

Exhibit No.:
Issue(s): *Rate Design/Consolidation
& Miscellaneous Service
Charges*
Witness: *Melanie Clark*
Sponsoring Party: *MoPSC Staff*
Type of Exhibit: *Direct Testimony*
Case No.: *WR-2024-0104*
Date Testimony Prepared: *September 10, 2024*

MISSOURI PUBLIC SERVICE COMMISSION
FINANCIAL AND BUSINESS ANALYSIS DIVISION
AUDITING DEPARTMENT

DIRECT TESTIMONY
OF
MELANIE MAREK

LIBERTY UTILITIES (Missouri Water) LLC,
d/b/a Liberty

CASE NO. WR-2024-0104

Jefferson City, Missouri
September 2024

1 **DIRECT TESTIMONY OF**

2 **MELANIE MAREK**

3 **LIBERTY UTILITIES (Missouri Water) LLC, d/b/a LIBERTY**

4 **CASE NO. WR-2024-0104**

5 Q. Please state your name and business address.

6 A. My name is Melanie Marek and my business address is 200 Madison Street,
7 P.O. Box 360, Jefferson City, Missouri 65102.

8 Q. By whom are you employed and in what capacity?

9 A. I am employed by the Missouri Public Service Commission (“Commission”) as
10 a Lead Senior Utility Regulatory Auditor in the Auditing Department, Financial and Business
11 Analysis Division.

12 Q. Please describe your educational background and work experience.

13 A. My credentials are attached as Schedule MM-d1.

14 Q. What is the purpose of this direct testimony?

15 A. The purpose of this direct testimony is to provide the Commission with Staff’s
16 (“Staff”) recommended rate design, rate consolidation, and miscellaneous service charges for
17 the Liberty Utilities (Missouri Water) LLC, d/b/a Liberty (“Liberty Water”) rate case.

18 **RATE DESIGN**

19 Q. What is the purpose of Staff’s rate design?

20 A. The purpose is to design rates that are just and reasonable, and can be utilized
21 by Liberty Water to collect the total revenue requirement. Staff seeks to maintain predictability
22 for customers where possible and avoid rate shocks, while also maintaining an opportunity for
23 Liberty Water to remain financially stable, and continue to provide safe and adequate service.

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1 Q. What is the current rate structure?

2 A. The rate structure currently consists of a fixed monthly customer charge and a
3 commodity (usage) charge on most systems. A fixed monthly customer charge is an amount
4 each customer is charged to recover mostly fixed costs for a company to provide service.
5 A commodity or usage charge is an additional amount charged to each customer based on usage
6 and assists a company in recovering the more variable costs to provide service.

7 Q. How are Liberty Water's rates currently structured?

8 A. Liberty has 15 different tariffed areas for water, each with its own customer
9 charge and commodity charge. Liberty Water also has five different tariffed areas for sewer,
10 some of these areas have a customer charge and a commodity charge based on water usage and
11 some just have a customer charge.

12 Q. What are Liberty Water's current water rates?

13 A. There are multiple systems and rates set currently. The current water rates are
14 listed by tariffed area in Schedule MM-d2.

15 Q. What are Liberty Water's current sewer rates?

16 A. There are multiple systems and rates set currently. The current sewer rates are
17 listed by tariffed area in Schedule MM-d3.

18 Q. Why does Liberty Water have so many existing rates?

19 A. Over the past few years, Liberty Water has acquired water and sewer companies,
20 as well as a municipality, and adopted the existing rates established for those systems.

21 Q. Did Staff perform a Class Cost of Study ("CCOS") in this rate case?

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1 A. No. Based on the information provided in multiple rounds of data requests¹
2 (“DR”), Staff has determined that the cost to provide service to Liberty Water’s commercial
3 and residential consumers are the same. There is no additional treatment or distribution
4 equipment to support the commercial customers, and there are no unique costs for
5 Liberty Water to service the existing commercial customers. Therefore, it is not necessary to
6 complete a CCOS in this case.

7 Q. How did Staff determine rates?

8 A. Staff used the Cost of Service (“COS”), as calculated by the
9 Auditing Department and included in the direct testimony of Staff witness Amanda McMellen,
10 to design rates necessary to recover the COS.

11 Q. Is Staff proposing to add a new rate structure to the current rate structures already
12 approved by the Commission for Liberty Water’s water customers?

13 A. Yes. Staff proposes a flat-rate rate for all of Liberty Water’s water customers
14 that do not have meters in place. A flat rate is one in which the customer is only charged a
15 customer charge and not an additional commodity charge. Staff is also proposing that all
16 metered water customers have a monthly customer charge and commodity rate for usage, rather
17 than a minimum amount of water usage included in the customer charge, as some of its system’s
18 rates currently have.

19 Q. Is Staff proposing to add a new rate structure to the current rate structures already
20 approved by the Commission for Liberty Water’s sewer customers?

21 A. Yes and no. Staff proposes keeping the current rate structure containing a
22 customer charge and a commodity charge for Bolivar customers. For all other sewer customers,

¹ Staff DRs 0107, 0140, 0141, & 0142.

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1 Staff proposes a flat monthly customer charge only, not subject to water usage as some of the
2 rates currently have. It is Staff's position since most sewer costs are fixed, the flat rate will
3 recover these costs more appropriately, and set a flat rate for the unmetered customers.

4 Q. Is Staff proposing a change to the current rate design?

5 A. Yes. It is Staff's position that the rate design should be consolidated to two rate
6 districts for water and two rate districts for sewer. One water rate district and one sewer rate
7 district will solely be the system in Bolivar based on its significant current and future cost
8 liabilities that are not shared by the other customers.² Staff proposes that all other customers be
9 consolidated into the second district for water and for sewer.

10 Q. How did Staff design its proposed rate design?

11 A. As with other companies with multiple systems and in addition to being more
12 efficient from an administrative perspective, Staff supports combining rates for water rate
13 districts and sewer rate districts so as to mitigate rate shock to the extent possible. All treatment
14 systems eventually need significant investment and consolidating rates in this manner smooths
15 out the individual increases that would otherwise be required.

16 Q. Is Liberty Water charging rates that are not authorized in its tariff?

17 A. Yes. Staff has learned that Liberty Water is currently charging flat rates for some
18 water customers that are not authorized in Liberty Water's tariffs³.

19 Q. What reasoning did Liberty Water provide for charging rates not authorized in
20 its tariffs?

² *Global Stipulation and Agreement*, WA-2020-0397

³ Responses to Staff DRs 0026, 0026.1, 0108, 0108.1, 0108.2, 0108.3, 0108.4, 0225

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1 A. Liberty Water states it currently utilizes an assumed monthly usage to bill
2 unmetered customers. Of the unmetered customers, some have construction completed over the
3 meter, rendering it ‘inaccessible’. It is Staff’s understanding that the City of Bolivar allowed
4 these customers to render the meters ‘inaccessible’, whether through construction over the
5 meters or other means. In addition, Liberty Water stated some other unmetered customers
6 appeared to have meters, but Liberty Water needed to research those customers further due to
7 a possible misclassification or faulty meter.

8 Q. Are there other instances of Liberty Water charging rates not authorized in
9 its tariffs?

10 A. Staff will provide more details of this in rebuttal testimony, however,
11 Liberty Water appears to have charged some customers rates that are not authorized in its tariff,
12 but also had a significant number of customer classes that did not appear in its tariff.
13 Liberty Water has subsequently revised many customer records to show what customer class
14 they actually are, and shown that most rates are appropriately charged. Staff continues its
15 investigation to determine if there are any other tariff violations.

16 Q. Does this concern prevent Staff from developing a rate design?

17 A. No. While the potential violations and unreliable data pose challenges, Staff is
18 proposing a rate design based upon the information available. If better data becomes available,
19 Staff will review and make appropriate updates.

20 Q. How did Staff develop the proposed customer charge?

21 A. The customer charge was developed using costs that are generally considered
22 fixed, and used primarily to serve a particular customer (such as meters and service lines), and

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1 the number of customers. These 'fixed' costs do not generally vary by how much water a
2 company produces or sells.

3 Q. How did Staff develop the proposed commodity charges?

4 A. Commodity charges are generally composed of costs that vary with water
5 production, such as electricity for pumping, chemical use, etc. As these costs vary with usage,
6 the customer charge will vary to appropriately cover these costs. It is Staff's position the
7 proposed commodity charges effectively recover the variable costs at a just and reasonable rate.
8 Staff does not believe a commodity charge is needed for Liberty Water's sewer systems.

9 Q. How did Staff design its proposed rates for water?

10 A. Staff's rate design for Liberty Water's water operations is based on the revenue
11 requirements developed by Staff's Auditing Department. The revenue requirement for the water
12 system in Bolivar is \$3,590,468, an increase of \$2,130,869. Likewise, the revenue requirement
13 for all other water systems is \$9,272,990, an increase of \$5,087,064. After applying the general
14 principles discussed previously, Staff reviews the resulting rates and may make adjustments
15 that are reasonable. Staff's results of proposed just and reasonable water rates are provided in
16 Schedule MM-d4, attached to this testimony. For further details on the revenue requirements,
17 please see the direct testimony of Staff witness Amanda McMellen.

18 Q. How did Staff design its proposed rates for sewer?

19 A. Staff's rate design for Liberty Water's sewer operations is based on the revenue
20 requirements developed by Staff's Auditing Department. The revenue requirement for the
21 sewer system in Bolivar is \$2,385,366, an increase of \$146,185. Likewise, the revenue
22 requirement for all other sewer systems is \$924,241, an increase of \$420,048. After applying
23 the general principles discussed previously, Staff reviews the resulting rates and may make

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1 adjustments that are reasonable. Staff's results of proposed just and reasonable sewer rates are
2 provided in Schedule MM-d5, attached to this testimony.

3 Q. What are Staff's proposed water rates?

4 A. Please see Schedule MM-d4 for a full list of the proposed water rates. For an
5 average residential water customer using 4,000 gallons per month, the bill would be \$86.22 in
6 District 1 (Bolivar), and \$75.90 in District 2 (all other Missouri Service Areas). Under Staff's
7 proposal unmetered residential customers in District 1 would pay a flat rate of \$92.17, and a
8 rate of \$80.64 in District 2.

9 Q. Is Staff proposing the flat rate be available for any other customers in the future?

10 A. No. Staff recommends the Commission order that the eventual language in the
11 compliance tariffs include a provision that specifies flat rates may be applied to existing
12 customers without meters, and the Bolivar customers which have 'inaccessible' meters, but that
13 no future metered customers be allowed to make their meters 'inaccessible'. As Liberty Water
14 acquires new unmetered customers in the future, initial rates for such customers will be
15 determined at the time of acquisition.

16 Q. What are the sewer rates Staff is proposing for Liberty Water?

17 A. Please see Schedule MM-d5 for a full list of the proposed sewer rates. For an
18 average residential sewer customer the bill would be \$51.68 in District 1 (Bolivar), and \$92.58
19 in District 2 (all other Missouri Service Areas). Under Staff's proposal unmetered residential
20 customers in District 1 would pay a flat rate of \$54.24.

21 Q. Do the current sewer rates for Liberty Water contain a commodity charge?

22 A. Some of the current sewer rates for Liberty Water have a commodity charge
23 based on water usage, but some do not.

1 Q. Is Staff proposing to keep the commodity charge for the Liberty Water sewer
2 customers subject to a commodity charge?

3 A. Yes and no. As discussed previously, it is Staff's position to ensure proper
4 recovery of fixed and variable costs while preventing rate shock; as well as, to include the
5 unmetered customers appropriately, the commodity charge based on water usage, should be
6 removed from the sewer rate design for all other systems except Bolivar.

7 Q. Has Staff prepared a billing impact list for the individual systems?

8 A. Yes, please see attachment Schedule MM-d6.

9 **MISCELLANEOUS SERVICE CHARGES**

10 Q. What are Miscellaneous Service Charges?

11 A. Miscellaneous Service Charges are designed to recover the actual costs to
12 Liberty Water associated with performing the services listed, such as disconnecting or
13 reconnecting water service, that are caused by a particular customer.

14 Q. Why does Staff review the Miscellaneous Service Charges during each
15 rate case?

16 A. Miscellaneous Service Charges are intended to ensure that the cost-causer for
17 these infrequent, but recurring services bears Liberty Water's actual cost of performing the
18 specific service. If adequate compensation is not obtained, then other ratepayers bear the
19 remaining costs through higher rates. If unreasonable, excessive compensation is obtained,
20 it could contribute to over-earning by a company.

21 Q. Is Staff proposing any changes to Liberty Water's Miscellaneous Service
22 Charges in the effective tariffs?

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1 A. Yes. Staff proposes an updated list of Miscellaneous Service Charges based on
2 the costs to perform the services, as described in Liberty Water's response to Staff
3 DR No. 0084.0, 0084.1 and 0084.2. Please see Schedule MM-d7, attached to this testimony for
4 Staff's proposed charges. Due to the geographic distribution of customers and Liberty Water
5 personnel, labor costs to perform some services are quite high. Staff proposes an incremental
6 increase in the Miscellaneous Service Charges to more closely reflect the actual cost of the
7 services, while attempting to prevent creating additional barriers for customers who have had
8 service disconnected due to non-payment.

9 Q. Does Staff have any further concerns related to the Miscellaneous
10 Service Charges?

11 A. Yes. Staff was unable to identify how much revenue Liberty Water collected
12 associated with each type of service charge. Staff recommends the Commission order
13 Liberty Water to immediately begin booking collections of each revenue type separately, and
14 separate for each rate district, so that accurate accounting of these revenues can be completed.

15 Q. Does this conclude your direct testimony?

16 A. Yes, it does.

BEFORE THE PUBLIC SERVICE COMMISSION
OF THE STATE OF MISSOURI

In the Matter of the Request of Liberty Utilities)
(Missouri Water) LLC d/b/a Liberty for) Case No. WR-2024-0104
Authority to Implement a General Rate)
Increase for Water and Wastewater Service)
Provided in its Missouri Service Areas)

AFFIDAVIT OF MELANIE MAREK

STATE OF MISSOURI)
) ss.
COUNTY OF COLE)

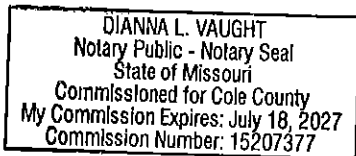
COMES NOW MELANIE MAREK and on her oath declares that she is of sound mind and lawful age; that she contributed to the foregoing *Direct Testimony of Melanie Marek*; and that the same is true and correct according to her best knowledge and belief.

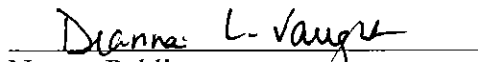
Further the Affiant sayeth not.


MELANIE MAREK

JURAT

Subscribed and sworn before me, a duly constituted and authorized Notary Public, in and for the County of Cole, State of Missouri, at my office in Jefferson City, on this 9th day of September 2024.




Notary Public

Melanie Marek

Present Position:

I am a Lead Senior Utility Regulatory Auditor, Auditing Department, Financial and Business Analysis Division of the Missouri Public Service Commission. I transferred from the Water, Sewer, Gas and Steam Department in the Industry Analysis Division on August 1, 2024. In the Water, Sewer, Gas and Steam Department, my duties include managing cases before the Commission, creating rate design and class cost of service studies, evaluating the service charges of utilities, and conducting research and analysis of the financial aspects of public utility operations.

Educational Credentials and Work Experience:

I completed an Associate in Science in Business Administration from Columbia College in 2016. In April 2018, I earned my Bachelors of Science in Business Administration majoring in Accounting and Finance with a minor in Management from Columbia College. Finally in April 2020, I completed the MBA program with an emphasis in Accounting from Columbia College. I have worked in finance, auditing, and governmental accounting with over 15 years of experience.

Case Participation:

Company Name	Case Number(s)	Testimony/Issues
Raytown Water Company	WR-2023-0344	Testimony (Late Fees)

Service Area	Meter	Commodity		Per	Gallons	Class	Notes
		Amount	Charge				
Noel	5/8"	23.86	3.08		1,000	Residential	
Noel	3/4"	33.41	3.08		1,000	Residential	
Noel	1"	40.56	3.08		1,000	Residential	
Noel	2"	126.46	3.08		1,000	Residential	
Noel	4"	334.05	3.08		1,000	Residential	
Noel	5/8"	23.86	3.08		1,000	Commercial	
Noel	3/4"	33.41	3.08		1,000	Commercial	
Noel	1"	40.56	3.08		1,000	Commercial	
Noel	2"	126.46	3.08		1,000	Commercial	
Noel	4"	334.05	3.08		1,000	Commercial	
Noel	5/8"	23.86	2.86		1,000	Industrial	
Noel	3/4"	33.41	2.86		1,000	Industrial	
Noel	1"	40.56	2.86		1,000	Industrial	
Noel	2"	126.46	2.86		1,000	Industrial	
Noel	4"	334.05	2.86		1,000	Industrial	
Noel	6"	501.08	2.86		1,000	Industrial	
Cedar Hill Estates, Crestview Acres, High Ridge Manor, Hillshine Community, Lakewood Hills, Town of Scotsdale, Warren Woods Subdivision							
	5/8"	30.04	6.87		1,000	All	
Cedar Hill Estates, Crestview Acres, High Ridge Manor, Hillshine Community, Lakewood Hills, Town of Scotsdale, Warren Woods Subdivision							
	3/4"	30.04	6.87		1,000	All	
Cedar Hill Estates, Crestview Acres, High Ridge Manor, Hillshine Community, Lakewood Hills, Town of Scotsdale, Warren Woods Subdivision							
	1"	60.08	6.87		1,000	All	
Timber Creek, Holiday Hills, Ozark Mountain							
	3/4"	26.65	6.88		1,000	All	
Timber Creek, Holiday Hills, Ozark Mountain							
	1"	45.31	6.88		1,000	All	
Timber Creek, Holiday Hills, Ozark Mountain							
	2"	106.61	6.88		1,000	All	

Service Area	Meter	Commodity		Per	Gallons	Class	Notes
		Amount	Charge				
Timber Creek, Holiday Hills, Ozark Mountain	3"	293.17	6.88		1,000	All	
Timber Creek, Holiday Hills, Ozark Mountain	4"	373.13	6.88		1,000	All	
Lake St. Clair	All	5.70	2.61		1,000	Residential	
Bolivar	All	18.07	3.72		1,000	Residential	Flat rate for first 2,000 gallons, then commodity charge per add'l 1,000 gal.
Bolivar	All	21.26	3.72		1,000	Commercial	
Aurora, Marionville, Verona	5/8"	12.93	4.30		100,000	All	4.30 for first 100,000 then 1.52 for over 100,000 gal.
Aurora, Marionville, Verona	1"	28.32	4.3		100,000	All	
Aurora, Marionville, Verona	2"	84.76	4.3		100,000	All	
Aurora, Marionville, Verona	4"	259.14	4.3		100,000	All	
Aurora, Marionville, Verona	6"	515.46	4.3		100,000	All	
Oakbriar	All	15.07	3.39		1,000	All	Flat rate for first 2,000 gallons, then commodity charge per add'l 1,000 gal.
Lakeland Heights	All	15.50	5.63		1,000	All	Flat rate for first 2,000 gallons, then commodity charge per add'l 1,000 gal.
Whispering Hills	All	20.69	3.67		1,000	All	Flat rate for first 4,000 gallons, then commodity charge per add'l 1,000 gal.
Bilyeu Ridge	All	17.22	3.56		1,000	All	
Hidden Meadows Subdivision	All	9.49	4.71		1,000	All	
Moore Bend Subdivision	All	28.13	10.31		1,000	All	
Riverfork Ranch Subdivision	All	21.56	2.08		1,000	All	
Lakeway Village, Venice on the Lake	All	12.55	5.63		1,000	All	
Valley Woods Subdivision	All	20.97	2.12		1,000	All	
Cape Rock Village and Savers Farm	All						

Service Area	Meter	Amount	Commodity Charge	Per	Gallons	Class	Notes
Valley Woods	5/8"	42.16				All	
Valley Woods	1"	105.39				All	
Cape Rock Village, Savers Farm	All	46.21				Single Family	
Cape Rock Village, Savers Farm	All	36.97				Multi Family	
Timber Creek, Ozark Mountain	3/4"	37.08	27.43	1,000	All		
Timber Creek, Ozark Mountain	1"	63.03	27.43	1,000	All		
Timber Creek, Ozark Mountain	2"	196.51	27.43	1,000	All		
Timber Creek, Ozark Mountain	3"	370.76	27.43	1,000	All		
Bolivar	All	30.03	5.32	1,000	Residential		Flat rate for first 2,000 gallons, then commodity charge per add'l 1,000 gal.
Bolivar	All	33.22	5.32	1,000	Commercial		Flat rate for first 2,000 gallons, then commodity charge per add'l 1,000 gal.
Prairie Heights Subdivision	All	48.26			All		
R.D. Sewer Co	All	34.36			Single Family		
R.D. Sewer Co	All	27.49			Multi Family		Per Single Family living quarters

Liberty Utilities (Missouri Water), LLC - Bolivar Water

Rate Making Income Statement

Operating Revenues at Current Rates

Tariffed Rate Revenues *	\$	1,412,869
Other Operating Revenues *	\$	46,730
Total Operating Revenues	\$	1,459,599

* See "Revenues - Current Rates" for Details

Cost of Service

Item	Amount		Customer Charge	Commodity Charge	
Total Source of Supply Expenses	\$ 187,273	0.5	\$ 93,637	\$ 93,637	
Total Pumping Expenses	\$ 7,676	0.5	\$ 3,838	\$ 3,838	
Total Water Treatment Expenses	\$ 249,803	0.5	\$ 124,902	\$ 124,902	
Total Transmission & Distribution Expenses	\$ 382,612	0.5	\$ 191,306	\$ 191,306	
Total Customer Accounts Expenses	\$ 130,458	0.5	\$ 65,229	\$ 65,229	
Total Administration & General Expenses	\$ 770,942	0.5	\$ 385,471	\$ 385,471	
Total Other Operating Expenses	\$ 430,273	0.5	\$ 215,137	\$ 215,137	
Sub-Total Operating Expenses	\$ 2,159,037		\$ 1,079,519	\$ 1,079,519	
Total Income Taxes	\$ (365,886)	1	\$ (365,886)	\$ -	
Total Deferred Income Taxes	\$ (25,112)	1	\$ (25,112)	\$ -	
Additional Current Tax Requirement	\$ 508,002	1	\$ 508,002	\$ -	
Sub-Total Taxes	\$ 117,004		\$ 117,004	\$ -	
Total Amortization Expense	\$ 161,276	1	\$ 161,276	\$ -	
Depreciation Expense	\$ 582,783	1	\$ 582,783	\$ -	
Sub-Total Depreciation/Interest/Amortization	\$ 744,059		\$ 744,059	\$ -	
Return on Equity	\$ 570,368	1	\$ 570,368	\$ -	
Total Cost of Service	\$ 3,590,468		\$ 2,510,950	\$ 1,079,519	\$ 3,590,468
Cost to Recover in Rates	\$ 3,543,738		\$ 2,464,220	\$ 1,079,519	\$ 3,543,738
Overall Revenue Increase Needed	\$ 2,130,869				

rate base 7,910,791
ROR % 7.21%

Liberty Utilities (Missouri Water), LLC

Revenue Annualizations at Current Rates

Annualized Customer Counts and Customer Charge Revenues

Retail Metered Customers

Service Area/ Meter Size	No. of Customers	Bills Per Year	Total Bills	Rate *	Annual Revenue
Bolivar Residential 1"	92	12	1,104	\$ 18.17	\$ 20,060
Bolivar Residential 2"	12	12	144	\$ 18.17	\$ 2,616
Bolivar Residential 3"	1	12	12	\$ 18.17	\$ 218
Bolivar Residential 3/4"	3,660	12	43,920	\$ 18.17	\$ 798,026
Bolivar Residential 5/8"	418	12	5,016	\$ 18.17	\$ 91,141
Bolivar Residential 1.5"	3	12	36	\$ 18.17	\$ 654
Bolivar Residential 1/2"	1	12	12	\$ 18.17	\$ 218
Bolivar Residential 4"	1	12	12	\$ 18.17	\$ 218
Bolivar Commercial 1"	124	12	1,488	\$ 21.26	\$ 31,635
Bolivar Commercial 2"	59	12	708	\$ 21.26	\$ 15,052
Bolivar Commercial 3"	16	12	192	\$ 21.26	\$ 4,082
Bolivar Commercial 3/4"	374	12	4,488	\$ 21.26	\$ 95,415
Bolivar Commercial 5/8"	41	12	492	\$ 21.26	\$ 10,460
Bolivar Commercial 1.5"	7	12	84	\$ 21.26	\$ 1,786
Bolivar Commercial 1/2"	-	12	-	\$ 21.26	\$ -
Bolivar Commercial 4"	6	12	72	\$ 21.26	\$ 1,531
Bolivar Interdepartmental 1"	2	12	24	\$ 21.26	\$ 510
Bolivar Interdepartmental 2"	1	12	12	\$ 21.26	\$ 255
Bolivar Interdepartmental 3"	2	12	24	\$ 21.26	\$ 510
Bolivar Interdepartmental 3/4"	10	12	120	\$ 21.26	\$ 2,551
Total	4,830		57,960		\$ 1,076,939

* Monthly Customer Charge

Annualized Commodity Sales - Volumes & Revenues

	Adjusted Gallons Sold	Rate	Annual Revenue
Bolivar Residential 1"	1,783	\$ 3.72	\$ 6,633
Bolivar Residential 2"	233	\$ 3.72	\$ 865
Bolivar Residential 3"	19	\$ 3.72	\$ 72
Bolivar Residential 3/4"	70,931	\$ 3.72	\$ 263,865
Bolivar Residential 5/8"	8,101	\$ 3.72	\$ 30,135
Bolivar Residential 1.5"	58	\$ 3.72	\$ 216
Bolivar Residential 1/2"	19	\$ 3.72	\$ 72
Bolivar Residential 4"	19	\$ 3.72	\$ 72
Bolivar Commercial 1"	1,799	\$ 3.72	\$ 6,691
Bolivar Commercial 2"	856	\$ 3.72	\$ 3,184
Bolivar Commercial 3"	232	\$ 3.72	\$ 863
Bolivar Commercial 3/4"	5,425	\$ 3.72	\$ 20,182
Bolivar Commercial 5/8"	595	\$ 3.72	\$ 2,212
Bolivar Commercial 1.5"	102	\$ 3.72	\$ 378
Bolivar Commercial 1/2"	-	\$ 3.72	\$ -
Bolivar Commercial 4"	87	\$ 3.72	\$ 324
Bolivar Interdepartmental 1"	6	\$ 3.72	\$ 22
Bolivar Interdepartmental 2"	3	\$ 3.72	\$ 11
Bolivar Interdepartmental 3"	6	\$ 3.72	\$ 22
Bolivar Interdepartmental 3/4"	27	\$ 3.72	\$ 99
Total	90,301		\$ 335,919

Other Operating Revenues

Misc Income	\$ 14,411
Service Charges	\$ -
Late Charge	\$ 31,694
Reconnect Fee	\$ 625
Total Other Revenues	\$ 46,730

Total Operating Revenues

Customer Charge Revenues	\$ 1,076,939
Commodity Charge Revenues	\$ 335,919
Sub-Total Tariffed Rate Revenues	\$ 1,412,858
Other Operating Revenues	\$ 46,730
Total Operating Revenues	\$ 1,459,599

Liberty Utilities (Missouri Water), LLC - Bolivar Water

Development of Tariffed Rates

Current Revenue	\$ 1,412,858
Agreed-Upon Overall Revenue Increase	\$ 2,130,869
Percentage Increase Needed	151%

Metered Customer Rates				
Service Area/ Meter Size	Current Customer Charge	Proposed Customer Charge	Current Usage Rate	Proposed Usage Rate
Bolivar Residential 1"	\$ 18.17	\$ 67.21	\$ 3.72	\$ 11.95
Bolivar Residential 2"	\$ 18.17	\$ 134.42	\$ 3.72	\$ 11.95
Bolivar Residential 3"	\$ 18.17	\$ 192.03	\$ 3.72	\$ 11.95
Bolivar Residential 3/4"	\$ 18.17	\$ 38.41	\$ 3.72	\$ 11.95
Bolivar Residential 5/8"	\$ 18.17	\$ 38.41	\$ 3.72	\$ 11.95
Bolivar Residential 1.5"	\$ 18.17	\$ 115.22	\$ 3.72	\$ 11.95
Bolivar Residential 1/2"	\$ 18.17	\$ 38.41	\$ 3.72	\$ 11.95
Bolivar Residential 4"	\$ 18.17	\$ 384.06	\$ 3.72	\$ 11.95
Bolivar Commercial 1"	\$ 21.26	\$ 67.21	\$ 3.72	\$ 11.95
Bolivar Commercial 2"	\$ 21.26	\$ 134.42	\$ 3.72	\$ 11.95
Bolivar Commercial 3"	\$ 21.26	\$ 192.03	\$ 3.72	\$ 11.95
Bolivar Commercial 3/4"	\$ 21.26	\$ 38.41	\$ 3.72	\$ 11.95
Bolivar Commercial 5/8"	\$ 21.26	\$ 38.41	\$ 3.72	\$ 11.95
Bolivar Commercial 1.5"	\$ 21.26	\$ 115.22	\$ 3.72	\$ 11.95
Bolivar Commercial 1/2"	\$ 21.26	\$ 38.41	\$ 3.72	\$ 11.95
Bolivar Commercial 4"	\$ 21.26	\$ 384.06	\$ 3.72	\$ 11.95
Bolivar Interdepartmental 1"	\$ 21.26	\$ 67.21	\$ 3.72	\$ 11.95
Bolivar Interdepartmental 2"	\$ 21.26	\$ 134.42	\$ 3.72	\$ 11.95
Bolivar Interdepartmental 3"	\$ 21.26	\$ 192.03	\$ 3.72	\$ 11.95
Bolivar Interdepartmental 3/4"	\$ 21.26	\$ 38.41	\$ 3.72	\$ 11.95

Customer Charge	Number of Customers	Factor	Customer Equivalents	Proposed Customer Charge
1/2"	1	1	1	\$ 38.41
5/8"	459	1	459	\$ 38.41
3/4"	4044	1	4,044	\$ 38.41
1"	218	1.75	382	\$ 67.21
1 1/2"	10	3	30	\$ 115.22
2"	72	3.5	252	\$ 134.42
3"	19	5	95	\$ 192.03
4"	7	10	70	\$ 384.06
6"	0	20	-	\$ 768.11
Flat Rate - Unmetered	6	2.4	14	\$ 92.17
	4,836		5,347	

Customer Charge Calculation: \$ 2,464,220 \$ 38.41

Commodity	Gallons	Proposed
\$ 1,079,519	90,300,822	\$ 11.95

*While a factor of 1 is typical for a single family home with a 5/8" meter, staff proposes to use this same factor for 3/4" and 1/2" because this meter size is also deployed on single family homes within Liberty's service areas

Liberty Utilities (Missouri Water), LLC - Bolivar Water

Revenue Annualizations at Proposed Rates

Annualized Customer Counts and Customer Charge Revenues

Meter Size	No. of Customers	Bills Per Year	Total Bills	Rate *	Annual Revenue
1/2"	1	12	12	\$ 38.41	\$ 461
5/8"	459	12	5,508	\$ 38.41	\$ 211,539
3/4"	4044	12	48,528	\$ 38.41	\$ 1,863,754
1"	218	12	2,616	\$ 67.21	\$ 175,821
1 1/2"	10	12	120	\$ 115.22	\$ 13,826
2"	72	12	864	\$ 134.42	\$ 116,139
3"	19	12	228	\$ 192.03	\$ 43,783
4"	7	12	84	\$ 384.06	\$ 32,261
6"	0	12	-	\$ 768.11	\$ -
Flat Rate - Unmetered	6	12	72	\$ 92.17	\$ 6,637
Total	4829		58,020		\$ 2,464,220

* Monthly Customer Charge

Annualized Commodity Sales - Volumes & Revenues

	Total Sales	Rate	Annual Revenue
	90,301	\$ 11.95	\$ 1,079,519
	-		\$ -
Total	90,301		\$ 1,079,519

Other Operating Revenues

Total Other Revenues \$ 46,730

Total Operating Revenues

Customer Charge Revenues	\$ 2,464,220
Commodity Charge Revenues	\$ 1,079,519
Sub-Total Tariffed Rate Revenues	\$ 3,543,738
Other Operating Revenues	\$ 46,730
Total Revenues at Proposed Rates	\$ 3,590,468

Revenue Check - Proposed Rates vs. Current Rates

Total Revenues at Proposed Rates	\$ 3,590,468
Total Revenues at Current Tariffed Rates	\$ 1,459,599
Increase in Revenues at Proposed Rates	\$ 2,130,869
Agreed-Upon Increase in Operating Revenues	\$ 2,130,869

Liberty Utilities (Missouri Water), LLC - Water, All Other Service Areas
Rate Making Income Statement

Operating Revenues at Current Rates

Tariffed Rate Revenues *	\$	4,065,558
Other Operating Revenues *	\$	120,368
Total Operating Revenues	\$	4,185,926

* See "Revenues - Current Rates" for Details

Cost of Service

Item	Amount	Customer Charge	Commodity Charge
Total Source of Supply Expenses	\$ 639,863	0.5 \$ 319,932	\$ 319,932
Total Pumping Expenses	\$ 878,677	0.5 \$ 439,339	\$ 439,339
Total Water Treatment Expenses	\$ 265,204	0.5 \$ 132,602	\$ 132,602
Total Transmission & Distribution Expenses	\$ 373,536	0.5 \$ 186,768	\$ 186,768
Total Customer Accounts Expenses	\$ 61,351	0.5 \$ 30,676	\$ 30,676
Total Administration & General Expenses	\$ 2,374,864	0.5 \$ 1,187,432	\$ 1,187,432
Total Other Operating Expenses	\$ 400,354	0.5 \$ 200,177	\$ 200,177
Sub-Total Operating Expenses	\$ 4,993,849	\$ 2,496,925	\$ 2,496,925
Total Income Taxes	\$ (966,254)	1 \$ (966,254)	\$ -
Total Deferred Income Taxes	\$ 190,876	1 \$ 190,876	\$ -
Additional Current Tax Requirement	\$ 1,212,763	1 \$ 1,212,763	\$ -
Sub-Total Taxes	\$ 437,385	\$ 437,385	\$ -
Total Amortization Expense	\$ -	1 \$ -	\$ -
Depreciation Expense	\$ 1,692,561	1 \$ 1,692,561	\$ -
Sub-Total Depreciation/Interest/Amortization	\$ 1,692,561	\$ 1,692,561	\$ -
Return on Equity	\$ 2,149,195	0.2 \$ 429,839	\$ 1,719,356
Total Cost of Service	\$ 9,272,990	\$ 5,056,710	\$ 4,216,281
Cost to Recover in Rates	\$ 9,152,622	\$ 4,936,341	\$ 4,216,281
Overall Revenue Increase Needed	\$ 5,087,064		

rate base 29,808,505
ROR % 7.21%

Liberty Utilities (Missouri Water), LLC - Water, All Other Service Areas

Revenue Annualizations at Current Rates

Annualized Customer Counts and Customer Charge Revenues

Retail Metered Customers

Service Area/ Meter Size	No. of Customers	Bills Per Year	Total Bills	Rate *	Annual Revenue
Noel Residential 5/8"	537	12	6,444	\$ 23.86	\$ 153,754
Noel Residential 3/4"	10	12	120	\$ 33.41	\$ 4,009
Noel Residential 1"	1	12	12	\$ 40.56	\$ 487
Noel Residential 2"	-	12	-	\$ 126.46	\$ -
Noel Residential 4"	-	12	-	\$ 334.05	\$ -
Noel Commercial 1"	16	12	192	\$ 40.56	\$ 7,788
Noel Commercial 2"	5	12	60	\$ 126.46	\$ 7,588
Noel Commercial 3/4"	10	12	120	\$ 33.41	\$ 4,009
Noel Commercial 4"	-	12	-	\$ 334.05	\$ -
Noel Commercial 5/8"	70	12	840	\$ 23.86	\$ 20,042
Noel Commercial 6"	1	12	12	\$ 501.08	\$ 6,013
Noel Sprinkler*	1	12	12	\$ 23.86	\$ 286
Noel Industrial 5/8"	-	12	-	\$ 23.86	\$ -
Noel Industrial 3/4"	-	12	-	\$ 33.41	\$ -
Noel Industrial 1"	-	12	-	\$ 40.56	\$ -
Noel Industrial 2"	1	12	12	\$ 126.46	\$ 1,518
Noel Industrial 4"	2	12	24	\$ 334.05	\$ 8,017
Noel Industrial 6"	1	12	12	\$ 501.08	\$ 6,013
KMB Residential 5/8"	398	12	4,776	\$ 30.04	\$ 143,471
KMB Residential 3/4"	96	12	1,152	\$ 30.04	\$ 34,606
KMB Residential 1"	1	12	12	\$ 60.08	\$ 721
KMB Sprinkler*	5	12	60	\$ 30.04	\$ 1,802
KMB Commercial 5/8"	23	12	276	\$ 30.04	\$ 8,291
KMB Commercial 3/4"	2	12	24	\$ 30.04	\$ 721
KMB Commercial 1"	7	12	84	\$ 60.08	\$ 5,047
Silverleaf Residential 3/4"	473	12	5,676	\$ 26.65	\$ 151,265
Silverleaf Residential 1"	1	12	12	\$ 45.31	\$ 544
Silverleaf Residential 2"	54	12	648	\$ 106.61	\$ 69,083
Silverleaf Residential 3"	6	12	72	\$ 293.17	\$ 21,108
Silverleaf Residential 4"	-	12	-	\$ 373.13	\$ -
Silverleaf Residential 5/8"*	8	12	96	\$ 26.65	\$ 2,558
Silverleaf Commercial 1"	14	12	168	\$ 45.31	\$ 7,612
Silverleaf Commercial 2"	20	12	240	\$ 106.61	\$ 25,586
Silverleaf Commercial 3"	2	12	24	\$ 293.17	\$ 7,036
Silverleaf Commercial 3/4"	30	12	360	\$ 26.65	\$ 9,594
Silverleaf Commercial 4"	3	12	36	\$ 373.13	\$ 13,433
Silverleaf Commercial 5/8"*	7	12	84	\$ 26.65	\$ 2,239
Silverleaf Industrial 1"	5	12	60	\$ 45.31	\$ 2,719
Silverleaf Industrial 2"	6	12	72	\$ 106.61	\$ 7,676
Silverleaf Industrial 3/4"	9	12	108	\$ 26.65	\$ 2,878
Franklin Residential 3/4"	41	12	492	\$ 5.70	\$ 2,804
Franklin Residential 5/8"	148	12	1,776	\$ 5.70	\$ 10,123

Franklin Sprinkler*	3	12	36	\$ 5.70	\$ 205
Empire Residential 3/4"*	1,889	12	22,668	\$ 12.93	\$ 293,097
Empire Residential 5/8"	2,201	12	26,412	\$ 12.93	\$ 341,507
Empire Residential 1"	15	12	180	\$ 28.32	\$ 5,098
Empire Residential 2"	5	12	60	\$ 84.76	\$ 5,086
Empire Residential 4"	-	12	-	\$ 259.14	\$ -
Empire Residential 6"	-	12	-	\$ 515.46	\$ -
Empire Tank	-	12	-	\$ 18.35	\$ -
Empire Sprinkler*	52	12	624	\$ 12.93	\$ 8,068
Empire Commercial 1"	73	12	876	\$ 28.32	\$ 24,808
Empire Commercial 2"	79	12	948	\$ 84.76	\$ 80,352
Empire Commercial 3/4"	129	12	1,548	\$ 12.93	\$ 20,016
Empire Commercial 5/8"	187	12	2,244	\$ 12.93	\$ 29,015
Empire Commercial 4"	4	12	48	\$ 259.14	\$ 12,439
Empire Sprinkler*	8	12	96	\$ 12.93	\$ 1,241
Empire Tank	-	12	-	\$ 18.35	\$ -
Empire Industrial 2"	3	12	36	\$ 84.76	\$ 3,051
Empire Industrial 5/8"	2	12	24	\$ 12.93	\$ 310
Empire Industrial 4"	6	12	72	\$ 259.14	\$ 18,658
Empire Interdepartmental 2"	1	12	12	\$ 84.76	\$ 1,017
Empire Interdepartmental 5/8"	1	12	12	\$ 12.93	\$ 155
Empire Municipal Bldg 1"	2	12	24	\$ 28.32	\$ 680
Empire Municipal Bldg 2"	1	12	12	\$ 84.76	\$ 1,017
Empire Municipal Bldg 5/8"	1	12	12	\$ 12.93	\$ 155
Empire Municipal Pump 1"	3	12	36	\$ 28.32	\$ 1,020
Empire Municipal Pump 2"	5	12	60	\$ 84.76	\$ 5,086
Empire Municipal Pump 3/4"	7	12	84	\$ 12.93	\$ 1,086
Empire Municipal Pump 5/8"	5	12	60	\$ 12.93	\$ 776
Empire Fire Hydrant*	159	12	1,908	\$ 383.15	\$ 60,921
Oakbrier Residential 5/8"	54	12	648	\$ 15.07	\$ 9,765
Oakbrier Residential 1/2"	2	12	24	\$ 15.07	\$ 362
Oakbrier Sprinkler	1	12	12	\$ 15.07	\$ 181
Lakland Heights Residential 5/8"	98	12	1,176	\$ 15.50	\$ 18,228
Lakland Heights Residential 1/2"	1	12	12	\$ 15.50	\$ 186
Whispering Hills Residential 5/8"	11	12	132	\$ 20.69	\$ 2,731
Whispering Hills Residential 1/2"	35	12	420	\$ 20.69	\$ 8,690
Bilyeu Ridge Residential 3/4"	63	12	756	\$ 17.22	\$ 13,018
Bilyeu Ridge Residential 5/8"	1	12	12	\$ 17.22	\$ 207
Hidden Meadows Residential 3/4"	86	12	1,032	\$ 9.49	\$ 9,794
Hidden Meadows Residential 5/8"	6	12	72	\$ 9.49	\$ 683
Moore Bend Residential 3/4"	22	12	264	\$ 28.13	\$ 7,426
Moore Bend Residential 5/8"	51	12	612	\$ 28.13	\$ 17,216
Riverfork Residential 3/4"	154	12	1,848	\$ 21.56	\$ 39,843
Riverfork Residential 5/8"	7	12	84	\$ 21.56	\$ 1,811
Riverfork Residential 1"	10	12	120	\$ 21.56	\$ 2,587
Taney County Residential 3/4"	359	12	4,308	\$ 12.55	\$ 54,065
Taney County Residential 5/8"	118	12	1,416	\$ 12.55	\$ 17,771
Taney County Residential 1"	-	12	-	\$ 12.55	\$ -
Taney County Commercial 3/4"	3	12	36	\$ 12.55	\$ 452
Taney County Commercial 5/8"	1	12	12	\$ 12.55	\$ 151
Taney County Commercial 1"	1	12	12	\$ 12.55	\$ 151

Taney County Industrial 1"	-	12	-	\$ 12.55	\$ -
Taney County Industrial 3/4"	-	12	-	\$ 12.55	\$ -
Valley Woods Residential 3/4"	40	12	480	\$ 20.97	\$ 10,066
Valley Woods Residential 5/8"	2	12	24	\$ 20.97	\$ 503
Valley Woods Commercial 1"	1	12	12	\$ 20.97	\$ 252
Valley Woods Commercial 3/4"	1	12	12	\$ 20.97	\$ 252
Total		7,983	95,796		\$ 1,881,695

* Assumed rate based on reported revenues

Annualized Commodity Sales - Volumes & Revenues

	Adjusted Gallons Sold	Rate	Annual Revenue
Noel Residential 5/8"	30,686	\$ 3.08	\$ 94,513
Noel Residential 3/4"	571	\$ 3.08	\$ 1,760
Noel Residential 1"	57	\$ 3.08	\$ 176
Noel Residential 2"	-	\$ 3.08	\$ -
Noel Residential 4"	-	\$ 3.08	\$ -
Noel Commercial 1"	3,053	\$ 3.08	\$ 9,405
Noel Commercial 2"	954	\$ 3.08	\$ 2,939
Noel Commercial 3/4"	1,908	\$ 3.08	\$ 5,878
Noel Commercial 4"	-	\$ 3.08	\$ -
Noel Commercial 5/8"	13,359	\$ 3.08	\$ 41,146
Noel Commercial 6"	191	\$ 3.08	\$ 588
Noel Sprinkler	191	\$ 3.08	\$ 588
Noel Industrial 5/8"	-	\$ 2.86	\$ -
Noel Industrial 3/4"	-	\$ 2.86	\$ -
Noel Industrial 1"	-	\$ 2.86	\$ -
Noel Industrial 2"	-	\$ 2.86	\$ -
Noel Industrial 4"	-	\$ 2.86	\$ -
Noel Industrial 6"	-	\$ 2.86	\$ -
KMB Residential 5/8"	18,923	\$ 6.87	\$ 130,003
KMB Residential 3/4"	4,564	\$ 6.87	\$ 31,357
KMB Residential 1"	48	\$ 6.87	\$ 327
KMB Sprinkler	238	\$ 6.87	\$ 1,633
KMB Commercial 5/8"	1,139	\$ 6.87	\$ 7,823
KMB Commercial 3/4"	99	\$ 6.87	\$ 680
KMB Commercial 1"	347	\$ 6.87	\$ 2,381
Silverleaf Residential 3/4"	22,467	\$ 6.88	\$ 154,573
Silverleaf Residential 1"	60	\$ 6.88	\$ 412
Silverleaf Residential 2"	4,019	\$ 6.88	\$ 27,651
Silverleaf Residential 3"	277	\$ 6.88	\$ 1,907
Silverleaf Residential 4"	-	\$ 6.88	\$ -
Silverleaf Residential 5/8"	397	\$ 6.88	\$ 2,732
Silverleaf Commercial 1"	2,352	\$ 6.88	\$ 16,181
Silverleaf Commercial 2"	3,324	\$ 6.88	\$ 22,871
Silverleaf Commercial 3"	246	\$ 6.88	\$ 1,695
Silverleaf Commercial 3/4"	4,410	\$ 6.88	\$ 30,340
Silverleaf Commercial 4"	435	\$ 6.88	\$ 2,993
Silverleaf Commercial 5/8"	709	\$ 6.88	\$ 4,879

Silverleaf Industrial 1"	735	\$	6.88	\$	5,055
Silverleaf Industrial 2"	882	\$	6.88	\$	6,065
Silverleaf Industrial 3/4"	1,322	\$	6.88	\$	9,098
Franklin Residential 3/4"	1,974	\$	2.61	\$	5,153
Franklin Residential 5/8"	7,127	\$	2.61	\$	18,601
Franklin Sprinkler	144	\$	2.61	\$	377
Empire Residential 3/4"	90,146	\$	4.30	\$	387,630
Empire Residential 5/8"	105,036	\$	4.30	\$	451,653
Empire Residential 1"	716	\$	4.30	\$	3,078
Empire Residential 2"	239	\$	4.30	\$	1,026
Empire Residential 4"	-	\$	4.30	\$	-
Empire Residential 6"	-	\$	4.30	\$	-
Empire Residential Tank	-	\$	4.30	\$	-
Empire Residential Sprinkler	2,482	\$	4.30	\$	10,671
Empire Residential over 100,000 gal	2,482	\$	1.52	\$	3,773
Empire Commercial 1"	7,959	\$	4.30	\$	34,223
Empire Commercial 2"	8,613	\$	4.30	\$	37,036
Empire Commercial 3/4"	14,064	\$	4.30	\$	60,476
Empire Commercial 5/8"	20,388	\$	4.30	\$	87,667
Empire Commercial 4"	436	\$	4.30	\$	1,875
Empire Commercial Sprinkler	872	\$	4.30	\$	3,750
Empire Commercial Tank	-	\$	4.30	\$	-
Empire Commercial over 100,000 gal	10,338	\$	1.52	\$	15,714
Empire Industrial 2"	2,084	\$	4.30	\$	8,961
Empire Industrial 5/8"	1,389	\$	4.30	\$	5,974
Empire Industrial 4"	4,168	\$	4.30	\$	17,922
Empire Industrial over 100,000 gal	102,573	\$	1.52	\$	155,911
Empire Interdepartmental 2"	57	\$	4.30	\$	243
Empire Interdepartmental 5/8"	57	\$	4.30	\$	243
Empire Interdepartmental over 100,000 gal	710	\$	1.52	\$	1,079
Empire Municipal Bldg 1"	255	\$	4.30	\$	1,097
Empire Municipal Bldg 2"	128	\$	4.30	\$	548
Empire Municipal Bldg 5/8"	128	\$	4.30	\$	548
Empire Municipal Pump 1"	383	\$	4.30	\$	1,645
Empire Municipal Pump 2"	638	\$	4.30	\$	2,742
Empire Municipal Pump 3/4"	893	\$	4.30	\$	3,839
Empire Municipal Pump 5/8"	638	\$	4.30	\$	2,742
Empire Municipal over 100,000 gal	6,650	\$	1.52	\$	10,108
Empire Fire Hydrant	-	\$	-	\$	-
Oakbrier Residential 5/8"	1,034	\$	3.39	\$	3,507
Oakbrier Residential 1/2"	38	\$	3.39	\$	130
Oakbrier Sprinkler	19	\$	3.39	\$	65
Lakland Heights Residential 5/8"	922	\$	5.63	\$	5,192
Lakland Heights Residential 1/2"	9	\$	5.63	\$	53
Whispering Hills Residential 5/8"	196	\$	3.67	\$	719
Whispering Hills Residential 1/2"	623	\$	3.67	\$	2,286
Bilyeu Ridge Residential 3/4"	3,399	\$	3.56	\$	12,101
Bilyeu Ridge Residential 5/8"	54	\$	3.56	\$	192
Hidden Meadows Residential 3/4"	5,084	\$	4.71	\$	23,947
Hidden Meadows Residential 5/8"	355	\$	4.71	\$	1,671
Moore Bend Residential 3/4"	341	\$	10.31	\$	3,514

Moore Bend Residential 5/8"	790	\$ 10.31	\$ 8,146
Riverfork Residential 3/4"	12,699	\$ 2.08	\$ 26,414
Riverfork Residential 5/8"	577	\$ 2.08	\$ 1,201
Riverfork Residential 1"	825	\$ 2.08	\$ 1,715
Taney County Residential 3/4"	17,612	\$ 5.63	\$ 99,156
Taney County Residential 5/8"	5,789	\$ 5.63	\$ 32,591
Taney County Residential 1"	-	\$ 5.63	\$ -
Taney County Commercial 3/4"	31	\$ 5.63	\$ 172
Taney County Commercial 5/8"	10	\$ 5.63	\$ 57
Taney County Commercial 1"	10	\$ 5.63	\$ 57
Taney County Industrial 1"	-	\$ 5.63	\$ -
Taney County Industrial 3/4"	-	\$ 5.63	\$ -
Valley Woods Residential 3/4"	2,641	\$ 2.12	\$ 5,599
Valley Woods Residential 5/8"	132	\$ 2.12	\$ 280
Valley Woods Commercial 1"	267	\$ 2.12	\$ 566
Valley Woods Commercial 3/4"	267	\$ 2.12	\$ 566
Total	565,454		\$ 2,183,854

Other Operating Revenues

Misc Income	\$ 13,243
Service Charges	\$ 44,145
Late Charge	\$ 58,147
Reconnect Fee	\$ 4,833
Total Other Revenues	\$ 120,368

Total Operating Revenues

Customer Charge Revenues	\$ 1,881,695
Commodity Charge Revenues	\$ 2,183,854
Sub-Total Tariffed Rate Revenues	\$ 4,065,558
Other Operating Revenues	\$ 120,368
Total Operating Revenues	\$ 4,185,926

Liberty Utilities (Missouri Water), LLC - Water, All Other Service Areas

Development of Tariffed Rates

Current Revenue	\$ 4,065,558
Agreed-Upon Overall Revenue Increase	\$ 5,087,064
Percentage Increase Needed	125%

Metered Customer Rates

Service Area/ Meter Size	Current Customer Charge	Proposed Customer Charge	Current Usage Rate	Proposed Usage Rate
Noel Residential 5/8"	\$ 23.86	\$ 46.08	\$ 3.08	\$ 7.46
Noel Residential 3/4"	\$ 33.41	\$ 46.08	\$ 3.08	\$ 7.46
Noel Residential 1"	\$ 40.56	\$ 80.64	\$ 3.08	\$ 7.46
Noel Residential 2"	\$ 126.46	\$ 161.27	\$ 3.08	\$ 7.46
Noel Residential 4"	\$ 334.05	\$ 460.78	\$ 3.08	\$ 7.46
Noel Commercial 1"	\$ 40.56	\$ 80.64	\$ 3.08	\$ 7.46
Noel Commercial 2"	\$ 126.46	\$ 161.27	\$ 3.08	\$ 7.46
Noel Commercial 3/4"	\$ 33.41	\$ 46.08	\$ 3.08	\$ 7.46
Noel Commercial 4"	\$ 334.05	\$ 460.78	\$ 3.08	\$ 7.46
Noel Commercial 5/8"	\$ 23.86	\$ 46.08	\$ 3.08	\$ 7.46
Noel Commercial 6"	\$ 501.08	\$ 921.56	\$ 3.08	\$ 7.46
Noel Sprinkler*	\$ 23.86	\$ 80.64	\$ 3.08	\$ 7.46
Noel Industrial 5/8"	\$ 23.86	\$ 46.08	\$ 2.86	\$ 7.46
Noel Industrial 3/4"	\$ 33.41	\$ 46.08	\$ 2.86	\$ 7.46
Noel Industrial 1"	\$ 40.56	\$ 80.64	\$ 2.86	\$ 7.46
Noel Industrial 2"	\$ 126.46	\$ 161.27	\$ 2.86	\$ 7.46
Noel Industrial 4"	\$ 334.05	\$ 460.78	\$ 2.86	\$ 7.46
Noel Industrial 6"	\$ 501.08	\$ 921.56	\$ 2.86	\$ 7.46
KMB Residential 5/8"	\$ 30.04	\$ 46.08	\$ 6.87	\$ 7.46
KMB Residential 3/4"	\$ 30.04	\$ 46.08	\$ 6.87	\$ 7.46
KMB Residential 1"	\$ 60.08	\$ 80.64	\$ 6.87	\$ 7.46
KMB Sprinkler*	\$ 30.04	\$ 80.64	\$ 6.87	\$ 7.46
KMB Commercial 5/8"	\$ 30.04	\$ 46.08	\$ 6.87	\$ 7.46
KMB Commercial 3/4"	\$ 30.04	\$ 46.08	\$ 6.87	\$ 7.46
KMB Commercial 1"	\$ 60.08	\$ 80.64	\$ 6.87	\$ 7.46
Silverleaf Residential 3/4"	\$ 26.65	\$ 46.08	\$ 6.88	\$ 7.46
Silverleaf Residential 1"	\$ 45.31	\$ 80.64	\$ 6.88	\$ 7.46
Silverleaf Residential 2"	\$ 106.61	\$ 161.27	\$ 6.88	\$ 7.46
Silverleaf Residential 3"	\$ 293.17	\$ 230.39	\$ 6.88	\$ 7.46
Silverleaf Residential 4"	\$ 373.13	\$ 460.78	\$ 6.88	\$ 7.46
Silverleaf Residential 5/8"*	\$ 26.65	\$ 46.08	\$ 6.88	\$ 7.46
Silverleaf Commercial 1"	\$ 45.31	\$ 80.64	\$ 6.88	\$ 7.46
Silverleaf Commercial 2"	\$ 106.61	\$ 161.27	\$ 6.88	\$ 7.46
Silverleaf Commercial 3"	\$ 293.17	\$ 230.39	\$ 6.88	\$ 7.46
Silverleaf Commercial 3/4"	\$ 26.65	\$ 46.08	\$ 6.88	\$ 7.46
Silverleaf Commercial 4"	\$ 373.13	\$ 460.78	\$ 6.88	\$ 7.46
Silverleaf Commercial 5/8"*	\$ 26.65	\$ 46.08	\$ 6.88	\$ 7.46
Silverleaf Industrial 1"	\$ 45.31	\$ 80.64	\$ 6.88	\$ 7.46
Silverleaf Industrial 2"	\$ 106.61	\$ 161.27	\$ 6.88	\$ 7.46
Silverleaf Industrial 3/4"	\$ 26.65	\$ 46.08	\$ 6.88	\$ 7.46
Franklin Residential 3/4"	\$ 5.70	\$ 46.08	\$ 2.61	\$ 7.46
Franklin Residential 5/8"	\$ 5.70	\$ 46.08	\$ 2.61	\$ 7.46

Franklin Sprinkler*	\$ 5.70	\$ 80.64	\$ 2.61	\$ 7.46
Empire Residential 3/4"	\$ 12.93	\$ 46.08	\$ 4.30	\$ 7.46
Empire Residential 5/8"	\$ 12.93	\$ 46.08	\$ 4.30	\$ 7.46
Empire Residential 1"	\$ 28.32	\$ 80.64	\$ 4.30	\$ 7.46
Empire Residential 2"	\$ 84.76	\$ 161.27	\$ 4.30	\$ 7.46
Empire Residential 4"	\$ 259.14	\$ 460.78	\$ 4.30	\$ 7.46
Empire Residential 6"	\$ 515.46	\$ 921.56	\$ 4.30	\$ 7.46
Empire Tank	\$ 18.35	\$ 80.64	\$ 4.30	\$ 7.46
Empire Sprinkler*	\$ 12.93	\$ 80.64	\$ 4.30	\$ 7.46
Empire Commercial 1"	\$ 28.32	\$ 80.64	\$ 1.52	\$ 7.46
Empire Commercial 2"	\$ 84.76	\$ 161.27	\$ 4.30	\$ 7.46
Empire Commercial 3/4"	\$ 12.93	\$ 46.08	\$ 4.30	\$ 7.46
Empire Commercial 5/8"	\$ 12.93	\$ 46.08	\$ 4.30	\$ 7.46
Empire Commercial 4"	\$ 259.14	\$ 460.78	\$ 4.30	\$ 7.46
Empire Sprinkler*	\$ 12.93	\$ 80.64	\$ 4.30	\$ 7.46
Empire Tank	\$ 18.35	\$ 80.64	\$ 4.30	\$ 7.46
Empire Industrial 2"	\$ 84.76	\$ 161.27	\$ 4.30	\$ 7.46
Empire Industrial 5/8"	\$ 12.93	\$ 46.08	\$ 1.52	\$ 7.46
Empire Industrial 4"	\$ 259.14	\$ 460.78	\$ 4.30	\$ 7.46
Empire Interdepartmental 2"	\$ 84.76	\$ 161.27	\$ 4.30	\$ 7.46
Empire Interdepartmental 5/8"	\$ 12.93	\$ 46.08	\$ 4.30	\$ 7.46
Empire Municipal Bldg 1"	\$ 28.32	\$ 80.64	\$ 1.52	\$ 7.46
Empire Municipal Bldg 2"	\$ 84.76	\$ 161.27	\$ 4.30	\$ 7.46
Empire Municipal Bldg 5/8"	\$ 12.93	\$ 46.08	\$ 4.30	\$ 7.46
Empire Municipal Pump 1"	\$ 28.32	\$ 80.64	\$ 1.52	\$ 7.46
Empire Municipal Pump 2"	\$ 84.76	\$ 161.27	\$ 4.30	\$ 7.46
Empire Municipal Pump 3/4"	\$ 12.93	\$ 46.08	\$ 4.30	\$ 7.46
Empire Municipal Pump 5/8"	\$ 12.93	\$ 46.08	\$ 4.30	\$ 7.46
Empire Fire Hydrant*	\$ 383.15	\$ 80.64	\$ 4.30	\$ 7.46
Oakbrier Residential 5/8"	\$ 15.07	\$ 46.08	\$ 4.30	\$ 7.46
Oakbrier Residential 1/2"	\$ 15.07	\$ 46.08	\$ 4.30	\$ 7.46
Oakbrier Sprinkler	\$ 15.07	\$ 80.64	\$ 4.30	\$ 7.46
Lakland Heights Residential 5/8"	\$ 15.50	\$ 46.08	\$ 1.52	\$ 7.46
Lakland Heights Residential 1/2"	\$ 15.50	\$ 46.08	\$ -	\$ 7.46
Whispering Hills Residential 5/8"	\$ 20.69	\$ 46.08	\$ 3.39	\$ 7.46
Whispering Hills Residential 1/2"	\$ 20.69	\$ 46.08	\$ 3.39	\$ 7.46
Bilyeu Ridge Residential 3/4"	\$ 17.22	\$ 46.08	\$ 3.39	\$ 7.46
Bilyeu Ridge Residential 5/8"	\$ 17.22	\$ 46.08	\$ 5.63	\$ 7.46
Hidden Meadows Residential 3/4"	\$ 9.49	\$ 46.08	\$ 5.63	\$ 7.46
Hidden Meadows Residential 5/8"	\$ 9.49	\$ 46.08	\$ 3.67	\$ 7.46
Moore Bend Residential 3/4"	\$ 28.13	\$ 46.08	\$ 3.67	\$ 7.46
Moore Bend Residential 5/8"	\$ 28.13	\$ 46.08	\$ 3.56	\$ 7.46
Riverfork Residential 3/4"	\$ 21.56	\$ 46.08	\$ 3.56	\$ 7.46
Riverfork Residential 5/8"	\$ 21.56	\$ 46.08	\$ 4.71	\$ 7.46
Riverfork Residential 1"	\$ 21.56	\$ 80.64	\$ 4.71	\$ 7.46
Taney County Residential 3/4"	\$ 12.55	\$ 46.08	\$ 10.31	\$ 7.46
Taney County Residential 5/8"	\$ 12.55	\$ 46.08	\$ 10.31	\$ 7.46
Taney County Residential 1"	\$ 12.55	\$ 80.64	\$ 2.08	\$ 7.46
Taney County Commercial 3/4"	\$ 12.55	\$ 46.08	\$ 2.08	\$ 7.46
Taney County Commercial 5/8"	\$ 12.55	\$ 46.08	\$ 2.08	\$ 7.46
Taney County Commercial 1"	\$ 12.55	\$ 80.64	\$ 5.63	\$ 7.46
Taney County Industrial 1"	\$ 12.55	\$ 80.64	\$ 5.63	\$ 7.46
Taney County Industrial 3/4"	\$ 12.55	\$ 46.08	\$ 5.63	\$ 7.46
Valley Woods Residential 3/4"	\$ 20.97	\$ 46.08	\$ 5.63	\$ 7.46
Valley Woods Residential 5/8"	\$ 20.97	\$ 46.08	\$ 5.63	\$ 7.46

Valley Woods Commercial 1"	\$ 20.97	\$ 80.64	\$ 5.63	\$ 7.46
Valley Woods Commercial 3/4"	\$ 20.97	\$ 46.08	\$ 5.63	\$ 7.46

Customer Charge	Number of Customers	Factor	Customer Equivalents	Proposed Customer Charge
1/2"	38	1	38	\$ 46.08
5/8"	3937	1	3,937	\$ 46.08
3/4"	3424	1	3,424	\$ 46.08
1"	150	1.75	263	\$ 80.64
1 1/2"	0	3	-	\$ 138.23
2"	180	3.5	630	\$ 161.27
3"	8	5	40	\$ 230.39
4"	15	10	150	\$ 460.78
6"	2	20	40	\$ 921.56
Flat Rate - Unmetered	232	1.75	406	\$ 80.64
	7,986		8,928	

Customer Charge Calculation: \$ 4,936,341 \$ 46.08

Commodity	Gallons**	Proposed
\$ 4,216,281	565,453,665	\$ 7.46

*While a factor of 1 is typical for a single family home with a 5/8" meter, staff proposes to use this same factor for 3/4" and 1/2" because this meter size is also deployed on single family homes within Liberty's service areas

Liberty Utilities (Missouri Water), LLC - Water, All Other Service Areas

Revenue Annualizations at Proposed Rates

Annualized Customer Counts and Customer Charge Revenues

Meter Size	No. of Customers	Bills Per Year	Total Bills	Rate *	Annual Revenue
1/2"	38	12	456	\$ 46.08	\$ 21,012
5/8"	3,937	12	47,244	\$ 46.08	\$ 2,176,911
3/4"	3,424	12	41,088	\$ 46.08	\$ 1,893,255
1"	150	12	1,800	\$ 80.64	\$ 145,146
1 1/2"	-	12	-	\$ 138.23	\$ -
2"	180	12	2,160	\$ 161.27	\$ 348,350
3"	8	12	96	\$ 230.39	\$ 22,117
4"	15	12	180	\$ 460.78	\$ 82,940
6"	2	12	24	\$ 921.56	\$ 22,117
Flat Rate - Unmetered	232	12	2,784	\$ 80.64	\$ 224,492
Total	7,986		95,832		\$ 4,936,341

* Monthly Customer Charge

Annualized Commodity Sales - Volumes & Revenues

	Total Sales	Rate	Annual Revenue
	565,454	\$ 7.46	\$ 4,216,281
Total	565,454		\$ 4,216,281

Other Operating Revenues

Total Other Revenues \$ 120,368

Total Operating Revenues

Customer Charge Revenues	\$ 4,936,341
Commodity Charge Revenues	\$ 4,216,281
Sub-Total Tariffed Rate Revenues	\$ 9,152,622
Other Operating Revenues	\$ 120,368
Total Revenues at Proposed Rates	\$ 9,272,990

Revenue Check - Proposed Rates vs. Current Rates

Total Revenues at Proposed Rates	\$ 9,272,990
Total Revenues at Current Tariffed Rates	\$ 4,185,926
Increase in Revenues at Proposed Rates	\$ 5,087,064
Agreed-Upon Increase in Operating Revenues	\$ 5,087,064

Liberty Utilities (Missouri Water), LLC - Bolivar Sewer

Rate Making Income Statement

Operating Revenues at Current Rates

Tariffed Rate Revenues *	\$	2,204,188
Other Operating Revenues *	\$	34,984
Total Operating Revenues	\$	2,239,172

* See "Revenues - Current Rates" for Details

Cost of Service

Item	Amount	Customer Charge	Commodity Charge	
Total Collection Operations Expenses	\$ 54,332	0.5 \$ 27,166	\$ 27,166	
Total Pumping Operations Expenses	\$ 15,260	0.5 \$ 7,630	\$ 7,630	
Total Treatment & Disposal Operations Expenses	\$ 11,523	0.5 \$ 5,762	\$ 5,762	
Total Customer Accounts Expenses	\$ 4,964	0.5 \$ 2,482	\$ 2,482	
Total Administration & General Expenses	\$ 769,820	0.5 \$ 384,910	\$ 384,910	
Other Operating Expenses	\$ 103,022	0.5 \$ 51,511	\$ 51,511	
Sub-Total Operating Expenses	\$ 958,921	\$ 479,461	\$ 479,461	
Total Income Taxes	\$ 175,458	1 \$ 175,458	\$ -	
Total Deferred Income Taxes	\$ (104,215)	1 \$ (104,215)	\$ -	
Additional Current Tax Requirement	\$ 34,851	1 \$ 34,851	\$ -	
Sub-Total Taxes	\$ 106,094	\$ 106,094	\$ -	
Depreciation Expense	\$ 803,170	1 \$ 803,170	\$ -	
Interest Expense	\$ -	1 \$ -	\$ -	
Sub-Total Depreciation/Interest/Amortization	\$ 803,170	\$ 803,170	\$ -	
Return on Equity	\$ 517,181	1 \$ 517,181	\$ -	
Total Cost of Service	\$ 2,385,366	\$ 1,905,906	\$ 479,461	\$ 2,385,366
Cost to Recover in Rates	\$ 2,350,382	\$ 1,870,922	\$ 479,461	\$ 2,350,382
Overall Revenue Increase Needed	\$ 146,194			

rate base 7,173,109
ROR % 7.21%

Liberty Utilities (Missouri Water), LLC

Revenue Annualizations at Current Rates

Annualized Customer Counts and Customer Charge Revenues

Retail Metered Customers					
Service Area/ Meter Size	No. of Customers	Bills Per Year	Total Bills	Rate *	Annual Revenue
Bolivar Residential 1"	85	12	1,020	\$ 30.03	\$ 30,631
Bolivar Residential 2"	11	12	132	\$ 30.03	\$ 3,964
Bolivar Residential 3"	1	12	12	\$ 30.03	\$ 360
Bolivar Residential 3/4"	3,621	12	43,452	\$ 30.03	\$ 1,304,864
Bolivar Residential 5/8"	348	12	4,176	\$ 30.03	\$ 125,405
Bolivar Residential 1.5"	3	12	36	\$ 30.03	\$ 1,081
Bolivar Residential 1/2"	1	12	12	\$ 30.03	\$ 360
Bolivar Residential No Meter	1	12	12	\$ 30.03	\$ 360
Bolivar Commercial 1"	108	12	1,296	\$ 33.22	\$ 43,053
Bolivar Commercial 2"	55	12	660	\$ 33.22	\$ 21,925
Bolivar Commercial 3"	15	12	180	\$ 33.22	\$ 5,980
Bolivar Commercial 3/4"	359	12	4,308	\$ 33.22	\$ 143,112
Bolivar Commercial 5/8"	32	12	384	\$ 33.22	\$ 12,756
Bolivar Commercial 1.5"	5	12	60	\$ 33.22	\$ 1,993
Bolivar Commercial 4"	4	12	48	\$ 33.22	\$ 1,595
Interdepartmental 3/4"	2	12	24	\$ 33.22	\$ 797
Prairie Heights Residential 3/4"	2	12	24	\$ 48.26	\$ 1,158
Prairie Heights Residential 5/8"	2	12	24	\$ 48.26	\$ 1,158
Prairie Heights Res No Meter	48	12	576	\$ 48.26	\$ 27,798
Prairie Heights Commercial 3/4"	2	12	24	\$ 48.26	\$ 1,158
Prairie Heights Com No Meter	2	12	24	\$ 48.26	\$ 1,158
Total	4,707		56,484		\$ 1,730,667

* Monthly Customer Charge

Annualized Commodity Sales - Volumes & Revenues

	Adjusted Gallons Sold	Rate	Annual Revenue
Bolivar Residential 1"	1,682.36	\$ 5.32	\$ 8,950
Bolivar Residential 2"	217.72	\$ 5.32	\$ 1,158
Bolivar Residential 3"	19.79	\$ 5.32	\$ 105
Bolivar Residential 3/4"	71,668.42	\$ 5.32	\$ 381,276
Bolivar Residential 5/8"	6,887.77	\$ 5.32	\$ 36,643
Bolivar Residential 1.5"	59.38	\$ 5.32	\$ 316
Bolivar Residential 1/2"	19.79	\$ 5.32	\$ 105
Bolivar Residential No Meter	19.79	\$ 5.32	\$ 105
Bolivar Commercial 1"	1,575.45	\$ 5.32	\$ 8,381
Bolivar Commercial 2"	802.31	\$ 5.32	\$ 4,268
Bolivar Commercial 3"	218.81	\$ 5.32	\$ 1,164
Bolivar Commercial 3/4"	5,236.91	\$ 5.32	\$ 27,860
Bolivar Commercial 5/8"	466.80	\$ 5.32	\$ 2,483
Bolivar Commercial 1.5"	72.94	\$ 5.32	\$ 388

Bolivar Commercial 4"	58.35	\$	5.32	\$	310
Interdepartmental 3/4"	0.99	\$	5.32	\$	5
Prairie Heights Residential 3/4"	-	\$	-	\$	-
Prairie Heights Residential 5/8"	-	\$	-	\$	-
Prairie Heights Res No Meter	-	\$	-	\$	-
Prairie Heights Commercial 3/4"	-	\$	-	\$	-
Prairie Heights Com No Meter	-	\$	-	\$	-
Total	89,008			\$	473,520

Other Operating Revenues

Late Charge	\$	34,430
Other Water Revenues	\$	554
Total Other Revenues	\$	34,984

Total Operating Revenues

Customer Charge Revenues	\$	1,730,667
Commodity Charge Revenues	\$	473,520
Sub-Total Tariffed Rate Revenues	\$	2,204,188
Other Operating Revenues	\$	34,984
Total Operating Revenues	\$	2,239,181

Liberty Utilities (Missouri Water), LLC - Bolivar Sewer

Development of Tariffed Rates

Current Revenue	\$ 2,204,188
Agreed-Upon Overall Revenue Increase	\$ 146,194
Percentage Increase Needed	7%

Metered Customer Rates

Service Area/ Meter Size	Current Customer Charge	Proposed Customer Charge	Current Usage Rate	Proposed Usage Rate
1/2"	\$ 30.03	\$ 30.14	\$ 5.32	\$ 5.39
5/8"	\$ 30.03	\$ 30.14	\$ 5.32	\$ 5.39
3/4"	\$ 30.03	\$ 30.14	\$ 5.32	\$ 5.39
1"	\$ 30.03	\$ 52.74	\$ 5.32	\$ 5.39
1.5"	\$ 30.03	\$ 90.41	\$ 5.32	\$ 5.39
2"	\$ 30.03	\$ 105.48	\$ 5.32	\$ 5.39
3"	\$ 30.03	\$ 150.68	\$ 5.32	\$ 5.39
4"	\$ 33.22	\$ 301.36	\$ 5.32	\$ 5.39
No Meter	\$ 30.03	\$ 54.24	\$ 5.32	\$ 5.39

Customer Charge	Number of Customers	Factor	Customer Equivalents	Proposed Customer Charge
1/2"	1	1	1	\$ 30.14
5/8"	382	1	382	\$ 30.14
3/4"	3986	1	3,986	\$ 30.14
1"	193	1.75	338	\$ 52.74
1.5"	8	3	24	\$ 90.41
2"	66	3.5	231	\$ 105.48
3"	16	5	80	\$ 150.68
4"	4	10	40	\$ 301.36
No Meter	51	1.8	92	\$ 54.24
	4,707		5,174	

Customer Charge Calculation: \$ 1,870,922 \$ 30.14

Commodity	Gallons	Proposed
\$ 479,461	89,007,574	\$ 5.39

*While a factor of 1 is typical for a single family home with a 5/8" meter, staff proposes to use this same factor for 3/4" and 1/2" because this meter size is also deployed on single family homes within Liberty's service areas

Liberty Utilities (Missouri Water), LLC - Bolivar Sewer

Revenue Annualizations at Proposed Rates

Annualized Customer Counts and Customer Charge Revenues

Meter Size	No. of Customers	Bills Per Year	Total Bills	Rate *	Annual Revenue
1/2"	1	12	12	\$ 30.14	\$ 362
5/8"	382	12	4,584	\$ 30.14	\$ 138,143
3/4"	3986	12	47,832	\$ 30.14	\$ 1,441,465
1"	193	12	2,316	\$ 52.74	\$ 122,141
1.5"	8	12	96	\$ 90.41	\$ 8,679
2"	66	12	792	\$ 105.48	\$ 83,537
3"	16	12	192	\$ 150.68	\$ 28,931
4"	4	12	48	\$ 301.36	\$ 14,465
No Meter	51	12	612	\$ 54.24	\$ 33,198
Total	4655		56,472		\$ 1,870,922

* Monthly Customer Charge

Annualized Commodity Sales - Volumes & Revenues

	Total Sales	Rate	Annual Revenue
	89,008	\$ 5.39	\$ 479,461
Total	89,008		\$ 479,461

Other Operating Revenues

Total Other Revenues \$ 34,984

Total Operating Revenues

Customer Charge Revenues	\$ 1,870,922
Commodity Charge Revenues	\$ 479,461
Sub-Total Tariffed Rate Revenues	\$ 2,350,382
Other Operating Revenues	\$ 34,984
Total Revenues at Proposed Rates	\$ 2,385,366

Revenue Check - Proposed Rates vs. Current Rates

Total Revenues at Proposed Rates	\$ 2,385,366
Total Revenues at Current Tariffed Rates	\$ 2,239,181
Increase in Revenues at Proposed Rates	\$ 146,185
Agreed-Upon Increase in Operating Revenues	\$ 146,194

Liberty Utilities (Missouri Water), LLC

Sewer Rate Making Income Statement

Operating Revenues at Current Rates

Tariffed Rate Revenues *	\$	489,523
Other Operating Revenues *	\$	14,664
Total Operating Revenues	\$	504,193

* See "Revenues - Current Rates" for Details

Cost of Service

Item	Amount
Total Collection Operations Expenses	\$ 19,540
Total Pumping Operations Expenses	\$ 27,814
Total Treatment & Disposal Operations Expenses	\$ 121,621
Total Customer Accounts Expenses	\$ 2,892
Total Administration & General Expenses	\$ 201,080
Other Operating Expenses	\$ 15,727
Sub-Total Operating Expenses	\$ 388,674
Total Income Taxes	\$ (78,275)
Total Deferred Income Taxes	\$ 35,138
Additional Current Tax Required	\$ 100,140
Sub-Total Taxes	\$ 57,003
Depreciation Expense	\$ 198,376
Interest Expense	\$ -
Sub-Total Depreciation/Interest/Amortization	\$ 198,376
Return on Equity	\$ 280,188
Total Cost of Service	\$ 924,241
Cost to Recover in Rates	\$ 909,576
Overall Revenue Increase Needed	\$ 420,048

rate base	3,886,101
ROR %	7.21%

Liberty Utilities (Missouri Water), LLC

Revenue Annualizations at Current Rates - Sewer

Annualized Customer Counts and Customer Charge Revenues

Service Area	No. of Customers	Bills Per Year	Total Bills	Rate *	Annual Revenue
Valley Woods 5/8"	32	12	384	\$ 42.16	\$ 16,189
Valley Woods 1"	1	12	12	\$ 105.39	\$ 1,265
Silverleaf 3/4"	153	12	1,836	\$ 37.08	\$ 68,079
Silverleaf 1"	3	12	36	\$ 63.03	\$ 2,269
Silverleaf 2"	14	12	168	\$ 196.51	\$ 33,014
Silverleaf 3"	1	12	12	\$ 370.76	\$ 4,449
Silverleaf 5/8"	2	12	24	\$ 37.08	\$ 890
KMB 1"	165	12	1,980	\$ 36.97	\$ 73,201
KMB 5/8"	5	12	60	\$ 46.21	\$ 2,773
KMB No Meter Single Family	139	12	1,668	\$ 46.21	\$ 77,078
KMB No Meter Multi Family	24	12	288	\$ 36.97	\$ 10,647
RD Sewer Metered	13	12	156	\$ 34.36	\$ 5,360
RD Sewer No Meter Single Family	96	12	1,152	\$ 34.36	\$ 39,583
RD Sewer No Meter Multi Family	5	12	60	\$ 27.49	\$ 1,649
Total	653		7,836		\$ 336,446

* Monthly flat service charge

Annualized Commodity Sales - Volumes & Revenues

	Adjusted Gallons Usage	Rate	Annual Revenue
Silverleaf	5,581	\$ 27.43	\$ 153,077
Total	\$ 5,581		\$ 153,077

Other Operating Revenues

Late Payment Fee	\$ 14,339
Service Charges	\$ 313
Returned Check Charge	\$ 13
Total Other Revenues	\$ 14,664

Total Operating Revenues

Customer Charge Revenues	\$ 336,446
Commodity Charge Revenues	\$ 153,077
Sub-Total Tariffed Rate Revenues	\$ 489,523
Other Operating Revenues	\$ 14,664
Total Operating Revenues	\$ 504,188

Liberty Utilities (Missouri Water), LLC

Development of Tariffed Rates - Sewer

Current Revenue	\$ 489,523
Agreed-Upon Overall Revenue Increase	\$ 420,048
Percentage Increase Needed	86%

Customer Rates

Service Area	No. of Customers	Current Customer Charge	Proposed Customer Charge
Valley Woods 5/8"	32	\$ 42.16	\$ 92.58
Valley Woods 1"	1	\$ 105.39	\$ 162.01
Silverleaf 3/4"	153	\$ 37.08	\$ 92.58
Silverleaf 1"	3	\$ 63.03	\$ 162.01
Silverleaf 2"	14	\$ 196.51	\$ 324.02
Silverleaf 3"	1	\$ 370.76	\$ 462.89
Silverleaf 5/8"	2	\$ 37.08	\$ 92.58
KMB 1"	165	\$ 36.97	\$ 162.01
KMB 5/8"	5	\$ 46.21	\$ 92.58
KMB No Meter Single Family	139	\$ 46.21	\$ 92.58
KMB No Meter Multi Family	24	\$ 36.97	\$ 92.58
RD Sewer Metered	13	\$ 34.36	\$ 92.58
RD Sewer No Meter Single Family	96	\$ 34.36	\$ 92.58
RD Sewer No Meter Multi Family	5	\$ 27.49	\$ 92.58
Total	653		

* Monthly flat service charge

Customer Charge	Number of Customers	Factor	Customer Equivalents	Proposed Customer Charge
5/8"	39	1	39	\$ 92.58
3/4"	153	1	153	\$ 92.58
1"	169	1.75	295.75	\$ 162.01
1 1/2"	0	3	0	\$ 277.73
2"	14	3.5	49	\$ 324.02
3"	1	5	5	\$ 462.89
4"	0	10	0	\$ 925.78
Flat Rate - Unmetered	277	1	277	\$ 92.58
	653		818.75	

Customer Charge Calculation:	Cost to recover in rates			
	\$ 909,576	\$	92.58	

Liberty Utilities (Missouri Water), LLC

Revenue Annualizations at Proposed Rates - Sewer

Annualized Customer Counts and Customer Charge Revenues

Service Area	No. of Customers	Rate	Annual Revenue
Valley Woods 5/8"	32	\$ 92.58	\$ 35,550
Valley Woods 1"	1	\$ 162.01	\$ 1,944
Silverleaf 3/4"	153	\$ 92.58	\$ 169,973
Silverleaf 1"	3	\$ 162.01	\$ 5,832
Silverleaf 2"	14	\$ 324.02	\$ 54,436
Silverleaf 3"	1	\$ 462.89	\$ 5,555
Silverleaf 5/8"	2	\$ 92.58	\$ 2,222
KMB 1"	165	\$ 162.01	\$ 320,782
KMB 5/8"	5	\$ 92.58	\$ 5,555
KMB No Meter Single Family	139	\$ 92.58	\$ 154,420
KMB No Meter Multi Family	24	\$ 92.58	\$ 26,662
RD Sewer Metered	13	\$ 92.58	\$ 14,442
RD Sewer No Meter Single Family	96	\$ 92.58	\$ 106,650
RD Sewer No Meter Multi Family	5	\$ 92.58	\$ 5,555
Total	653		\$ 909,576

Other Operating Revenues

Total Other Revenues **\$ 14,664**

Total Operating Revenues

Sub-Total Tariffed Rate Revenues	\$ 909,576
Other Operating Revenues	\$ 14,664
Total Revenues at Proposed Rates	<u>\$ 924,241</u>

Revenue Check - Proposed Rates vs. Current Rates

Total Revenues at Proposed Rates	\$ 924,241
Total Revenues at Current Tariffed Rates	\$ 504,188
Increase in Revenues at Proposed Rates	\$ 420,053
Agreed-Upon Increase in Operating Revenues	\$ 420,048

Liberty Utilities (Missouri Water), LLC - Bolivar Water Residential Customer Bill Comparison

	<u>Proposed Rates</u>	
Customer Charge	\$	38.41
Usage Charge	\$	47.82
Total Bill	\$	86.22

MONTHLY BILL COMPARISON

	<u>Bolivar Current Rates</u>	
Customer Charge	\$	18.17
Usage Charge	\$	14.88
Total Bill	\$	33.05

Customer Bill Increases/Decreases

\$ Increase	\$	53.17
% Increase		160.89%

**Liberty Utilities (Missouri Water), LLC - Water, All Other Service Areas
Residential Customer Bill Comparison**

Proposed Rates All systems

Customer Charge	\$	46.08
Usage Charge	\$	29.83
Total Bill	\$	75.90

MONTHLY BILL COMPARISON

* Assume 4,000 usage and 5/8" meter

Noel Current Rates

Customer Charge	\$	23.86
Usage Charge	\$	12.32
Total Bill	\$	36.18

Empire Current Rates

Customer Charge	\$	12.93
Usage Charge	\$	17.20
Total Bill	\$	30.13

Hidden Meadows Current Rates

Customer Charge	\$	9.49
Usage Charge	\$	18.84
Total Bill	\$	28.33

KMB Current Rates

Customer Charge	\$	30.04
Usage Charge	\$	27.48
Total Bill	\$	57.52

Oakbrier Current Rates

Customer Charge	\$	15.07
Usage Charge	\$	13.56
Total Bill	\$	28.63

Moore Bend Current Rates

Customer Charge	\$	28.13
Usage Charge	\$	41.24
Total Bill	\$	69.37

Silverleaf Current Rates

Customer Charge	\$	26.65
Usage Charge	\$	27.52
Total Bill	\$	54.17

Lakeland Heights Current Rates

Customer Charge	\$	15.50
Usage Charge	\$	22.52
Total Bill	\$	38.02

Riverfork Current Rates

Customer Charge	\$	21.56
Usage Charge	\$	8.32
Total Bill	\$	29.88

Franklin County Current Rates

Customer Charge	\$	5.70
Usage Charge	\$	10.44
Total Bill	\$	16.14

Whispering Hills Current Rates

Customer Charge	\$	20.69
Usage Charge	\$	14.68
Total Bill	\$	35.37

Taney County Current Rates

Customer Charge	\$	12.55
Usage Charge	\$	22.52
Total Bill	\$	35.07

Valley Woods Current Rates

Customer Charge	\$	20.97
Usage Charge	\$	8.48
Total Bill	\$	29.45

Bilyeu Ridge Current Rates

Customer Charge	\$	17.22
Usage Charge	\$	14.24
Total Bill	\$	31.46

Customer Bill Increases/Decreases

Noel

\$ Increase	\$	39.72
% Increase		109.80%

Empire

\$ Increase	\$	45.77
% Increase		151.92%

Hidden Meadows

\$ Increase	\$	47.57
% Increase		167.93%

KMB

\$ Increase	\$	18.38
% Increase		31.96%

Oakbrier

\$ Increase	\$	47.27
% Increase		165.12%

Moore Bend

\$ Increase	\$	6.53
% Increase		9.42%

Silverleaf

\$ Increase	\$	21.73
% Increase		40.12%

Lakeland Heights

\$ Increase	\$	37.88
% Increase		99.64%

Riverfork

\$ Increase	\$	46.02
% Increase		154.03%

Franklin County

\$ Increase	\$	59.76
% Increase		370.28%

Whispering Hills

\$ Increase	\$	40.53
% Increase		114.60%

Taney County

\$ Increase	\$	40.83
% Increase		116.44%

Valley Woods

\$ Increase	\$	46.45
% Increase		157.74%

Bilyeu Ridge

\$ Increase	\$	44.44
% Increase		141.27%

Liberty Utilities (Missouri Water), LLC - Bolivar Sewer

Residential Customer Bill Comparison

Current Rates

*Commodity Charges calculated using 4,000 average gallons

Bolivar

1/2"

Current Customer Charge	\$ 30.03
Current Commodity Charge	\$ 21.28
Total Bill	\$ 51.31

5/8"

Current Customer Charge	\$ 30.03
Current Commodity Charge	\$ 21.28
Total Bill	\$ 51.31

3/4"

Current Customer Charge	\$ 30.03
Current Commodity Charge	\$ 21.28
Total Bill	\$ 51.31

1"

Current Customer Charge	\$ 30.03
Current Commodity Charge	\$ 21.28
Total Bill	\$ 51.31

1.5"

Current Customer Charge	\$ 30.03
Current Commodity Charge	\$ 21.28
Total Bill	\$ 51.31

2"

Current Customer Charge	\$ 30.03
Current Commodity Charge	\$ 21.28
Total Bill	\$ 51.31

3"

Current Customer Charge	\$ 30.03
Current Commodity Charge	\$ 21.28
Total Bill	\$ 51.31

No Meter

Current Customer Charge	\$ 30.03
Current Commodity Charge	\$ 21.28
Total Bill	\$ 51.31

Prairie Heights

5/8"

Current Customer Charge	\$ 48.26
Current Commodity Charge	\$ -
Total Bill	\$ 48.26

3/4"

Current Customer Charge	\$ 48.26
Current Commodity Charge	\$ -
Total Bill	\$ 48.26

No Meter

Current Customer Charge	\$ 48.26
Current Commodity Charge	\$ -
Total Bill	\$ 48.26

Proposed Rates

Bolivar

1/2"

Proposed Customer Charge	\$ 30.14
Proposed Commodity Charge	\$ 21.55
Total Bill	\$ 51.68

5/8"

Proposed Customer Charge	\$ 30.14
Proposed Commodity Charge	\$ 21.55

3"

Proposed Customer Charge	\$ 150.68
Proposed Commodity Charge	\$ 21.55
Total Bill	\$ 172.23

No Meter

Proposed Customer Charge	\$ 54.24
Proposed Commodity Charge	\$ -

Total Bill \$ 51.68

3/4"

Proposed Customer Charge \$ 30.14
Proposed Commodity Charge \$ 21.55
Total Bill \$ 51.68

1"

Proposed Customer Charge \$ 52.74
Proposed Commodity Charge \$ 21.55
Total Bill \$ 74.28

1.5"

Proposed Customer Charge \$ 90.41
Proposed Commodity Charge \$ 21.55
Total Bill \$ 111.95

2"

Proposed Customer Charge \$ 105.48
Proposed Commodity Charge \$ 21.55
Total Bill \$ 127.02

Total Bill \$ 54.24

Prairie Heights

5/8"

Proposed Customer Charge \$ 30.14
Proposed Commodity Charge \$ 21.55
Total Bill \$ 51.68

3/4"

Proposed Customer Charge \$ 30.14
Proposed Commodity Charge \$ 21.55
Total Bill \$ 51.68

No Meter

Proposed Customer Charge \$ 54.24
Proposed Commodity Charge \$ -
Total Bill \$ 54.24

Customer Bill Increases/Decreases

Bolivar

1/2"

\$ Change \$ 0.37
% Change 0.73%

5/8"

\$ Change \$ 0.37
% Change 0.73%

3/4"

\$ Change \$ 0.37
% Change 0.73%

1"

\$ Change \$ 22.97
% Change 44.78%

1.5"

\$ Change \$ 60.64
% Change 118.19%

2"

\$ Change \$ 75.71
% Change 147.56%

3"

\$ Change \$ 120.92
% Change 235.66%

No Meter

\$ Change \$ 2.93
% Change 5.72%

Prairie Heights

5/8"

\$ Change \$ 3.42
% Change 7.09%

3/4"

\$ Change \$ 3.42
% Change 7.09%

No Meter

\$ Change \$ 5.98
% Change 12.40%

Liberty Utilities (Missouri Water), LLC
Residential Customer Bill Comparison - Sewer

MONTHLY BILL COMPARISON

Valley Woods 5/8"

Current Customer Charge	\$ 42.16
Proposed Customer Charge	\$ 92.58
Percent change	220%

Valley Woods 1"

Current Customer Charge	\$ 105.39
Proposed Customer Charge	\$ 162.01
Percent change	154%

Silverleaf 3/4"

Current Customer Charge	\$ 37.08
Proposed Customer Charge	\$ 92.58
Percent change	250%

Silverleaf 1"

Current Customer Charge	\$ 63.03
Proposed Customer Charge	\$ 162.01
Percent change	257%

Silverleaf 2"

Current Customer Charge	\$ 196.51
Proposed Customer Charge	\$ 324.02
Percent change	165%

Silverleaf 3"

Current Customer Charge	\$ 370.76
Proposed Customer Charge	\$ 462.89
Percent change	125%

Silverleaf 5/8"

Current Customer Charge	\$ 37.08
Proposed Customer Charge	\$ 92.58
Percent change	250%

KMB 1"

Current Customer Charge	\$ 36.97
Proposed Customer Charge	\$ 162.01
Percent change	438%

KMB 5/8"

Current Customer Charge	\$ 46.21
Proposed Customer Charge	\$ 92.58
Percent change	200%

KMB No Meter Single Family

Current Customer Charge	\$ 46.21
Proposed Customer Charge	\$ 92.58
Percent change	200%

KMB No Meter Multi Family

Current Customer Charge	\$ 36.97
Proposed Customer Charge	\$ 92.58
Percent change	250%

RD Sewer Metered

Current Customer Charge	\$ 34.36
Proposed Customer Charge	\$ 92.58
Percent change	269%

RD Sewer No Meter Single Family

Current Customer Charge	\$ 34.36
Proposed Customer Charge	\$ 92.58
Percent change	269%

RD Sewer No Meter Multi Family

Current Customer Charge	\$ 27.49
Proposed Customer Charge	\$ 92.58
Percent change	337%

Water								
Charge	Tariff Number:	14	21	16	18	20	17	Staff Proposed Amount
Service Connection Inspection		\$25.00	\$25.00		\$25.00		\$25.00	\$100.00
Water Service Line Inspection		\$25.00	\$25.00		\$25.00		\$25.00	\$100.00
Turn On		\$25.00	\$30.00	\$30.00	\$30.00	\$25.00	\$30.00	\$50.00
Turn Off		\$25.00	\$30.00	\$25.00	\$30.00	\$25.00	\$30.00	\$50.00
Reconnection Charge after Company Discontinuance				\$30.00				\$50.00
On Site Collection		\$15.00	\$15.00	\$15.00				\$15.00
Meter Test		\$25.00	\$25.00		\$25.00	~~see tariff	\$25.00	Actual Cost
Late Charge (whichever is greater)		\$5.00 or 3%	\$5.00 or 3%	0.5%	\$5.00 or 3%	\$5.00 or 1%	\$5.00 or 3%	\$5.00 or 3%
Return Check Charges		\$25.00	\$29.00	\$20.00	\$25.00	\$25.00	\$25.00	\$25.00
Service Call for Damages caused by Customer		\$40.00	\$40.00		\$25.00	Actual Cost	\$25.00	Actual Cost
Emergency call out charge				\$15.00				REMOVE
Credit / Debit Card Charges			\$3.00					REMOVE
Special Meter Reading Appointments				\$5 or \$10				REMOVE
Op-Out Charges								
One-time setup charge		\$150.00		\$150.00				\$150.00
Non-Standard Meter Charge per month		\$45.00		\$45.00				\$45.00
Non-Standard Subsequent Meter Charge per month		\$10.00		\$10.00				\$10.00

Sewer					
Charge	Tariff Number:	15	13	19	Staff Proposed Amount
New Service Sewer Connection Fee			Actual Cost		Actual Cost
Disconnection/Reconnection of water at company request due to delinquent sewer Bill				\$100.00	\$50.00
Reconnection of services after physical disconnection		Actual Cost			Actual Cost
Reconnection of services for disconnect caused by nonpayment of bill		\$25.00			\$50.00
Reconnection of services for voluntary disconnects of less than 30 days		\$25.00			\$50.00
Reconnection of services for "seasonal" disconnects **		\$25.00			\$25.00
On-Site Collection Charge ^^		\$15.00			\$15.00
Late Charge (whichever is greater)		\$5.00 or 3%		\$5.00 or 3%	\$5.00 or 3%
Return Check Charges		\$25.00	\$29.00	\$25.00	\$25.00
Service Call outside of normal business hours (excluding ruptured Customer's service)				\$25.00	\$50.00
Service Call for Damages caused by Customer (Actual cost but not less than)			\$50.00		Actual cost, minimum \$50
Disconnection/Reconnection				Actual Cost	REMOVE
Service Connection Inspection		\$25.00	\$35.00	\$35.00	REMOVE
Re-Inspection (no fault of company)				\$20.00	REMOVE
Credit Card / Debit Card Charges			\$3.00		REMOVE

(** \$25 Plus the monthly customer charge times the number of months "off-system" (not to exceed 6 months) where the same beneficial service recipient discontinues and restores service to the same location within a 12-month period)

^^ This charge will be added to the current bill if the Company personnel is on-site to disconnect the service when the Customer pays the bill. The disconnection fee may not be assessed if the service is not physically disconnected.

\$25 plus 25% of monthly customer charge