

Liberty Utilities Co.

Liberty Utilities Co.'s (LUCo) 'BBB' Long-Term Issuer Default Rating (IDR) primarily reflects the company's low-risk regulated electric, natural gas, water and wastewater utility operations and adequate financial profile. Liberty Utilities Finance GP1 (Liberty Finance) is a financing vehicle for LUCo. All outstanding debt of Liberty Finance is fully and unconditionally guaranteed by LUCo and ranks pari passu with LUCo's senior unsecured debt.

Key Rating Drivers

Diversified Portfolio of Utilities: LUCo's rating reflects the company's low-risk regulated electric, natural gas, water and wastewater utility operations and adequate financial profile. Liberty Finance is a financing vehicle for LUCo; its senior unsecured notes are fully and unconditionally guaranteed by LUCo and rank pari passu with LUCo's senior unsecured debt. LUCo benefits from its diversified portfolio of regulated utility operations across 13 states. This asset diversification mitigates the company's exposure to any regional or state-specific shocks that could affect cash flows.

LUCo was built up through several acquisitions, most significantly of The Empire District Electric Company on Jan. 1, 2017. Empire District, which operates in Missouri, accounts for roughly half of LUCo's EBITDA. LUCo has been acquisitive, primarily looking for smaller utility systems that could benefit from operational efficiencies. Fitch does not expect any material acquisitions over the forecast period following the termination of the Kentucky Power acquisition earlier this year.

Adequate Financial Metrics: LUCo's financial profile is supported by stable and predictable earnings from regulated utility operations. Fitch calculates 2022 FFO leverage at 4.5x and expects LUCo's FFO leverage to remain in line with the ratings over the forecast. LUCo's overall regulatory environment is considered balanced, although it has recently been affected by inflationary pressures and rate case delays.

Ratings

Long-Term IDR	BBB
Short-Term IDR	F2
Senior Unsecured Debt – Short-Term Rating	F2

Outlook

Long-Term Foreign Currency IDR	Stable
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[Click here for the full list of ratings](#)

2035 Climate Vulnerability Signal: 42

Applicable Criteria

[Corporate Rating Criteria – Effective from 28 October 2022 to 3 November 2023 \(October 2022\)](#)

[Parent and Subsidiary Linkage Rating Criteria – Effective from 1 December 2021 to 16 June 2023 \(December 2021\)](#)

[Corporates Recovery Ratings and Instrument Ratings Criteria – Effective from 9 April 2021 to 13 October 2023 \(April 2021\)](#)

[Corporate Hybrids Treatment and Notching Criteria \(November 2020\)](#)

Related Research

[Global Corporates Macro and Sector Forecasts](#)

[North American Utilities, Power & Gas Dashboard: Second-Quarter 2023 \(July 2023\)](#)

[North American Utilities, Power & Gas Outlook 2023 \(December 2022\)](#)

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Financial Summary

(\$ mil.)	2019	2020	2021	2022
Gross revenue	1,349	1,302	1,614	1,961
EBITDA	492	489	536	652
CFO (Fitch-defined)	345	421	52	296
Capital intensity (capex/revenue) (%)	34.1	52.0	56.2	38.9
Debt	2,460	2,092	2,144	2,624
FFO interest coverage (x)	4.8	5.9	7.0	6.3
FFO leverage (x)	5.5	3.9	4.2	4.5
EBITDA leverage (x)	5.0	4.3	4.0	4.1

CFO – Cash flow from operations
 Source: Fitch Ratings, Fitch Solutions

Rating Derivation Relative to Peers

LUCo benefits from significant geographic and regulatory diversification. LUCo consists of electric, natural gas, and water and wastewater utility systems in 13 states. This portfolio compares favorably with larger single-state utilities from a diversification perspective, although its larger peers may benefit more from efficiencies of scale. A significant amount of LUCo's EBITDA is exposed to Missouri, which historically has had a somewhat challenging regulatory environment, although it became more balanced in recent years.

Peer Southwestern Public Service Company (SPS; BBB/Stable) is an integrated electric utility that operates in two states, Texas and New Mexico, with challenging regulatory environments. SPS lacks the diversification of LUCo, but is a larger utility that also benefits from being a subsidiary of higher-rated Xcel Energy Inc. (BBB+/Stable), a much larger and fully regulated utility family. LUCo's financial metrics are slightly weaker than those of SPS. Fitch forecasts LUCo's FFO leverage to remain in line with the ratings through 2025. Fitch expects SPS's FFO leverage to average around 4.4x–4.6x over the forecast period.

Rating Sensitivities

Factors that Could, Individually or Collectively, Lead to Positive Rating Action/Upgrade

- FFO leverage expected to remain below 4.5x on a sustained basis.

Factors that Could, Individually or Collectively, Lead to a Negative Rating Action/Downgrade

- FFO leverage expected to exceed 5.7x on a sustained basis;
- Adverse regulatory decisions that result in less-timely cost recovery or significantly weaker financial metrics;
- A two-notch downgrade of parent Algonquin Power & Utilities Corp.'s (BBB/Stable) Long-Term IDR would result in a downgrade of LUCo's Long-Term IDR.

Liquidity and Debt Structure

Adequate Liquidity: Fitch considers LUCo's liquidity to be adequate. LUCo primarily meets its short-term liquidity needs through the issuance of CP under its \$500 million CP program. LUCo also has a \$1 billion senior unsecured revolving credit facility (RCF) that matures April 29, 2027 and a \$500 million short-term senior unsecured RCF that matures Oct. 25, 2025. LUCo requires modest cash on hand to fund its operations. Long-term debt maturities over the next five years are manageable.

ESG Considerations

The highest level of ESG credit relevance is a score of '3', unless otherwise disclosed in this section. A score of '3' means ESG issues are credit-neutral or have only a minimal credit impact on the entity, either due to their nature or the way in which they are being managed by the entity. Fitch's ESG Relevance Scores are not inputs in the rating process; they are an observation on the relevance and materiality of ESG factors in the rating decision. For more information on Fitch's ESG Relevance Scores, visit <https://www.fitchratings.com/topics/esg/products#esg-relevance-scores>.

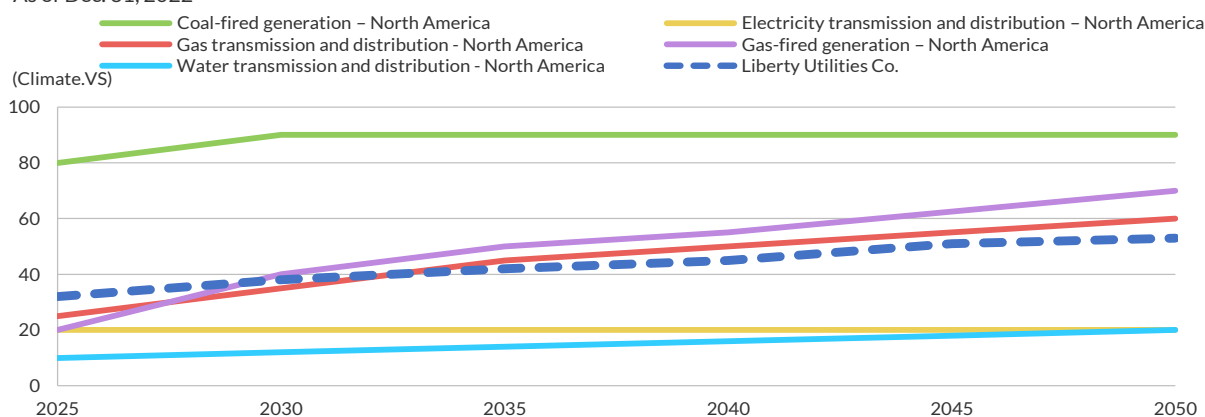
Climate Vulnerability Considerations

Fitch uses Climate Vulnerability Signals (Climate.VS) as a screening tool to identify sectors and Fitch-rated issuers that are potentially most exposed to credit-relevant climate transition risks and, therefore, require additional consideration of these risks in rating reviews. Climate.VS range from 0 (lowest risk) to 100 (highest risk). For more information on Climate.VS, see Fitch’s [Corporate Rating Criteria](#).

LUCo’s 2022 Climate.VS is 42 in 2035. The score reflects LUCo’s combination of large electric transmission and distribution operations, coal- and gas-fired generation, and smaller gas transmission and generation business. For further information on how Fitch perceives climate-related risks in the Utilities sector, see [Utilities – Long-Term Climate Vulnerability Signals Update](#).

Climate.VS Evolution

As of Dec. 31, 2022



Source: Fitch Ratings

Liquidity and Debt Maturities

Liquidity Analysis

(\$ mil., as of Dec. 31)	2021	2022
Total cash and cash equivalents	8	0
Short-term investments	0	0
Less not readily available cash and cash equivalents	0	0
Fitch-defined readily available cash and cash equivalents	8	0
Availability under committed lines of credit	1,188	1,546
Total liquidity	1,196	1,546
LTM EBITDA after associates and minorities	536	641
LTM FCF	-944	-613

Source: Fitch Ratings, Fitch Solutions, Liberty Utilities Co.

Scheduled Debt Maturities

(\$ mil.)	12/31/22
2023	1,124
2024	90
2025	30
2026	7
2027	404
Thereafter	969
Total	2,624

Source: Fitch Ratings, Fitch Solutions, Liberty Utilities Co.

Key Assumptions

Fitch's Key Assumptions Within Our Rating Case for the Issuer Include

- Normal weather;
- Capex in line with management's guidance;
- Securitization debt and related revenue to serve the debt is excluded from the FFO leverage calculation.

Financial Data

(\$ mil.)	2019	2020	2021	2022
Summary income statement				
Gross revenue	1,348.5	1,301.9	1,613.8	1,961.5
Revenue growth (%)	-3.7	-3.5	24.0	21.5
EBITDA before income from associates	491.8	488.8	535.5	651.7
EBITDA margin (%)	36.5	37.5	33.2	33.2
EBITDA after associates and minorities	491.2	487.7	535.5	641.2
EBITDAR	492.7	488.8	535.5	651.7
EBITDAR margin (%)	36.5	37.5	33.2	33.2
EBIT	308.2	301.7	321.4	388.7
EBIT margin (%)	22.9	23.2	19.9	19.8
Gross interest expense	-93.3	-90.9	-72.4	-92.7
Pretax income including associate income/loss	189.7	177.2	226.8	285.1
Summary balance sheet				
Readily available cash and equivalents	5.8	18.1	8.1	—
Debt	2,460.2	2,091.9	2,143.7	2,624.3
Lease-adjusted debt	2,467.3	2,091.9	2,143.7	2,624.3
Net debt	2,454.4	2,073.8	2,135.6	2,624.3
Summary cash flow statement				
EBITDA	491.8	488.8	535.5	651.7
Cash interest paid	-93.3	-90.9	-72.4	-92.7
Cash tax	-9.1	3.7	0.8	1.2
Dividends received less dividends paid to minorities (inflow/outflow)	-0.6	-1.1	—	-10.5
Other items before FFO	-37.5	42.8	-27.2	-60.4
FFO	351.3	443.4	436.7	505.8
FFO margin (%)	26.0	34.1	27.1	25.8
Change in working capital	-6.5	-22.5	-385.1	-209.3
CFO (Fitch-defined)	344.8	420.8	51.6	296.5
Total non-operating/nonrecurring cash flow	—	—	—	—
Capex	-460.0	-676.9	-906.4	-763.6
Capital intensity (capex/revenue) (%)	34.1	52.0	56.2	38.9
Common dividends	-108.7	-234.0	-88.9	-145.8
FCF	-223.9	-490.1	-943.7	-613.0
FCF margin (%)	-16.6	-37.6	-58.5	-31.3
Net acquisitions and divestitures	-62.0	—	-20.4	-632.8
Other investing and financing cash flow items	4.0	-8.9	526.3	-7.2
Net debt proceeds	133.8	-173.4	-553.2	492.5
Net equity proceeds	154.0	691.0	989.6	763.5
Total change in cash	4.2	17.1	-2.1	-8.1
Leverage ratios (x)				
EBITDA leverage	5.0	4.3	4.0	4.1

(\$ mil.)	2019	2020	2021	2022
EBITDA net leverage	5.0	4.3	4.0	4.1
EBITDAR leverage	5.0	4.3	4.0	4.1
EBITDAR net leverage	5.0	4.3	4.0	4.1
EBITDAR net fixed-charge coverage	5.2	5.4	7.4	8.4
FFO-adjusted leverage	5.5	3.9	4.2	4.5
FFO-adjusted net leverage	5.5	3.9	4.2	4.5
FFO leverage	5.5	3.9	4.2	4.5
FFO net leverage	5.5	3.9	4.2	4.5
Calculations for forecast publication				
Capex, dividends, acquisitions and other items before FCF	-630.6	-910.9	-1,015.7	-1,542.2
FCF after acquisitions and divestitures	-285.8	-490.1	-964.1	-1,245.8
FCF margin after net acquisitions (%)	-21.2	-37.6	-59.7	-63.5
Coverage ratios (x)				
FFO interest coverage	4.8	5.9	7.0	6.3
FFO fixed-charge coverage	4.7	5.9	7.0	6.3
EBITDAR fixed-charge coverage	5.2	5.4	7.4	6.9
EBITDA interest coverage	5.3	5.4	7.4	6.9
Additional metrics (%)				
CFO - capex/debt	-4.7	-12.2	-39.9	-17.8
CFO - capex/net debt	-4.7	-12.3	-40.0	-17.8
CFO/capex	75.0	62.2	5.7	38.8

CFO - Cash flow from operations
 Source: Fitch Ratings, Fitch Solutions

Ratings Navigator

FitchRatings

Liberty Utilities Co.

ESG Relevance:

Corporates Ratings Navigator
North American Utilities

Factor Levels	Sector Risk Profile	Operating Environment	Business Profile				Financial Profile			Issuer Default Rating
			Management and Corporate Governance	Regulatory Environment	Market Position	Asset Base and Operations	Commodity Exposure	Profitability	Financial Structure	
aaa										AAA
aaa+										AA+
aa										AA
aa-										AA-
a+										A+
a										A
a-										A-
bbb+										BBB+
bbb										BBB
bbb-										BBB-
bb+										BB+
bb										BB
bb-										BB-
b+										B+
b										B
b-										B-
ccc+										CCC+
ccc										CCC
ccc-										CCC-
cc										CC
c										C
d or rd										D or RD

Bar Chart Legend:	
Vertical Bars = Range of Rating Factor	Bar Arrows = Rating Factor Outlook
Bar Colors = Relative Importance	<ul style="list-style-type: none"> ↑ Positive ↓ Negative ↕ Evolving □ Stable
<ul style="list-style-type: none"> Red: Higher Importance Dark Blue: Average Importance Light Blue: Lower Importance 	

Operating Environment

aa+	Economic Environment	aa	Very strong combination of countries where economic value is created and where assets are located.
aa	Financial Access	aa	Very strong combination of issuer specific funding characteristics and of the strength of the relevant local financial market.
	Systemic Governance	aa	Systemic governance (eg rule of law, corruption; government effectiveness) of the issuer's country of incorporation consistent with 'aa'.
b-			
ccc+			

Regulatory Environment

a	Degree of Transparency and Predictability	bbb	Generally transparent and predictable regulation with limited political interference.
a-	Timeliness of Cost Recovery	a	Minimal lag to recover capital and operating costs.
bbb+	Trend in Authorized ROEs	bbb	Average authorized ROE.
bbb	Mechanisms Available to Stabilize Cash Flows	bbb	Revenues partially insulated from variability in consumption.
bbb-	Mechanisms Supportive of Creditworthiness	bbb	Effective regulatory ring-fencing or minimum creditworthiness requirements.

Asset Base and Operations

a-	Diversity of Assets	bbb	Good quality and/or reasonable scale diversified assets.
bbb+	Operations Reliability and Cost Competitiveness	a	Track record of reliable, low-cost operations.
bbb	Exposure to Environmental Regulations	bbb	Limited or manageable exposure to environmental regulations.
bbb-	Capital and Technological Intensity of Capex	bbb	Moderate reinvestments requirements in established technologies.
bb+			

Profitability

a-	Free Cash Flow	bbb	Structurally neutral to negative FCF across the investment cycle.
bbb+	Volatility of Profitability	bbb	Stability and predictability of profits in line with utility peers.
bbb			
bbb-			
bb+			

Financial Flexibility

a	Financial Discipline	a	Clear commitment to maintain a conservative policy with only modest deviations allowed.
a-	Liquidity	bbb	One-year liquidity ratio above 1.25x. Well-spread maturity schedule of debt but funding may be less diversified.
bbb+	FFO Interest Coverage	bbb	4.5x
bbb			
bbb-			

How to Read This Page: The left column shows the three-notch band assessment for the overall Factor, illustrated by a bar. The right column breaks down the Factor into Sub-Factors, with a description appropriate for each Sub-Factor and its corresponding category.

Management and Corporate Governance

a	Management Strategy	a	Coherent strategy and good track record in implementation.
a-	Governance Structure	bbb	Good CG track record but effectiveness/independence of board less obvious. No evidence of abuse of power even with ownership concentration.
bbb+	Group Structure	bbb	Some group complexity leading to somewhat less transparent accounting statements. No significant related-party transactions.
bbb	Financial Transparency	bbb	Good quality reporting without significant failing. Consistent with the average of listed companies in major exchanges.
bbb-			

Market Position

a	Market Structure	a	Well-established market structure with complete transparency in price-setting mechanisms.
a-	Consumption Growth Trend	bbb	Customer and usage growth in line with industry averages.
bbb+	Customer Mx	a	Favorable customer mix.
bbb	Geographic Location	a	Favorable location or high geographic diversity.
bbb-	Supply Demand Dynamics	bbb	Moderately favorable outlook for prices/rates.

Commodity Exposure

a	Ability to Pass Through Changes in Fuel	a	Complete pass-through of commodity costs.
a-	Underlying Supply Mx	bbb	Low variable costs and moderate flexibility of supply.
bbb+	Hedging Strategy	a	Highly captive supply and customer base.
bbb			
bbb-			

Financial Structure

bbb+	EBITDA Leverage	bb	4.75x
bbb	FFO Leverage	bbb	5.0x
bbb-			
bb+			
bb			

Credit-Relevant ESG Derivation

				Overall ESG
Liberty Utilities Co. has 12 ESG potential rating drivers				
key driver	0	issues	5	
driver	0	issues	4	
potential driver	12	issues	3	
not a rating driver	2	issues	2	
	0	issues	1	

Showing top 6 issues
For further details on Credit-Relevant ESG scoring, see page 3.

Credit-Relevant ESG Derivation

Liberty Utilities Co. has 12 ESG potential rating drivers

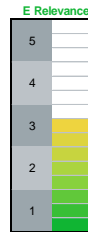
- ➔ Liberty Utilities Co. has exposure to emissions regulatory risk but this has very low impact on the rating.
- ➔ Liberty Utilities Co. has exposure to energy productivity risk but this has very low impact on the rating.
- ➔ Liberty Utilities Co. has exposure to waste & impact management risk but this has very low impact on the rating.
- ➔ Liberty Utilities Co. has exposure to extreme weather events but this has very low impact on the rating.
- ➔ Liberty Utilities Co. has exposure to access/affordability risk but this has very low impact on the rating.
- ➔ Liberty Utilities Co. has exposure to customer accountability risk but this has very low impact on the rating.

Showing top 6 issues

	key driver	0	issues	5	ESG Relevance to Credit Rating
	driver	0	issues	4	
	potential driver	12	issues	3	
	not a rating driver	2	issues	2	
		0	issues	1	

Environmental (E) Relevance Scores

General Issues	E Score	Sector-Specific Issues	Reference
GHG Emissions & Air Quality	3	Emissions from operations	Asset Base and Operations; Commodity Exposure; Regulation; Profitability
Energy Management	3	Fuel use to generate energy and serve load	Asset Base and Operations; Commodity Exposure; Profitability
Water & Wastewater Management	2	Water used by hydro plants or by other generation plants, also effluent management	Asset Base and Operations; Regulation; Profitability
Waste & Hazardous Materials Management; Ecological Impacts	3	Impact of waste from operations	Asset Base and Operations; Regulation; Profitability
Exposure to Environmental Impacts	3	Plants' and networks' exposure to extreme weather	Asset Base and Operations; Regulation; Profitability



How to Read This Page

ESG relevance scores range from 1 to 5 based on a 15-level color gradation. Red (5) is most relevant to the credit rating and green (1) is least relevant.

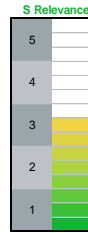
The Environmental (E), Social (S) and Governance (G) tables break out the ESG general issues and the sector-specific issues that are most relevant to each industry group. Relevance scores are assigned to each sector-specific issue, signaling the credit-relevance of the sector-specific issues to the issuer's overall credit rating. The Criteria Reference column highlights the factor(s) within which the corresponding ESG issues are captured in Fitch's credit analysis. The vertical color bars are visualizations of the frequency of occurrence of the highest constituent relevance scores. They do not represent an aggregate of the relevance scores or aggregate ESG credit relevance.

The Credit-Relevant ESG Derivation table's far right column is a visualization of the frequency of occurrence of the highest ESG relevance scores across the combined E, S and G categories. The three columns to the left of ESG Relevance to Credit Rating summarize rating relevance and impact to credit from ESG issues. The box on the far left identifies any ESG Relevance Sub-factor issues that are drivers or potential drivers of the issuer's credit rating (corresponding with scores of 3, 4 or 5) and provides a brief explanation for the relevance score. All scores of '4' and '5' are assumed to result in a negative impact unless indicated with a '+' sign for positive impact.

Classification of ESG issues has been developed from Fitch's sector ratings criteria. The General Issues and Sector-Specific Issues draw on the classification standards published by the United Nations Principles for Responsible Investing (PRI), the Sustainability Accounting Standards Board (SASB), and the World Bank.

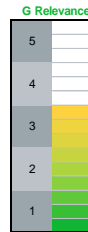
Social (S) Relevance Scores

General Issues	S Score	Sector-Specific Issues	Reference
Human Rights, Community Relations, Access & Affordability	3	Product affordability and access	Asset Base and Operations; Regulation; Profitability; Financial Structure
Customer Welfare - Fair Messaging, Privacy & Data Security	3	Quality and safety of products and services; data security	Regulation; Profitability
Labor Relations & Practices	3	Impact of labor negotiations and employee (dis)satisfaction	Asset Base and Operations; Profitability
Employee Wellbeing	2	Worker safety and accident prevention	Profitability; Asset Base and Operations
Exposure to Social Impacts	3	Social resistance to major projects that leads to delays and cost increases	Asset Base and Operations; Profitability



Governance (G) Relevance Scores

General Issues	G Score	Sector-Specific Issues	Reference
Management Strategy	3	Strategy development and implementation	Management and Corporate Governance
Governance Structure	3	Board independence and effectiveness; ownership concentration	Management and Corporate Governance
Group Structure	3	Complexity, transparency and related-party transactions	Management and Corporate Governance
Financial Transparency	3	Quality and timing of financial disclosure	Management and Corporate Governance



CREDIT-RELEVANT ESG SCALE

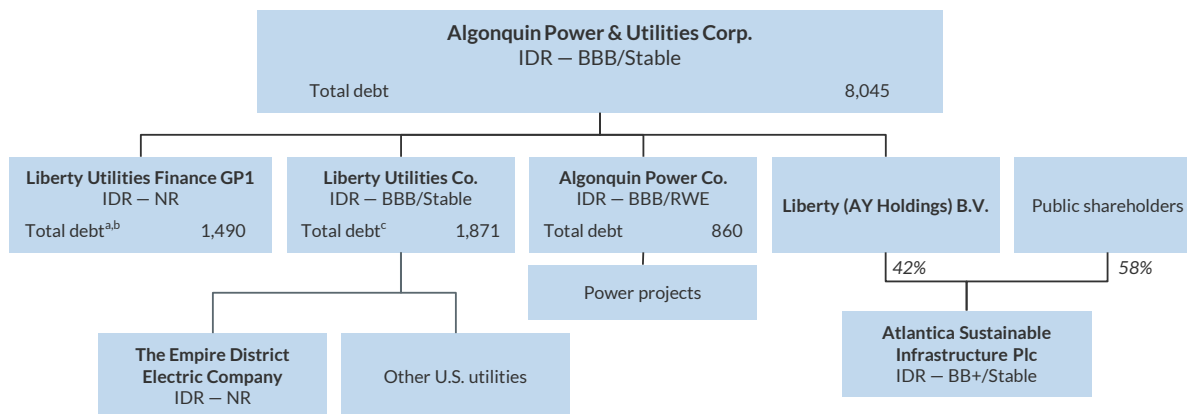
How relevant are E, S and G issues to the overall credit rating?

5	Highly relevant, a key rating driver that has a significant impact on the rating on an individual basis. Equivalent to "higher" relative importance within Navigator.
4	Relevant to rating, not a key rating driver but has an impact on the rating in combination with other factors. Equivalent to "moderate" relative importance within Navigator.
3	Minimally relevant to rating, either very low impact or actively managed in a way that results in no impact on the entity rating. Equivalent to "lower" relative importance within Navigator.
2	Inrelevant to the entity rating but relevant to the sector.
1	Inrelevant to the entity rating and irrelevant to the sector.

Simplified Group Structure Diagram

Organizational Structure

\$ mil., as of March 31, 2023



^aDebt guaranteed by Liberty Utilities Co. ^bExcludes lending to related entities treated as equity injection. ^cIncludes debt at The Empire District Electric Company and other U.S. utilities. IDR – Issuer Default Rating. NR – Not rated. RWE – Rating Watch Evolving.
Source: Fitch Ratings, Fitch Solutions, Liberty Utilities Co.

Peer Financial Summary

Company	Issuer Default Rating	Financial statement date	Gross revenue (\$ mil.)	FFO (\$ mil.)	FFO interest coverage (x)	FFO leverage (x)	EBITDA leverage (x)
Liberty Utilities Co.	BBB						
	BBB	2022	1,961	506	6.3	4.5	4.1
	BBB	2021	1,614	437	7.0	4.2	4.0
Southern Power Company	BBB	2020	1,302	443	5.9	3.9	4.3
	BBB+						
	BBB+	2022	3,369	548	4.9	4.7	4.7
	BBB+	2021	2,216	641	5.4	5.0	8.9
	BBB+	2020	1,733	647	5.1	4.8	7.1

Source: Fitch Ratings, Fitch Solutions

Fitch Adjusted Financials

(\$ mil., as of Dec. 31, 2022)	Notes and formulas	Standardized values	Lease treatment	Other adjustments	Adjusted values
Income statement summary					
Revenue		1,961	–	–	1,961
EBITDA	(a)	652	–	–	652
Depreciation and amortization		-263	–	–	-263
EBIT		389	–	–	389
Balance sheet summary					
Debt	(b)	2,624	–	–	2,624
Of which other off-balance-sheet debt		–	–	–	–
Lease-equivalent debt		–	–	–	–
Lease-adjusted debt		2,624	–	–	2,624
Readily available cash and equivalents	(c)	–	–	–	–
Not readily available cash and equivalents		–	–	–	–
Cash flow summary					

(\$ mil., as of Dec. 31, 2022)	Notes and formulas	Standardized values	Lease treatment	Other adjustments	Adjusted values
EBITDA	(a)	652	—	—	652
Dividends received from associates less dividends paid to minorities	(d)	-10	—	—	-10
Interest paid	(e)	-97	—	4	-93
Interest received	(f)	16	—	—	16
Preferred dividends paid	(g)	—	—	—	—
Cash tax paid		1	—	—	1
Other items before FFO		-56	—	-4	-60
FFO	(h)	506	—	—	506
Change in working capital		-209	—	—	-209
CFO	(i)	296	—	—	296
Non-operating/nonrecurring cash flow		—	—	—	—
Capex	(j)	-764	—	—	-764
Common dividends paid		-146	—	—	-146
FCF		-613	—	—	-613
Gross leverage (x)					
EBITDA leverage	b / (a+d)	4.1	—	—	4.1
(CFO - capex)/debt (%)	(i+j) / b	-17.8	—	—	-17.8
Net leverage (x)					
EBITDA net leverage	(b-c) / (a+d)	4.1	—	—	4.1
(CFO - capex)/net debt (%)	(i+j) / (b-c)	-17.8	—	—	-17.8
Coverage (x)					
EBITDA interest coverage	(a+d) / (-e)	6.6	—	—	6.9

CFO - Cash flow from operations Note: The standardized items presented above are based on Fitch's taxonomy for the given sector and region. Reported items may not match the Fitch taxonomy, but they are captured into corresponding lines accordingly. Debt includes other off-balance-sheet debt.

Source: Fitch Ratings, Fitch Solutions, Liberty Utilities Co.

SOLICITATION & PARTICIPATION STATUS

For information on the solicitation status of the ratings included within this report, please refer to the solicitation status shown in the relevant entity's summary page of the Fitch Ratings website.

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