



Liberty Utilities®

January 2015



OUR COMMUNITY

WINTER STORM CAUSES MULTIPLE OUTAGES POWER RESTORED TO MOST CUSTOMERS WITHIN 24 HOURS

A winter storm with record-breaking wind gusts hit the Lake Tahoe and surrounding areas on December 11, 2014 causing several widespread outages throughout Liberty Utilities service territory. Most customers' service was restored within 24 hours.

"Our crews worked through the night to restore power across our service territory. We appreciate our customers' patience with these weather-related outages, and I am happy to report that our crews were able to do their work in difficult conditions safely with no injuries."

Mike Smart, President of Liberty Utilities-California

The numerous outages ranged from larger geographical locations affecting hundreds of customers to pockets affecting 10-20 customers. The largest outage was in the South Lake Tahoe area as the result of a large tree top that broke off and flew into a 60 KV power line and snapped a conductor off the pole which fell to the ground. Other toppled trees affecting power lines were also discovered.

Since acquiring the utility in 2011, Liberty Utilities has invested about \$2 million annually in vegetation management efforts, removing trees and branches that may fall on power lines, especially if they are laden with snow. The utility has also invested in many small-scale improvement projects, and are hoping to receive permits in early 2015 to begin a major upgrade project on two key transmission lines, known as the 625 and 650 power lines, which will allow for greater switching ability in case a portion of the line is compromised.



SCAMMERS CONTINUE TO TARGET UTILITY CUSTOMERS

Those scammers just don't give up! Liberty Utilities recently had a large commercial customer tell us of a phone call they received from someone claiming to be their "energy provider" and demanding thousands of dollars in "overdue charges." **LIBERTY UTILITIES WILL NEVER CALL YOU DEMANDING PAYMENT.** Do not respond to a payment demand of this type! Specifically, do not click on any link or open any attachment to an email or provide any payment type information over the phone. If approached in person, insist on seeing the employee's badge. Please call us at 1-800-782-2506 if you receive such a call or have any questions about your account.

PAGE & SAGE DONATION

Liberty Utilities employees at the South Lake Tahoe office partnered with the local Page & Sage organization to provide backpacks of food and a book to a local elementary school. About 60 students who normally receive free breakfast/lunch at their school continued to have meals during the holiday break because of Liberty employees' efforts to raise cash and food donations. From left to right: Joel Kuntz, Haleigh Martin, Jennifer Guenther and Kelsey Zieba





RATE CHANGES TAKE EFFECT JANUARY 1, 2015

Beginning January 1, 2015, you'll see changes on your monthly utility bill that are the result of adjustments mandated and approved by the California Public Utilities Commission (CPUC).

CARE PROGRAM CHARGE

The CPUC mandates that regulated utilities like Liberty Utilities offer a California Alternative Rates for Energy (CARE) program that provides utility discounts for income-eligible customers residing in a permanent, primary residence. The program cost is spread among all non-CARE utility customers. Beginning on January 1, 2015, all non-CARE customers will see a decrease to their usage rate of .00153cents/kwh to fund this program.

ESAP PROGRAM CHARGE

Another CPUC-mandated program for income-eligible customers is the Energy Savings Assistance Program (ESAP) which provides energy efficient home improvements at no charge to the resident. Again, this program cost is spread among all non-ESAP utility customers. Beginning on January 1, 2015, all customers will see an increase to their usage rate of .00035 cents/kwh to fund this program.

In order to find out if you may be eligible for either the CARE or ESAP programs, please visit www.libertyutilities.com/west and click on the "Save Energy & Money" tab at the top.

PTAM CHARGE

The Post Test Year Adjustment Mechanism (PTAM) is a CPUC mandated tool designed to adjust a utility's rate between formal general rate case filings. All utility costs (such as energy purchases and operation/maintenance expenses) are passed through dollar for dollar to the customer, except for capital investment expenses initially funded by the shareholders. (The CPUC determines a reasonable rate of return to shareholders on this portion). Using the PTAM to adjust rates annually between general rate cases avoids potentially significant rate increases that may be necessary if implemented over a longer period of time.

On January 1, 2015, Liberty Utilities will implement a PTAM increase of less than one percent to all customers applied to the customer charge, demand, generation and distribution portions of their total applicable rate. (Residential - 0.66%; Small Commercial - 0.65%; Medium Commercial - 0.61%; Large Commercial - 0.65%; more details available at www.libertyutilities.com/west) This charge will not be applied to any surcharge or public program charges within the rate tier.

Local and Responsive. We Care.

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