

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Annual Rate Changes
CY 2014 Actual

	Actual <u>7/1/2008</u> (a)	Actual <u>7/1/2009</u> (b)	Actual <u>7/1/2010</u> (c)	Actual <u>7/1/2011</u> (d)	Actual <u>7/1/2012</u> (e)	Actual <u>7/1/2013</u> (f)	Actual <u>6/1/2014</u> (g)	Actual <u>5/1/2015</u> (h)	
<u>Annual Incremental Rate Adjustments</u>									
1	REP/VMP O&M Adjustment Factor	\$0	\$113,832	\$1,047,770	(\$758,113)	(\$295,207)	(\$52,081)	(\$275,840)	\$35,166
2									
3	REP Capital Program	<u>\$165,840</u>	<u>\$75,740</u>	<u>\$163,663</u>	<u>\$102,941</u>	<u>(\$18,005)</u>	<u>\$125,829</u>	<u>\$38,716</u>	<u>\$381,523</u>
4									
5	Total for Fiscal Year	\$165,840	\$189,572	\$1,211,433	(\$655,172)	(\$313,213)	\$73,748	(\$237,125)	\$416,689
6									
7	Termination of Prior Period O&M Recovery	<u>\$0</u>	<u>\$0</u>	<u>(\$113,832)</u>	<u>(\$1,047,770)</u>	<u>\$758,113</u>	<u>\$295,207</u>	<u>\$52,081</u>	<u>\$275,840</u>
8									
9	Net Change in Recovery	\$165,840	\$189,572	\$1,097,601	(\$1,702,942)	\$444,900	\$368,955	(\$185,044)	\$692,529

Notes:

Line 1 From Page 2 of 3, Line 13
Line 3 From Page 3 of 3, Line 58
Line 5 Line 1 + Line 3
Line 7 - Line 1 of Prior Year
Line 9 Line 5 + Line 7

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP O&M Adjustment Factor
Computation of Annual Revenue Requirement
CY 2014 Actual

	Actual FY <u>2008</u> (a)	Actual FY <u>2009</u> (b)	Actual FY <u>2010</u> (c)	Actual FY <u>2011</u> (d)	Actual FY <u>2012</u> (e)	Actual FY <u>2013</u> (f)	Actual CYS <u>2013</u> (f)	Actual CY <u>2014</u> (g)	
<u>Incremental VMP and REP O&M Spend</u>									
1	Actual VMP and REP Program Spending	\$2,169,258	\$1,477,916	\$2,556,530	\$1,245,985	\$1,467,486	\$1,560,973	\$1,055,861	\$1,395,166
2									
3	Amount Subject to Proposed Recovery	\$1,950,000	\$1,473,832	\$2,556,530	\$1,552,000	\$1,556,000	\$1,721,585	\$1,238,200	\$1,395,166
4									
5	Amount Subject to Recovery	\$1,950,000	\$1,473,832	\$2,556,530	\$1,245,985	\$1,467,486	\$1,560,973	\$1,055,861	\$1,395,166
6									
7	VMP and REP Base Spending Level	\$1,950,000	\$1,360,000	\$1,360,000	\$1,360,000	\$1,360,000	\$1,360,000	\$1,020,000	\$1,360,000
8									
9	Total Revenue Requirement	\$0	\$113,832	\$1,196,530	(\$114,015)	\$107,486	\$200,973	\$35,861	\$35,166
10									
11	Less Reimbursements from FairPoint Communications	\$0	\$0	(\$148,760)	(\$644,098)	(\$402,693)	(\$253,054)	(\$311,701)	\$0
12									
13	Total Incremental Revenue Requirement for Adj. Factor	\$0	\$113,832	\$1,047,770	(\$758,113)	(\$295,207)	(\$52,081)	(\$275,840)	\$35,166
14									
15	Total O&M Recovery	\$1,950,000	\$1,473,832	\$2,407,770	\$601,887	\$1,064,793	\$1,307,919	\$744,160	\$1,395,166

Notes:

- Line 1 Actual VMP and REP program spending, excluding FairPoint Communications reimbursements.
- Line 3 Approved CYS 2013 program budget pursuant to the Company's February 2013 plan submission.
- Line 5 Lesser of Line 1 and Line 3.
- Line 7 VMP and REP base spending level per Merger Settlement Agreement in Docket No. DG 06-107.
- Line 9 Line 5 minus Line 7.
- Line 11 Reflects reimbursements related to vegetation management expenses from FairPoint Communications.
- Line 13 Line 9 plus Line 11.
- Line 15 Line 5 plus Line 11.

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Computation of REP Revenue Requirement
CY 2014 Actual

	Revised FY 2008 (a)	Revised FY 2009 (b)	Revised FY 2010 (c)	Revised FY 2011 (d)	Revised FY 2012 (e)	Actual FY 2013 (f)	Actual CYS 2013 (g)	Actual CY 2014 (g)	
Deferred Tax Calculation									
1 REP Program Annual Spend	\$950,000	\$500,000	\$876,243	\$610,835	\$398,239	\$545,916	\$416,755	\$2,201,899	
2 Cumulative REP Program Spend	\$950,000	\$1,450,000	\$2,326,243	\$2,937,078	\$3,335,317	\$3,881,233	\$4,297,988	\$6,499,887	
3									
4 Book Depreciation Rate (a)	3.70%	3.72%	3.71%	3.73%	3.72%	3.33%	3.72%	3.72%	
FEDERAL Vintage Year Tax Depreciation:									
6 FY 2008 Spend	\$429,887	\$39,010	\$36,081	\$33,379	\$30,872	\$28,559	\$14,858	\$19,810	
7 FY 2009 Spend		\$338,156	\$12,139	\$11,227	\$10,387	\$9,606	\$4,999	\$6,665	
8 FY 2010 Spend			\$550,022	\$24,467	\$22,630	\$20,936	\$10,892	\$14,522	
9 FY 2011 Spend				\$481,705	\$9,685	\$8,958	\$4,662	\$6,215	
10 FY 2012 Spend					\$377,329	\$2,968	\$1,544	\$2,059	
11 FY 2013 Spend						\$332,964	\$11,900	\$15,867	
12 CYS 2013 Spend							\$212,773	\$5,861	
13 CY 2014 Spend								\$0	
14 Annual Tax Depreciation	\$429,887	\$377,166	\$598,242	\$550,778	\$450,902	\$403,992	\$261,627	\$70,999	
15 Cumulative Tax Depreciation	\$429,887	\$807,053	\$1,405,295	\$1,956,073	\$2,406,975	\$2,810,967	\$3,072,594	\$3,143,593	
16									
STATE Vintage Year Tax Depreciation:									
17 FY 2008 Spend	\$334,991	\$46,127	\$42,664	\$39,469	\$36,504	\$33,770	\$17,568	\$23,425	
18 FY 2009 Spend		\$176,311	\$24,277	\$22,455	\$20,773	\$19,213	\$9,998	\$13,330	
19 FY 2010 Spend			\$223,801	\$48,935	\$45,261	\$41,872	\$21,784	\$29,045	
20 FY 2011 Spend				\$199,462	\$30,854	\$28,538	\$14,850	\$19,800	
21 FY 2012 Spend					\$181,087	\$19,837	\$10,320	\$13,761	
22 FY 2013 Spend						\$179,810	\$20,395	\$27,193	
23 CY 2013 Spend							\$8,791	\$11,721	
24 CY 2014 Spend								\$82,571	
25									
26 Annual Tax Depreciation	\$334,991	\$222,438	\$290,742	\$310,320	\$314,480	\$323,039	\$103,706	\$220,846	
27 Cumulative Tax Depreciation	\$334,991	\$557,429	\$848,171	\$1,158,492	\$1,472,971	\$1,796,010	\$1,899,716	\$2,120,562	
28									
29 Book Depreciation	\$35,150	\$53,940	\$86,304	\$109,645	\$124,074	\$129,109	\$119,933	\$181,430	
30 Cumulative Book Depreciation	\$35,150	\$89,090	\$175,394	\$285,039	\$409,113	\$538,222	\$658,155	\$839,585	
31									
32 Book/Tax Timer (Federal)	\$394,737	\$717,963	\$1,229,901	\$1,671,034	\$1,997,862	\$2,272,745	\$2,414,439	\$2,304,008	
33 less: Deferred Tax Reserve (State)	\$25,486	\$39,809	\$57,186	\$74,243	\$90,428	\$106,912	\$105,533	\$108,883	
34 Net Book/Tax Timer (Federal)	\$369,251	\$678,154	\$1,172,715	\$1,596,791	\$1,907,435	\$2,165,833	\$2,308,906	\$2,195,125	
35 Effective Tax Rate (Federal)	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	35.00%	
36 Deferred Tax Reserve (Federal)	\$129,238	\$237,354	\$410,450	\$558,877	\$667,602	\$758,041	\$808,117	\$768,294	
37 Book/Tax Timer (State)	\$299,841	\$468,339	\$672,778	\$873,453	\$1,063,859	\$1,257,788	\$1,241,561	\$1,280,977	
38 Effective Tax Rate (State)	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	8.50%	
39 Deferred Tax Reserve (State)	\$25,486	\$39,809	\$57,186	\$74,243	\$90,428	\$106,912	\$105,533	\$108,883	
40 TOTAL Deferred Tax Reserve	\$154,724	\$277,163	\$467,636	\$633,120	\$758,030	\$864,953	\$913,650	\$877,177	
41									
Rate Base Calculation									
42 Plant In Service	\$950,000	\$1,450,000	\$2,326,243	\$2,937,078	\$3,335,317	\$3,881,233	\$4,297,988	\$6,499,887	
43 less: Accumulated Book Depreciation	(\$35,150)	(\$89,090)	(\$175,394)	(\$285,039)	(\$409,113)	(\$538,222)	(\$658,155)	(\$839,585)	
44 Deferred Tax Reserve	(\$154,724)	(\$277,163)	(\$467,636)	(\$633,120)	(\$758,030)	(\$864,953)	(\$913,650)	(\$877,177)	
45 Year End Rate Base	\$760,126	\$1,083,747	\$1,683,213	\$2,018,919	\$2,168,174	\$2,478,057	\$2,726,183	\$4,783,125	
46									
Revenue Requirement Calculation									
47 Year End Rate Base	\$760,126	\$1,083,747	\$1,683,213	\$2,018,919	\$2,168,174	\$2,478,057	\$2,726,183	\$4,783,125	
48 Pre-Tax ROR	11.91%	11.91%	11.91%	11.91%	11.91%	11.91%	11.51%	11.51%	
49 Return and Taxes	\$90,515	\$129,051	\$200,435	\$240,410	\$258,183	\$295,084	\$313,755	\$550,538	
50 Book Depreciation	\$35,150	\$53,940	\$86,304	\$109,645	\$124,074	\$129,109	\$119,933	\$181,430	
51 Property Taxes (b)	4.12%	\$21,773	\$27,218	\$66,676	\$89,904	\$110,318	\$149,961	\$233,204	
52 Annual Revenue Requirement	\$147,438	\$210,209	\$353,415	\$439,960	\$492,575	\$542,536	\$583,649	\$965,172	
53 Cumulative Prior Period Change for Repairs Tax Deduct & Bonus Depreciation (FY 08 - 14) (c)					(\$73,471)	\$2,397			
54 Adjusted Annual Revenue Requirement	\$147,438	\$210,209	\$353,415	\$439,960	\$419,104	\$544,933	\$583,649	\$965,172	
55									
Annual Rate Adjustment									
56		7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012	7/1/2013	6/1/2014	
57								5/1/2015	
58 Incremental Annual Rate Adjustment		\$147,438	\$62,771	\$143,205	\$86,545	(\$20,856)	\$125,829	\$38,716	\$381,523
59									
60									
61									
62									
Imputed Capital Structure (c)									
63									
	Ratio	Rate	Weighted Rate	Pre Tax					
64 Long Term Debt	50.00%	7.54%	3.77%	3.77%					
65 Common Equity	50.00%	9.67%	4.84%	8.14%					
66									
67									
68	100.00%		8.61%	11.91%					
69									
Imputed Capital Structure (d)									
70									
	Ratio	Rate	Weighted Rate	Pre Tax					
71 Long Term Debt	45.00%	5.95%	2.68%	2.68%					
72 Common Equity	55.00%	9.55%	5.25%	8.83%					
73									
74									
75	100.00%		7.93%	11.51%					

- (a) Actual Calendar Year Composite Depreciation rate for distribution property.
 (b) Actual Calendar Year ratio of municipal tax expense to net plant in service.
 (c) Capital structure per Merger Settlement in Docket DG 06-107, Exhibit 1, Section 3(c).
 (d) Capital structure per Rate Case Settlement in Docket DE 13-063, Attachment A, Schedule 1B.

(e) Change in Revenue Requirement for Repairs Tax Deduction and Bonus Depreciation:

	7/1/2008	7/1/2009	7/1/2010	7/1/2011	7/1/2012	FY13 Total	FY13 Total	FY14 Total
1 Incremental Annual Rate Adjustment per Line 58	\$147,438	\$62,771	\$143,205	\$86,545	(\$20,856)	\$125,829	\$38,716	\$381,523
2 As Previously Filed	\$146,814	\$61,753	\$141,182	\$84,963	(\$18,005)			
3 FY13 Chg for Repairs Tax Deduction & Bonus Depreciation		\$624	\$1,018	\$2,023	\$1,582	(\$2,850)	\$2,397	\$4,170
FROM FY 2012 REP/VMP FILING								
4 Incremental Annual Rate Adjustment	\$146,814	\$61,753	\$141,182	\$84,963	(\$18,005)	(\$18,004)	(\$18,003)	(\$18,002)
5 As Previously Filed	\$165,840	\$75,740	\$163,663	\$102,941				
6 FY12 Chg for Repairs Tax Deduction & Bonus Depreciation	(\$19,026)	(\$13,986)	(\$22,481)	(\$17,978)	(\$73,471)	(\$127,916)	(\$241,846)	(\$461,211)

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Calculation of REP Tax Depreciation 2008 - Per Tax Return
Using Capital Repairs Tax Return Rate

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	2008	2009	2010	2011	2012	2013	CYS2013	CY2014
1 <u>Capital Repairs Deduction</u>								
2 Plant Additions	From Page 3 of 11, Line 1(a)	\$950,000						
3 Capital Repairs Deduction Rate	Tax Dept	32.74%						
4 Capital Repairs Deduction	Line 2 * Line 3	\$311,030						
5								
6 <u>Bonus Depreciation</u>								
7 Plant Additions	Line 2	\$950,000						
8 Less Capital Repairs Deduction	Line 4	\$311,030						
9 Plant Additions Net of Capital Repairs Deduction	Line 7 - Line 8	\$638,970						
10								
11 Percent of Plant Additions Eligible for Bonus Depreciation April 2007 - December 2007	Tax Dept	69.14%						
12 Plant Additions Eligible for Bonus Depreciation April 2007 - December 2007	Line 9 * Line 11	\$441,784						
13 Bonus Depreciation rate April 2007- December 2007	Tax Dept ¹	0%						
14 Bonus Depreciation for April 2007 - December 2007	Line 12 * Line 13	\$0						
15								
16 Plant Additions Eligible for Bonus Depreciation for January 2008 - March 2008	Tax Dept	30.86%						
17 Plant Additions Eligible for Bonus Depreciation for January 2008 - March 2008	Line 9 * Line 16	\$197,186						
18 Bonus Depreciation rate January 2008 - March 2008	Tax Dept ¹	50%						
19 Bonus Depreciation for January 2008 - March 2008	Line 17 * Line 18	\$98,593						
20								
21 Bonus Depreciation	Line 14 + Line 19	\$98,593						
22								
23 <u>Remaining Tax Depreciation (Federal)</u>								
24 Plant Additions	Line 2	\$950,000						
25 Less Capital Repairs Deduction	Line 4	\$311,030						
26 Less Bonus Depreciation	Line 21	\$98,593						
27 Additions Subject to 20 YR MACRS Tax Depreciation	Line 24 - Line 25 - Line 26	\$540,377	\$540,377	\$540,377	\$540,377	\$540,377	\$540,377	\$540,377
28 20 YR MACRS Tax Depreciation Rates	Tax Dept	3.750%	7.219%	6.677%	6.177%	5.713%	5.285%	3.666%
29 Remaining Tax Depreciation	Line 27 * Line 28	\$20,264	\$39,010	\$36,081	\$33,379	\$30,872	\$28,559	\$19,810
30								
31 <u>Remaining Tax Depreciation (State)</u>								
32 Plant Additions	Line 2	\$950,000						
33 Less Capital Repairs Deduction	Line 4	\$311,030						
34 Additions Subject to 20 YR MACRS Tax Depreciation	Line 32 - Line 33	\$638,970	\$638,970	\$638,970	\$638,970	\$638,970	\$638,970	\$638,970
35 20 YR MACRS Tax Depreciation Rates	Tax Dept	3.750%	7.219%	6.677%	6.177%	5.713%	5.285%	3.666%
36 Remaining Tax Depreciation	Line 34 * Line 35	\$23,961	\$46,127	\$42,664	\$39,469	\$36,504	\$33,770	\$17,568
37								
38 Federal Tax Depreciation	Sum of Lines 4, 21, and 29	\$429,887	\$39,010	\$36,081	\$33,379	\$30,872	\$28,559	\$19,810
39 State Tax Depreciation	Sum of Lines 4, and 36	\$334,991	\$46,127	\$42,664	\$39,469	\$36,504	\$33,770	\$23,425

Note: Plant additions not subject to the capital repairs deduction may be subject to bonus depreciation. During 2008, Congress passed the Economic Stimulus Act of 2008 which established a 50% bonus depreciation deduction for certain eligible plant additions. Congress has passed further laws which have extended and changed the bonus depreciation rate at different periods of time. The bonus depreciation rates in effect since the start of the Company's REP/VMP program have been as follows:

Period	Rate
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	50%
September 8, 2010 to December 31, 2011	100%
January 1, 2012 to December 31, 2013	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Calculation of REP Tax Depreciation 2009 - Per Tax Return
Using Capital Repairs Tax Return Rate

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>CYS2013</u>	<u>CY2014</u>
1	<u>Capital Repairs Deduction</u>								
2	Plant Additions		From Page 3 of 11, Line 1(b)	\$500,000					
3	Capital Repairs Deduction Rate		Tax Dept	32.74%					
4	Capital Repairs Deduction		Line 2 * Line 3	\$163,700					
5									
6	<u>Bonus Depreciation</u>								
7	Plant Additions		Line 2	\$500,000					
8	Less Capital Repairs Deduction		Line 4	\$163,700					
9	Plant Additions Net of Capital Repairs Deduction		Line 7 - Line 8	\$336,300					
10									
11	Percent of Plant Additions Eligible for Bonus Depreciation		Tax Dept	100.00%					
12	Plant Additions Eligible for Bonus Depreciation		Line 9 * Line 11	\$336,300					
13	Bonus Depreciation Rate		Tax Dept	50%					
14	Bonus Depreciation		Line 12 * Line 13	\$168,150					
15									
16	Bonus Depreciation		Line 14	\$168,150					
17									
18	<u>Remaining Tax Depreciation (Federal)</u>								
19	Plant Additions		Line 2	\$500,000					
20	Less Capital Repairs Deduction		Line 4	\$163,700					
21	Less Bonus Depreciation		Line 16	\$168,150					
22	Additions Subject to 20 YR MACRS Tax Depreciation		Line 19 - Line 20 - Line 21	\$168,150	\$168,150	\$168,150	\$168,150	\$168,150	\$168,150
23	20 YR MACRS Tax Depreciation Rates		Tax Dept	3.750%	7.219%	6.677%	6.177%	5.713%	3.964%
24	Remaining Tax Depreciation		Line 22 * Line 23	\$6,306	\$12,139	\$11,227	\$10,387	\$9,606	\$4,999
25									
26	<u>Remaining Tax Depreciation (State)</u>								
27	Plant Additions		Line 2	\$500,000					
28	Less Capital Repairs Deduction		Line 4	\$163,700					
29	Additions Subject to 20 YR MACRS Tax Depreciation		Line 27 - Line 28	\$336,300	\$336,300	\$336,300	\$336,300	\$336,300	\$336,300
30	20 YR MACRS Tax Depreciation Rates		Tax Dept	3.750%	7.219%	6.677%	6.177%	5.713%	3.964%
31	Remaining Tax Depreciation		Line 29 * Line 30	\$12,611	\$24,277	\$22,455	\$20,773	\$19,213	\$9,998
32									
33	Federal Tax Depreciation		Sum of Lines 4, 16, and 24	\$338,156	\$12,139	\$11,227	\$10,387	\$9,606	\$4,999
34	State Tax Depreciation		Sum of Lines 4 and 31	\$176,311	\$24,277	\$22,455	\$20,773	\$19,998	\$13,330

Note: Plant additions not subject to the capital repairs deduction may be subject to bonus depreciation. During 2008, Congress passed the Economic Stimulus Act of 2008 which established a 50% bonus depreciation deduction for certain eligible plant additions. Congress has passed further laws which have extended and changed the bonus depreciation rate at different periods of time. The bonus depreciation rates in effect since the start of the Company's REP/VMP program have been as follows:

Period	Rate
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	50%
September 8, 2010 to December 31, 2011	100%
January 1, 2012 to December 31, 2013	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Calculation of REP Tax Depreciation 2010 - Per Tax Return
Using Capital Repairs Tax Return Rate

		(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
		2008	2009	2010	2011	2012	2013	CYS2013	CY2014
1	<u>Capital Repairs Deduction</u>								
2	Plant Additions				From Page 3 of 11, Line 1(c)	\$876,243			
3	Capital Repairs Deduction Rate				Tax Dept	22.64%			
4	Capital Repairs Deduction				Line 2 * Line 3	\$198,381			
5									
6	<u>Bonus Depreciation</u>								
7	Plant Additions				Line 2	\$876,243			
8	Less Capital Repairs Deduction				Line 4	\$198,381			
9	Plant Additions Net of Capital Repairs Deduction				Line 7 - Line 8	\$677,862			
10									
11	Percent of Plant Additions Eligible for Bonus Depreciation				Tax Dept	100.00%			
12	Plant Additions Eligible for Bonus Depreciation				Line 9 * Line 11	\$677,862			
13	Bonus Depreciation Rate				Tax Dept	50%			
14	Bonus Depreciation				Line 12 * Line 13	\$338,931			
15									
16	Bonus Depreciation				Line 14	\$338,931			
17									
18	<u>Remaining Tax Depreciation (Federal)</u>								
19	Plant Additions				Line 2	\$876,243			
20	Less Capital Repairs Deduction				Line 4	\$198,381			
21	Less Bonus Depreciation				Line 16	\$338,931			
22	Additions Subject to 20 YR MACRS Tax Depreciation				Line 19 - Line 20 - Line 21	\$338,931	\$338,931	\$338,931	\$338,931
23	20 YR MACRS Tax Depreciation Rates				Tax Dept	3.750%	7.219%	6.677%	6.177%
24	Remaining Tax Depreciation				Line 22 * Line 23	\$12,710	\$24,467	\$22,630	\$20,936
25									
26	<u>Remaining Tax Depreciation (State)</u>								
27	Plant Additions				Line 2	\$876,243			
28	Less Capital Repairs Deduction				Line 4	\$198,381			
29	Additions Subject to 20 YR MACRS Tax Depreciation				Line 27 - Line 28	\$677,862	\$677,862	\$677,862	\$677,862
30	20 YR MACRS Tax Depreciation Rates				Tax Dept	3.750%	7.219%	6.677%	6.177%
31	Remaining Tax Depreciation				Line 29 * Line 30	\$25,420	\$48,935	\$45,261	\$41,872
32									
33	Federal Tax Depreciation				Sum of Lines 4, 16, and 24	\$550,022	\$24,467	\$22,630	\$20,936
34	State Tax Depreciation				Sum of Lines 4 and 31	\$223,801	\$48,935	\$45,261	\$41,872

Note: Plant additions not subject to the capital repairs deduction may be subject to bonus depreciation. During 2008, Congress passed the Economic Stimulus Act of 2008 which established a 50% bonus depreciation deduction for certain eligible plant additions. Congress has passed further laws which have extended and changed the bonus depreciation rate at different periods of time. The bonus depreciation rates in effect since the start of the Company's REP/VMP program have been as follows:

Period	Rate
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	50%
September 8, 2010 to December 31, 2011	100%
January 1, 2012 to December 31, 2013	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Calculation of REP Tax Depreciation 2011 - Per Tax Return
Using Capital Repairs Tax Return Rate

		(a) 2008	(b) 2009	(c) 2010	(d) 2011	(e) 2012	(f) 2013	(g) CYS2013	(h) CY2014
1	<u>Capital Repairs Deduction</u>								
2	Plant Additions				From Page 3 of 11, Line 1(d)	\$610,835			
3	Capital Repairs Deduction Rate				Tax Dept	30.03%			
4	Capital Repairs Deduction				Line 2 * Line 3	\$183,434			
5									
6	<u>Bonus Depreciation</u>								
7	Plant Additions				Line 2	\$610,835			
8	Less Capital Repairs Deduction				Line 4	\$183,434			
9	Plant Additions Net of Capital Repairs Deduction				Line 7 - Line 8	\$427,401			
10									
11	Percent of Plant Additions Eligible for Bonus Depreciation April 2010 - September 2010				Tax Dept	62.78%			
12	Plant Additions Eligible for Bonus Depreciation April 2010 - September 2010				Line 9 * Line 11	\$268,322			
13	Bonus Depreciation rate April 2010- September 2010				Tax Dept	50%			
14	Bonus Depreciation for April 2010 - September 2010				Line 12 * Line 13	\$134,161			
15									
16	Plant Additions Eligible for Bonus Depreciation for October 2010 - March 2010				Tax Dept	37.22%			
17	Plant Additions Eligible for Bonus Depreciation for October 2010 - March 2010				Line 9 * Line 16	\$159,079			
18	Bonus Depreciation rate October 2010 - March 2010				Tax Dept	100%			
19	Bonus Depreciation for October 2010 - March 2010				Line 17 * Line 18	\$159,079			
20									
21	Bonus Depreciation				Line 14 + Line 19	\$293,240			
22									
23	<u>Remaining Tax Depreciation (Federal)</u>								
24	Plant Additions				Line 2	\$610,835			
25	Less Capital Repairs Deduction				Line 4	\$183,434			
26	Less Bonus Depreciation				Line 21	\$293,240			
27	Additions Subject to 20 YR MACRS Tax Depreciation				Line 24 - Line 25 - Line 26	\$134,161	\$134,161	\$134,161	\$134,161
28	20 YR MACRS Tax Depreciation Rates				Tax Dept	3.750%	7.219%	6.677%	4.633%
29	Remaining Tax Depreciation				Line 27 * Line 28	\$5,031	\$9,685	\$8,958	\$4,662
30									
31	<u>Remaining Tax Depreciation (State)</u>								
32	Plant Additions				Line 2	\$610,835			
33	Less Capital Repairs Deduction				Line 4	\$183,434			
34	Additions Subject to 20 YR MACRS Tax Depreciation				Line 32 - Line 33	\$427,401	\$427,401	\$427,401	\$427,401
35	20 YR MACRS Tax Depreciation Rates				Tax Dept	3.750%	7.219%	6.677%	4.633%
36	Remaining Tax Depreciation				Line 34 * Line 35	\$16,028	\$30,854	\$28,538	\$14,850
37									
38	Federal Tax Depreciation				Sum of Lines 4, 21, and 29	\$481,705	\$9,685	\$8,958	\$4,662
39	State Tax Depreciation				Sum of Lines 4, and 36	\$199,462	\$30,854	\$28,538	\$14,850

Note: Plant additions not subject to the capital repairs deduction may be subject to bonus depreciation. During 2008, Congress passed the Economic Stimulus Act of 2008 which established a 50% bonus depreciation deduction for certain eligible plant additions. Congress has passed further laws which have extended and changed the bonus depreciation rate at different periods of time. The bonus depreciation rates in effect since the start of the Company's REP/VMP program have been as follows:

Period	Rate
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	50%
September 8, 2010 to December 31, 2011	100%
January 1, 2012 to December 31, 2013	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Calculation of REP Tax Depreciation 2012 - Safe Harbor
Using Capital Repairs Safe Harbor Rate

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	2008	2009	2010	2011	2012	2013	CYS2013	CY2014
1 <u>Capital Repairs Deduction</u>								
2 Plant Additions					From Page 3 of 11, Line 1(e)	\$398,239		
3 Capital Repairs Deduction Rate					Tax Dept	31.00%		
4 Capital Repairs Deduction					Line 2 * Line 3	\$123,454		
5								
6 <u>Bonus Depreciation</u>								
7 Plant Additions					Line 2	\$398,239		
8 Less Capital Repairs Deduction					Line 4	\$123,454		
9 Plant Additions Net of Capital Repairs Deduction					Line 7 - Line 8	\$274,785		
10								
11 Percent of Plant Additions Eligible for Bonus Depreciation April 2011 - December, 2011					Tax Dept	72.52%		
12 Plant Additions Eligible for Bonus Depreciation April 2011 - December, 2011					Line 9 * Line 11	\$199,274		
13 Bonus Depreciation rate April 2011 - December 2011					Tax Dept	100%		
14 Bonus Depreciation for April 2011 - December 2011					Line 12 * Line 13	\$199,274		
15								
16 Plant Additions Eligible for Bonus Depreciation for January 2012 - March 2012					Tax Dept	25.04%		
17 Plant Additions Eligible for Bonus Depreciation for January 2012 - March 2012					Line 9 * Line 16	\$68,806		
18 Bonus Depreciation rate January 2012 - March 2012					Tax Dept	50%		
19 Bonus Depreciation for January 2012 - March 2012					Line 17 * Line 18	\$34,403		
20								
21 Bonus Depreciation					Line 14 + Line 19	\$233,677		
22								
23 <u>Remaining Tax Depreciation (Federal)</u>								
24 Plant Additions					Line 2	\$398,239		
25 Less Capital Repairs Deduction					Line 4	\$123,454		
26 Less Bonus Depreciation					Line 21	\$233,677		
27 Additions Subject to 20 YR MACRS Tax Depreciation					Line 24 - Line 25 - Line 26	\$41,108	\$41,108	\$41,108
28 20 YR MACRS Tax Depreciation Rates					Tax Dept	3.750%	7.219%	5.008%
29 Remaining Tax Depreciation					Line 27 * Line 28	\$1,542	\$2,968	\$1,544
30								
31 <u>Remaining Tax Depreciation (State)</u>								
32 Plant Additions					Line 2	\$398,239		
33 Less Capital Repairs Deduction					Line 4	\$123,454		
34 Additions Subject to 20 YR MACRS Tax Depreciation					Line 32 - Line 33	\$274,785	\$274,785	\$274,785
35 20 YR MACRS Tax Depreciation Rates					Tax Dept	3.750%	7.219%	5.008%
36 Remaining Tax Depreciation					Line 34 * Line 35	\$10,304	\$19,837	\$10,320
37								
38 Federal Tax Depreciation					Sum of Lines 4, 21, and 29	\$358,673	\$2,968	\$1,544
39 State Tax Depreciation					Sum of Lines 4, and 36	\$133,758	\$19,837	\$10,320
40								
41								
42 FY 2012 Safe Harbor True Up (Federal)					From Page 11 of 11, Line 18(e)	\$18,656		
43 FY 2012 Tax Depreciation (Federal)					Line 38 + Line 42	\$377,329		
44 FY 2012 Safe Harbor True Up (State)					From Page 11 of 11, Line 40(e)	\$47,329		
45 FY 2012 Tax Depreciation (State)					Line 39 + Line 44	\$181,087		

Note: Plant additions not subject to the capital repairs deduction may be subject to bonus depreciation. During 2008, Congress passed the Economic Stimulus Act of 2008 which established a 50% bonus depreciation deduction for certain eligible plant additions. Congress has passed further laws which have extended and changed the bonus depreciation rate at different periods of time. The bonus depreciation rates in effect since the start of the Company's REP/VMP program have been as follows:

Period	Rate
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	50%
September 8, 2010 to December 31, 2011	100%
January 1, 2012 to December 31, 2013	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Calculation of REP Tax Depreciation 2013
Using Capital Repairs Safe Harbor Rate

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	2008	2009	2010	2011	2012	2013	CYS2013	CY2014
1 <u>Capital Repairs Deduction</u>								
2 Plant Additions						\$545,916		
3 Capital Repairs Deduction Rate						Tax Dept	31.00%	
4 Capital Repairs Deduction						Line 2 * Line 3	\$169,234	
5								
6 <u>Bonus Depreciation</u>								
7 Plant Additions						Line 2	\$545,916	
8 Less Capital Repairs Deduction						Line 4	\$169,234	
9 Plant Additions Net of Capital Repairs Deduction						Line 7 - Line 8	\$376,682	
10								
11 Percent of Plant Additions Eligible for Bonus Depreciation April 2012 - December, 2012						Tax Dept	62.48%	
12 Plant Additions Eligible for Bonus Depreciation April 2012 - December, 2012						Line 9 * Line 11	\$235,332	
13 Bonus Depreciation rate April 2012- December 2012						Tax Dept	50%	
14 Bonus Depreciation for April 2012 - December 2012						Line 12 * Line 13	\$117,666	
15								
16 Plant Additions Eligible for Bonus Depreciation for January 2013 - March 2013						Tax Dept	20.83%	
17 Plant Additions Eligible for Bonus Depreciation for January 2013 - March 2013						Line 9 * Line 16	\$78,444	
18 Bonus Depreciation rate January 2013 - March 2013						Tax Dept	50%	
19 Bonus Depreciation for January 2013 - March 2013						Line 17 * Line 18	\$39,222	
20								
21 Bonus Depreciation						Line 14 + Line 19	\$156,888	
22								
23 <u>Remaining Tax Depreciation (Federal)</u>								
24 Plant Additions						Line 2	\$545,916	
25 Less Capital Repairs Deduction						Line 4	\$169,234	
26 Less Bonus Depreciation						Line 21	\$156,888	
27 Additions Subject to 20 YR MACRS Tax Depreciation						Line 24 - Line 25 - Line 26	\$219,794	\$219,794
28 20 YR MACRS Tax Depreciation Rates						Tax Dept	3.750%	5.414%
29 Remaining Tax Depreciation						Line 27 * Line 28	\$8,242	\$11,900
30								\$15,867
31 <u>Remaining Tax Depreciation (State)</u>								
32 Plant Additions						Line 2	\$545,916	
33 Less Capital Repairs Deduction						Line 4	\$169,234	
34 Additions Subject to 20 YR MACRS Tax Depreciation						Line 32 - Line 33	\$376,682	\$376,682
35 20 YR MACRS Tax Depreciation Rates						Tax Dept	3.750%	5.414%
36 Remaining Tax Depreciation						Line 34 * Line 35	\$14,126	\$20,395
37								\$27,193
38 Federal Tax Depreciation						Sum of Lines 4, 21, and 29	\$334,364	\$11,900
39 State Tax Depreciation						Sum of Lines 4, and 36	\$183,360	\$20,395
40								\$15,867
41								
42 Effect of FY 2012 Safe Harbor True Up on FY 2013 Tax Depreciation (Federal)						From Page 11 of 11, Line 18(f)	(\$1,400)	
43 FY 2013 Tax Depreciation (Federal)						Line 38 + Line 42	\$332,964	
44 Effect of FY 2012 Safe Harbor True Up on FY 2013 Tax Depreciation (State)						From Page 11 of 11, Line 40(f)	(\$3,550)	
45 FY 2013 Tax Depreciation (State)						Line 39 + Line 44	\$179,810	

Note: Plant additions not subject to the capital repairs deduction may be subject to bonus depreciation. During 2008, Congress passed the Economic Stimulus Act of 2008 which established a 50% bonus depreciation deduction for certain eligible plant additions. Congress has passed further laws which have extended and changed the bonus depreciation rate at different periods of time. The bonus depreciation rates in effect since the start of the Company's REP/VMP program have been as follows:

Period	Rate
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	50%
September 8, 2010 to December 31, 2011	100%
January 1, 2012 to December 31, 2013	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Calculation of REP Tax Depreciation CYS2013
Using Capital Repairs Tax Return Rate

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	2008	2009	2010	2011	2012	2013	CYS2013	CY2014
1 <u>Capital Repairs Deduction</u>								
2 Plant Additions						From Page 3 of 11, Line 1(f)	\$416,755	
3 Capital Repairs Deduction Rate						Tax Dept	0.00%	
4 Capital Repairs Deduction						Line 2 * Line 3	\$0	
5								
6 <u>Bonus Depreciation</u>								
7 Plant Additions						Line 2	\$416,755	
8 Less Capital Repairs Deduction						Line 4	\$0	
9 Plant Additions Net of Capital Repairs Deduction						Line 7 - Line 8	\$416,755	
10								
11 Plant Additions Eligible for Bonus Depreciation for April 2013 - December 2013						Tax Dept	100.00%	
12 Plant Additions Eligible for Bonus Depreciation for April 2013 - December 2013						Line 9 * Line 11	\$416,755	
13 Bonus Depreciation rate April 2013 - December 2013						Tax Dept	50%	
14 Bonus Depreciation for April 2013 - December 2013						Line 12 * Line 13	\$208,378	
15								
16 Bonus Depreciation						Line 14	\$208,378	
17								
18 <u>Remaining Tax Depreciation (Federal)</u>								
19 Plant Additions						Line 2	\$416,755	\$416,755
20 Less Capital Repairs Deduction						Line 4	\$0	\$0
21 Less Bonus Depreciation						Line 16	\$208,378	\$208,378
22 Additions Subject to 20 YR MACRS Tax Depreciation						Line 19 - Line 20 - Line 21	\$208,378	\$208,378
23 20 YR MACRS Tax Depreciation Rates						Tax Dept	2.813%	3.750%
24 Remaining Tax Depreciation						Line 22 * Line 23	\$4,395	\$5,861
25								
26 <u>Remaining Tax Depreciation (State)</u>								
27 Plant Additions						Line 2	\$416,755	\$416,755
28 Less Capital Repairs Deduction						Line 4	\$0	\$0
29 Additions Subject to 20 YR MACRS Tax Depreciation						Line 27 - Line 28	\$416,755	\$416,755
30 20 YR MACRS Tax Depreciation Rates						Tax Dept	2.813%	3.750%
31 Remaining Tax Depreciation						Line 29 * Line 30	\$8,791	\$11,721
32								
33 Federal Tax Depreciation						Sum of Lines 4, 16, and 24	\$212,773	\$5,861
34 State Tax Depreciation						Sum of Lines 4, and 31	\$8,791	\$11,721

Note: Plant additions not subject to the capital repairs deduction may be subject to bonus depreciation. During 2008, Congress passed the Economic Stimulus Act of 2008 which established a 50% bonus depreciation deduction for certain eligible plant additions. Congress has passed further laws which have extended and changed the bonus depreciation rate at different periods of time. The bonus depreciation rates in effect since the start of the Company's REP/VMP program have been as follows:

Period	Rate
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	50%
September 8, 2010 to December 31, 2011	100%
January 1, 2012 to December 31, 2013	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
REP/VMP Revenue Requirement
Calculation of REP Tax Depreciation CY2014
Using Capital Repairs Tax Return Rate

	(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)
	2008	2009	2010	2011	2012	2013	CYS2013	CY 2014
1 <u>Capital Repairs Deduction</u>								
2 Plant Additions								\$2,201,899
3 Capital Repairs Deduction Rate								0.00%
4 Capital Repairs Deduction								\$0
5								
6 <u>Bonus Depreciation</u>								
7 Plant Additions								\$2,201,899
8 Less Capital Repairs Deduction								\$0
9 Plant Additions Net of Capital Repairs Deduction								\$2,201,899
10								
11 Plant Additions Eligible for Bonus Depreciation for April 2014 - December 2014								100.00%
12 Plant Additions Eligible for Bonus Depreciation for April 2014 - December 2014								\$2,201,899
13 Bonus Depreciation rate April 2014 - December 2014								100%
14 Bonus Depreciation rate April 2014 - December 2014								\$2,201,899
15								
16 Bonus Depreciation								\$2,201,899
17								
18 <u>Remaining Tax Depreciation (Federal)</u>								
19 Plant Additions								\$2,201,899 \$2,201,899
20 Less Capital Repairs Deduction								\$0 \$0
21 Less Bonus Depreciation								\$2,201,899 \$2,201,899
22 Additions Subject to 20 YR MACRS Tax Depreciation								\$0 \$0
23 20 YR MACRS Tax Depreciation Rates								3.750% 3.750%
24 Remaining Tax Depreciation								\$0 \$0
25								
26 <u>Remaining Tax Depreciation (State)</u>								
27 Plant Additions								\$2,201,899 \$2,201,899
28 Less Capital Repairs Deduction								\$0 \$0
29 Additions Subject to 20 YR MACRS Tax Depreciation								\$2,201,899 \$2,201,899
30 20 YR MACRS Tax Depreciation Rates								3.750% 3.750%
31 Remaining Tax Depreciation								\$6,881 \$82,571
32								
33 Federal Tax Depreciation								\$2,201,899 \$0
34 State Tax Depreciation								\$6,881 \$82,571

Note: Plant additions not subject to the capital repairs deduction may be subject to bonus depreciation. During 2008, Congress passed the Economic Stimulus Act of 2008 which established a 50% bonus depreciation deduction for certain eligible plant additions. Congress has passed further laws which have extended and changed the bonus depreciation rate at different periods of time. The bonus depreciation rates in effect since the start of the Company's REP/VMP program have been as follows:

Period	Rate
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	50%
September 8, 2010 to December 31, 2011	100%
January 1, 2012 to December 31, 2013	50%

Liberty Utilities
REP/VMP Rate Design
Procedure for Adjusting Distribution Rates for Capital Investment Allowance
Calculation of Percentage Adjustment to Distribution Rates
Rates Effective May 1, 2015

(1)	Increase in Annual Revenue Requirement	\$381,523
(2)	Revenue Requirement in Docket DE 13-063	\$35,145,289
(3)	Percentage of Adjustment to Distribution Rates	1.09%

- (1) Schedule HMT-1, Page 1
- (2) Approved revenue requirement in Docket DE 13-063 Step Adjustment effective December 1, 2014
- (3) $\text{Line (1)} \div \text{Line (2)}$

Liberty Utilities
Calculation of Reliability Enhancement Program and Vegetation Management Plan Adjustment Factor
Rates Effective May 1, 2015

(1) O&M Expense Below Base O&M Expense	\$35,166
(2) Final Balance of Reconciliation of Recovery of FY 2014 Incremental O&M Expense Below Base O&M Expense	<u>\$32,234</u>
(3) Reliability Enhancement Program and Vegetation Management Plan Expense	\$67,400
(4) Estimated Interest During Recovery Period	<u>(\$1,902)</u>
(5) Reliability Enhancement Program and Vegetation Management Plan Expense, Including Interest	\$65,498
(6) Estimated kWh deliveries	969,368,242
(7) Reliability Enhancement Program and Vegetation Management Plan Adjustment Factor	\$0.00006

- (1) Schedule HMT-1, Page 1
- (2) Schedule HMT-3, Page 1
- (3) Line (1) + Line (2)
- (4) Page 4
- (5) Line (3) + Line (5)
- (6) Per Company forecast
- (7) Line (5) ÷ Line (6), truncated after 5 decimal places

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
Docket No. DE 15-___
Schedule HMT-2
Page 3 of 4

Liberty Utilities
Calculation of Interest on CY 2014 Incremental O&M Expense Below Base O&M Expense

	Beginning Balance With Interest (a)	Estimated Recovery (b)	Ending Balance (c)	Balance Subject to Interest (d)	Effective Interest Rate (e)	Interest (f)	Cumulative Interest (g)
January 2014	(\$67,400)		(\$67,400)	(\$67,400)	3.25%	(\$180)	(\$180)
February	(\$67,580)		(\$67,580)	(\$67,580)	3.25%	(\$180)	(\$360)
March	(\$67,760)		(\$67,760)	(\$67,760)	3.25%	(\$181)	(\$541)
April	(\$67,941)		(\$67,941)	(\$67,941)	3.25%	(\$181)	(\$722)
May	(\$68,123)	\$5,677	(\$62,446)	(\$65,284)	3.25%	(\$174)	(\$897)
June	(\$62,620)	\$5,218	(\$57,402)	(\$60,011)	3.25%	(\$160)	(\$1,057)
July	(\$57,562)	\$5,233	(\$52,329)	(\$54,945)	3.25%	(\$147)	(\$1,203)
August	(\$52,476)	\$5,248	(\$47,228)	(\$49,852)	3.25%	(\$133)	(\$1,336)
September	(\$47,361)	\$5,262	(\$42,099)	(\$44,730)	3.25%	(\$119)	(\$1,456)
October	(\$42,218)	\$5,277	(\$36,941)	(\$39,579)	3.25%	(\$106)	(\$1,561)
November	(\$37,046)	\$5,292	(\$31,754)	(\$34,400)	3.25%	(\$92)	(\$1,653)
December	(\$31,846)	\$5,308	(\$26,538)	(\$29,192)	3.25%	(\$78)	(\$1,731)
January 2015	(\$26,616)	\$5,323	(\$21,293)	(\$23,955)	3.25%	(\$64)	(\$1,795)
February	(\$21,357)	\$5,339	(\$16,018)	(\$18,687)	3.25%	(\$50)	(\$1,845)
March	(\$16,067)	\$5,356	(\$10,712)	(\$13,390)	3.25%	(\$36)	(\$1,881)
April	(\$10,747)	\$5,374	(\$5,374)	(\$8,061)	3.25%	(\$22)	(\$1,902)

- (a) January 2014 per Page 3, Line (3); all other months = prior month Column (c) + prior month Column (f)
- (b) Column (a) ÷ number of remaining months in recovery period
- (c) Column (a) + Column (b)
- (d) Average of Column (a) and Column (c)
- (e) Interest rate on customer deposits
- (f) Column (d) x [(1 + Column (e)) ^ (1 ÷ 12) - 1]
- (g) Prior month Column (g) + Current month Column (f)

Liberty Utilities
REP/VMP Rate Design
Procedure for Adjusting Distribution Rates for Capital Investment Allowance & Incremental O&M Expense
Rates Effective May 1, 2015

Rate Class	Distribution Rate Component	Current Base Distribution Charges (a)	Proposed Distribution % Increase/Decrease (b)	Proposed Base Distribution Charges (c)	Current Business Profits Surcharge (d)	Current Default Service Cost Reclassification Distribution Credit (e)	Proposed REP/VMP O&M Adjustment Factor (f)	Proposed Total Distribution Charges (g)
D	Customer Charge	\$11.67	1.09%	\$11.79				\$11.79
	1st 250 kWh	\$0.03151	1.09%	\$0.03185	\$0.00057	(\$0.00017)	\$0.00006	\$0.03231
	Excess 250 kWh	\$0.04733	1.09%	\$0.04784	\$0.00057	(\$0.00017)	\$0.00006	\$0.04830
	Off Peak kWh	\$0.03010	1.09%	\$0.03042	\$0.00057	(\$0.00017)	\$0.00006	\$0.03088
	Farm kWh	\$0.03942	1.09%	\$0.03984	\$0.00057	(\$0.00017)	\$0.00006	\$0.04030
	D-6 kWh	\$0.03143	1.09%	\$0.03177	\$0.00057	(\$0.00017)	\$0.00006	\$0.03223
	Interruptible Credit IC-1	(\$6.84)	1.09%	(\$6.91)				(\$6.91)
	Interruptible Credit IC-2	(\$9.78)	1.09%	(\$9.88)				(\$9.88)
D-10	Customer Charge	\$11.83	1.09%	\$11.95				\$11.95
	On Peak kWh	\$0.08911	1.09%	\$0.09008	\$0.00057	(\$0.00008)	\$0.00006	\$0.09063
	Off Peak kWh	\$0.00076	1.09%	\$0.00076	\$0.00057	(\$0.00008)	\$0.00006	\$0.00131
G-1	Customer Charge	\$320.63	1.09%	\$324.12				\$324.12
	Demand Charge	\$6.84	1.09%	\$6.91				\$6.91
	On Peak kWh	\$0.00385	1.09%	\$0.00389	\$0.00057	\$0.00000	\$0.00006	\$0.00452
	Off Peak kWh	\$0.00076	1.09%	\$0.00076	\$0.00057	\$0.00000	\$0.00006	\$0.00139
	Credit for High Voltage Delivery > 2.4 kv	(\$0.38)	1.09%	(\$0.38)				(\$0.38)
G-2	Customer Charge	\$53.48	1.09%	\$54.06				\$54.06
	Demand Charge	\$6.89	1.09%	\$6.96				\$6.96
	All kWh	\$0.00115	1.09%	\$0.00116	\$0.00057	\$0.00000	\$0.00006	\$0.00179
	Credit for High Voltage Delivery > 2.4 kv	(\$0.38)	1.09%	(\$0.38)				(\$0.38)
G-3	Customer Charge	\$11.58	1.09%	\$11.70				\$11.70
	All kWh	\$0.03916	1.09%	\$0.03958	\$0.00057	(\$0.00017)	\$0.00006	\$0.04004
	Minimum Charge > 25 kVA	\$2.50	1.09%	\$2.52				\$2.52
M	Luminaire Charge							
	<u>Description</u>							
	LUM INC RWY 103W	\$103.37	1.09%	\$104.49				\$104.49
	LUM MV RWY 100W	\$74.81	1.09%	\$75.62				\$75.62
	LUM MV RWY 175W	\$90.97	1.09%	\$91.96				\$91.96
	LUM MV RWY 400W	\$172.07	1.09%	\$173.94				\$173.94
	LUM MV RWY 1000W	\$326.48	1.09%	\$330.03				\$330.03
	LUM MV FLD 400W	\$190.29	1.09%	\$192.36				\$192.36
	LUM MV FLD 1000W	\$328.60	1.09%	\$332.18				\$332.18
	LUM HPS RWY 50W	\$77.43	1.09%	\$78.27				\$78.27
	LUM HPS RWY 100W	\$93.88	1.09%	\$94.90				\$94.90
	LUM HPS RWY 250W	\$164.85	1.09%	\$166.64				\$166.64
	LUM HPS RWY 400W	\$214.81	1.09%	\$217.15				\$217.15
	LUM HPS FLD 250W	\$166.32	1.09%	\$168.13				\$168.13
	LUM HPS FLD 400W	\$229.60	1.09%	\$232.10				\$232.10
	LUM HPS POST 100W	\$108.12	1.09%	\$109.29				\$109.29
	Pole and Accessory Charge							
	<u>Description</u>							
	POLE – WOOD	\$91.24	1.09%	\$92.23				\$92.23
	POLE FIBER PT <25FT	\$94.48	1.09%	\$95.50				\$95.50
	POLE FIBER RWY <25FT	\$160.26	1.09%	\$162.00				\$162.00
	POLE FIBER RWY =>25	\$267.74	1.09%	\$270.65				\$270.65
	POLE METAL EMBEDDED	\$191.10	1.09%	\$193.18				\$193.18
	POLE METAL =>25FT	\$230.27	1.09%	\$232.77				\$232.77
	All kWh	\$0.00000	1.09%	\$0.00000	\$0.00057	\$0.00000	\$0.00006	\$0.00063
T	Customer Charge	\$11.80	1.09%	\$11.92				\$11.92
	All kWh	\$0.03474	1.09%	\$0.03511	\$0.00057	(\$0.00007)	\$0.00006	\$0.03567
	Interruptible Credit IC-1	(\$6.84)	1.09%	(\$6.91)				(\$6.91)
	Interruptible Credit IC-2	(\$9.78)	1.09%	(\$9.88)				(\$9.88)
V	Minimum Charge	\$11.62	1.09%	\$11.74				\$11.74
	All kWh	\$0.04009	1.09%	\$0.04052	\$0.00057	(\$0.00009)	\$0.00006	\$0.04106

- (a) Per currently effective tariffs
- (b) REP/VMP adjustment increase divided by the annual revenue per the settlement agreement of \$35,145,289
- (c) Column (a) x (1+Column (b))
- (d) Distribution Energy Charges include a Business Profits Tax Surcharge of \$0.00057 per kWh for usage on and after 8/1/01
- (e) Per Default Service Cost Reclassification Adjustment Provision
- (f) Page 2, Line (7)
- (g) Column (c) + Column (d) + Column (e) + Column (f)

Liberty Utilities
Reconciliation of Refund of FY 2014 O&M Expense

	Beginning Balance With Interest (a)	Revenues (b)	Refund (c)	Adjustment (d)	Ending Balance (e)	Balance Subject to Interest (f)	Effective Interest Rate (g)	Interest (h)	Cumulative Interest (f)
May 2014	\$281,607	72,115,672	(\$7,212)		\$274,395	\$278,001	3.25%	\$742	\$742
June	\$275,137	71,790,977	(\$21,537)		\$253,600	\$264,369	3.25%	\$706	\$1,447
July	\$254,306	74,154,184	(\$22,246)		\$232,059	\$243,182	3.25%	\$649	\$2,096
August	\$232,708	69,890,374	(\$20,967)		\$211,741	\$222,225	3.25%	\$593	\$2,690
September	\$212,334	77,619,405	(\$23,286)		\$189,049	\$200,691	3.25%	\$536	\$3,225
October	\$189,584	78,154,394	(\$23,446)		\$166,138	\$177,861	3.25%	\$475	\$3,700
November	\$166,612	67,093,452	(\$20,128)		\$146,484	\$156,548	3.25%	\$418	\$4,118
December	\$146,902	83,195,737	(\$24,959)		\$121,944	\$134,423	3.25%	\$359	\$4,476
January 2015	\$122,302	76,144,152	(\$22,843)		\$99,459	\$110,881	3.25%	\$296	\$4,772
February	\$99,755	74,189,144	(\$22,257)		\$77,498	\$88,627	3.25%	\$237	\$5,009
March*	\$77,735	76,893,201	(\$23,068)		\$54,667	\$66,201	3.25%	\$177	\$5,186
April*	\$54,843	75,751,093	(\$22,725)		\$32,118	\$43,481	3.25%	\$116	\$5,302
			Total refund:	(\$247,463)					
			(Over)/Under recovery:	\$32,234					

- (a) Schedule DBS-2, page 3, Docket DE 14-086
- (b) Company Billing Reports
- (c) Column (b) x rate
- (d) Column (a) + Column (b)
- (e) Average of Column (a) and Column (d)
- (f) Interest rate on customer deposits
- (g) Column (e) x [(1 + Column (f)) ^ (1 ÷ 12) - 1]
- (h) Prior month Column (h) + Current month Column (g)
- * Kilowatt-hours are estimated

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
 Proposed May 1, 2015 Rates (Includes Annual Retail Rate change for May 1, 2015)
 Calculation of Monthly Typical Bill
 Impact on Rate D Energy Service Customers
 Without Water Heater Control
 0% Off-Peak

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
 Docket No. DE 15-
 Schedule HMT-4
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kWh Split
 On-Peak 100.00%
 Off-Peak 0.00%

Monthly kWh	On-Peak kWh	Off-Peak kWh	Present Rates			Proposed Rates			(1) vs (2)	
			Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
200	200	0	\$54.39	\$30.97	\$23.42	\$57.24	\$30.97	\$26.27	\$2.85	5.2%
350	350	0	\$88.03	\$54.20	\$33.83	\$92.94	\$54.20	\$38.74	\$4.91	5.6%
500	500	0	\$122.46	\$77.44	\$45.02	\$129.47	\$77.44	\$52.03	\$7.01	5.7%
655	655	0	\$158.01	\$101.44	\$56.57	\$167.16	\$101.44	\$65.72	\$9.15	5.8%
750	750	0	\$179.81	\$116.15	\$63.66	\$190.27	\$116.15	\$74.12	\$10.46	5.8%
1,000	1,000	0	\$237.17	\$154.87	\$82.30	\$251.10	\$154.87	\$96.23	\$13.93	5.9%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$11.67	\$11.79
Distribution Charge		
1st 250 kWh	kWh x \$0.03074	\$0.03231
excess of 250 kWh	kWh x \$0.04656	\$0.04830
Off Peak kWh	kWh x \$0.02933	\$0.03088
Storm Adjustment Factor	kWh x \$0.00221	\$0.00221
Transmission Charge	kWh x \$0.02116	\$0.03557
Stranded Cost Charge	kWh x \$0.00080	(\$0.00150)
System Benefits Charge	kWh x \$0.00330	\$0.00330
Electricity Consumption Tax	kWh x \$0.00055	\$0.00055

Supplier Services

Default Service	kWh x	\$0.15487	\$0.15487
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Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
Proposed May 1, 2015 Rates (Includes Annual Retail Rate change for May 1, 2015)
Calculation of Monthly Typical Bill
Impact on Rate D Energy Service Customers
With 6 Hour Water Heater Control

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
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kWh Split			(1) -----/ /----- (2) -----/ (1) vs (2)								
			Present Rates			Proposed Rates			Overall		
Monthly	On-Peak	Off-Peak	Total	Default	Retail	Total	Default	Retail	Increase (Decrease)		
KWh	kWh	kWh		Service	Delivery		Service	Delivery	Amount	%	
200	160	40	\$47.49	\$30.97	\$16.52	\$50.28	\$30.97	\$19.31	\$2.79	5.9%	
350	280	70	\$79.98	\$54.20	\$25.78	\$84.81	\$54.20	\$30.61	\$4.83	6.0%	
500	400	100	\$113.89	\$77.44	\$36.45	\$120.82	\$77.44	\$43.38	\$6.93	6.1%	
750	600	150	\$170.39	\$116.15	\$54.24	\$180.75	\$116.15	\$64.60	\$10.36	6.1%	
1,000	800	200	\$226.89	\$154.87	\$72.02	\$240.71	\$154.87	\$85.84	\$13.82	6.1%	

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$11.67	\$11.79
Distribution Charge		
1st 250 kWh	kWh x \$0.03074	\$0.03231
excess of 250 kWh	kWh x \$0.04656	\$0.04830
Off Peak kWh	kWh x \$0.02933	\$0.03088
Storm Adjustment Factor	kWh x \$0.00221	\$0.00221
Transmission Charge	kWh x \$0.02116	\$0.03557
Stranded Cost Charge	kWh x \$0.00080	(\$0.00150)
System Benefits Charge	kWh x \$0.00330	\$0.00330
Electricity Consumption Tax	kWh x \$0.00055	\$0.00055
Interruptible Credit #1	(\$6.84)	(\$6.91)
<u>Supplier Services</u>		
Default Service	kWh x \$0.15487	\$0.15487

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
 Proposed May 1, 2015 Rates (Includes Annual Retail Rate change for May 1, 2015)
 Calculation of Monthly Typical Bill
 Impact on Rate D Energy Service Customers
 With 6 Hour Water Heater Control

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
 Docket No. DE 15-
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kWh Split
 On-Peak 60.00%
 Off-Peak 40.00%

Monthly KWh	On-Peak kWh	Off-Peak kWh	(1) Present Rates			(2) Proposed Rates			(1) vs (2)	
			Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
200	120	80	\$44.50	\$30.97	\$13.53	\$47.25	\$30.97	\$16.28	\$2.75	6.2%
350	210	140	\$76.47	\$54.20	\$22.27	\$81.26	\$54.20	\$27.06	\$4.79	6.3%
500	300	200	\$109.24	\$77.44	\$31.80	\$116.11	\$77.44	\$38.67	\$6.87	6.3%
750	450	300	\$164.86	\$116.15	\$48.71	\$175.16	\$116.15	\$59.01	\$10.30	6.2%
1,000	600	400	\$220.50	\$154.87	\$65.63	\$234.25	\$154.87	\$79.38	\$13.75	6.2%

	Present Rates	Proposed Rates
Customer Charge	\$11.67	\$11.79
Distribution Charge		
1st 250 kWh	kWh x \$0.03074	\$0.03231
excess of 250 kWh	kWh x \$0.04656	\$0.04830
Off Peak kWh	kWh x \$0.02933	\$0.03088
Storm Adjustment Factor	kWh x \$0.00221	\$0.00221
Transmission Charge	kWh x \$0.02116	\$0.03557
Stranded Cost Charge	kWh x \$0.00080	(\$0.00150)
System Benefits Charge	kWh x \$0.00330	\$0.00330
Electricity Consumption Tax	kWh x \$0.00055	\$0.00055
Interruptible Credit #2	(\$9.78)	(\$9.88)
<u>Supplier Services</u>		
Default Service	kWh x \$0.15487	\$0.15487

kWh Split										
On-Peak 80.00%			(1)		(2)		(1) vs (2)			
Off-Peak 20.00%										
Monthly KWh	On-Peak kWh	Off-Peak kWh	Present Rates			Proposed Rates			Overall	
			Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
700	560	140	\$191.79	\$108.41	\$83.38	\$199.39	\$108.41	\$90.98	\$7.60	4.0%
1,000	800	200	\$268.90	\$154.87	\$114.03	\$279.70	\$154.87	\$124.83	\$10.80	4.0%
1,300	1,040	260	\$346.02	\$201.33	\$144.69	\$360.01	\$201.33	\$158.68	\$13.99	4.0%
1,600	1,280	320	\$423.15	\$247.79	\$175.36	\$440.35	\$247.79	\$192.56	\$17.20	4.1%
1,900	1,520	380	\$500.26	\$294.25	\$206.01	\$520.67	\$294.25	\$226.42	\$20.41	4.1%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$11.83	\$11.95
Distribution Charge		
On Peak kWh	kWh x \$0.08843	\$0.09062
Off Peak kWh	kWh x \$0.00008	\$0.00131
Storm Adjustment Factor	kWh x \$0.00221	\$0.00221
Transmission Charge	kWh x \$0.02458	\$0.03558
Stranded Cost Charge	kWh x \$0.00080	(\$0.00152)
System Benefits Charge	kWh x \$0.00330	\$0.00330
Electricity Consumption Tax	kWh x \$0.00055	\$0.00055

Supplier Services

Default Service	kWh x \$0.15487	\$0.15487
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kWh Split
 On-Peak 70.00%
 Off-Peak 30.00% /----- (1) -----/ /----- (2) -----/ (1) vs (2)

Monthly KWh	On-Peak kWh	Off-Peak kWh	Present Rates			Proposed Rates			Overall	
			Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
700	490	210	\$185.61	\$108.41	\$77.20	\$193.14	\$108.41	\$84.73	\$7.53	4.1%
1,000	700	300	\$260.06	\$154.87	\$105.19	\$270.76	\$154.87	\$115.89	\$10.70	4.1%
1,300	910	390	\$334.53	\$201.33	\$133.20	\$348.40	\$201.33	\$147.07	\$13.87	4.1%
1,600	1,120	480	\$409.01	\$247.79	\$161.22	\$426.06	\$247.79	\$178.27	\$17.05	4.2%
1,900	1,330	570	\$483.48	\$294.25	\$189.23	\$503.70	\$294.25	\$209.45	\$20.22	4.2%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$11.83	\$11.95
Distribution Charge			
On Peak kWh	kWh x	\$0.08843	\$0.09062
Off Peak kWh	kWh x	\$0.00008	\$0.00131
Storm Adjustment Factor	kWh x	\$0.00221	\$0.00221
Transmission Charge	kWh x	\$0.02458	\$0.03558
Stranded Cost Charge	kWh x	\$0.00080	(\$0.00152)
System Benefits Charge	kWh x	\$0.00330	\$0.00330
Electricity Consumption Tax	kWh x	\$0.00055	\$0.00055

Supplier Services

Default Service	kWh x	\$0.15487	\$0.15487
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kWh Split									(1) vs (2)	
On-Peak 60.00%			(1)			(2)				
Off-Peak 40.00%			/-----/			/-----/				
Monthly KWh	On-Peak kWh	Off-Peak kWh	Present Rates			Proposed Rates			Overall	
			Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
700	420	280	\$179.42	\$108.41	\$71.01	\$186.89	\$108.41	\$78.48	\$7.47	4.2%
1,000	600	400	\$251.23	\$154.87	\$96.36	\$261.83	\$154.87	\$106.96	\$10.60	4.2%
1,300	780	520	\$323.05	\$201.33	\$121.72	\$336.79	\$201.33	\$135.46	\$13.74	4.3%
1,600	960	640	\$394.87	\$247.79	\$147.08	\$411.78	\$247.79	\$163.99	\$16.91	4.3%
1,900	1,140	760	\$466.69	\$294.25	\$172.44	\$486.74	\$294.25	\$192.49	\$20.05	4.3%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$11.83	\$11.95
Distribution Charge			
On Peak kWh	kWh x	\$0.08843	\$0.09062
Off Peak kWh	kWh x	\$0.00008	\$0.00131
Storm Adjustment Factor	kWh x	\$0.00221	\$0.00221
Transmission Charge	kWh x	\$0.02458	\$0.03558
Stranded Cost Charge	kWh x	\$0.00080	(\$0.00152)
System Benefits Charge	kWh x	\$0.00330	\$0.00330
Electricity Consumption Tax	kWh x	\$0.00055	\$0.00055
 <u>Supplier Services</u>			
Default Service	kWh x	\$0.15487	\$0.15487

Monthly kWh	(1) Present Rates			(2) Proposed Rates			(1) vs (2)	
	Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
600	\$144.30	\$92.92	\$51.38	\$151.80	\$92.92	\$58.88	\$7.50	5.2%
800	\$188.54	\$123.90	\$64.64	\$198.51	\$123.90	\$74.61	\$9.97	5.3%
1,200	\$277.02	\$185.84	\$91.18	\$291.91	\$185.84	\$106.07	\$14.89	5.4%
1,500	\$343.40	\$232.31	\$111.09	\$361.98	\$232.31	\$129.67	\$18.58	5.4%
2,000	\$453.98	\$309.74	\$144.24	\$478.72	\$309.74	\$168.98	\$24.74	5.4%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$11.58	\$11.70
Distribution Charge	kWh x	\$0.03839	\$0.04004
Storm Adjustment Factor	kWh x	\$0.00221	\$0.00221
Transmission Charge	kWh x	\$0.02108	\$0.03400
Stranded Cost Charge	kWh x	\$0.00080	(\$0.00146)
System Benefits Charge	kWh x	\$0.00330	\$0.00330
Electricity Consumption Tax	kWh x	\$0.00055	\$0.00055

Supplier Services

Default Service	kWh x	\$0.15487	\$0.15487
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Monthly kWh	(1) Present Rates			(2) Proposed Rates			(1) vs (2) Overall	
	Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
600	\$144.43	\$92.92	\$51.51	\$149.21	\$92.92	\$56.29	\$4.78	3.3%
800	\$188.65	\$123.90	\$64.75	\$194.99	\$123.90	\$71.09	\$6.34	3.4%
1,200	\$277.05	\$185.84	\$91.21	\$286.49	\$185.84	\$100.65	\$9.44	3.4%
1,500	\$343.40	\$232.31	\$111.09	\$355.17	\$232.31	\$122.86	\$11.77	3.4%
2,000	\$453.90	\$309.74	\$144.16	\$469.56	\$309.74	\$159.82	\$15.66	3.5%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$11.80	\$11.92
Distribution Charge	kWh x	\$0.03407	\$0.03567
Storm Adjustment Factor	kWh x	\$0.00221	\$0.00221
Transmission Charge	kWh x	\$0.02525	\$0.03372
Stranded Cost Charge	kWh x	\$0.00080	(\$0.00150)
System Benefits Charge	kWh x	\$0.00330	\$0.00330
Electricity Consumption Tax	kWh x	\$0.00055	\$0.00055
 <u>Supplier Services</u>			
Default Service	kWh x	\$0.15487	\$0.15487

Monthly kWh	(1) Present Rates			(2) Proposed Rates			(1) vs (2)	
	Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
600	\$137.88	\$92.92	\$44.96	\$145.21	\$92.92	\$52.29	\$7.33	5.3%
800	\$183.85	\$123.90	\$59.95	\$193.62	\$123.90	\$69.72	\$9.77	5.3%
1,200	\$275.75	\$185.84	\$89.91	\$290.42	\$185.84	\$104.58	\$14.67	5.3%
1,500	\$344.72	\$232.31	\$112.41	\$363.05	\$232.31	\$130.74	\$18.33	5.3%
2,000	\$459.60	\$309.74	\$149.86	\$484.04	\$309.74	\$174.30	\$24.44	5.3%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Minimum Charge	\$11.62	\$11.74
Distribution Charge kWh x	\$0.03940	\$0.04106
Storm Adjustment Factor kWh x	\$0.00221	\$0.00221
Transmission Charge kWh x	\$0.02867	\$0.04159
Stranded Cost Charge kWh x	\$0.00080	(\$0.00156)
System Benefits Charge kWh x	\$0.00330	\$0.00330
Electricity Consumption Tax kWh x	\$0.00055	\$0.00055

Supplier Services

Default Service kWh x	\$0.15487	\$0.15487
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kWh	Monthly kWh	kWh Split		Present Rates			Proposed Rates			Overall	
		On-Peak kWh	Off-Peak kWh	Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
200	50,000	30,000	20,000	\$9,360.83	\$6,366.50	\$2,994.33	\$11,071.52	\$7,415.00	\$3,656.52	\$1,710.69	18.3%
300	75,000	45,000	30,000	\$13,880.93	\$9,549.75	\$4,331.18	\$16,445.22	\$11,122.50	\$5,322.72	\$2,564.29	18.5%
400	100,000	60,000	40,000	\$18,401.03	\$12,733.00	\$5,668.03	\$21,818.92	\$14,830.00	\$6,988.92	\$3,417.89	18.6%
500	125,000	75,000	50,000	\$22,921.13	\$15,916.25	\$7,004.88	\$27,192.62	\$18,537.50	\$8,655.12	\$4,271.49	18.6%
1,000	250,000	150,000	100,000	\$45,521.63	\$31,832.50	\$13,689.13	\$54,061.12	\$37,075.00	\$16,986.12	\$8,539.49	18.8%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$320.63	\$324.12
Distribution Charge		
On Peak kWh	kWh x \$0.00325	\$0.00452
Off Peak kWh	kWh x \$0.00016	\$0.00139
Distribution Demand Charge	kW x \$6.84	\$6.91
Storm Adjustment Factor	kWh x \$0.00221	\$0.00221
Transmission Charge	kWh x \$0.01724	\$0.03118
Stranded Cost Charge	kWh x \$0.00080	(\$0.00150)
System Benefits Charge	kWh x \$0.00330	\$0.00330
Electricity Consumption Tax	kWh x \$0.00055	\$0.00055
 <u>Supplier Services</u>		
Default Service	kWh x \$0.12733	\$0.14830

Hours Use	kWh Split				(1)		(2)		(1) vs (2)		
	350 On-Peak	50.00%	Off-Peak	50.00%							
kW	Monthly kWh	On-Peak kWh	Off-Peak kWh	Total	Present Rates Default Service	Retail Delivery	Total	Proposed Rates Default Service	Retail Delivery	Overall Increase (Decrease) Amount	%
200	70,000	35,000	35,000	\$12,408.08	\$8,913.10	\$3,494.98	\$14,795.77	\$10,381.00	\$4,414.77	\$2,387.69	19.2%
300	105,000	52,500	52,500	\$18,451.81	\$13,369.65	\$5,082.16	\$22,031.60	\$15,571.50	\$6,460.10	\$3,579.79	19.4%
400	140,000	70,000	70,000	\$24,495.53	\$17,826.20	\$6,669.33	\$29,267.42	\$20,762.00	\$8,505.42	\$4,771.89	19.5%
500	175,000	87,500	87,500	\$30,539.26	\$22,282.75	\$8,256.51	\$36,503.25	\$25,952.50	\$10,550.75	\$5,963.99	19.5%
1,000	350,000	175,000	175,000	\$60,757.88	\$44,565.50	\$16,192.38	\$72,682.37	\$51,905.00	\$20,777.37	\$11,924.49	19.6%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$320.63	\$324.12
Distribution Charge		
On Peak kWh	kWh x \$0.00325	\$0.00452
Off Peak kWh	kWh x \$0.00016	\$0.00139
Distribution Demand Charge	kW x \$6.84	\$6.91
Storm Adjustment Factor	kWh x \$0.00221	\$0.00221
Transmission Charge	kWh x \$0.01724	\$0.03118
Stranded Cost Charge	kWh x \$0.00080	(\$0.00150)
System Benefits Charge	kWh x \$0.00330	\$0.00330
Electricity Consumption Tax	kWh x \$0.00055	\$0.00055
 <u>Supplier Services</u>		
Default Service	kWh x \$0.12733	\$0.14830

kWh	Monthly kWh	kWh Split		Present Rates			Proposed Rates			(1) vs (2)	
		On-Peak kWh	Off-Peak kWh	Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
200	90,000	40,500	49,500	\$15,456.88	\$11,459.70	\$3,997.18	\$18,521.59	\$13,347.00	\$5,174.59	\$3,064.71	19.8%
300	135,000	60,750	74,250	\$23,025.00	\$17,189.55	\$5,835.45	\$27,620.32	\$20,020.50	\$7,599.82	\$4,595.32	20.0%
400	180,000	81,000	99,000	\$30,593.12	\$22,919.40	\$7,673.72	\$36,719.05	\$26,694.00	\$10,025.05	\$6,125.93	20.0%
500	225,000	101,250	123,750	\$38,161.24	\$28,649.25	\$9,511.99	\$45,817.78	\$33,367.50	\$12,450.28	\$7,656.54	20.1%
1,000	450,000	202,500	247,500	\$76,001.86	\$57,298.50	\$18,703.36	\$91,311.45	\$66,735.00	\$24,576.45	\$15,309.59	20.1%

	Present Rates	Proposed Rates
Customer Charge	\$320.63	\$324.12
Distribution Charge		
On Peak kWh	kWh x \$0.00325	\$0.00452
Off Peak kWh	kWh x \$0.00016	\$0.00139
Distribution Demand Charge	kW x \$6.84	\$6.91
Storm Adjustment Factor	kWh x \$0.00221	\$0.00221
Transmission Charge	kWh x \$0.01724	\$0.03118
Stranded Cost Charge	kWh x \$0.00080	(\$0.00150)
System Benefits Charge	kWh x \$0.00330	\$0.00330
Electricity Consumption Tax	kWh x \$0.00055	\$0.00055

Supplier Services

Default Service	kWh x \$0.12733	\$0.14830
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kW	Monthly kWh	kWh Split		(1)			(2)			(1) vs (2)	
		On-Peak kWh	Off-Peak kWh	Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
200	90,000	36,000	54,000	\$15,442.97	\$11,459.70	\$3,983.27	\$18,507.50	\$13,347.00	\$5,160.50	\$3,064.53	19.8%
300	135,000	54,000	81,000	\$23,004.14	\$17,189.55	\$5,814.59	\$27,599.19	\$20,020.50	\$7,578.69	\$4,595.05	20.0%
400	180,000	72,000	108,000	\$30,565.31	\$22,919.40	\$7,645.91	\$36,690.88	\$26,694.00	\$9,996.88	\$6,125.57	20.0%
500	225,000	90,000	135,000	\$38,126.48	\$28,649.25	\$9,477.23	\$45,782.57	\$33,367.50	\$12,415.07	\$7,656.09	20.1%
1,000	450,000	180,000	270,000	\$75,932.33	\$57,298.50	\$18,633.83	\$91,241.02	\$66,735.00	\$24,506.02	\$15,308.69	20.2%

	<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge	\$320.63	\$324.12
Distribution Charge		
On Peak kWh	kWh x \$0.00325	\$0.00452
Off Peak kWh	kWh x \$0.00016	\$0.00139
Distribution Demand Charge	kW x \$6.84	\$6.91
Storm Adjustment Factor	kWh x \$0.00221	\$0.00221
Transmission Charge	kWh x \$0.01724	\$0.03118
Stranded Cost Charge	kWh x \$0.00080	(\$0.00150)
System Benefits Charge	kWh x \$0.00330	\$0.00330
Electricity Consumption Tax	kWh x \$0.00055	\$0.00055

Supplier Services

Default Service	kWh x \$0.12733	\$0.14830
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Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
 Proposed May 1, 2015 Rates (Includes Annual Retail Rate change for May 1, 2015)
 Calculation of Illustrative Monthly Typical Bill
 Impact on Rate G-2 Default Service Customers

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
 Docket No. DE 15-
 Schedule HMT-4
 Page 14 of 16

Hours Use 200

		(1)			(2)			(1) vs (2)	
kW	Monthly kWh	Present Rates			Proposed Rates			Overall	
		Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
20	4,000	\$816.16	\$509.32	\$306.84	\$948.78	\$593.20	\$355.58	\$132.62	16.2%
50	10,000	\$1,960.18	\$1,273.30	\$686.88	\$2,290.86	\$1,483.00	\$807.86	\$330.68	16.9%
75	15,000	\$2,913.53	\$1,909.95	\$1,003.58	\$3,409.26	\$2,224.50	\$1,184.76	\$495.73	17.0%
100	20,000	\$3,866.88	\$2,546.60	\$1,320.28	\$4,527.66	\$2,966.00	\$1,561.66	\$660.78	17.1%
150	30,000	\$5,773.58	\$3,819.90	\$1,953.68	\$6,764.46	\$4,449.00	\$2,315.46	\$990.88	17.2%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$53.48	\$54.06
Distribution Charge	kWh x	\$0.00055	\$0.00179
Distribution Demand Charge	kW x	\$6.89	\$6.96
Storm Adjustment Factor	kWh x	\$0.00221	\$0.00221
Transmission Charge	kWh x	\$0.02147	\$0.03424
Stranded Cost Charge	kWh x	\$0.00081	(\$0.00151)
System Benefits Charge	kWh x	\$0.00330	\$0.00330
Electricity Consumption Tax	kWh x	\$0.00055	\$0.00055

Supplier Services

Default Service	kWh x	\$0.12733	\$0.14830
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Hours Use 250

		(1)			(2)			(1) vs (2)	
kW	Monthly kWh	Present Rates			Proposed Rates			Overall	
		Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
20	5,000	\$972.38	\$636.65	\$335.73	\$1,137.66	\$741.50	\$396.16	\$165.28	17.0%
50	12,500	\$2,350.76	\$1,591.63	\$759.13	\$2,763.07	\$1,853.75	\$909.32	\$412.31	17.5%
75	18,750	\$3,499.36	\$2,387.44	\$1,111.92	\$4,117.57	\$2,780.63	\$1,336.94	\$618.21	17.7%
100	25,000	\$4,647.98	\$3,183.25	\$1,464.73	\$5,472.06	\$3,707.50	\$1,764.56	\$824.08	17.7%
150	37,500	\$6,945.26	\$4,774.88	\$2,170.38	\$8,181.07	\$5,561.25	\$2,619.82	\$1,235.81	17.8%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$53.48	\$54.06
Distribution Charge	kWh x	\$0.00055	\$0.00179
Distribution Demand Charge	kW x	\$6.89	\$6.96
Storm Adjustment Factor	kWh x	\$0.00221	\$0.00221
Transmission Charge	kWh x	\$0.02147	\$0.03424
Stranded Cost Charge	kWh x	\$0.00081	(\$0.00151)
System Benefits Charge	kWh x	\$0.00330	\$0.00330
Electricity Consumption Tax	kWh x	\$0.00055	\$0.00055

Supplier Services

Default Service	kWh x	\$0.12733	\$0.14830
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Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
 Proposed May 1, 2015 Rates (Includes Annual Retail Rate change for May 1, 2015)
 Calculation of Illustrative Monthly Typical Bill
 Impact on Rate G-2 Default Service Customers

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities
 Docket No. DE 15-
 Schedule HMT-4
 Page 16 of 16

Hours Use 300

		(1)			(2)			(1) vs (2)	
kW	Monthly kWh	Present Rates			Proposed Rates			Overall	
		Total	Default Service	Retail Delivery	Total	Default Service	Retail Delivery	Increase (Decrease) Amount	%
20	6,000	\$1,128.60	\$763.98	\$364.62	\$1,326.54	\$889.80	\$436.74	\$197.94	17.5%
50	15,000	\$2,741.28	\$1,909.95	\$831.33	\$3,235.26	\$2,224.50	\$1,010.76	\$493.98	18.0%
75	22,500	\$4,085.21	\$2,864.93	\$1,220.28	\$4,825.87	\$3,336.75	\$1,489.12	\$740.66	18.1%
100	30,000	\$5,429.08	\$3,819.90	\$1,609.18	\$6,416.46	\$4,449.00	\$1,967.46	\$987.38	18.2%
150	45,000	\$8,116.88	\$5,729.85	\$2,387.03	\$9,597.66	\$6,673.50	\$2,924.16	\$1,480.78	18.2%

		<u>Present Rates</u>	<u>Proposed Rates</u>
Customer Charge		\$53.48	\$54.06
Distribution Charge	kWh x	\$0.00055	\$0.00179
Distribution Demand Charge	kW x	\$6.89	\$6.96
Storm Adjustment Factor	kWh x	\$0.00221	\$0.00221
Transmission Charge	kWh x	\$0.02147	\$0.03424
Stranded Cost Charge	kWh x	\$0.00081	(\$0.00151)
System Benefits Charge	kWh x	\$0.00330	\$0.00330
Electricity Consumption Tax	kWh x	\$0.00055	\$0.00055

Supplier Services

Default Service	kWh x	\$0.12733	\$0.14830
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RATES EFFECTIVE ~~DECEMBER 1, 2014~~
FOR USAGE ON AND AFTER ~~DECEMBER 1, 2014~~

Rate	Blocks	Distribution Charge	Business Profits Tax	REP/VMP	Energy Service Adjustment	Net Distribution Charge	Transmission Charge	Stranded Cost Charge	Storm Recovery Adjustment Factor	System Benefits Charge	Electricity Consumption Tax	Total Delivery Service	Energy Service	Total Rate
D	Customer Charge	\$ 11.67				11.67						11.67		\$ 11.67
	1st 250 kWh	\$ 0.03064	0.00057	(0.00030)	(0.00017)	0.03074	0.02116	0.00080	0.00221	0.00330	0.00055	0.05876	0.15487	\$ 0.21363
	Excess kWh	\$ 0.04646	0.00057	(0.00030)	(0.00017)	0.04656	0.02116	0.00080	0.00221	0.00330	0.00055	0.07458	0.15487	\$ 0.22945
Off Peak Water Heating Use 16 Hour Control ¹	All kWh	\$ 0.02923	0.00057	(0.00030)	(0.00017)	0.02933	0.02116	0.00080	0.00221	0.00330	0.00055	0.05725	0.15487	\$ 0.21322
Off Peak Water Heating Use 6 Hour Control ¹	All kWh	\$ 0.03056	0.00057	(0.00030)	(0.00017)	0.03066	0.02116	0.00080	0.00221	0.00330	0.00055	0.05868	0.15487	\$ 0.21755
Farm ¹	All kWh	\$ 0.03855	0.00057	(0.00030)	(0.00017)	0.03865	0.02116	0.00080	0.00221	0.00330	0.00055	0.06667	0.15487	\$ 0.22154
D-10	Customer Charge	\$ 11.83				11.83						11.83		\$ 11.83
	On Peak kWh	\$ 0.08824	0.00057	(0.00030)	(0.00008)	0.08843	0.02458	0.00080	0.00221	0.00330	0.00055	0.11987	0.15487	\$ 0.27474
	Off Peak kWh	\$ (0.00011)	0.00057	(0.00030)	(0.00008)	0.00008	0.02458	0.00080	0.00221	0.00330	0.00055	0.02152	0.15487	\$ 0.18639
M	All kWh	\$ (0.00060)	0.00057	(0.00030)	NA	(0.00033)	0.04517	0.00080	0.00221	0.00330	0.00055	0.02170	0.15487	\$ 0.17657
T	Customer Charge	\$ 11.80				11.80						11.80		\$ 11.80000
	All kWh	\$ 0.03387	0.00057	(0.00030)	(0.00007)	0.03407	0.02525	0.00080	0.00221	0.00330	0.00055	0.06648	0.15487	\$ 0.23105
V	Minimum Charge	\$ 11.62				11.62						11.62		\$ 11.62
	All kWh	\$ 0.03922	0.00057	(0.00030)	(0.00009)	0.03940	0.02867	0.00080	0.00221	0.00330	0.00055	0.07403	0.15487	\$ 0.22980
G-3	Customer Charge	\$ 11.58				11.58						11.58		\$ 11.58
	All kWh	\$ 0.03829	0.00057	(0.00030)	(0.00017)	0.03839	0.02108	0.00080	0.00221	0.00330	0.00055	0.06633	0.15487	\$ 0.23120
G-2	Customer Charge	\$ 53.48				53.48						53.48		\$ 53.48
	Demand Charge	\$ 6.89				6.89						6.89		\$ 6.89
	All kWh	\$ 0.00028	0.00057	(0.00030)	NA	0.00055	0.02147	0.00081	0.00221	0.00330	0.00055	0.02889		\$ 0.02889
													0.08453	\$ 0.11342
													0.17502	\$ 0.20301
													0.21900	\$ 0.24789
G-1	Customer Charge	\$ 320.63				320.63						320.63		\$ 320.63
	Demand Charge	\$ 6.84				6.84						6.84		\$ 6.84
	On Peak kWh	\$ 0.00298	0.00057	(0.00030)	NA	0.00125	0.01724	0.00080	0.00221	0.00330	0.00055	0.02735		\$ 0.02735
													0.08453	\$ 0.11188
													0.17502	\$ 0.20237
													0.21900	\$ 0.24635
G-1	Off Peak kWh	\$ (0.00011)	0.00057	(0.00030)	NA	0.00016	0.01724	0.00080	0.00221	0.00330	0.00055	0.02426		\$ 0.02426
													0.21171	\$ 0.23906
													0.12733	\$ 0.15468
													0.07642	\$ 0.10337
													0.08453	\$ 0.10879
													0.17502	\$ 0.19928
												0.21900	\$ 0.24326	
												0.21171	\$ 0.23687	
												0.12733	\$ 0.15159	
												0.07642	\$ 0.10068	

¹ Rate is a subset of Domestic Rate D

Dated: ~~December 2, 2014~~
Effective: ~~December 1, 2014~~

Issued by: /s/Daniel G. Saad
Daniel G. Saad
Title: President

RATES EFFECTIVE MAY 1, 2015
FOR USAGE ON AND AFTER MAY 1, 2015

Rate	Blocks	Distribution Charge	Business Profits Tax	REP/VMP	Energy Service Adjustment	Net Distribution Charge	Transmission Charge	Stranded Cost Charge	Storm Recovery Adjustment Factor	System Benefits Charge	Electricity Consumption Tax	Total Delivery Service	Energy Service	Total Rate
D	Customer Charge	\$ 11.79				11.79						11.79		\$ 11.79
	1st 250 kWh	\$ 0.03185	0.00057	0.00006	(0.00017)	0.03231	0.03557	(0.00150)	0.00221	0.00330	0.00055	0.07244	0.15487	\$ 0.22731
	Excess kWh	\$ 0.04784	0.00057	0.00006	(0.00017)	0.04830	0.03557	(0.00150)	0.00221	0.00330	0.00055	0.08843	0.15487	\$ 0.24330
Off Peak Water Heating Use 16 Hour Control ¹	All kWh	\$ 0.03042	0.00057	0.00006	(0.00017)	0.03088	0.03557	(0.00150)	0.00221	0.00330	0.00055	0.07101	0.15487	\$ 0.22588
Off Peak Water Heating Use 6 Hour Control ¹	All kWh	\$ 0.03177	0.00057	0.00006	(0.00017)	0.03223	0.03557	(0.00150)	0.00221	0.00330	0.00055	0.07236	0.15487	\$ 0.22723
Farm ¹	All kWh	\$ 0.03984	0.00057	0.00006	(0.00017)	0.04030	0.03557	(0.00150)	0.00221	0.00330	0.00055	0.08043	0.15487	\$ 0.23530
D-10	Customer Charge	\$ 11.95				11.95						11.95		\$ 11.95
	On Peak kWh	\$ 0.09008	0.00057	0.00006	(0.00008)	0.09063	0.03558	(0.00152)	0.00221	0.00330	0.00055	0.13075	0.15487	\$ 0.28562
	Off Peak kWh	\$ 0.00076	0.00057	0.00006	(0.00008)	0.00131	0.03558	(0.00152)	0.00221	0.00330	0.00055	0.04143	0.15487	\$ 0.19630
M	All kWh	\$ -	0.00057	0.00006	NA	0.00063	0.02359	(0.00150)	0.00221	0.00330	0.00055	0.02878	0.15487	\$ 0.18365
T	Customer Charge	\$ 11.92				11.92						11.92		\$ 11.92000
	All kWh	\$ 0.03511	0.00057	0.00006	(0.00007)	0.03567	0.03372	(0.00150)	0.00221	0.00330	0.00055	0.07395	0.15487	\$ 0.22882
V	Minimum Charge	\$ 11.74				11.74						11.74		\$ 11.74
	All kWh	\$ 0.04052	0.00057	0.00006	(0.00009)	0.04106	0.04159	(0.00156)	0.00221	0.00330	0.00055	0.08715	0.15487	\$ 0.24202
G-3	Customer Charge	\$ 11.70				11.70						11.70		\$ 11.70
	All kWh	\$ 0.03958	0.00057	0.00006	(0.00017)	0.04004	0.03400	(0.00146)	0.00221	0.00330	0.00055	0.07864	0.15487	\$ 0.23351
G-2	Customer Charge	\$ 54.06				54.06						54.06		\$ 54.06
	Demand Charge	\$ 6.96				6.96						6.96		\$ 6.96
	All kWh	\$ 0.00116	0.00057	0.00006	NA	0.00179	0.03424	0.00151	0.00221	0.00330	0.00055	0.04360		\$ 0.04360
													0.08453	\$ 0.12813
													0.17502	\$ 0.21862
													0.21900	\$ 0.26260
													0.21171	\$ 0.25531
												0.12733	\$ 0.17093	
												0.07642	\$ 0.12002	
G-1	Customer Charge	\$ 324.12				324.12						324.12		\$ 324.12
	Demand Charge	\$ 6.91				6.91						6.91		\$ 6.91
	On Peak kWh	\$ 0.00389	0.00057	0.00006	NA	0.00452	0.03118	(0.00150)	0.00221	0.00330	0.00055	0.04026		\$ 0.12479
													0.08453	\$ 0.21528
													0.17502	\$ 0.25926
													0.21900	\$ 0.25197
													0.21171	\$ 0.16759
													0.12733	\$ 0.11668
													0.07642	\$ 0.12166
	Off Peak kWh	\$ 0.00076	0.00057	0.00006	NA	0.00139	0.03118	(0.00150)	0.00221	0.00330	0.00055	0.03713		\$ 0.12166
													0.08453	\$ 0.21215
													0.17502	\$ 0.25613
													0.21900	\$ 0.24884
												0.21171	\$ 0.16446	
												0.12733	\$ 0.11355	
												0.07642	\$ 0.11355	

¹ Rate is a subset of Domestic Rate D

Dated:
Effective: May 1, 2015

Issued by: /s/Daniel G. Saad
Daniel G. Saad
Title: President