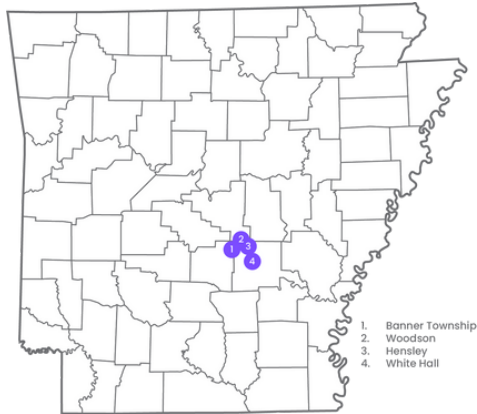


# Arkansas Water Rate Update



On Thursday, March 14, 2024, Liberty submitted a request with the Arkansas Public Service Commission (APSC) to adjust water and wastewater base rates for its Arkansas customers located in Banner Township, Hensley, White Hall, and Woodson. The last base rate update for White Hall was effective in 2019. There has been no rate update for Banner Township, Hensley, and Woodson since Liberty acquired the systems in 2016 and 2018. The new rates reflect the Company's efforts to better serve customers through investments to strengthen and modernize its infrastructure for improved reliability and quality service.

Since 2021, Liberty has invested over \$3 million to improve and upgrade the water and wastewater systems serving Banner Township, Hensley, White Hall, and Woodson.

If approved by regulators, the rate adjustment for Liberty's investments would cost the average Liberty Arkansas residential customer using approximately 6 CCF (approximately 4,500 gallons) per month in our Banner Township, Hensley, and Woodson water service areas about \$47.96 per month, in our White Hall water service area about \$32.74 per month, and in our White Hall wastewater service area about \$43.98 per month.

To help keep service affordable and to assist customers, Liberty has proposed an alternative to phase in new rates over a three-year period.

The rate update process can take up to 11 months as the APSC and other stakeholders carefully review Liberty's request. If approved, new rates are expected to go into effect in February 2025.

## Key investments to benefit customers included in the rate update request:

Since 2021, Liberty has made critical Investments in the water and wastewater systems serving Banner Township, Hensley, White Hall, and Woodson to help ensure the ongoing delivery of reliable, quality water and wastewater service for its customers. This includes:

- Installing and implementing Advanced Meter Reading (AMR) to allow Liberty to read meters without having to access a customer's property. This technology improves service and operational efficiency. It allows Liberty to gather meter readings safely and efficiently, plus it helps to reduce the need to estimate meter readings.
- Replacing and restoring lift stations, pumps, panels and aerators in our wastewater system to help ensure safe and reliable service.
- Upgrading old and undersized water mains and services to increase reliability for fire protection and allow for future growth.
- Improving the customer experience through modern service platforms. Customers now have access to a new online account platform that includes a mobile app, making it easier to do business with Liberty and helping to make service more convenient. Customers can choose to view bills, make payments, view their monthly usage, and receive text and email alerts about payments and services.

## Other components of the request

Liberty has requested a System Infrastructure Improvement Rider ("SIIR") to allow for ongoing and necessary investments and maintenance in the Banner Township, Hensley, White Hall, and Woodson systems.

- Approximately 2,400 water and 1,850 wastewater customers served in Banner Township, Hensley, White Hall, and Woodson
- Last rate update was effective five years ago for White Hall and longer for Banner Township, Hensley, and Woodson
- Approximately \$3 million invested since 2021. This includes:
  - Installing new meter technology to improve service and operational efficiency
  - Replacing and restoring wastewater infrastructure to help ensure safe and reliable service
  - Upgrading old and undersized water mains and service to increase reliability for fire protection and growth
  - Launching a new account platform, making it easier to do business with Liberty and helping to make service more convenient
- If approved by regulators, the average residential customer using 6 CCF (approximately 4,500 gallons) of water per month would see an increase of approximately \$47.96 per month in Banner Township, Hensley, and Woodson, \$32.74 in White Hall, and for White Hall wastewater customers \$43.98 per month.

## What is a rate request?

A rate request is a public regulatory review process in which a utility must demonstrate to its state public service commission why a proposed change in rates is needed. This independent public process helps ensure transparency and fair rates based on the costs to serve customers.

## Who sets the rates customers pay for Liberty's water and wastewater service?

Liberty is required to provide its customers with safe and reliable service at rates approved by the public service commission of each state it serves. In exchange, the utility is allowed the opportunity (not a guarantee) to earn a fair return for investors. Customers rates are set by the Arkansas Public Service Commission (APSC).

## What is the process? Will customers have a chance to share input?

First, Liberty must demonstrate to state utility regulators why a rate change is needed. The APSC and other interested stakeholders review our filings and vet the company's request. The APSC then thoroughly reviews our request and may hold public hearings to allow customers to comment. This process could take up to 11 months.

## What can customers do if they are struggling to pay a bill?

Liberty offers flexible payment options for residential and business customers to allow for additional time to spread out past due balances and make payments more manageable. Customers can learn more about our assistance options at [libertyenergyandwater.com](http://libertyenergyandwater.com).

Liberty has a list of various agencies that may be able to provide financial assistance for some portion of the utility bill. This list is available on our website or customers can call our Customer Care team at 1-855-382-6508 during business hours, Monday-Friday from 8 AM - 4 PM.

We also encourage customers to check for leaks and practice smart water use. A leaky toilet, faucet, or showerhead will increase your water usage which ultimately increases your bill. Our website, [www.libertyenergyandwater.com](http://www.libertyenergyandwater.com), has conservation tips to help you save.

## Scan the code to find more information about this rate request.

