

Liberty Utilities Co.
Missouri Jurisdiction
Case No. ER-2021-0312
Direct Schedule TM-4 Weighted Average Cost of Capital

Line No.	Description (a)	Capital per Books 9/30/20 (b)	Capital Ratio 9/30/20 (c)	Pro Forma Adjustments (2) (d)	Adjusted Capital 9/30/20 (e) = (b) + (d)	Pro Forma Capital Ratio (f)	ER-2019-0374 Adjustments (3) (g)	Adjusted Capital 9/30/20 Post ER- 2019-0374 (h) = (e) + (g)	Adjusted Capital Ratio (i)
1	Long Term Debt	\$ 1,881,030,000	38.07%	\$ 584,089,000	\$ 2,465,119,000	37.62%	\$ 628,500,000	\$ 3,093,619,000	47.21%
2	Preferred Shares	-	0.00%	-	-	0.00%	\$ -	\$ -	0.00%
3	Redeemable Non Controlling Interest (1)	22,895,000	0.46%	(2,036,000)	20,859,000	0.32%		20,859,000	0.32%
4	Common Equity	3,036,870,000	61.47%	1,029,823,000	4,066,693,000	62.06%	(628,500,000)	3,438,193,000	52.47%
5	Total Equity	3,059,765,000	61.93%	1,027,787,000	4,087,552,000	62.38%	(628,500,000)	3,459,052,000	52.79%
6	Total Capital	<u>\$ 4,940,795,000</u>	<u>100.00%</u>	<u>\$ 1,611,876,000</u>	<u>\$ 6,552,671,000</u>	<u>100.00%</u>	<u>\$ -</u>	<u>\$ 6,552,671,000</u>	<u>100.00%</u>

(1) Redeemable Non Controlling Interests relate to third party tax equity investments in solar projects that are not expected to be redeemed.

(2) Reflects estimated changes in common equity from September 30, 2020 through March 31, 2021 and financing of wind farm investments.

(3) In ER-2019-0374, OPC increased Long-Term Debt to reflect guarantees by LUCO of Affiliate Debt not reflected on LUCO's balance sheet. In addition, OPC also subtracted the same amounts from Common Equity. Empire does not agree with these adjustments but has reflected them per the 2019-0374 Order. This issue is on appeal before the Missouri Court of Appeals, Western District. Besides disagreement with the underlying methodology Empire also does not agree with the common equity adjustment in column (g).