

**PRELIMINARY STATEMENT**

(Continued)

**13. MEMORANDUM ACCOUNTS (Continued)**

**I. General Rate Case Memorandum Account (GRCMA)**

i. PURPOSE

Pursuant to Commission Decision 15-12-035 issued December 28, 2015, the purpose of the GRCMA is to record the shortfall or overcollection resulting from the difference between the general rates effective as of December 31, 2015 and the final general rates the Commission shall authorize in a decision it will issue in Application (A.) 15-05-008. As such, the GRCMA is effective January 1, 2016.

ii. APPLICABILITY

The GRCMA shall apply to all customers unless otherwise specified by the Commission.

iii. ACCOUNTING PROCEDURES

The GRCMA will track the revenue requirement related to the generation and distribution rate components. Liberty Utilities shall maintain the GRCMA by making entries as follows:

1. A debit entry equal to the difference between Liberty Utilities' current and approved monthly non-fuel generation and distribution base margin revenue requirement approved in D.16-12-024 for the period between January 1, 2016 and December 31, 2016. The entries will be recorded upon the new rates authorized in D.16-12-024 becoming effective.
2. A credit entry to Liberty Utilities' FERC revenue accounts that is the difference between Liberty Utilities' current and approved monthly non-fuel generation and distribution base margin revenue requirement in D.16-12-024 for each month beginning January 1, 2016 and until December 31, 2016. The entries will be recorded upon the new rates authorized in D.16-12-024 becoming effective.

**(Continued)**

Advice Letter No. 72-E

Issued by  
Gregory S. Sorensen  
Name

Date Filed December 28, 2016

Decision No. \_\_\_\_\_

President  
Title

Effective January 1, 2017

Resolution No. \_\_\_\_\_

**PRELIMINARY STATEMENT**  
(Continued)

**13. MEMORANDUM ACCOUNTS** (Continued)

**I. General Rate Case Memorandum Account (GRCMA)** (Continued)

iii. ACCOUNTING PROCEDURES (Continued)

3. A monthly credit entry equal to the revenue billed through the GRCMA rates in the customer rate schedules.

4. A monthly entry equal to interest on the average balance in the account at the beginning of each month starting January 2016 and the balance after entry iii.1. through iii.3. above, at a rate equal to one-twelfth of the interest rate on three-month Commercial Paper – Non-Financial for the previous month, as reported in the Federal Reserve Statistical Release, H.15, or its successor publication.

iv. ACCOUNT DISPOSITION

Pursuant to Decision 16-12-024, Ordering Paragraph 5 “[t]he balances recorded in Liberty Utilities (CalPeco Electric) LLC (U933E) General Rate Case Revenue Requirement Memorandum Account, authorized by Decision 15-12-035 on December 17, 2015, shall be amortized in rates beginning January 1, 2017 through December 31, 2018.”

Liberty Utilities will identify the amount which is being collected through the GRCMA as a separate line item in its bills.

If any remaining balance in the GRCMA will exist as of December 31, 2018, Liberty Utilities will provide a proposal in its next GRC application for its disposition.

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