

**PUBLIC NOTICE OF HEARING AND PUBLIC COMMENT MEETINGS ON
LIBERTY UTILITIES (BLACK MOUNTAIN SEWER) CORP.'S
APPLICATION FOR INCREASES IN RATES AND CHARGES FOR
WASTEWATER UTILITY SERVICE AND FOR CERTAIN RELATED
APPROVALS.
(DOCKET NO. SW-02519A-26-0223 AND SW-02361A-26-0224)**

Summary

On June 30, 2026, Liberty Utilities (Gold Canyon Sewer) Corp. ("Liberty Gold Canyon" and Liberty Utilities (Black Mountain Sewer) Corp. ("Liberty Black Mountain") filed Rate Case Applications with the Arizona Corporation Commission ("Commission") for increases in their rates and charges for wastewater utility service and for certain related approvals. The utilities share common ownership and receive services pursuant to a shared services model, although the utilities maintain stand-alone rates based on their respective rate bases and costs of service. The dockets have been consolidated for purposes of judicial efficiency. You are receiving this notice as a customer of Liberty Black Mountain.

Liberty Black Mountain

Liberty Black Mountain has requested a revenue increase of \$1,403,395, or 46.79%, over test year revenues of \$2,999,613, based on a FVRB of \$18,104,653 and a rate of return of 7.87% on FVRB. On a stand-alone basis, and not including estimated rate case expense, Liberty Black Mountain's proposed rates would increase the monthly wastewater bill for the single-family residential class by \$41.31, or 46.9%, from \$87.99 to \$129.30. Liberty Black Mountain and Liberty Gold Canyon initially estimate a total rate case expense of \$550,000, to be recovered over three years by means of a surcharge, which it estimates would add \$1.40 to the monthly bill for a single-family residential customer.

Liberty Black Mountain is proposing a Purchased Wastewater Treatment Adjustment Mechanism ("PSTAM") to pass through changes in the costs of wastewater treatment from the City of Scottsdale, a Purchased Power Adjustment Mechanism ("PPAM") to address increases or changes in the rates by the Company's electricity provider, and a Property Tax Adjustment Mechanism ("PTAM") that would allow rates to adjust upward or downward based on changes in property tax rates and/or assessment ratios.

Liberty Black Mountain has proposed updates to its Customer Assistance Tariffs and is proposing language intended to clarify when the Company or the customer may be responsible for damages, to update its industrial pretreatment tariff as well as changes to charges for establishment of service, NSF checks, and after-hours service calls, and to add a new failed inspection charge, a service lateral connection charge, and an influent meter and metering system installation charge.

Liberty Black Mountain is also requesting Commission authority to incur up to \$6.6 million in additional debt financing to be obtained from its affiliate Liberty Utilities Co., for the purpose of rebalancing the Company's capital structure to maintain a capital structure of 54% equity and 46% debt. If granted Liberty Black Mountain's total debt authorization would be \$10 million.

NEITHER THE COMMISSION'S UTILITIES DIVISION ("STAFF") NOR ANY INTERVENOR HAS YET MADE ANY RECOMMENDATION REGARDING LIBERTY BLACK MOUNTAIN'S APPLICATION. THE COMMISSION IS NOT BOUND BY THE PROPOSALS OF LIBERTY BLACK MOUNTAIN, STAFF, OR ANY INTERVENORS. THE COMMISSION WILL DETERMINE THE APPROPRIATE RELIEF TO BE GRANTED IN RESPONSE TO LIBERTY BLACK MOUNTAIN'S APPLICATION 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 COMPANY OR BY OTHER PARTIES.

If you have any questions concerning how the Applications may affect your bill or other substantive questions about the Application, you may contact Liberty Black Mountain at:

14920 W. Camelback Road, Litchfield Park, Arizona, 85340; telephone no. 844-367-2030; Email: DLWestRegionCustomerCare@libertyutilities.com.

How You Can View or Obtain a Copy of the Application

Copies of the Application is available for Liberty Black Mountain via the Internet at 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 "Carefree" for Black Mountain customers 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 this matter beginning **March 30, 2027, at 10:00 a.m.**, at the Commission's offices at 1200 West Washington Street, HR 1, Phoenix, Arizona 85007.

In addition to the public comment meeting identified below, public comment will be taken at the beginning of the first day of hearing, and comment may be provided in person or telephonically. **To provide telephonic public comments, call 1-877-309-3457 and enter passcode 801972877##.**

Public Comments Meetings at Commission Offices

The Commission will hold a **telephonic-only public comment meeting in this matter on February 26, 2027, at 5:30 p.m., and continuing until the earlier of the last caller or 7:00 p.m.**

To provide **telephonic** public comments, at least five (5) minutes prior to the commencement of the meeting, call **1-877-309-3457** and enter passcode **801972877##**.

The Commission may impose a **3-minute time limit per speaker** to ensure that everyone who desires to speak has an opportunity to do so. This 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 No. SW-02519A-26-0223 and SW-02361A-26-0224** 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) by clicking on "Divisions" and then "Hearing," scrolling down to "eFiling Services," and clicking on "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 16, 2026**. 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 on 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 16, 2026**.

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 for the Hearing Division, E-mail HearingDivision@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.