

Si necesita asistencia en español, tenemos representantes de servicio al cliente disponibles para ayudarle cuando lo solicite, por favor llame al número 1-800-481-9190.

NOTICE OF PUBLIC PARTICIPATION HEARING REGARDING LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP. (LIBERTY APPLE VALLEY) APPLICATION FOR A RATE INCREASE FOR ITS GENERAL RATE CASE APPLICATION 21-07-003

You are invited to attend a Public Participation Hearing (PPH) on this proposed rate increase.

| DATE | TIME | VIRTUAL/REMOTE DETAILS |
|---------------|--------|---|
| March 8, 2022 | 2 p.m. | Phone number: 1-800-857-1917 |
| March 8, 2022 | 6 p.m. | Passcode: 6032788 (English) |
| | | Webcast: www.adminmonitor.com/ca/cpuc |

How can I participate?

The California Public Utilities Commission (CPUC) is interested in your comments regarding the requested rate increase. The CPUC will hold two PPHs at the times and date above. The 2 p.m. and 6 p.m. PPHs will be the same and you are encouraged to attend the PPH that is most convenient for you. The PPH is for customers of Liberty Utilities (Apple Valley Ranchos Water) Corp. (Liberty Apple Valley) to provide comments on any portion of this General Rate Case (GRC) Application 21-07-003, before a CPUC Administrative Law Judge.

The hearings will be facilitated by the CPUC Administrative Law Judge that is presiding over this proceeding. All public comments from the PPHs will be included in the formal record of this application and become public record. One or more Commissioners may attend, but no decisions will be reached at these hearings.

The PPHs can be viewed via internet, or listened to via phone, with the information above. **If you wish to make a public comment, please participate by phone using the phone number above and pressing *1.** Your participation by providing your thoughts on Liberty Apple Valley's request can help the CPUC make an informed decision. **Please Note:** if you need a language interpreter, please contact the CPUC's Public Advisor's Office (PAO) using the contact information at the end of this notice at least five business days in advance of the hearing date. If you cannot attend the PPH you may submit your comments via a letter or online at apps.cpuc.ca.gov/c/A2107003.

Why am I receiving this notice?

On July 2, 2021, Liberty Apple Valley filed its GRC application with the CPUC. The application requests to increase rates over a three-year period, covering the years 2022 through 2024. If approved, this request to increase rates would be effective beginning July 1, 2022.

Why is Liberty Apple Valley requesting this rate increase?

The CPUC requires Liberty Apple Valley to submit a GRC application every three years. Liberty Apple Valley is requesting authorization to increase revenues by \$2,862,903 (or 11.11%) for 2022, \$2,068,273 (or 7.18%) in 2023, and \$2,280,637 (or 7.35%) in 2024. The total requested increase for all three years combined would be \$7,211,813 (or 25.64%).

The purpose of this GRC is for Liberty Apple Valley to cover its anticipated costs from 2022 through 2024 for improvements to the water supply system, property taxes, pension and benefits expense, depreciation expense, and costs for centralized corporate support services, such as financial, accounting, treasury and human resources.

How could this affect my monthly water rates?

If the proposed application is approved by the CPUC, the average residential customer with a 5/8 x 3/4" meter using 11.83 Ccf would see a monthly bill increase of \$9.58 (or 13.06%) from \$73.31 to \$82.89 in 2022. In 2023 the average residential customer would see a monthly bill increase of \$5.96 (or 7.19%), from \$82.89 to \$88.85, and in 2024 a monthly bill increase of \$6.49 (or 7.30%), from \$88.85 to \$95.34, excluding any applicable surcharges.

Monthly Meter Service Charge Schedule

| | Present Rates | 2022 (proposed) | Increase | 2023 (proposed) | Increase | 2024 (proposed) | Increase |
|--------|----------------------|------------------------|-----------------|------------------------|-----------------|------------------------|-----------------|
| 5/8" | \$23.77 | \$43.84 | 84.43% | \$47.01 | 7.23% | \$50.47 | 7.36% |
| 3/4" | \$35.66 | \$65.76 | 84.43% | \$70.52 | 7.23% | \$75.71 | 7.36% |
| 1" | \$59.43 | \$109.60 | 84.43% | \$117.53 | 7.23% | \$126.18 | 7.36% |
| 1 1/2" | \$118.85 | \$219.20 | 84.43% | \$235.05 | 7.23% | \$252.35 | 7.36% |
| 2" | \$190.16 | \$350.72 | 84.43% | \$376.08 | 7.23% | \$403.76 | 7.36% |
| 3" | \$356.55 | \$657.60 | 84.43% | \$705.15 | 7.23% | \$757.05 | 7.36% |
| 4" | \$594.25 | \$1,096.00 | 84.43% | \$1,175.25 | 7.23% | \$1,261.75 | 7.36% |
| 6" | \$1,188.50 | \$2,192.00 | 84.43% | \$2,350.05 | 7.23% | \$2,523.50 | 7.36% |
| 8" | \$1,901.60 | \$3,507.20 | 84.43% | \$3,760.80 | 7.23% | \$4,037.60 | 7.36% |
| 10" | \$3,446.65 | \$6,356.80 | 84.43% | \$6,816.45 | 7.23% | \$7,318.15 | 7.36% |

Commodity Rate Schedule

| Residential Customers | | Rates Proposed in AVR's Application | | | | | |
|---|----------------------|--|------------------------------|-------------------|-----------------|-------------------|-----------------|
| Usage | Present Rates | 2022 Rates | (Decrease) / Increase | 2023 Rates | Increase | 2024 Rates | Increase |
| 0 to 13 Ccf | \$4.142 | \$3.300 | (20.33%) | \$3.536 | 7.15% | \$3.792 | 7.24% |
| 13 to 26 Ccf | \$4.796 | \$4.125 | (13.99%) | \$4.420 | 7.15% | \$4.740 | 7.24% |
| Over 26 Ccf | \$5.450 | \$4.950 | (9.17%) | \$5.304 | 7.15% | \$5.688 | 7.24% |
| Other Customers: (Business, Industrial, Public Authority) | \$4.453 | \$3.300 | (25.89%) | \$3.536 | 7.15% | \$3.792 | 7.24% |
| Gravity Irrigation | \$0.321 | \$0.419 | 30.53% | \$0.464 | 10.74% | \$0.548 | 18.10% |

How does the rest of this process work?

This application has been assigned to a CPUC Administrative Law Judge who will consider proposals and evidence presented during the formal hearing process. The Administrative Law Judge will issue a proposed decision that may adopt Liberty Apple Valley's application, modify it, or deny it. Any CPUC Commissioner may sponsor an alternate decision with a different outcome. The proposed decision, and any alternate decisions, will be discussed and voted upon by the CPUC Commissioners at the public CPUC Voting Meeting.

Parties to the proceeding will review Liberty Apple Valley's application, including the Public Advocates Office, which is an independent consumer advocate within the CPUC that represents customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information, please call 1-415-703-1584, email PublicAdvocatesOffice@cpuc.ca.gov, or visit PublicAdvocates.cpuc.ca.gov.

Where can I get more information?

Contact Liberty Apple Valley

Phone: **1-800-727-5987**
 Email: DLCAAVRCustomerService@libertyutilities.com
 Mail: Liberty Utilities (Apple Valley Ranchos Water) Corp.
 Attention: Regulatory Department
 21760 Ottawa Road, Apple Valley, CA 92308

A copy of the application and any related documents may also be reviewed at www.libertyutilities.com.

Contact CPUC

Please visit apps.cpuc.ca.gov/c/A2107003 to submit a comment about this proceeding on the CPUC Docket Card. You can also view documents and other public comments related to this rate request.

If you have questions about CPUC processes, you may contact the CPUC's Public Advisor's Office at:

Phone: 1-866-849-8390 (toll-free) or 1-415-703-2074
 Email: Public.Advisor@cpuc.ca.gov
 Mail: CPUC Public Advisor's Office
 505 Van Ness Avenue
 San Francisco, CA 94102

Please reference **Application 21-07-003** in any communications you have with the CPUC regarding this matter.