

**LIBERTY UTILITIES (ENTRADA DEL ORO SEWER) CORP.**  
**Docket Nos. SW-04316A-16-0078 and SW-04316A-16-0085 (consolidated)**

**NEW RATES**

**Effective April 1, 2017**

On March 3, 2016, Liberty Utilities (Entrada Del Oro Sewer) Corp. (“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. The Company also filed a financing application, on March 7, 2016, in which it requested authority from the Commission to incur long term debt in an amount not to exceed \$1,750,000. The rate and financing proceedings were consolidated. At the conclusion, the Commission issued Decision No. 76019 (March 22, 2017) authorizing rate increases for the Company as set forth herein and granting the Company’s financing request.

**The decision includes a phase-in of rates for residential customers over five years as follows:**

**The year 1 rate is \$86 per month, an increase of \$16 or 22.9 percent over present rates.**

**The year 2 rate will be \$93 per month, an increase of \$23 or 32.9 percent over present rates. This represents an incremental increase of \$7 or 8.1 percent over year 1 rate of \$86.**

**The year 3 rate will be \$99 per month, an increase of \$29 or 41.4 percent over present rates. This represents an incremental increase of \$6 or 6.5 percent over year 2 rate of \$93.**

**The year 4 rate will be \$104 per month, an increase of \$34 or 48.6 percent over present rates. This represents an incremental increase of \$5 or 5.1 percent over year 3 rate of \$99.**

**The year 5 and final rate will be \$108 per month, an increase of \$38 or 54.3 percent over present rates. This represents an incremental increase of \$4 or 3.8 percent over year 4 rate of \$104.**

**The following schedule of rates and charges is effective April 1, 2017**

<b><u>MONTHLY USAGE CHARGES</u></b>					
<b><u>Customer Classification</u></b>	<b><u>Charge</u></b>				
	<b><u>Year 1</u></b>	<b><u>Year 2</u></b>	<b><u>Year 3</u></b>	<b><u>Year 4</u></b>	<b><u>Year 5</u></b>
Residential [1]	\$86.00	\$93.00	\$99.00	\$104.00	\$108.00
School, per Student					\$ 8.624
Commercial					140.00
Commercial, per 1,000 gals [2]					6.00
Effluent, per acre foot / per 1,000 gallons					Market Price
[1] Approved phase-in.					
[2] Based upon actual water usage provided by Arizona Water Company.					
<b>If water usage data cannot be obtained, then the Company proposes the following flat rate design based upon meter size:</b>					
					<b><u>Charge</u></b>
1 inch and smaller					\$ 140.00
1 ½ inch					280.00
2 inch					448.00
3 inch					896.00
4 inch					1,400.00
6 inch					2,800.00
8 inch					4,480.00
10 inch					6,440.00

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<b><u>OTHER SERVICE CHARGES</u></b>	
Establishment	\$25.00
Reconnection (Delinquent)	(a)
Reestablishment (within 12 months)	*
Deposit	**
Deposit Interest	6.00%
NSF Check	\$25.00
Deferred payment	1.50% per month
Late Payment Penalty	Greater of \$5.00 or 1.50% per month on unpaid balance
Service Charge – after hours (b)	\$50.00
Main Extension / Additional Facilities	Cost
Revenues Taxes and Assessments	***
* Per Commission Rule A.A.C R14-2-603(D) – months off system times the minimum charge.	
** Per Commission Rule A.A.C. R14-2-603(B). Residential – two times the average bill. Non-residential – two and one-half times the average bill.	
*** Per Commission Rule A.A.C. R14-2-608(D).	
(a) Customer shall pay the actual cost of physical disconnection and Establishment Fee (if same customer) and there shall be no charge for disconnection if no physical work is performed.	
(b) The after-hours service charge shall apply to any service requested by Customer that is performed by Company after regular business hours and shall be in addition to the regular business hours service charge.	

In addition to the collection of regular rates, the Company 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 main extensions (advances and/or contributions) are to include labor, materials, overheads and all applicable taxes, including all gross-up taxes for income taxes.

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

**Liberty Utilities (Entrada Del Oro Sewer) Corp.  
6877 S. Kings Ranch Rd., Suite #4  
Gold Canyon, AZ 85118  
Customer Care No. 480-488-4152**