

**LIBERTY UTILITIES (LITCHFIELD WATER & SEWER) CORP.**

Docket Nos. SW-01428A-17-0058, W-01427A-17-0059, W-01427A-17-0077, and SW-01428A-17-0078

**NEW RATES**

**Effective August 1, 2018**

On February 28, 2017, Liberty Utilities (Litchfield Water & Sewer) Corp. (“Liberty Litchfield Park” or “Company”) filed rate applications with the Arizona Corporation Commission (“Commission”). The Company requested rate adjustments that would produce just and reasonable rates of return. The Company also filed financing applications, on March 17, 2017, in which it requested authority from the Commission to incur long term debt in an amount not to exceed \$30,000,000. The rate and financing proceedings were consolidated. At the conclusion, on July 19, 2018, the Commission issued a decision (Decision No. 76799) authorizing increases for the Company’s water and wastewater divisions. The rates approved will result in the following increases for typical residential customers:

A 3/4-inch metered residential water customer, with an average use of 8,357 gallons per month, will experience a decrease of \$1.41, from \$25.96 per month to \$24.54 per month, or negative 5.44 percent.

A 1-inch metered residential water customer, with an average use of 13,549 gallons per month, will experience a decrease of \$2.73, from \$50.26 per month to \$47.52 per month, or -5.44 percent.

A residential wastewater customer will experience an increase of \$4.88, from \$40.35 per month to \$45.23 per month, or 12.10 percent.

**WATER DIVISION**

**MONTHLY USAGE CHARGE**

<u>METER SIZE</u>	<u>CHARGE<sup>1</sup></u>
5/8 x 3/4" Meter – All Classes	\$ 12.54
3/4" Meter – All Classes	12.54
1" Meter – Residential	28.22
1" Meter – All Classes but residential	31.35
1 1/2" Meter – All Classes	62.70
2" Meter – All Classes	100.32
3" Meter – All Classes	200.64
4" Meter – All Classes	313.50
6" Meter – All Classes	627.00
8" Meter – All Classes	1,003.20
10" Meter – All Classes	1,442.10
12" Meter – All Classes	2,696.10

**SERVICE LINE AND METER INSTALLATION CHARGES (Refundable pursuant to A.A.C. 14-2-405)**

<u>METER SIZE</u>	<u>CHARGE</u>		
	Line	Meter	Total
5/8" x 3/4" Meter	\$ 565	\$ 158	\$ 723
3/4" Meter	565	260	825
1" Meter	629	321	950
1 1/2" Meter	699	536	1,235
2" Turbine Meter	At Cost	At Cost	At Cost
2" Compound Meter	At Cost	At Cost	At Cost
3" Turbine Meter	At Cost	At Cost	At Cost
3" Compound Meter	At Cost	At Cost	At Cost
4" Turbine Meter	At Cost	At Cost	At Cost
4" Compound Meter	At Cost	At Cost	At Cost
6" Turbine Meter	At Cost	At Cost	At Cost
6" Compound Meter	At Cost	At Cost	At Cost
8" Meter & Larger	At Cost	At Cost	At Cost

<sup>1</sup> Low Income Tariff – A 30% discount is available on monthly minimum and commodity charges to qualified residential customers meeting the low income qualifications

**LIBERTY UTILITIES (LITCHFIELD WATER & SEWER) CORP.**

**WATER DIVISION**

**COMMODITY RATES (per 1,000 gallons of water)**

<u>METER SIZE</u>	<u>CHARGE</u>	<u>METER SIZE</u>	<u>CHARGE<sup>2</sup></u>
5/8 x 3/4" Meter and 3/4" Meter (Residential)		4" Meter All Classes	
0 to 3,000 Gallons	\$0.7091	0 to 180,000 Gallons	\$1.8437
3,001 to 10,000 Gallons	1.8437	Over 180,000 Gallons	3.2676
10,001 to 20,000 Gallons	2.8437	4" Meter – Bulk resale only	
Over 20,000 Gallons	3.2676	All gallons	\$1.5600
1" Meter (Residential)		6" Meter All Classes	
0 to 5,000 Gallons	\$0.7091	0 to 360,000 Gallons	\$1.8437
5,001 to 19,000 Gallons	1.8437	Over 360,000 Gallons	3.2676
19,001 to 30,000 Gallons	2.8437	6" Meter – Bulk resale only	
Over 30,000 Gallons	3.2676	All Gallons	\$1.5600
5/8 x 3/4" Meter and 3/4" Meter (Commercial, Irrigation)		8" Meter All Classes	
0 to 9,000 Gallons	\$1.8437	0 to 650,000 Gallons	\$1.8437
Over 9,000 Gallons	3.2676	Over 650,000 Gallons	3.2676
1" Meter – All Classes except Residential		8" Meter – Bulk resale only	
0 to 20,000 Gallons	\$1.8437	All Gallons	\$1.5600
Over 20,000 Gallons	3.2676	10" Meter All Classes	
1 1/2" Meter – All Classes		0 to 940,000 Gallons	\$1.8437
0 to 40,000 Gallons	\$1.8437	Over 940,000 Gallons	3.2676
Over 40,000 Gallons	3.2676	10" Meter – Bulk resale only	
2" Meter – All Classes		All Gallons	\$1.5600
0 to 60,000 Gallons	\$1.8437	12" Meter All Classes	
Over 60,000 Gallons	3.2676	0 to 1,248,000 Gallons	\$1.8437
3" Meter – All Classes		Over 1,248,000 Gallons	3.2676
0 to 120,000 Gallons	\$1.8437	12" Meter – Bulk resale only	
Over 120,000 Gallons	3.2676	All Gallons	\$1.5600
		Construction Water – All Gallons – Hydrants	\$3.2676

**HYDRANT METER DEPOSIT\***

<u>METER SIZE</u>	<u>CHARGE</u>
3" Turbine Meter	\$1,470.00
3" Compound Meter	2,265.00
* Shall have a non-interest bearing deposit of the amount indicated, refundable in its entirety upon return of the meter in good condition and payment of final bill.	

<sup>2</sup> Low Income Tariff – A 30% discount is available on monthly minimum and commodity charges to qualified residential customers meeting the low income qualifications

**LIBERTY UTILITIES (LITCHFIELD WATER & SEWER) CORP.**

**WATER DIVISION**

<b><u>OFFSITE FACILITIES HOOK-UP FEE</u></b>		
<b><u>Meter Size</u></b>	<b><u>Size Factor</u></b>	<b><u>Charge</u></b>
5/8 x 3/4" Meter	1	\$ 1,800
3/4" Meter	1.5	2,700
1" Meter	2.5	4,500
1 1/2" Meter	5	9,000
2" Meter	8	14,400
3" Meter	16	28,800
4" Meter	25	45,000
6" Meter	50	90,000
8" Meter	80	144,000
10" (turbine) Meter	145	261,000
12" (turbine) Meter	215	387,000

**MISCELLANEOUS SERVICE CHARGES**

<b><u>SERVICE</u></b>	<b><u>CHARGE</u></b>
Establishment per A.A.C. R14-2-403(D)	\$20.00
Re-Establishment per A.A.C. R14-2-403(D)	(b)
Reconnection per A.A.C. R14-2-403(D)	\$50.00
Meter Test (if correct) per A.A.C. R14-2-408(F)	25.00
Meter Re-Read (if correct) per A.A.C. R14-2-408(C)	5.00
Fire Hydrant Meter Relocation	50.00
Fire Hydrant Meter Repair	At Cost
NSF Check per A.A.C. R14-2-409(F)	\$25.00 (a)
Deferred Payment, Per Month	1.50%
Late Charge	(c)
Service Calls After Hours	\$40.00 (d)
Deposit Requirement	(e)
Deposit Interest per A.A.C. R14-2-403(B)	6.00%
Water Hook-Up Fee	(f)
<p>(a) Company may charge only one NSF fee when customers are billed for water and sewer services on one bill.</p> <p>(b) Minimum charge times number of full months off the systems per A.A.C. R14-2-403(D).</p> <p>(c) Greater of \$5.00 or 1.5% of unpaid balance.</p> <p>(d) Customer shall be charged for after-hours service calls outside of normal working hours for work performed at the customer's request or convenience.</p> <p>(e) Per A.A.C. R14-2-403(B):  <u>Residential</u> – two times the average bill by class.  <u>Commercial</u> – two and one-half times the customer's estimated maximum monthly bill.</p> <p>(f) Customers shall pay the applicable Water Hook-Up Fees per tariff.</p>	
<p>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 A.A.C. R14-2-409(D)(5).</p>	

**LIBERTY UTILITIES (LITCHFIELD WATER & SEWER) CORP.**

**WASTEWATER DIVISION**

**MONTHLY USAGE CHARGE**

<u>CUSTOMER CLASS</u>	<u>CHARGE<sup>3</sup></u>
<b>Residential:</b>	
Residential Service	\$45.23
Multiple Unit Service – Monthly Per Unit	41.99
<b>Commercial/Non-Residential:</b>	
Small Commercial – Monthly Service	\$76.50
<b>Commercial Measured Service:</b>	
Regular Domestic – Monthly Service Charge	\$42.82
Restaurants, Motels, Grocery, Dry Cleaning Estab. – Monthly Service	42.82*
<b>Wigwam Resort:</b>	
Wigwam Resort Monthly Rate – Per Room	\$41.99
Wigwam Resort Main Hotel Facilities – Per Month	1,662.97
<b>Schools:</b>	
Elementary Schools	\$1,130.81
Middle & High Schools	1,330.37
Community College	2,062.08
Effluent**	Market Rate
* Motels without restaurants included (eliminate multi-unit monthly rate provision).	
** Market Rate – Maximum effluent rate shall not exceed \$430 per acre foot based on a potable water rate of \$1.32 per thousand gallons.	

**COMMODITY CHARGE**

<u>CUSTOMER CLASS</u>	<u>CHARGE</u>
<b>Commercial/Non-Residential Customers (Water Usage Data Available)*</b>	
Regular Domestic per 1,000 gallons water usage	\$3.74
Restaurants, Motels, Grocery & Dry Cleaning Estab. per 1,000 gallons water usage	4.80
<b>Commercial/Non-Residential Customers (Influent Data)**</b>	
Regular Domestic per 1,000 gallons measured influent	\$4.67
Restaurants, Motels, Grocery & Dry Cleaning Estab. per 1,000 gallons measured influent	6.62
*For Commercial/Non-Residential Customers that are provided with water service from the Company or whose water usage is available to the Company from another water utility, Company shall bill non-residential customers based on water usage data provided by Liberty Utilities or water usage data provided by another local water provider. If, at any point, Company is unable to obtain actual water usage data for such commercial/non-residential customers, Company shall bill non-residential customers based on the last known, most recent usage data as a proxy. Billing shall be trued up when actual data is obtained. If no water data can be obtained, a non-residential customer may be required to install an influent meter at cost and such customers shall be billed in accordance with the influent data rates set forth above.	
**For customers that are not receiving water service from the Company, and/or the Company is not receiving water usage data information from another water provider, a meter to measure influent will be installed at cost and paid by customer and such customers shall be billed in accordance with the influent data rates set forth above.	

<sup>3</sup> Low Income Tariff – A 30% discount is available on monthly minimum and commodity charges to qualified residential customers meeting the low income qualifications.

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**WASTEWATER DIVISION**

<b><u>OFFSITE FACILITIES HOOK-UP FEE</u></b>	<b><u>CHARGE</u></b>
Residential Service Lateral (based on ERU of 320 gallons per day)	\$1,800.00
Active Adult communities (based on ERU of 190 gallons per day)	1,070.00

**MISCELLANEOUS SERVICE CHARGES**

<b><u>SERVICE</u></b>	<b><u>CHARGE</u></b>
Establishment per A.A.C. R14-2-603(D)	\$20.00
Re-Establishment of Service per A.A.C. 14-2-603(D)	(a)
Disconnection	At Cost (b)
Reconnection per A.A.C. R14-2-603(D)	(b)
NSF Check per A.A.C. R14-2-608(E)	\$25.00 (c)
Deferred Payment (per month)	1.50%
Late Charge	(d)
Service Calls After Hours	\$40.00 (e)
Deposit Requirement	(f)
Deposit Interest per A.A.C. R14-2-603(B)	6.00%
Service Lateral Connection Charge – All Sizes	(g)
Collection Main Extension Tariff per A.A.C. R14-2-606(B)	(h)
Influent Meter and Metering System Installation	At Cost (i)
Wastewater Hook-Up Fee	(j)

(a) Minimum charge times number of months off the system, per A.A.C. R14-2-603(D)(1).

(b) Customer shall pay the actual cost including costs for excavation and trenching, pipeline modification, sewer block, backfill and grading, road repairs and permitting. Customer will be provided copies of invoices for actual costs incurred. There shall be no charge if no work is performed.

(c) Liberty Litchfield Park may charge only one NSF fee when customers are billed for water and sewer services on one bill.

(d) Greater of \$5.00 or 1.50% of unpaid balance.

(e) Customer shall be charged for after-hours service calls outside of normal working hours for work performed at customer's request or convenience.

(f) Per A.A.C. R14-2-603(B)(7):  
Residential – two times the average bill by class.  
Commercial – two and one-half times the customer's estimated maximum monthly bill.

(g) At cost. Customer/Developer shall install or cause to be installed all Service Laterals as a refundable advance-in-aid of construction.

(h) All Main Extensions shall be completed at cost and shall be treated as refundable advances-in-aid of construction.

(i) The cost of the influent meter and metering system installation shall be at the sole expense of the commercial and industrial user and not subject to refund.

(j) Residential and Commercial - Customers/Developers shall pay the applicable Wastewater Hook-Up Fees per tariff.

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 A.A.C. R14-2-608(D)(5).

**LIBERTY UTILITIES (LITCHFIELD WATER & SEWER) CORP.**

**ALTERNATIVE RATES FOR WATER AND WASTEWATER TARIFF**

The Alternative Rates for Water and Wastewater (“ARWW”) Tariff (“Low Income Tariff”) is designed to provide relief to the Company’s lower income ratepayers. The Low Income Tariff is open to residential, single family accommodations, and applies a discounted rate to the bills of those customers who meet the program qualifications.

**\*Qualifying annual incomes are set at 150 percent of the 2018 federal poverty levels as follows:**

<u>No. of Person in Household</u>	<u>Total Gross Annual Income*</u>
1	\$18,210
2	24,690
3	31,170
4	37,650
5	44,130
6	50,610

For each additional person residing in the household, add \$6,480

Customers eligible for the ARWW program must complete an Application and Declaration form, and supply proof of income. Customers enrolled in the ARWW program are required to reapply every two (2) years, or sooner, if requested, and annually recertify by submitting a declaration attesting to continuing eligibility.

The ARWW program is limited to 5,000 water division customers and 5,000 wastewater division customers. A waiting list will be available in the event the participation cap is met. **To obtain a copy of the ARWW program forms, please contact Liberty at its Customer Care No., 844-367-2027.**

**If you have any questions regarding this Notice,  
or to obtain a copy of the ARWW program forms,  
please contact:**

**Liberty Utilities (Litchfield Water & Sewer) Corp.  
12725 W. Indian School Road, Suite D-101, Avondale, Arizona 85392  
Customer Care No.: 844-367-2027**