PARA UNA VERSIÓN DE ESTE AVISO EN ESPAÑOL, POR FAVOR LLAME AL NÚMERO 1-800-727-5987, **O VISITE https://libertyutilities.com**

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 NO. 18-01-002**

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

Thursday, October 25, 2108 at 1:00 p.m. and 6:00 p.m. Apple Valley Conference Center 14975 Dale Evans Parkway Apple Valley, CA 92307

PUBLIC PARTICIPATION HEARING

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 1:00 p.m. and 6:00 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 No. 18-01-002, before a CPUC Administrative Law Judge (Judge).

The hearings will be facilitated by the CPUC Judge that is presiding over this proceeding. All public comments from the PPH 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 hearings' location is wheelchair accessible. If you need a language or Sign interpreter or would like to request assisted listening devices, please contact the CPUC's Public Advisor's Office (PAO) at the address listed at the bottom of this notice at least five days in advance of the hearing date. If you cannot attend the PPH you may submit your comments via a letter or email to PAO.

PROCEEDING INFORMATION

On January 2, 2018, Liberty Apple Valley filed its GRC Application 18-01-002 with the CPUC requesting authority to increase revenues by \$226,069 (or 80.24%) in 2019 over current revenues, by \$63,050 (or 12.45%) in 2020, and by \$43,065 (or 7.58%) in 2021 for the Yermo service area. The total requested increase for all three years combined is 332,184 (or 117.91%). Liberty Apple Valley requests the phasing-in of the rate increase over six years (2019 – 2024) to level out the rate increase. Liberty Apple Valley requests that for this rate case cycle (2019 - 2021) the rate increase be phased in at 15% per year beginning January 1, 2019.

| Requested Increase in Test Year for Each Customer Class (Dollars in Thousands) | | | | | | | | | | |
|---|---------------|----------------------|--------|---------------|--------|----------------|-------------|--|--|--|
| Customer Class | <u>2019 I</u> | 2019 Increase | | 2020 Increase | | <u>ncrease</u> | Total | | | |
| | | | | | | | (2019-2021) | | | |
| Residential | 138,248 | 79.44% | 39,273 | 12.63% | 27,046 | 7.76% | 204,567 | | | |
| Business | 40,636 | 80.69% | 11,045 | 12.14% | 7,436 | 7.29% | 59,117 | | | |
| Public Authority | 47,202 | 82.30% | 12,690 | 12.14% | 8,546 | 7.29% | 68,438 | | | |
| Total Water Revenues | 226,086 | 80.25% | 63,008 | 12.44% | 43,028 | 7.58% | 332,123 | | | |

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The table below shows the proposed rate impacts of the increases on the average residential customer's bi-monthly (every two months) bill using 11.55 hundred cubic feet (Ccf) of water with a 5/8 inch x 3/4 inch meter. The table excludes applicable taxes and surcharges.

Rate Impact on Average Residential Customer's Bill

| Year | Present | <u>2019</u> | <u>2020</u> | <u>2021</u> |
|---------------------|----------------|-------------|-------------|-------------|
| Amount of Bill | \$54.58 | \$62.76 | \$72.18 | \$83.00 |
| Amount of Increase | | \$8.19 | \$9.41 | \$10.83 |
| Percentage Increase | | 15.00% | 15.00% | 15.00% |

OBTAINING A COPY OF THE APPLICATION AND MORE INFORMATION

A copy of Liberty Apple Valley's Application No. 18-01-002 and related exhibits are available for review at the Liberty Apple Valley Office located at 21760 Ottawa Road, Apple Valley, CA 92308. If you need additional information, you may visit <u>https://libertyutilities.com</u> or call (760) 247-6484. The application may also be viewed at the CPUC's Central Files Office by appointment. For more information, contact <u>aljcentralfilesid@cpuc.ca.gov</u> or (415) 703-2045.

CPUC PROCESS

This application has been assigned to a Judge who will determine how to receive evidence and other related documents, necessary for the CPUC to establish a record upon which to base its decision. Evidentiary hearings may be held where parties of record presented their testimony and were subject to cross-examination before the Judge. These hearings are open to the public, but only those who are parties of record may present evidence or cross-examine witnesses. After considering all proposals and all evidence presented during the formal hearing process, the Judge will issue a proposed decision which may adopt all or part of Liberty Apple Valley's request, modify, or deny the application. Any of the five CPUC Commissioners may sponsor an alternate decision. The proposed decision, and any alternate decisions, will be discussed and voted on at a scheduled CPUC Voting Meeting.

The Public Advocates Office (Cal PA, formerly ORA) has reviewed this application. Cal PA is the independent consumer advocate within the CPUC with a legislative mandate to represent investor-owned utility customers to obtain the lowest possible rate for service consistent with reliable and safe service levels. For more information about Cal PA, please call (415) 703-1584, email <u>ora@cpuc.ca.gov</u> or visit Cal PA's website at www.publicadvocates.cpuc.ca.gov.

STAY INFORMED

If you would like to follow this proceeding, or any other issue before the CPUC, you may use the CPUC's free subscription service. Sign up at: <u>http://subscribecpuc.cpuc.ca.gov/</u>.

If you would like to learn how you can participate in the proceeding, have informal comments, or have questions about the CPUC processes, you may access the CPUC's) webpage at http://consumers.cpuc.ca.gov/pao/. You may also contact the PAO as follows:

CPUC Public Advisor's Office 505 Van Ness Avenue San Francisco, CA 94102 public.advisor@cpuc.ca.gov 1 (866) 849-8390 (toll-free) or 1 (415) 703-2074 1 (866) 836-7825 (toll-free) or TTY 1 (415) 703-5282

Please refer to **Liberty Apple Valley's GRC Application No. 18-01-002** in any communications with the CPUC regarding this matter. These comments will become part of the public correspondence file for this proceeding and made available for review to the assigned Judge, the Commissioners, and appropriate CPUC staff.

LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP.