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**ORIGINAL**

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12 Attorneys for Liberty Utilities (Entrada Del Oro Sewer) Corp.

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AZ CORP COMMISSION  
DOCKET CONTROL

**BEFORE THE ARIZONA CORPORATION COMMISSION**

11 IN THE MATTER OF THE APPLICATION  
12 OF LIBERTY UTILITIES (ENTRADA DEL  
13 ORO SEWER) CORP., AN ARIZONA  
14 CORPORATION, FOR A  
15 DETERMINATION OF THE FAIR VALUE  
16 OF ITS UTILITY PLANTS AND  
PROPERTY AND FOR INCREASES IN ITS  
WASTEWATER RATES AND CHARGES  
FOR UTILITY SERVICE BASED  
THEREON.

DOCKET NO: SW-04316A-16-0078

Arizona Corporation Commission  
**DOCKETED**

JUN 14 2016

DOCKETED BY *AC*

17 IN THE MATTER OF THE APPLICATION  
18 OF LIBERTY UTILITIES (ENTRADA DEL  
19 ORO SEWER) CORP., AN ARIZONA  
20 CORPORATION, FOR AUTHORITY TO  
ISSUE EVIDENCE OF INDEBTEDNESS IN  
AN AMOUNT NOT TO EXCEED  
\$1,750,000.

DOCKET NO: SW-04316A-16-0085

**NOTICE OF FILING PROOF OF MAILING**

21 Pursuant to A.A.C. R14-2-105, on June 2, 2016 Liberty Utilities (Entrada Del Oro)  
22 Sewer) Corp. ("Liberty EDO" or "Company") mailed to its customers notice of the  
23 Company's rate application. Also on June 2, 2016, and pursuant to A.R.S. § 40-302,  
24 Liberty EDO mailed to its customers notice of the Company's financing application.  
25  
26

1 A confirmation letter from Susan Walter of Digital Data Centers, and copies of the rate  
2 and financing notices are attached as **Exhibit A**.

3 RESPECTFULLY SUBMITTED this 14th day of June, 2016.

4 SHAPIRO LAW FIRM, P.C.

5  
6 By:   
7 Jay L. Shapiro  
8 1819 E. Morten Avenue, Suite 280  
Phoenix, AZ 85020  
jay@shaplawaz.com

9 and

10 LIBERTY UTILITIES

11 Todd C. Wiley  
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13 12725 W. Indian School Road, Suite D-101  
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Todd.Wiley@libertyutilities.com

14 Attorneys for Liberty Utilities  
15 (Entrada Del Oro Sewer) Corp.

16  
17 ORIGINAL and thirteen (13) copies  
18 of the foregoing were delivered  
this 14th day of June, 2016, to:

19 Docket Control  
20 Arizona Corporation Commission  
1200 W. Washington Street  
Phoenix, AZ 85007

21  
22 COPY of the foregoing was hand-delivered  
this 14th day of June, 2016, to:

23 Sasha Paternoster, ALJ  
24 Hearing Division  
Arizona Corporation Commission  
1200 W. Washington Street  
25 Phoenix, AZ 85007

1 COPY of the foregoing was emailed and hand-delivered  
2 this 14th day of June, 2016, to:

3 Robin Mitchell  
4 Legal Division  
5 Arizona Corporation Commission  
6 1200 W. Washington Street  
7 Phoenix, AZ 85007  
8 rmitchell@azcc.gov

9 By: Anthony Birk

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# **EXHIBIT A**



# DIGITAL DATA CENTERS

DELIVERING CRITICAL MAIL & E-SOLUTIONS  
188 Internationale Boulevard Glendale Heights, IL 60139

Phone: 630-384-0900  
Fax: 630-384-0901  
Email: [Info@DigitalDC.biz](mailto:Info@DigitalDC.biz)  
Web: [www.DigitalDC.biz](http://www.DigitalDC.biz)

June 7, 2016

To Whom It May Concern:

LWSTMT\_EDO\_060116 was received 06/01/16 at 11:39 AM CST was delivered to the PHOENIX AZ 85026-9998 USPS Post Office location on 06/02/16.

0 packages qualified for the postal coding discount and 260 packages were sent residual at our secondary discount rate for a total of 260 mailed packages.

All 260 Packages in this mailing run included 4 inserts:

- Liberty EDO Customer Notice of Financing Application
- Liberty EDO Rate Case Notice
- EDO – H-3 Schedule to Attach to Rate Case Notice
- Liberty Utilities “New Online Experience” Buck Slip

Please contact the Account Services Department at Digital Data Centers if you have any questions.

Sincerely,

Susan Walter  
Manager – Account Services  
Digital Data Centers

**PUBLIC NOTICE OF**  
**LIBERTY UTILITIES (ENTRADA DEL ORO SEWER) CORP.**  
**FINANCING APPLICATION**  
**Docket No. SW-04316A-16-0085**

On March 7, 2016, Liberty Utilities (Entrada Del Oro Sewer) Corp. (“Company” or “Applicant”) filed an Application with the Arizona Corporation Commission (“Commission”) for an order authorizing Applicant to issue evidence indebtedness in an amount not exceed \$1,750,000. The purpose of the financing is for the Company to rebalance its capital structure from 100 percent equity to a capital structure of 70 percent equity and 30 percent debt. The Commission may approve, disapprove, or approve the financing request with modifications. The Commission may act on the financing request with or without a hearing.

**How You Can View the Application and Other Filings**

Copies of the application are available from Liberty Utilities (Entrada Del Oro Sewer) Corp. at **12725 West Indian School Rd., Suite D101, Avondale, AZ 85392** or **www.libertyutilities.com**; and they are available for inspection during regular business hours at the Commission’s Docket Control Center at 1200 West Washington Street, Phoenix, AZ, 85007. All filings in this matter are also available via the Commission’s website ([www.azcc.gov](http://www.azcc.gov)) using the e-Docket function and Docket No. SW-04316A-16-0085.

**How Interested Persons May Participate**

An interested person may participate in this matter by (1) providing written public comment, or (2) filing for intervention and becoming a formal party to the proceeding. Written public comments must refer to Docket No. SW-04316A-16-0085 and may be submitted at any time as follows:

By Mail: Arizona Corporation Commission  
Consumer Services Section  
1200 West Washington Street  
Phoenix, AZ 85007

On the Website: [www.azcc.gov](http://www.azcc.gov) using the link “Submit a Public Comment.” Anyone requiring assistance may contact the Consumer Services Section at 1-800-222-7000 or 602-542-4251.

**About Intervention**

Any person or entity entitled by law to intervene and having a direct and substantial interest in the matter will be permitted to intervene. Intervention entitles a person to participate as a party and, if a hearing is held, to present sworn testimony and evidence and cross-examine witnesses. Persons who do not intervene will receive no further notice of the proceedings in this docket. The granting of motions to intervene shall be

governed by A.A.C. R14-3-105, except that the person requesting intervention must file an original and 13 copies of a written motion to intervene with the Commission's Docket Control Center within 30 days of receipt of this notice, and must send a copy of the motion to Liberty Utilities (Entrada Del Oro Sewer) Corp. or its counsel. Contact information for the Applicant and other parties is available using the eDocket function and Docket No. SW-04316A-16-0085.

Each motion to intervene must include the Docket Number and contain the following:

1. The name, address, and telephone number of the person requesting intervention and of any person upon whom service of documents is to be made, if not the same person;
2. A short statement of the proposed intervenor's interest in the proceeding (e.g., a customer of the Applicant, a member or shareholder of the Applicant, etc.);
3. Whether the proposed intervenor desires a formal evidentiary hearing on the application and the reasons for such a hearing;
4. A statement certifying that a copy of the motion to intervene has been mailed to the Applicant or its counsel and to all parties of record in the case; and
5. Information and any appropriate documentation demonstrating compliance with Arizona Supreme Court Rules 31, 38, and 42, as applicable, unless the proposed intervenor is an individual representing himself or herself, or is represented by an attorney who is an active member of the Arizona State Bar.

A sample intervention request form is available at:  
<http://www.azcc.gov/divisions/utilities/forms/interven.pdf>.

#### **ADA/Equal Access Information**

The Commission does not discriminate on the basis of disability in admission to its proceedings. Persons with a disability may request a reasonable accommodation such as a sign language interpreter, and may request this document in an alternative format, by contacting ADA Coordinator Shaylin Bernal, at [SBernal@azcc.gov](mailto:SBernal@azcc.gov), voice phone number 602-542-3931. Requests should be made as early as possible to allow time to arrange the accommodation.

## CUSTOMER NOTIFICATION

Liberty Utilities (Entrada Del Oro Sewer) Corp. ("Company") has applied to the Arizona Corporation Commission for an adjustment in rates. The current rates have been in effect since November 2005. An increase in rates is necessary at this time due to revenues not keeping pace with increased operating costs. Based on the Company's unaudited Test Year results, the Company realized an operating income/loss of \$(25,409). The Company is requesting a revenue increase of \$254,750 or 90.53% of total revenues. Please see the attached Schedule H-3 of the Company's application for the current and proposed rates.

The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street (for Tucson, call 800-535-0148 if located outside the Tucson local calling area or 520-628-6555 if inside the Tucson local calling area) and at Liberty Utilities (Entrada Del Oro Sewer) Corp., 12725 W. Indian School Rd., Suite D101, Avondale, Arizona 85392, and [www.libertyutilities.com](http://www.libertyutilities.com). Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.

Customer input is an important part of the Commission's analysis of the requested adjustment and is a factor in determining whether a hearing will be conducted. Customers should bring to the Commission's attention any questions or concerns related to the Company's Application, including service, billing procedures or other factors important in determining the reasonableness of charges. Customers may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 800-222-7000 (if located outside the Phoenix local calling area) or 602-542-4251 in the Phoenix local calling area. Customers may also contact the Tucson Commission office by calling 800-535-0148 (if located outside the Tucson local calling area) or 520-628-6555 in the Tucson local calling area.

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, customer comments submitted in writing will be placed in the office file, which the Commission reviews prior to making its final decision on the Application. It is important that customers contact the Commission within 30 days of the receipt of this notice so that the Commission's Staff can consider customer comments and concerns in developing its recommendations to the Commission.

Liberty Utilities (Entrada Del Oro Sewer) Corp.  
 Present and Proposed Rates  
 Test Year Ended October 31, 2015

Exhibit  
 Schedule H-3  
 Page 1  
 Witness: Bourassa

Line No.	Customer Classification	Present Rates	Proposed Rates	Percent Change
1				
2	Monthly Charge for:			
3	Residential	\$ 70.00	\$ 133.74	91.05% [1]
4	School, per Student	5.600	10.699	91.05%
5	Commercial	NT	140.00	NMF
6				
7	Commercial, per 1,000 gals[2]	NT	6.00	NMF
8				
9				
10				
11				
12				
13	[1] Proposed Phase-in			
14				
15	Residential Monthly Charge		Year 1	Year 2
16	Foregone Revenues Surcharge		Year 3	Year 4
17	Total		\$ 114.61	\$ 133.74
18			\$ 133.74	\$ 155.48
19			\$ 155.48	\$ 133.74
20				
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[2] Base dupon actual water usage provided by Arizona Water Company.  
 If water usage data cannot be obtained, then the Company proposes the following flat rate design based upon meter size:

Meter Size:	Proposed Monthly Charge
1 Inch and smaller	\$ 140.00
1 1/2 Inch	\$ 280.00
2 Inch	\$ 448.00
3 Inch	\$ 896.00
4 Inch	\$ 1,400.00
6 Inch	\$ 2,800.00
8 Inch	\$ 4,480.00
10 Inch	\$ 6,440.00

NT = No Tariff

Liberty Utilities (Entrada Del Oro Sewer) Corp.  
 Present and Proposed Rates  
 Test Year Ended October 31, 2015

Exhibit  
 Schedule H-3  
 Page 2  
 Witness: Bourassa

Line No.	Other Service Charges	Present Rates	Proposed Rates
1	Establishment	\$ 30.00	\$ 25.00
2	Establishment (After Hours)	\$ 60.00	NT
3	Reconnection (Delinquent)	\$ 60.00	(a)
4	Reestablishment (within 12 months)	*	*
5	Deposit	**	**
6	Deposit Interest	**	6.00%
7	NSF Check	\$ 25.00	\$ 25.00
8	Late Payment Penalty	1.5% per month	Greater of \$5.00 or 1.5% per month on unpaid balance
9	Deferred Payment	1.5% per month	1.5% per month
10	Service Charge - after hours(b)	NT	\$ 50.00
11	Main Extension/ Additional Facilities	Cost	Cost
12	Revenues Taxes and Assessments	***	***

\* Per Commission Rule A.A.C. R-14-2-603(D) - Months off system times the minimum charge.  
 \*\* Per Commission Rule A.A.C. R-14-2-603(B). Residential - two times the average bill. Non-residential two and one-half times the average bill.  
 \*\*\* Per Commission Rule A.A.C. R14-2-608(D)

(a) Customer shall pay the actual cost of physical disconnection and Establishment Fee (if same customer) and there shall be no charge for disconnection if no physical work is performed.  
 (b) The after-hours service charge shall apply to any service requested by Customer that is performed by Company after regular business hours and shall be in addition to the regular business hours service charge.

IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE TAX. PER COMMISSION RULE 14-2-608D(5).

ALL MAIN EXTENSIONS (ADVANCES AND/OR CONTRIBUTIONS) ARE TO INCLUDE LABOR, MATERIALS, OVERHEADS AND ALL APPLICABLE TAXES, INCLUDING ALL GROSS-UP TAXES FOR INCOME TAXES.