 GRAM RTU filing to May 7, 2026, as both parties began negotiating an appropriate recovery framework.

## III. Liberty's 2025 GRAM RTU Filing and Alternative 2025 GRAM RTU Filing

On May 7, 2026, Liberty filed its traditional 2025 GRAM RTU in Docket No. 42959 and a separate Alternative 2025 GRAM RTU. The traditional 2025 GRAM RTU provided the full $5.2 million under recovery and supporting information. The Alternative 2025 GRAM RTU provided a $1.6 million reduction to the original $5.2 million. The Staff and Liberty agreed on a reduced $3.6 million 2025 GRAM RTU amount.

In the Alternative 2025 GRAM RTU Filing, there were two requirements:, Liberty requested a waiver of Sections III.E and VI of the GRAM Tariff, along with authorization to amortize the Alternative 2025 GRAM RTU Filing adjustment over a period not exceeding four years, ending February 28, 2031.

## IV. Staff Analysis and 2025 GRAM RTU Stipulated Agreement

On May 18, 2026, as part of Staff's due diligence, the 33rd Set of Data Requests was filed and focused on both the traditional 2025 GRAM RTU Filing and the Alternative 2025 GRAM RTU Filing. On June 3, 2026, Liberty filed responses, and the Staff found no material issues that directly impacted the ongoing negotiations.

Following continued discussions, Staff and Liberty reached a stipulated recovery framework. Under this 2025 GRAM RTU Stipulation, Liberty may recover up to $3.6 million, but only under strict limits tied to the capped percentage increase targets established in Table-1 shown in the Stipulation at page 4. These target percentage caps set annual caps on the combined rate impact of GRAM, SIR, and RTU for each customer class. Liberty may recover a portion of the $3.6 million only if the GRAM base rate increase, the SIR, and future RTUs each year through February 2031 remain within these caps. If the cap is reached without the addition of the 2025 RTU, no 2025 RTU recovery is permitted for that year.

The 2025 GRAM RTU Stipulation also establishes a fixed recovery window. Liberty may recover portions of the $3.6 million only through the end of the 2030 GRAM Rate Effective Period, which concludes on February 28, 2031. Any unrecovered balance after that date will expire and will not be recovered in any future proceeding.

On July 21, 2026, Staff and Liberty executed the 2025 GRAM RTU Stipulation, which Liberty filed on July 24. See Attachment A.

## V. Commission Decision

On August 18, 2026, the Commission approved the Staff and Liberty 2025 GRAM RTU Stipulation.

* * * * *

**WHEREFORE IT IS ORDERED,** that the Commission hereby approves the Staff and Liberty 2025 GRAM RTU Stipulation provided as Attachment-A to this Final Order.

**ORDERED FURTHER,** that jurisdiction over this proceeding is expressly retained for the purpose of entering such further order or orders as this Commission deems proper.

**ORDERED FURTHER,** any motion for reconsideration, rehearing, or oral argument shall not stay the effectiveness of this order unless expressly ordered by the Commission.

The above action of the Commission in Administrative Session on the 18th day of August 2026.

Sallie Tanner
Executive Secretary

8-27-26
Date

Jason Shaw
Chairman

8-27-26
Date