

Appendix C

Attachment 4 – Example Script for Call Center Employees

August, 2013

TO: All Customer Relations Employees

RE: Infrastructure System Replacement Surcharge (ISRS)

Liberty Utilities website description of the ISRS charge:

MISSOURI ISRS CHARGE

The infrastructure system replacement surcharge (ISRS) is a set, monthly charge that covers only a part of the expenses that the Company must incur to maintain and upgrade its system and to relocate facilities in connection with local, state and federal public improvement projects and safety requirements. In general, the ISRS charge to cover these costs is smaller for residential customers, while larger users in other customer classes are charged a greater amount.

Effective August 1, 2013, the existing Missouri Infrastructure System Replacement Surcharge (ISRS), will range from \$1.48 to \$2.72 on Liberty Utilities residential and small general service Missouri customer monthly bills. Medium general service customer ISRS charge will range between \$8.74 and \$12.01; while large general service and interruptible customer charges will be between \$43.70 and \$60.04. These costs for natural gas customers' pipeline replacements and/or relocations are not currently included in Liberty Utilities rates.

The ISRS covers a portion of the expenses that the Company must incur to maintain and upgrade its system and to relocated facilities in connection with local, state, and federal public improvement projects and safety requirements.

The ISRS covers the costs for:

- Moving or upgrading facilities in connection with mandated safety projects
- Certain public improvement projects such as street or highway widening.

The ISRS does NOT apply to:

- Costs for privately funded projects where Liberty Utilities is reimbursed by other parties. These costs are not included in the ISRS charge or are they being recovered from Liberty Utilities customers.

The exact amount of the ISRS charge can be found by reviewing the “Bill Detail” screen in Banner.

The first ISRS bill for each customer will contain a bill message on the front of the bill known as the initial notice. Once each year, bills will also contain a different ISRS notice bill insert, referred to as the annual ISRS notice. (Please see Attachment 1 for initial bill message and annual ISRS notice bill insert.)

Attachment 1 is the tariff sheet showing all of the monthly ISRS rates for the various customer classes. Please ignore the effective date on this tariff page, as the effective date will be the date at the beginning of this memo.

Attachment 5 is a sample residential bill for a Northeast Missouri customer. As you can see, the monthly ISRS charge on that sample bill is \$0.68.

Customers who call with ISRS questions during the first month that ISRS bills are rendered may be directed to the bill message on the front of the bill. An explanation of the ISRS charges can also be found on the Liberty Utilities website, www.libertyutilities.com, under My Account / Billing & Payment / How to Read Your Gas Bill. If customers seek to discuss the ISRS charge in greater detail, please emphasize the following:

- The ISRS covers a portion of the expenses that the Company must incur to maintain and upgrade its system and to relocate facilities in connection with local, state, and federal public improvement projects and safety requirements.
- ISRS is authorized by Missouri law, which allows gas utilities like Liberty Utilities to adjust their rates twice per year to recover these mandated costs.
- None of the mandated costs and projects covered by ISRS produce any new revenue for the Company. Any projects for which Liberty Utilities is separately reimbursed are not included in the ISRS.
- The financial impact of the ISRS is very modest. It is less for residential customers than for larger commercial and industrial customers.