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Appendix A
Liberty Utilities (Apple Valley Ranchos) Corp –
Domestic
Summary of Earnings, Ratebase,
Taxes, Quantities, Bill Comparison

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LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP. - DOMESTIC
SUMMARY OF EARNINGS - TEST YEAR 2025-2026
(Dollars in Thousands)

	<u>PRESENT RATES</u>	<u>ADOPTED RATES</u>
OPERATING REVENUES	\$29,885.3	\$27,821.8
DEFERRED REVENUES	\$0.0	\$0.0
MISCELLANEOUS REVENUE	<u>\$163.2</u>	<u>\$163.2</u>
TOTAL REVENUES	\$30,048.5	\$27,984.9
% CHANGE		-6.87%
OPERATIONS & MAINTENANCE		
PAYROLL-OPERATIONS	\$574.2	\$574.2
OPERATIONS-OTHER	\$348.0	\$348.0
PURCHASED POWER	\$1,489.7	\$1,489.7
LEASED WATER RIGHTS	\$209.7	\$209.7
REPLENISHMENT	\$87.3	\$87.3
CHEMICALS	\$53.3	\$53.3
PAYROLL-CUSTOMERS	\$394.3	\$394.3
CUSTOMERS-OTHER	\$567.2	\$567.2
UNCOLLECTIBLES	\$147.2	\$137.1
PAYROLL-MAINTENANCE	\$268.6	\$268.6
MAINTENANCE-OTHER	\$878.4	\$878.4
CLEARINGS	<u>\$336.4</u>	<u>\$336.4</u>
SUB-TOTAL O & M	\$5,354.3	\$5,344.2
ADMINISTRATIVE & GENERAL		
A & G PAYROLL	\$1,400.9	\$1,400.9
EMPLOYEE BENEFITS	\$720.8	\$720.8
INSURANCE	\$825.1	\$825.1
REG. COMM. EXPENSE	\$166.1	\$166.1
FRANCHISE REQUIREMENTS	\$285.5	\$265.9
OUTSIDE SERVICES	\$77.4	\$77.4
A & G - OTHER	\$304.0	\$304.0
A & G TRANSFERRED CREDIT	-\$850.3	-\$850.3
ALLOCATIONS	<u>\$1,912.1</u>	<u>\$1,912.1</u>
SUB-TOTAL A & G	\$4,841.5	\$4,821.9
OTHER TAXES		
PROPERTY TAXES	\$1,376.2	\$1,376.2
TAXES-OTHER	\$92.8	\$92.8
PAYROLL TAXES	<u>\$240.6</u>	<u>\$240.6</u>
SUBTOTAL OTHER TAXES	\$1,709.5	\$1,709.5
DEPRECIATION	\$5,714.4	\$5,714.4
CA INCOME TAXES	\$829.2	\$649.4
FEDERAL INCOME TAXES	\$1,649.0	\$1,221.9
TOTAL EXPENSE	\$20,097.9	\$19,461.3
NET REVENUES	\$9,950.6	\$8,523.6
TOTAL RATE BASE	\$118,839.2	\$118,839.2
RATE OF RETURN	8.37%	7.17%

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LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP. - DOMESTIC
RATEBASE
(Dollars in Thousands)

	<u>2025-2026</u>	<u>2026-2027</u>
AVERAGE BALANCES		
PLANT IN SERVICE	\$217,204.3	\$224,445.0
WORK IN PROGRESS	\$3,528.0	\$5,401.5
MATERIALS & SUPPLIES	\$660.4	\$686.8
WORKING CASH	<u>\$1,930.6</u>	<u>\$1,910.1</u>
SUBTOTAL	\$223,323.2	\$232,443.4
LESS:		
DEPRECIATION RESERVE	\$66,809.7	\$70,883.1
ADVANCES	\$27,617.2	\$29,334.8
CONTRIBUTIONS	\$2,573.0	\$2,685.3
UNAMORTIZED ITC	\$0.0	\$0.0
UNAMORTIZED EXCESS DEFERRED INCOME TAX	\$3,650.9	\$3,473.2
DEFERRED INCOME TAX	<u>\$13,755.0</u>	<u>\$14,224.1</u>
SUBTOTAL	\$114,405.8	\$120,600.5
PLUS:		
METHOD 5 ADJUSTMENT	\$0.3	\$0.3
NET DISTRICT RATE BASE	\$108,917.7	\$111,843.3
MAIN OFFICE ALLOCATION	\$9,921.4	\$10,352.3
TOTAL RATE BASE	\$118,839.2	\$122,195.6

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LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP. - DOMESTIC
INCOME TAX CALCULATION - Test Year 2025-2026
(Dollars in Thousands)

	<u>PRESENT RATES</u>	<u>ADOPTED RATES</u>
OPERATING REVENUES	\$30,048.5	\$27,984.9
EXPENSE		
OPERATIONS & MAINTENANCE	\$5,207.1	\$5,207.1
UNCOLLECTIBLES	\$147.2	\$137.1
ADMINISTRATIVE & GENERAL	\$4,556.1	\$4,556.1
FRANCHISE REQUIREMENTS	\$285.5	\$265.9
PROPERTY TAXES	\$1,376.2	\$1,376.2
TAXES-OTHER	\$92.8	\$92.8
PAYROLL TAXES	\$240.6	\$240.6
MEALS ADJUSTMENT	<u>-\$7.5</u>	<u>-\$7.5</u>
TOTAL	\$11,897.9	\$11,868.2
INCOME BEFORE TAXES	\$18,150.6	\$16,116.8
CA CORP-FRANCHISE TAX (CCFT)		
CA TAX DEPRECIATION	\$5,588.5	\$5,588.5
INTEREST	<u>\$3,182.4</u>	<u>\$3,182.4</u>
TOTAL	\$8,770.9	\$8,770.9
TAXABLE INCOME FOR CCFT	\$9,379.7	\$7,345.9
CCFT RATE	<u>8.84%</u>	<u>8.84%</u>
CALIFORNIA INCOME TAX	\$829.2	\$649.4
FEDERAL INCOME TAX		
FED. TAX DEPRECIATION	\$5,588.5	\$5,588.5
CA TAX	\$670.7	\$670.7
INTEREST	\$3,182.4	\$3,182.4
QUALIFIED PROD. DEDUCTION	<u>\$0.0</u>	<u>\$0.0</u>
TOTAL	\$9,441.6	\$9,441.6
FIT TAXABLE INCOME	\$8,709.0	\$6,675.2
FIT RATE	<u>21%</u>	<u>21%</u>
FEDERAL INCOME TAX	\$1,828.9	\$1,401.8
ITC	\$0.0	\$0.0
EXCESS ADIT	\$179.9	\$179.9
NET FEDERAL INCOME TAX	\$1,649.0	\$1,221.9

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**LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP. - DOMESTIC
ADOPTED QUANTITIES**

NET-TO-GROSS MULTIPLIER	1.44967
UNCOLLECTIBLE RATE	0.73%
FRANCHISE RATE	0.95%

DOMESTIC (UNITS IN ACRE-FOOT)		<u>2025-2026</u>	<u>2026-2027</u>	<u>2027-2028</u>
WATER PRODUCTION				
POTABLE WATER SALES		9,046	9,088	9,131
UNACCOUNTED WATER PERCENTAGE	5.4%	<u>516</u>	<u>519</u>	<u>521</u>
TOTAL POTABLE PRODUCTION		9,562	9,607	9,652
REPLENISHMENT CHARGES				
ADMIN & BIOLOGICAL ASSESSMENT		9,562	9,607	9,652
COST PER AF		<u>\$5.68</u>	<u>\$5.68</u>	<u>\$5.68</u>
SUBTOTAL		\$54,311	\$54,568	\$54,825
MAKE UP ASSESSMENT		944	944	944
COST PER AF		<u>\$35</u>	<u>\$35</u>	<u>\$35</u>
SUBTOTAL		\$33,024	\$33,024	\$33,024
TOTAL REPLENISHMENT COST		\$87,335	\$87,592	\$87,849
LEASED WATER RIGHTS				
LEASED WATER RIGHTS		908	953	998
COST PER AF		<u>\$230.99</u>	<u>\$230.99</u>	<u>\$230.99</u>
TOTAL LEASED WATER RIGHTS COST		\$209,708	\$220,158	\$230,607
PURCHASED POWER				
TOTAL PRODUCTION		9562	9607	9652
COST PER AF		<u>\$155.53</u>	<u>\$155.53</u>	<u>\$155.53</u>
TOTAL COST		\$1,487,186	\$1,494,222	\$1,501,258
GROUP PENSION EXPENSE		\$ 147,806	\$ 153,718	

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**LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP. - DOMESTIC
CUSTOMERS & SALES**

NUMBER OF CUSTOMERS	<u>2025</u>	<u>2026</u>	<u>2027</u>
Residential	19,257	19,357	19,457
Commercial	1,437	1,444	1,451
Industrial	2	2	2
Public Authority	42	42	42
Private Fire Service	244	245	246
Irrigation - Public Authority	0	0	0
Irrigation - Pressure	156	156	156
Apple Valley Golf Course	0	0	0
Temporary Bi Monthly	20	21	22
Temporary Monthly	0	0	0
Yermo - Residential	258	258	258
Yermo - Commercial	29	29	29
Yermo - Industrial	0	0	0
Yermo - Public Authority	1	1	1
Yermo - Private Fire	0	0	0
Yermo - Hydrants	<u>1</u>	<u>1</u>	<u>1</u>
GRAND TOTAL	21,446	21,555	21,664

METER SALES (CCF)	Avg. Usage (CCF/Cust/Mo)	<u>2025</u>	<u>2026</u>	<u>2027</u>
Residential	11.45	2,645,661	2,659,399	2,673,138
Commercial	48.94	843,635	847,746	851,857
Industrial	31.69	761	761	761
Public Authority	425.16	214,279	214,279	214,279
Private Fire Service	0.95	2,785	2,797	2,808
Irrigation - Public Authority	0	0	0	0
Irrigation - Pressure	98.15	183,735	183,735	183,735
Apple Valley Golf Course	0	0	0	0
Temporary Bi Monthly	65.00	15,211	15,991	16,771
Temporary Monthly	0	0	0	0
Yermo - Residential	7.88	24,402	24,402	24,402
Yermo - Commercial	19.27	6,705	6,705	6,705
Yermo - Industrial	0	0	0	0
Yermo - Public Authority	255.23	3,063	3,063	3,063
Yermo - Private Fire	0	0	0	0
Yermo - Hydrants	0	<u>0</u>	<u>0</u>	<u>0</u>
GRAND TOTAL		3,940,236	3,958,878	3,977,519

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LIBERTY UTILITIES (APPLE VALLEY RANCHOS WATER) CORP. - DOMESTIC
MONTHLY RESIDENTIAL BILL COMPARISON
Schedule No, PR-1-R - 5/8" METER

<u>Usage (CCF)</u>	<u>Present Rates</u>	<u>Adopted Rates</u>	<u>Amount Change</u>	<u>Percent Change</u>
0	\$37.05	\$33.78	-\$3.27	-8.83%
4	\$50.40	\$46.64	-\$3.77	-7.47%
6	\$57.08	\$53.06	-\$4.01	-7.03%
10	\$74.88	\$69.63	-\$5.25	-7.01%
12	\$83.78	\$77.92	-\$5.86	-7.00%
18	\$110.48	\$102.77	-\$7.71	-6.98%
24	\$137.18	\$127.62	-\$9.56	-6.97%
36	\$223.07	\$216.14	-\$6.93	-3.11%
48	\$315.46	\$312.42	-\$3.04	-0.96%

Excludes any applicable fees, surcharges, or surcredits