

LIBERTY UTILITIES (BLACK MOUNTAIN SEWER) CORP.

Docket Nos. SW-02361A-15-0206 and SW-02361A-15-0207 (consolidated)

NEW RATES

Effective May 1, 2016

On June 22, 2015, Liberty Utilities (Black Mountain Sewer) Corp. (the "Company") filed a rate application with the Arizona Corporation Commission ("Commission"). The Company requested a rate increase that would produce a just and reasonable rate of return. At the conclusion of this rate proceeding, the Commission issued Decision No. 75510, authorizing increases for the Company. The rates approved will result in an **increase** for the typical residential customer of \$14.26, from \$65.24 per month to \$79.50 per month, or 21.86 percent.

MONTHLY SERVICE CHARGE

<u>CUSTOMER CLASS</u>	<u>CHARGE</u>
Residential, per single family unit	\$79.50
Commercial	85.00
Brewery	85.00

COMMODITY RATE

<u>CUSTOMER CLASS</u>	<u>CHARGE</u>
Commercial (per 1,000 gallons) [1]	\$5.12
Brewery (per 1,000 gallons used; applied to 70% per 1,000 gallons used)	5.12
Effluent Charge	
per acre foot	\$ 150.00
per 1,000 gallons	0.460512
Effluent Add-on Charge [2]	
per acre foot	\$ 393.00
per 1,000 gallons	1.206073
Total Effluent Charge [2]	
per acre foot	\$ 543.00
per 1,000 gallons	1.666585
[1] Monthly water usage provided by Town of Carefree and City of Scottsdale.	
[2] Effluent add-on charge is for recovery of approximately \$108,804 of plant closure costs not recognized in residential and commercial rates and will be discontinued after the amount is recovered.	

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OTHER SERVICE CHARGES

<u>SERVICE</u>	<u>CHARGE</u>
Establishment	\$25.00
Re-Establishment (within 12 months)	[3]
Reconnection, Delinquent	[4]
After Hours Service Charge [5]	\$50.00
Deposit Requirement	[6]
Deposit Interest (annually)	6.00%
NSF Check	\$10.00
Deferred Payment finance charge (per month)	1.50%
Late Payment Charge (per month)	Greater of \$5.00 or 1.50% per month on unpaid balance
Main Extension Tariff	Cost [7]
Off-Site Facilities Hook-Up Fee (per rated ERU [8])	per Tariff

[3] Per A.A.C R14-2-603.D, within 12 months. Residential and non-residential customers shall pay the applicable minimum charge times the number of months disconnected.

[4] Customer shall pay the actual cost of physical disconnection and establishment (if same customer) and there shall be no charge for disconnection if no physical work is performed.

[5] After Hours Service Charge applies to all services performed after regular business hours at the customer's request or for the customer's convenience.

[6] Per A.A.C. R14-2-603(B):
Residential – two times the average bill;
Non-residential – two and one-half times the average bill.

[7] Per A.A.C. R14-2-606.B

[8] ERU = Equivalent Residential Unit and is equivalent to 400 gallons per day (gpd).

IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM ITS CUSTOMERS. A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE TAX PER COMMISSION RULE 14-2-608.D.5.

ALL ADVANCES AND/OR CONTRIBUTIONS ARE TO INCLUDE LABOR, MATERIALS, OVERHEADS, AND ALL APPLICABLE TAXES, INCLUDING GROSS-UP TAXES FOR INCOME TAXES. COST TO INCLUDE LABOR, MATERIALS, AND PARTS, OVERHEADS AND ALL APPLICABLE TAXES.

If you have any questions regarding this Notice, please contact:

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