

PUBLIC NOTICE OF HEARING AND PUBLIC COMMENT MEETING ON
THE APPLICATION OF LIBERTY UTILITIES
(LITCHFIELD PARK WATER & SEWER) CORP.
FOR THE SETTING OF RATES AND CHARGES FOR
WATER AND WASTEWATER UTILITY SERVICE AND FINANCING
(DOCKET NOS. W-01427A-25-0126, SW-01428A-25-0127, W-01427A-25-0163
AND SW-01428A-25-0163)

Summary

On June 30, 2025, Liberty Utilities (Litchfield Park Water & Sewer) Corp. (“Liberty Litchfield Park”) filed an application with the Arizona Corporation Commission (“Commission”), in Docket Nos. W-01427A-25-0126 and SW-01428A-25-0127 requesting adjustments to its rates and charges for water and wastewater utility service. On August 6, 2025, Liberty Litchfield Park filed an application with the Commission in Docket Nos. W-01427A-25-0163 and SW-01428A-25-0163 requesting authority to issue evidence of indebtedness.

Liberty Litchfield Park Rate Request (Docket Nos. W-01427A-25-0126 and SW-01428A-25-0127)

Liberty Litchfield Park (Water Division) requests authorization to increase its water rates to generate total revenues of \$22,355,039. This would constitute an increase in revenues of \$6,203,028 or 38.40 percent, over adjusted test year revenues of \$16,152,011, resulting in an 8.45% percent rate of return on Liberty Litchfield Park’s (Water Division) proposed fair value rate base of \$69,765,704. If Liberty Litchfield Park’s (Water Division) request is granted as proposed, the average monthly bill for a residential customer using 8,150 gallons per month would be \$34.60, a \$10.43 or 43.18% percent increase to the present average monthly residential bill of \$24.16.

Liberty Litchfield Park (Wastewater Division) requests authorization to increase its wastewater rates to generate total revenues of \$33,165,465. This would constitute an increase in revenues of \$11,596,379 or 53.76%, over adjusted test year revenues of \$21,569,086, resulting in an 8.45% percent rate of return on Liberty Litchfield Park’s (Wastewater Division) proposed fair value rate base of \$133,887,159. If Liberty Litchfield Park’s (Wastewater Division) request is granted as proposed, the average monthly bill for a residential customer would be \$69.72, a \$24.49 or 54.14 percent increase to the present monthly bill of \$45.23.

In addition, Liberty Litchfield Park requests approval of a rate case expense surcharge and has calculated the proposed surcharge to be \$0.44 per water customer per month and \$0.53 per wastewater customer per month for 3 years. With the rate case expense surcharge, on average, a residential water customer would pay \$35.04, a \$10.87 or 45.01 percent increase to their current monthly bill and a residential wastewater customer, on average, would pay \$70.25, a \$25.02 or 55.31 percent increase to their current monthly bill.

Liberty Litchfield Park also proposes adoption of a Customer Assistance Tariff, to replace the existing Alternative Rates for Water and Wastewater (ARWW) tariff, the cost for which would be assessed against all non-participating customers, to be recalculated annually.

Adjustor Mechanisms

Liberty Litchfield Park proposes:

- A new Cost of Service Reconciliation Mechanism (“CSRM”) that would allow Liberty Litchfield Park to update its rates annually based on historical changes in its revenue requirement using a formula rate framework, reducing regulatory lag and promoting gradualism.

If the CSRM is not approved, Liberty Litchfield Park proposes:

- Approval of a Federal Compliance Cost Recovery Mechanism (“FCCRM”) that allows for recovery of costs incurred to achieve compliance with all federally mandated Maximum Contaminant Levels for so-called “forever chemicals” such as PFAS.

Liberty Litchfield Park Request for Financing (Docket No. W-01427A-25-0163 and SW-01428A-25-0163)

Liberty Litchfield Park (Water and Wastewater) seeks Commission approval of long-term debt financing for the purpose of rebalancing Liberty Litchfield Park’s capital structure of 74.2 percent equity and 25.80 percent debt to a capital structure of 54 percent equity and 46 percent debt. If Liberty Litchfield Park’s application is granted, Liberty Litchfield Park will borrow the amount necessary to achieve a capital structure consisting of 54 percent equity and 45 percent debt. This amount is currently estimated to be an additional \$65 million.

THE COMMISSION IS NOT BOUND BY THE PROPOSALS OF LIBERTY LITCHFIELD PARK, STAFF, OR ANY INTERVENORS. THE COMMISSION WILL DETERMINE THE APPROPRIATE RELIEF TO BE GRANTED IN RESPONSE TO THE APPLICATION OF LIBERTY LITCHFIELD PARK BASED ON THE EVIDENCE PRESENTED IN THIS MATTER. THE FINAL RATES APPROVED BY THE COMMISSION MAY BE HIGHER, LOWER, OR DIFFERENT THAN THE RATES PROPOSED BY LIBERTY LITCHFIELD PARK OR BY OTHER PARTIES.

Contact Information

A customer with questions concerning how the applications may affect his or her bill or other substantive questions may contact Liberty Litchfield Park at **14920 W. Camelback Road, Litchfield Park, Arizona, 85340; telephone no. 844-367-2030; Email: CustomerServiceAvondale@libertyutilities.com.**

How You Can View or Obtain a Copy of the Application

Copies of the Application are available from Liberty Litchfield Park on the Internet via their website, www.libertyutilities.com (from the Home Page of the website, click ‘Go to local community’. At the top of the page, select “Arizona” in the Location field, then select “Avondale” from the list of communities, and click “Notifications” under “News & Events”); at the Commission’s Docket Control Center at 1200 West Washington Street, Phoenix, Arizona, and 400 West Congress Street, Suite 218, Tucson, Arizona, during regular business hours; and on the Commission’s website (www.azcc.gov) using the e-Docket function.

Arizona Corporation Commission Public Hearing Information

The Commission will hold a hearing on the consolidated dockets beginning **March, 23, 2026**, at 10:00 a.m., at the Commission's offices, 1200 W. Washington Street, Phoenix, Arizona, 85007.

Public comments will be taken in-person and by telephone at the start of the hearing on **March, 23, 2026**, at 10:00 a.m. The in-person public comment meeting shall be held at the Commission's offices in Phoenix. Those wishing to provide telephonic public comment shall call **1-877-309-3457** and enter passcode **801972877##**.

Public comments will also be taken by telephone on the dates listed below.

- Telephonic public comment meeting: **March 4, 2026, beginning at 10:00 a.m. and ending at 12:00 p.m., OR when the last caller online has finished, whichever comes first.** Those wishing to provide telephonic public comment shall call 1-877-309-3457 and enter passcode 24601833204##.
- Telephonic public comment meeting: **March 11, 2026, beginning at 5:30 p.m. and ending at 7:00 p.m. OR when the last caller online has finished, whichever comes first.** Those wishing to provide telephonic public comment shall call 1-877-309-3457 and enter passcode 24601833204##.

Please read the schedule carefully and note the manner (in-person and / or telephonic) in which public comments will be taken.

Those participating by telephone are strongly advised to note the phone number and participant code which corresponds to the date they plan to offer public comments. Please call at least five minutes prior to the time set for the public comment meeting and hearing.

The Commission will impose a 3-minute time limit per speaker to ensure that all participants have an opportunity to speak. The time limit may be extended at the discretion of the presiding Administrative Law Judge

Written public comments may be submitted by mailing a letter referencing:

**Docket Nos. W-01427A-25-0126 AND SW-01428A-25-0127,
W-01427A-25-0163 and SW-01428A-25-0163**

to Arizona Corporation Commission, Consumer Services Section, 1200 West Washington, Phoenix, AZ 85007, or by submitting comments on the Commission's website (www.azcc.gov) using "Meetings and Cases" and "Make a Public Comment in a Docket". If you require assistance, you may contact the Consumer Services Section at 602-542-4251 or 1-800-222-7000.

If you do not intervene in this matter, you will receive no further notice of the proceedings in this matter unless you sign up to Follow the Docket. However, all

documents filed in this matter are available online (usually within 24 hours after docketing) at the Commission' s website (www.azcc.gov) using the e-Docket function. **Information on how to Follow a Docket is available on the Commission's website clicking on "Divisions" and then "Hearing" and then "Following a Docket."**

About Intervention

The law provides for an open public hearing at which, under appropriate circumstances, interested persons may intervene. An interested person may be granted intervention if the outcome of the case will directly and substantially impact the person, and the person' s intervention will not unduly broaden the issues in the case. Intervention, among other things, entitles a party to present sworn evidence at hearing and to cross-examine other parties' witnesses. Intervention is not required for you to appear at the hearing and provide public comment, to file written comments in the docket for the case, or to receive emailed notice of each filing made in the case by following the docket.

Information about what intervention means, including an explanation of the rights and responsibilities of an intervenor, is available on the Commission's website (www.azcc.gov) by clicking on "Divisions" and then "Hearing" and then "Intervene in a Case". The information includes a Sample Intervention Request and a Fillable Intervention Request Form.

To request intervention, you must file a written request to intervene, either (a) by filing a hard copy request (meeting filing requirements) with Docket Control (Docket Control, 1200 West Washington, Phoenix, AZ 85007), or (b) by eFiling the request. Your request must be filed or eFiled no later than October 17, 2025. Instructions and restrictions for eFiling are available on the Commission' s website at <http://azcc.gov/hearing/efiling>. You also must serve a copy of the request to intervene on each party of record, on the same day that you file the request to intervene with the Commission.

Your request to intervene must contain the information below:

1. Your name, address, and telephone number;
2. The docket number for the case in which you are requesting to intervene;
3. A short statement explaining:
 - a. Your interest in the proceeding (e.g., a customer of the regulated company involved, a property owner in an area to be affected by the case, etc.),
 - b. How you will be directly and substantially affected by the outcome of the case, and
 - c. Why your intervention will not unduly broaden the issues in the case;
4. A statement certifying that you have sent a copy of your request to intervene to the regulated company or its attorney and to all other parties of record in the case and showing the names of the parties to whom service was provided and the addresses (which could be email addresses) used; and
5. If you are not represented by an attorney who is an active member of the Arizona State Bar, and you are not representing yourself as an individual, sufficient information and any appropriate documentation to demonstrate compliance with Arizona Supreme Court Rules 31.1, 31.2, 31.3, 38, 39, and 42, as applicable. This only applies if you are NOT representing yourself and you are not a licensed attorney.

The granting of motions to intervene shall be governed by A.A.C. R14-3-105, except that all motions to intervene must be filed on or before **October 17, 2025**.

ADA/Equal Access Information

The Commission does not discriminate on the basis of disability in admission to its public meetings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, as well as request this document in an alternative format, by contacting the ADA Coordinator, Hearing Division, E-mail ADACoordinator@azcc.gov, voice phone number 602-542-4250. Requests should be made as early as possible and no later than 48 hours in advance of the event to allow time to arrange the accommodation.