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

		Actual <u>7/1/2008</u> (a)	Actual 7/1/2009 (b)	Actual <u>7/1/2010</u> (c)	Actual <u>7/1/2011</u> (d)	Actual <u>7/1/2012</u> (e)	Actual 7/1/2013 (f)	Actual <u>6/1/2014</u> (g)	Actual <u>5/1/2015</u> (h)	Actual 6/1/2016 (i)	Actual <u>5/1/2017</u> (i)	Actual 5/1/2018 (j)	Actual <u>5/1/2019</u> (k)
<u>A</u>	nnual Incremental Rate Adjustments												
1	REP/VMP O&M Adjustment Factor	\$0	\$113,832	\$1,047,770	(\$758,113)	(\$295,207)	(\$52,081)	(\$275,840)	(\$210,585)	\$346,184	(\$76,104)	\$552,414	\$444,301
2	REP Capital Program	\$165,840	\$75,740	\$163,663	\$102,941	(\$18,005)	\$125,829	\$37,374	\$253,423	\$180,132	\$120,019	\$76,833	\$199,645
3	Total for Fiscal Year	\$165,840	\$189,572	\$1,211,433	(\$655,172)	(\$313,213)	\$73,748	(\$238,466)	\$42,838	\$526,316	\$43,915	\$629,247	\$643,946
4	Termination of Prior Period O&M Recovery	\$0	\$0	(\$113,832)	(\$1,047,770)	\$758,113	\$295,207	\$52,081	\$275,840	\$210,585	(\$346,184)	\$76,104	(\$552,414)
5	Net Change in Recovery	\$165,840	\$189,572	\$1,097,601	(\$1,702,942)	\$444,900	\$368,955	(\$186,385)	\$318,678	\$736,901	(\$302,269)	\$705,351	\$91,532

Notes:

Line 1 From DBS-1, Page 2 of 15, Line 7

Line 2 From DBS-1, Page 3 of 15, Line 66

Line 3 Line 1 + Line 2

Line 4 Line 1 of Prior Year

Line 5 Line 3 + Line 4

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities REP/VMP O&M Adjustment Factor Computation of Annual Revenue Requirement CY 2018 Actual

<u>lr</u>	ncremental VMP and REP O&M Spend	Actual FY 2008 (a)	Actual FY 2009 (b)	Actual FY 2010 (c)	Actual FY 2011 (d)	Actual FY 2012 (e)	Actual FY 2013 (f)	Actual CYS <u>2013</u> (f)	Actual CY <u>2014</u> (g)	Actual CY <u>2015</u> (h)	Actual CY <u>2016</u> (i)	Actual CY <u>2017</u> (j)	Actual CY 2018 (k)
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	\$1,994,184	\$1,633,896	\$2,495,406	\$2,422,443
2	Proposed Annual Program Budget	\$1,950,000	\$1,473,832	\$2,556,530	\$1,552,000	\$1,556,000	\$1,721,585	\$1,238,200	\$1,521,200	\$1,860,397	\$1,948,000	\$2,281,803	\$2,157,086
3	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	\$1,994,184	\$1,633,896	\$2,495,406	\$2,422,443
4	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	\$1,360,000	\$1,360,000	\$1,500,000	\$1,500,000
5	Total Revenue Requirement	\$0	\$113,832	\$1,196,530	(\$114,015)	\$107,486	\$200,973	\$35,861	\$35,166	\$634,184	\$273,896	\$995,406	\$922,443
6	Less Reimbursements from FairPoint/Consolidated	\$0	\$0	(\$148,760)	(\$644,098)	(\$402,693)	(\$253,054)	(\$311,701)	(\$245,751)	(\$288,000)	(\$350,000)	(\$442,992)	(\$478,142)
7	Total Incremental Revenue Requirement	\$0	\$113,832	\$1,047,770	(\$758,113)	(\$295,207)	(\$52,081)	(\$275,840)	(\$210,585)	\$346,184	(\$76,104)	\$552,414	\$444,301
8	Total O&M Recovery	\$1,950,000	\$1,473,832	\$2,407,770	\$601,887	\$1,064,793	\$1,307,919	\$744,160	\$1,149,415	\$1,706,184	\$1,283,896	\$2,052,414	\$1,944,301

Line 1 2018 Actual VMP and REP program spending Line 4 VMP and REP base spending level per Docket No. DE 16-383

Line 5 Line 3 minus Line 4

Line 6 Reflects reimbursements related to vegetation management expenses from FairPoint Communications

Line 7 Line 5 plus Line 6

Line 8 Line 3 plus Line 6

(Granite State Electric) Corp. d/b/a Liberty Utilities Docket No DE 19-xxx Schedule DBS-1 Page 3 of 15

Liberty Utilities (Granite State Electric) Corp. dfb/a Liberty Utilities REPYMP Revenue Requirement Computation of REP Revenue Requirement CY 2018 Actual

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Revenue Requirement \$760,126 \$1.08 Pre-Tax ROR 11.91% 11.91% 11.91% 11.91% 11.91% 11.91% 11.91% 11.91% 11.91% 11.91% 12.05 55.05.15 12.05 55.05.15 12.05 35.05.15 35.05.15 35.05 35.05 35.05 35.05 35.05 35.05 36.07 36.0	Rate Base Calculation Plant in Service Accumulated Book Depreciation Deferred Tax Reserve Year End Rate Base	Book/Tax Timer (Federal) less: Deferred Tax Reserve (State) Net Book/Tax Timer (Federal) Effective Tax Rate (Federal) Deferred Tax Reserve (Federal) Book/Tax Timer (State) Effective Tax Rate (State) Deferred Tax Reserve (State) TOTAL Deferred Tax Reserve	Book Depreciation Cumulative Book Depreciation	Annual Tax Depreciation Cumulative Tax Depreciation	STATE Vintage Year Tax Depreciation: FY 2008 Spend FY 2009 Spend FY 2010 Spend FY 2010 Spend FY 2013 Spend FY 2013 Spend FY 2013 Spend CYS 2013 Spend CYS 2014 Spend CY 2014 Spend CY 2015 Spend CY 2016 Spend CY 2016 Spend CY 2017 Spend CY 2017 Spend CY 2017 Spend CY 2018 Spend	Annual Tax Depreciation Cumulative Tax Depreciation	FEDERAL Willage real lax Deplectation. FY 2008 Spend FY 2008 Spend FY 2010 Spend FY 2011 Spend FY 2011 Spend FY 2013 Spend FY 2013 Spend CY 2013 Spend CY 2014 Spend CY 2016 Spend CY 2016 Spend CY 2016 Spend CY 2017 Spend CY 2017 Spend CY 2018 Spend CY 2018 Spend	Book Depreciation Rate (a)	Deferred Tax Calculation REP Program Annual Spend Cumulative REP Program Spend	
\$760,126 11.91% \$90,515 \$35,150 \$21,773 \$147,438 Bonus Depreci \$147,438 71/2008 \$147,438	\$950,000 (\$35,150) (\$154,724) \$760,126	\$394,737 \$25,486 \$369,251 35,00% \$129,238 \$299,841 8,50% \$25,486 \$154,724	\$35,150 \$35,150	\$334,991 \$334,991	\$334,991	\$429,887 \$429,887	\$429,887	3.70%	\$950,000	Revised FY 2008
3,747 1.919 9,051 3,940 7,218 0,209 0,209 0,209 2,771	\$1,450,000 (\$89,090) (\$277,163) \$1,083,747	\$717,963 \$39,809 \$678,154 35.00% \$237,354 \$468,339 \$468,339 \$468,339 \$468,339 \$468,339	\$53,940 \$89,090	\$222,438 \$557,429	\$46,127 \$176,311	\$377,166 \$807,053	\$39,010 \$338,156	3.72%	\$500,000 \$1,450,000	Revised FY 2009
\$1,683,213 11.91% \$200,435 \$86,304 \$66,676 \$353,415 \$353,415 7/1/2010 \$143,205	\$2,326,243 () (\$175,394) () (\$467,636) \$1,683,213	\$1,229,901 \$57,186 \$1,172,715 35,00% \$410,450 \$410,450 8672,778 8,50% \$57,186 \$467,636	\$86,304 \$175,394	\$290,742 \$848,171	\$42,664 \$24,277 \$223,801	\$598,242 \$1,405,295	\$36,081 \$12,139 \$550,022	3.71%	\$876,243 \$2,326,243	Revised FY 2010
\$2,018,919 11.91% \$240,410 \$109,645 \$89,904 \$439,960 7/1/2011 \$86,545	\$2,937,078) (\$285,039)) (\$633,120) \$2,018,919	\$1,671,034 \$74,243 \$1,596,791 \$558,877 \$873,453 \$873,453 \$874,243 \$633,120	\$109,645 \$285,039	\$310,320 \$1,158,492	\$39,469 \$22,455 \$48,935 \$199,462	\$550,778 \$1,956,073	\$33,379 \$11,227 \$24,467 \$481,705	3.73%	\$610,835 \$2,937,078	Revised FY 2011
\$2,168,174 11.91% \$258,183 \$124,074 \$110,318 \$492,575 (\$73,471) \$419,104 7112012 (\$20,866)	\$3,335,317 (\$409,113) (\$758,030) \$2,168,174	\$1,997,862 \$90,428 \$1,907,435 \$ 35,00% \$ 8667,602 \$1,063,859 \$1,063,859 \$1,06428 \$90,428 \$758,030	\$124,074 \$409,113	\$314,480 \$1,472,971	\$36,504 \$20,773 \$45,261 \$30,854 \$181,087	\$450,902 \$2,406,975	\$30,872 \$10,387 \$22,630 \$9,685 \$377,329	3.72%	\$398,239 \$3,335,317	Revised FY 2012
\$2,478,057 11,91% \$295,084 \$129,109 \$118,343 \$542,536 \$2,397 \$544,933 7/1/2013	\$3,881,233 (\$538,222 (\$864,953	\$2,272,745 \$106,912 \$2,165,833 \$35,00% \$758,041 \$1,257,788 \$1,257,788 \$1,257,788 \$1,257,788 \$1,257,788 \$1,257,788	\$129,109 \$538,222	\$323,039 \$1,796,010	\$33,770 \$19,213 \$41,872 \$26,538 \$19,837 \$179,810	\$403,992 \$2,810,967	\$28,559 \$9,606 \$20,936 \$8,958 \$2,968 \$332,964	3.33%	\$545,916 \$3,881,233	Actual FY 2013
\$2,749,272 11.36% \$312,413 \$19,963 \$149,961 \$582,307 \$6112014 \$37,374	\$4,297,988 () (\$658,155) () (\$890,561) \$2,749,272	\$2,414,439 \$105,533 \$2,308,906 6 34.00% \$785,028 \$1,241,561 6 \$1,241,561 6 \$1,533 \$890,561	\$119,933 \$658,155	\$103,706 \$1,899,716	\$17,568 \$9,998 \$21,784 \$14,850 \$10,320 \$20,395 \$8,791	\$261,627 \$3,072,594	\$14,858 \$4,999 \$10,892 \$4,662 \$1,944 \$11,900 \$212,773	3.72%	\$416,755 \$4,297,988	Actual CYS 2013
\$4,441,496 111.36% \$504,338 \$140,935 \$190,995 \$835,730 \$835,730 \$112015 \$253,423	\$6,499,887 (\$798,553) (\$1,259,839) \$4,441,496	\$3,487,276 \$112,371 \$3,374,905 34,00% \$1,147,468 \$1,322,009 \$1,322,009 \$1,322,009 \$1,322,009 \$1,259,839	\$140,398 \$798,553	\$220,846 \$2,120,562	\$23,425 \$13,330 \$29,045 \$19,800 \$13,761 \$27,193 \$11,721 \$82,571	\$1,213,235 \$4,285,829	\$19,810 \$6,665 \$14,522 \$6,215 \$2,059 \$2,059 \$15,867 \$5,861 \$1,142,236	2.88%	\$2,201,899 \$6,499,887	Actual CY 2014
\$5,315,465 \$11,36% \$203,837 \$223,807 \$161,819 \$1,015,862 \$1,015,862 \$1,015,862 \$1,015,862	\$7,821,343 (\$1,022,243) (\$1,483,635) \$5,315,465	\$4,118,734 \$126,160 \$3,992,575 34.00% \$1,357,475 \$1,484,231 \$1,484,231 \$1,484,236 \$1,483,635	\$223,690 \$1,022,243	\$385,912 \$2,506,473	\$28,511 \$16,438 \$35,825 \$24,417 \$16,973 \$25,151 \$30,086 \$158,965 \$49,555	\$855,149 \$5,140,977	\$24,112 \$8,219 \$17,913 \$7,665 \$2,539 \$14,676 \$15,043 \$79,478 \$885,505	2.86%	\$1,321,456 \$7,821,343	Actual CY 2015
\$5,770,440 11,36% \$655,522 \$247,983 \$232,376 \$1,135,881 \$1,135,881 \$1,135,881	\$8,670,733 (\$1,270,226 (\$1,630,067 \$5,770,440	\$4,517,685 \$142,506 \$4,375,179 34,00% \$1,487,561 \$1,676,542 \$1,630,067	\$247,983 \$1,270,226	\$440,294 \$2,946,767	\$28,504 \$15,004 \$33,134 \$22,588 \$15,698 \$27,827 \$147,021 \$95,396 \$31,852	\$646,934 \$5,787,911	\$24,106 \$7,503 \$16,567 \$7,090 \$2,349 \$13,577 \$13,913 \$73,510 \$47,698 \$440,621	2.86%	\$849,390 \$8,670,733	Actual CY 2016
\$6,896,298 8,74% \$603,059 \$260,3059 \$1,212,714 \$1,212,714 \$1,212,714 \$1,212,714 \$1,212,714	\$10,369,763 (\$1,556,431) (\$1,917,034) \$6,896,298	\$5,336,528 \$155,476 \$5,181,052 34.00% \$1,761,558 \$1,896,048 \$1,896,048 \$1,896,776 \$1,917,034	\$286,205 \$1,556,431	\$505,712 \$3,452,479	\$28,511 \$15,002 \$30,246 \$20,891 \$14,522 \$21,520 \$25,743 \$136,011 \$88,234 \$61,317 \$63,714	\$1,105,049 \$6,892,960	\$24,112 \$7,501 \$15,123 \$6,568 \$2,12,557 \$12,871 \$68,006 \$44,117 \$30,659 \$881,372	2.76%	\$1,699,030 \$10,369,763	Actual CY 2017
\$8,348,637 \$787,334 \$315,419 \$309,606 \$1,412,359 \$1,412,359 \$112019 \$199,645 \$48,274 \$247,919	\$11,457,180) (\$1,871,850)) (\$1,236,692) \$8,348,637	\$5,292,747 \$158,500 \$5,134,247 21,00% \$1,078,192 \$2,058,446 \$2,058,446 \$1,770% \$158,500 \$1,236,692	\$315,419 \$1,871,850	\$477,817 \$3,930,296	\$28,504 \$15,006 \$30,239 \$19,071 \$13,431 \$19,908 \$23,809 \$125,794 \$81,626 \$86,714 \$122,653 \$122,653	\$271,638 \$7,164,598	\$24,106 \$7,503 \$15,120 \$5,986 \$2,986 \$11,616 \$11,905 \$62,897 \$40,813 \$24,326 \$40,778	2.75%	\$1,087,416 \$11,457,180	Actual CY 2018

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		Common Equity	Long Term Debt		Imputed Capital Structure (e)				Common Equity	Long Term Debt		Imputed Capital Structure (d)				Common Equity	Long Term Debt		Imputed Capital Structure (c)	
100.00%		50.00%	50.00%	Ratio			100.00%		55.00%	45.00%	Ratio			100.00%		50.00%	50.00%	Ratio		
		9.40%	5.97%	Rate					9.55%	5.95%	Rate					9.67%	7.54%	Rate		
7.60.7	1	4.70%	2.99%	Rate	Weighted		7.93%		5.25%	2.68%	Rate	Weighted		8.61%		4.84%	3.77%	Rate	Weighted	
9.43%		6.45%	2.99%	Pre Tax			11.36%		8.68%	2.68%	Pre Tax			11.91%		8.14%	3.77%	Pre Tax		

⁽a) Prior Period Actual Calendar Year Composite Depreciation rate for distribution property, reference Schedule DBS-6. (b) Prior Period Actual Calendar Year ratio of municipal tax expense to net plant in service, reference Schedule DBS-5. (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) Capital structure per Rate Case Settlement in Docket DE 16-383, Section II A. Updated LT debt rate as of Q3 2018. (f) Additional \$48,274 due to the cost of debt rate used in Docket DG 18-034 (CY 2018) being too low

(j)

(k)

(l)

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

(c)

(d)

(e)

(g)

(h)

(i)

(a)

(b)

Capital Repairs Deduction Capital Repairs Deduction Rate Capital Repairs Deduction Rate Capital Repairs Deduction Rate Capital Repairs Deduction Rate Capital Repairs Deduction Capita		<u>2008</u>	2009	2010	2011	2012	<u>2013</u>	CYS2013	CY2014	CY2015	CY2016	CY2017	CY2018
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Sample Repairs Deduction Rate Sample Repairs Deduction Sample Repairs	1 Capital Repairs Deduction												
Salipla Repairs Deduction													
Same Banus Berealation Same													
Bouns Depreciation Sp50,000 Sp51,1030 Sp50,000 Sp60,000	·	\$311,030											
Pint Additions Signation	•												
8 Less Capital Repairs Deduction \$331.030 \$11.030 \$331.030 \$1.000 \$338.070 \$1.000		¢050 000											
9 Plant Additions Plant Additions Eligible for Bonus Depreciation April 2007 - December 2007 11 Percent of Plant Additions Eligible for Bonus Depreciation April 2007 - December 2007 12 Plant Additions Eligible for Bonus Depreciation April 2007 - December 2007 13 Bonus Depreciation for April 2007 - December 2007 14 Bonus Depreciation for April 2007 - December 2007 15 Total Additions Eligible for Bonus Depreciation for January 2008 - March 2008 16 Plant Additions Eligible for Bonus Depreciation for January 2008 - March 2008 18 Bonus Depreciation rate January 2008 - March 2008 18 Bonus Depreciation rate January 2008 - March 2008 19 Bonus Depreciation (January 2008 - March 2008 19 Bonus Depreciation (January 2008 - March 2008 20 Bonus Depreciation (January 2008 - March 2008 21 Bonus Depreciation (January 2008 - March 2008 22 Bernaining Tax Depreciation (Federal) 24 Plant Additions 25 Less Capital Repairs Deduction 26 Less Bonus Depreciation (Federal) 24 Plant Additions 25 Less Capital Repairs Deduction 26 Less Bonus Depreciation Rates 27 Additions Subject to 20 VR MACRS Tax Depreciation 28 Remaining Tax Depreciation Rates 29 Remaining Tax Depreciation Rates 3,7509 20 Septimized Scales													
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11 Percent of Plant Additions Eligible for Bonus Depreciation April 2007 - December 2007 12 Plant Additions Eligible for Bonus Depreciation April 2007 - December 2007 13 Bonus Depreciation for April 2007 - December 2007 14 Bonus Depreciation for April 2007 - December 2007 15 Tell Additions Eligible for Bonus Depreciation for January 2008 - March 2008 15 Plant Additions Eligible for Bonus Depreciation for January 2008 - March 2008 15 Bonus Depreciation for January 2008 - March 2008 15 Bonus Depreciation for January 2008 - March 2008 16 Bonus Depreciation for January 2008 - March 2008 17 Plant Additions Eligible for Bonus Depreciation for January 2008 - March 2008 18 Bonus Depreciation for January 2008 - March 2008 19 Bonus Depreciation for January 2008 - March 2008 20 Septimized State Sta	·	ψ030,370											
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15 Plant Additions Eligible for Bonus Depreciation for January 2008 - March 2008		0%											
Plant Additions Eligible for Bonus Depreciation for January 2008 - March 2008 \$197,186 \$197,186 \$197,186 \$197,186 \$198,000 \$198,0	14 Bonus Depreciation for April 2007 - December 2007	\$0											
Plant Additions Depreciation for January 2008 - March 2008 Sign 3 Sig													
18 Bonus Depreciation rate January 2008 - March 2008													
19 Bonus Depreciation for January 2008 - March 2008		,											
20 Spans Depreciation Spans Spans Spans Sp													
Semaining Tax Depreciation Semaining Tax	·	\$98,593											
22 Remaining Tax Depreciation (Federal) 24 Plant Additions 25 Less Capital Repairs Deduction 25 Less Capital Repairs Deduction 26 Less Bonus Depreciation 27 Additions Subject to 20 YR MACRS Tax Depreciation 28 20 YR MACRS Tax Depreciation Rates 29 Remaining Tax Depreciation Rates 37 8540,37	=×	¢00 E03											
23 Remaining Tax Depreciation (Federal) 24 Plant Additions	·	φ90,595											
24 Plant Additions													
25 Less Capital Repairs Deduction		\$950.000											
27 Additions Subject to 20 YR MACRS Tax Depreciation Rates	25 Less Capital Repairs Deduction												
28 20 YR MACRS Tax Depreciation Rates 3.750% 7.219% 6.677% 6.177% 5.713% 5.285% 3.666% 4.888% 4.462% 4.461% 4.462% 4.461% 24.016 24.112 24.106	26 Less Bonus Depreciation	\$98,593											
29 Remaining Tax Depreciation (State) 31 Remaining Tax Depreciation (State) 32 Plant Additions 33 Less Capital Repairs Deduction 34 Additions Subject to 20 YR MACRS Tax Depreciation 35 20 YR MACRS Tax Depreciation Rates 36 Remaining Tax Depreciation 37 Remaining Tax Depreciation 38 Less Capital Repairs Deduction 39 Less Capital Repairs Deduction 30 State (State) 30 State (State) 31 Remaining Tax Depreciation 30 State (State) 31 Remaining Tax Depreciation 31 Less Capital Repairs Deduction 32 Less Capital Repairs Deduction 33 Less Capital Repairs Deduction 34 Additions Subject to 20 YR MACRS Tax Depreciation 35 20 YR MACRS Tax Depreciation Rates 37 State (State) 37 State (State) 38 Federal Tax Depreciation 39 State (State) 39,010 State													
30 31 Remaining Tax Depreciation (State) 32 Plant Additions 33 Less Capital Repairs Deduction 34 Additions Subject to 20 YR MACRS Tax Depreciation 35 20 YR MACRS Tax Depreciation Rates 36 Remaining Tax Depreciation 37 Remaining Tax Depreciation 38 Federal Tax Depreciation 39 Federal Tax Depreciation 30 September 1 September 2 Se													
31 Remaining Tax Depreciation (State) \$950,000 \$950,000 \$950,000 \$311,030		\$20,264	\$39,010	\$36,081	\$33,379	\$30,872	\$28,559	\$14,858	\$19,810	\$24,112	\$24,106	\$24,112	\$24,106
32 Plant Additions \$950,000 33 Less Capital Repairs Deduction \$311,030 34 Additions Subject to 20 YR MACRS Tax Depreciation \$638,970 \$6													
33 Less Capital Repairs Deduction \$311,030 34 Additions Subject to 20 YR MACRS Tax Depreciation \$638,970 <td></td> <td>¢050 000</td> <td></td>		¢050 000											
34 Additions Subject to 20 YR MACRS Tax Depreciation 35 20 YR MACRS Tax Depreciation Rates 3.750% 7.219% 6.638,970 \$638,													
35 20 YR MACRS Tax Depreciation Rates 3,750% 7,219% 6.677% 6.177% 5,713% 5,285% 3,666% 4.888% 4.462% 4.461% 4.462% 4.461% 36 Remaining Tax Depreciation 37 38 Federal Tax Depreciation 38 Federal Tax Depreciation 39 Sagarantees 3,750% 7,219% 6.677% 6.177% 5,713% 5,285% 3,666% 4.888% 4.462% 4.461% 4.462% 4.461% 4.462% 4.461% 4.662% 4.461% 4.462% 4.461% 4.662% 4.461% 4.462% 4.462% 4.461% 4.462% 4.461% 4.462% 4.462% 4.461% 4.462% 4.462% 4.462% 4.462% 4.462% 4.462% 4.462% 4.462% 4.462% 4.462% 4.462% 4.462%			\$638 970	\$638 970	\$638 970	\$638 970	\$638 970	\$638 970	\$638.070	\$638 970	\$638 970	\$638 970	\$638 970
36 Remaining Tax Depreciation \$23,961 \$46,127 \$42,664 \$39,469 \$36,504 \$33,770 \$17,568 \$23,425 \$28,511 \$28,504 \$28,501 \$28,504 \$37 \$38 Federal Tax Depreciation \$429,887 \$39,010 \$36,081 \$33,379 \$30,872 \$28,559 \$14,858 \$19,810 \$24,112 \$24,106 \$24,112 \$24,106													. ,
37 38 Federal Tax Depreciation \$429,887 \$39,010 \$36,081 \$33,379 \$30,872 \$28,559 \$14,858 \$19,810 \$24,112 \$24,106 \$24,112 \$24,106													
	· ·	,	,.=-	. ,	,	,	,	. ,	,	,	,	,	,,
20 Ctata Tay Depresiation #22 400 #22 400 #22 400 #22 405 #22 405 #22 405 #22 405 #22 405 #22 405 #22 504 #22 504	38 Federal Tax Depreciation	\$429,887	\$39,010	\$36,081	\$33,379	\$30,872			\$19,810	\$24,112	\$24,106	\$24,112	\$24,106
39 State 1ax Depreciation \$35,70 \$17,508 \$23,425 \$28,511 \$28,504 \$28,511 \$28,504	39 State Tax Depreciation	\$334,991	\$46,127	\$42,664	\$39,469	\$36,504	\$33,770	\$17,568	\$23,425	\$28,511	\$28,504	\$28,511	\$28,504

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%

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) 2009	(b) 2010	(c) 2011	(d) 2012	(e) 2013	(f) CYS2013	(g) CY2014	(h) CY2015	(i) CY2016	(j) CY2017	(k) CY2018
	2009	2010	2011	2012	2013	<u>C132013</u>	<u>C12014</u>	<u>C12013</u>	<u>C12010</u>	<u>C12017</u>	<u>C12010</u>
Capital Repairs Deduction Plant Additions	\$500.000										
3 Capital Repairs Deduction Rate	32.74%										
4 Capital Repairs Deduction	\$163,700										
5											
6 Bonus Depreciation											
7 Plant Additions	\$500,000										
8 Less Capital Repairs Deduction	\$163,700										
9 Plant Additions Net of Capital Repairs Deduction	\$336,300										
10	400.000/										
11 Percent of Plant Additions Eligible for Bonus Depreciation	100.00%										
12 Plant Additions Eligible for Bonus Depreciation 13 Bonus Depreciation Rate	\$336,300 50%										
14 Bonus Depreciation	\$168,150										
15	φ100,130										
16 Bonus Depreciation	\$168,150										
17	ψ100,100										
18 Remaining Tax Depreciation (Federal)											
19 Plant Additions	\$500.000										
20 Less Capital Repairs Deduction	\$163,700										
21 Less Bonus Depreciation	\$168,150										
22 Additions Subject to 20 YR MACRS Tax Depreciation	\$168,150	\$168,150	\$168,150	\$168,150	\$168,150	\$168,150	\$168,150	\$168,150	\$168,150	\$168,150	\$168,150
23 20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	6.677%	6.177%	5.713%	3.964%	5.285%	4.888%	4.462%	4.461%	4.462%
24 Remaining Tax Depreciation	\$6,306	\$12,139	\$11,227	\$10,387	\$9,606	\$4,999	\$6,665	\$8,219	\$7,503	\$7,501	\$7,503
25											
26 Remaining Tax Depreciation (State)											
27 Plant Additions	\$500,000										
28 Less Capital Repairs Deduction	\$163,700										
29 Additions Subject to 20 YR MACRS Tax Depreciation	\$336,300	\$336,300	\$336,300	\$336,300	\$336,300	\$336,300	\$336,300	\$336,300		. ,	. ,
30 20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	6.677%	6.177%	5.713%	3.964%	5.285%	4.888%	4.462%	4.461%	4.462%
31 Remaining Tax Depreciation	\$12,611	\$24,277	\$22,455	\$20,773	\$19,213	\$9,998	\$13,330	\$16,438	\$15,006	\$15,002	\$15,006
32	\$220 1EC	£40.420	¢44 007	£10.207	<u></u> የሰ ናርር	¢4.000	PC CC	¢0 040	¢7 500	Φ7 EΩ4	¢7 502
33 Federal Tax Depreciation 34 State Tax Depreciation	\$338,156 \$176,311	\$12,139 \$24,277	\$11,227 \$22,455	\$10,387 \$20,773	\$9,606 \$19,213	\$4,999 \$9,998	\$6,665 \$13,330	\$8,219 \$16,438	\$7,503 \$15,006	\$7,501 \$15,002	\$7,503 \$15,006
34 State Lax Depredation	φ1/0,311	φ24,211	φ∠∠,433	φ20,773	क् १५,८१३	φ 9 ,990	φ13,330	φ10,436	φ10,000	φ10,002	φ10,000

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:

<u>Period</u>	<u>Rate</u>
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	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) 2010	(b) 2011	(c) 2012	(d) 2013	(e) CYS2013	(f) CY2014	(g) CY2015	(h) CY2016	(i) CY2017	(j) CY2018
1	Capital Repairs Deduction										
2	Plant Additions	\$876,243									
3	Capital Repairs Deduction Rate	22.64%									
4	Capital Repairs Deduction	\$198,381									
5											
6	Bonus Depreciation										
7	Plant Additions	\$876,243									
8	Less Capital Repairs Deduction	\$198,381									
9	Plant Additions Net of Capital Repairs Deduction	\$677,862									
10											
11	Percent of Plant Additions Eligible for Bonus Depreciation	100.00%									
12	Plant Additions Eligible for Bonus Depreciation	\$677,862									
13	Bonus Depreciation Rate	50%									
14	Bonus Depreciation	\$338,931									
15											
16	Bonus Depreciation	\$338,931									
17											
18	Remaining Tax Depreciation (Federal)										
19	Plant Additions	\$876,243									
20	Less Capital Repairs Deduction	\$198,381									
21	Less Bonus Depreciation	\$338,931									
22	Additions Subject to 20 YR MACRS Tax Depreciation	\$338,931	\$338,931	\$338,931	\$338,931	\$338,931	\$338,931	\$338,931	\$338,931	,	\$338,931
23	20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	6.677%	6.177%	4.285%	5.713%	5.285%	4.888%	4.462%	4.461%
24	Remaining Tax Depreciation	\$12,710	\$24,467	\$22,630	\$20,936	\$10,892	\$14,522	\$17,913	\$16,567	\$15,123	\$15,120
25	D T D (0)										
26	Remaining Tax Depreciation (State)	****									
27	Plant Additions	\$876,243									
28	Less Capital Repairs Deduction	\$198,381	4077.000	0077 000	0077 000	0077 000	0077 000	0077 000	0077 000	0077 000	#077 000
29	Additions Subject to 20 YR MACRS Tax Depreciation	\$677,862	\$677,862	\$677,862	\$677,862	\$677,862	\$677,862	\$677,862	\$677,862	. ,	\$677,862
30	20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	6.677%	6.177%	4.285%	5.713%	5.285%	4.888%	4.462%	4.461%
31	Remaining Tax Depreciation	\$25,420	\$48,935	\$45,261	\$41,872	\$21,784	\$29,045	\$35,825	\$33,134	\$30,246	\$30,239
32	Follow I Too Door of all or	# 550.000	004.40=	000.000	000.000	040.000	044.500	047.040	040.507	045 400	045 400
33	Federal Tax Depreciation	\$550,022	\$24,467	\$22,630	\$20,936	\$10,892	\$14,522	\$17,913	\$16,567	\$15,123	\$15,120
34	State Tax Depreciation	\$223,801	\$48,935	\$45,261	\$41,872	\$21,784	\$29,045	\$35,825	\$33,134	\$30,246	\$30,239

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

<u>Period</u>	Rate
April 1, 2007 to December 31, 2007	0%
January 1, 2008 to September 7, 2010	50%
September 8, 2010 to December 31, 2010	100%

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) 2011	(b) 2012	(c) 2013	(d) CYS2013	(e) CY2014	(f) CY2015	(g) CY2016	(h) CY2017	(i) CY2018
									· <u> </u>	
1	Capital Repairs Deduction									
2	Plant Additions	\$610,835								
3	Capital Repairs Deduction Rate	30.03%								
4	Capital Repairs Deduction	\$183,434								
5										
6	Bonus Depreciation									
7	Plant Additions	\$610,835								
8	Less Capital Repairs Deduction	\$183,434								
9	Plant Additions Net of Capital Repairs Deduction	\$427,401								
10	D (D A . III	00 700/								
11	Percent of Plant Additions Eligible for Bonus Depreciation April 2010 - September 2010	62.78%								
		\$268,322								
13	Bonus Depreciation rate April 2010- September 2010 Bonus Depreciation for April 2010 - September 2010	50% \$134,161								
14 15	Bonus Depreciation for April 2010 - September 2010	\$134,161								
16	Plant Additions Eligible for Bonus Depreciation for October 2010 - March 2011	37.22%								
17	Plant Additions Eligible for Bonus Depreciation for October 2010 - March 2011	\$159,079								
18	Bonus Depreciation rate October 2010 - March 201	100%								
19	Bonus Depreciation for October 2010 - March 2011	\$159,079								
20	Bondo Boprosidador los cotobos 2010 maior 2011	\$ 100,010								
21	Bonus Depreciation	\$293,240								
22		,,								
23	Remaining Tax Depreciation (Federal)									
24	Plant Additions	\$610,835								
25	Less Capital Repairs Deduction	\$183,434								
26	Less Bonus Depreciation	\$293,240								
27		\$134,161	\$134,161	\$134,161		\$134,161				
28	20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	6.677%	4.633%	6.177%	5.713%	5.285%		4.462%
29	Remaining Tax Depreciation	\$5,031	\$9,685	\$8,958	\$4,662	\$6,215	\$7,665	\$7,090	\$6,558	\$5,986
30										
31	Remaining Tax Depreciation (State)									
32	Plant Additions	\$610,835								
	Less Capital Repairs Deduction	\$183,434	0.407.404	0407.404	0.407.404	0407.404	0407.404	0407.404	0407.404	0407.404
	Additions Subject to 20 YR MACRS Tax Depreciation	\$427,401	\$427,401	\$427,401	\$427,401				\$427,401	
35 36	20 YR MACRS Tax Depreciation Rates Remaining Tax Depreciation	3.750% \$16.028	7.219% \$30,854	6.677% \$28,538	4.633% \$14,850	6.177% \$19,800	5.713% \$24,417	5.285% \$22,588	4.888% \$20,891	4.462% \$19,071
37	nemaining rax depreciation	φ10,028		φ20,538	φ 14,000	φ 19,000	φ24,417	φ ∠ ∠,368	φ ∠ υ,ο91	φ19,071
38	Federal Tax Depreciation	\$481,705	\$9,685	\$8,958	\$4,662	\$6,215	\$7,665	\$7,090	\$6,558	\$5,986
	State Tax Depreciation	\$199,462	\$30.854	\$28,538	\$14,850	\$19,800	\$24,417	\$22,588	\$20,891	\$19,071
55	Oldio Tan Doptooldiio!!	ψ100, 1 02	ψ00,00 4	Ψ20,000	Ψ17,000	ψ10,000	Ψ27,717	Ψ ∠∠ ,000	Ψ20,031	Ψ10,071

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:

<u>Period</u>	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%

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

		(a) <u>2012</u>	(b) <u>2013</u>	(c) CYS2013	(d) <u>CY2014</u>	(e) <u>CY2015</u>	(f) CY2016	(g) <u>CY2017</u>	(h) CY2018
1	Capital Repairs Deduction								
2	Plant Additions	\$398,239							
3	Capital Repairs Deduction Rate	\$123,454							
4 5	Capital Repairs Deduction	\$123,454							
6	Bonus Depreciation								
7	Plant Additions	\$398,239							
8	Less Capital Repairs Deduction	\$123,454							
9	Plant Additions Net of Capital Repairs Deduction	\$274,785							
10									
11	Percent of Plant Additions Eligible for Bonus Depreciation April 2011 - December, 2011	72.52%							
12	Plant Additions Eligible for Bonus Depreciation April 2011 - December, 2011	\$199,274							
13	Bonus Depreciation rate April 2011- December 2011	100%							
14	Bonus Depreciation for April 2011 - December 2011	\$199,274							
15 16	Plant Additions Eligible for Bonus Depreciation for January 2012 - March 2012	25.04%							
17	Plant Additions Eligible for Bonus Depreciation for January 2012 - March 2012	\$68,806							
18	Bonus Depreciation rate January 2012 - March 2012	50%							
19	Bonus Depreciation for January 2012 - March 2012	\$34,403							
20									
21	Bonus Depreciation	\$233,677							
22									
23	Remaining Tax Depreciation (Federal)	****							
24		\$398,239							
	Less Capital Repairs Deduction Less Bonus Depreciation	\$123,454 \$233,677							
	Additions Subject to 20 YR MACRS Tax Depreciation	\$41,108	\$41,108	\$41,108	\$41,108	\$41,108	\$41,108	\$41,108	\$41,108
28	20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	5.008%	6.677%	6.177%	5.713%	5.285%	4.888%
29	Remaining Tax Depreciation	\$1,542	\$2,968	\$1,544	\$2,059	\$2,539	\$2,349	\$2,173	\$2,009
30									
31	Remaining Tax Depreciation (State)								
	Plant Additions	\$398,239							
	Less Capital Repairs Deduction	\$123,454							
	Additions Subject to 20 YR MACRS Tax Depreciation	\$274,785	\$274,785	\$274,785	\$274,785	\$274,785			
35 36	20 YR MACRS Tax Depreciation Rates Remaining Tax Depreciation	3.750% \$10.304	7.219% \$19,837	5.008% \$10.320	6.677% \$13,761	6.177% \$16,973	5.713% \$15,698	5.285% \$14,522	4.888% \$13,431
37	Remaining Tax Depreciation	\$10,304	φ19,03 <i>1</i>	\$10,320	\$13,761	\$10,973	φ13,096	\$14,522	\$13,431
38	Federal Tax Depreciation	\$358,673	\$2.968	\$1.544	\$2.059	\$2,539	\$2.349	\$2,173	\$2.009
39	State Tax Depreciation	\$133,758	\$19,837	\$10,320	\$13,761	\$16,973	\$15,698	\$14,522	\$13,431
40	·								-
41									
	FY 2012 Safe Harbor True Up (Federal)	\$18,656							
	FY 2012 Tax Depreciation (Federal)	\$377,329							
	FY 2012 Safe Harbor True Up (State)	\$47,329							
45	FY 2012 Tax Depreciation (State)	\$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

<u>Period</u>	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 - Per Tax Return Using Capital Repairs Tax Return Rate

		(a) <u>2013</u>	(b) CYS2013	(c) <u>CY2014</u>	(d) <u>CY2015</u>	(e) <u>CY2016</u>	(f) <u>CY2017</u>	(g) CY2018
1 2 3 4 5	Capital Repairs Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction	\$545,916 31.00% \$169,234						
6 7 8 9	Bonus Depreciation Plant Additions Less Capital Repairs Deduction Plant Additions Net of Capital Repairs Deduction	\$545,916 \$169,234 \$376,682						
10 11 12 13 14	Plant Additions Eligible for Bonus Depreciation April 2012 - December, 2012	62.48% \$235,332 50% \$117,666						
15 16 17 18 19	Plant Additions Eligible for Bonus Depreciation for January 2013 - March 2013 Plant Additions Eligible for Bonus Depreciation for January 2013 - March 2013 Bonus Depreciation rate January 2013 - March 2013 Bonus Depreciation for January 2013 - March 2013	20.83% \$78,444 50% \$39,222						
20 21 22 23	Bonus Depreciation Remaining Tax Depreciation (Federal)	\$156,888						
24 25 26 27	Plant Additions Less Capital Repairs Deduction Less Bonus Depreciation Additions Subject to 20 YR MACRS Tax Depreciation	\$545,916 \$169,234 \$156,888 \$219,794	\$219,794	\$219,794	\$219 794	\$219 794	\$219,794	\$219 794
28 29 30	20 YR MACRS Tax Depreciation Rates Remaining Tax Depreciation	3.750% \$8,242	5.414% \$11,900	7.219% \$15,867	6.677% \$14,676	6.177% \$13,577	5.713% \$12,557	5.285% \$11,616
	Plant Additions Less Capital Repairs Deduction Additions Subject to 20 YR MACRS Tax Depreciation	\$545,916 \$169,234 \$376,682 3.750%	\$376,682 5.414%	\$376,682 7.219%	\$376,682 6.677%	\$376,682 6.177%	\$376,682 5.713%	\$376,682 5.285%
36 37	Remaining Tax Depreciation	\$14,126	\$20,395	\$27,193	\$25,151	\$23,268	\$21,520	\$19,908
38 39 40 41	Federal Tax Depreciation State Tax Depreciation	\$334,364 \$183,360	\$11,900 \$20,395	\$15,867 \$27,193	\$14,676 \$25,151	\$13,577 \$23,268	\$12,557 \$21,520	\$11,616 \$19,908
42 43 44	Effect of FY 2012 Safe Harbor True Up on FY 2013 Tax Depreciation (Federal) FY 2013 Tax Depreciation (Federal) Effect of FY 2012 Safe Harbor True Up on FY 2013 Tax Depreciation (State) FY 2013 Tax Depreciation (State)	(\$1,400) \$332,964 (\$3,550) \$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

<u>Period</u>	<u>Rate</u>
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 - Per Tax Return **Using Capital Repairs Tax Return Rate**

		(a) <u>CYS2013</u>	(b) <u>CY2014</u>	(c) <u>CY2015</u>	(d) <u>CY2016</u>	(e) <u>CY2017</u>	(f) <u>CY2018</u>
1 2 3 4	Capital Repairs Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction	\$416,755 0.00% \$0					
5 6 7	Bonus Depreciation Plant Additions	\$416,755					
8 9 10	Less Capital Repairs Deduction Plant Additions Net of Capital Repairs Deduction	\$0 \$416,755					
11 12 13	Plant Additions Eligible for Bonus Depreciation for April 2013 - December 2013 Plant Additions Eligible for Bonus Depreciation for April 2013 - December 2013 Bonus Depreciation rate April 2013 - December 2013	100.00% \$416,755 50%					
14 15	Bonus Depreciation for April 2013 - December 2013	\$208,378					
16 17 18	Bonus Depreciation Remaining Tax Depreciation (Federal)	\$208,378					
19 20	Plant Additions Less Capital Repairs Deduction	\$416,755 \$0	\$416,755 \$0	\$416,755 \$0	\$416,755 \$0	\$416,755 \$0	\$416,755 \$0
21	Less Bonus Depreciation	\$208,378 \$208.378	\$208,378	\$208,378	\$208,378	\$208,378	\$208,378
23	Additions Subject to 20 YR MACRS Tax Depreciation 20 YR MACRS Tax Depreciation Rates	2.813%	\$208,378 3.750%	7.219%	\$208,378 6.677%	\$208,378 6.177%	\$208,378 5.713%
24 25	Remaining Tax Depreciation	\$4,395	\$5,861	\$15,043	\$13,913	\$12,871	\$11,905
26 27	Remaining Tax Depreciation (State) Plant Additions	\$416.755	\$416.755	\$416,755	\$416,755	\$416 755	\$416.755
28	Less Capital Repairs Deduction	\$0	\$0	\$0	\$0	\$0	\$0
29	Additions Subject to 20 YR MACRS Tax Depreciation	\$416,755	\$416,755	\$416,755	\$416,755	\$416,755	\$416,755
30	20 YR MACRS Tax Depreciation Rates	2.813%	3.750%	7.219%	6.677%	6.177%	5.713%
31 32	Remaining Tax Depreciation	\$8,791	\$11,721	\$30,086	\$27,827	\$25,743	\$23,809
33	Federal Tax Depreciation	\$212,773	\$5,861	\$15,043	\$13,913	\$12,871	\$11,905
34	State Tax Depreciation	\$8,791	\$11,721	\$30,086	\$27,827	\$25,743	\$23,809

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

<u>Period</u>	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 2014 - Per Tax Return Using Capital Repairs Tax Return Rate

		(a) <u>CY 2014</u>	(b) <u>CY 2015</u>	(c) <u>CY 2016</u>	(d) <u>CY 2017</u>	(e) <u>CY 2018</u>
1	Capital Repairs Deduction					
2	Plant Additions	\$2,201,899				
3	Capital Repairs Deduction Rate	0.00%				
4	Capital Repairs Deduction	\$0				
5						
6	Bonus Depreciation					
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	100.00%				
12	Plant Additions Eligible for Bonus Depreciation	\$2,201,899				
13	Bonus Depreciation rate	50%				
14	Bonus Depreciation rate	\$1,100,950				
15						
16	Bonus Depreciation	\$1,100,950				
17						
18	Remaining Tax Depreciation (Federal)					
19	Plant Additions	\$2,201,899	\$2,201,899	\$2,201,899		
20	Less Capital Repairs Deduction	\$0	\$0	\$0	\$0	\$0
21	Less Bonus Depreciation	\$1,100,950	\$1,100,950	\$1,100,950		
22		\$1,100,950	\$1,100,950	\$1,100,950	\$1,100,950	. , ,
23	20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	6.677%	6.177%	5.713%
24	Remaining Tax Depreciation	\$41,286	\$79,478	\$73,510	\$68,006	\$62,897
25						
26	Remaining Tax Depreciation (State)					
27	Plant Additions	\$2,201,899	\$2,201,899	\$2,201,899	\$2,201,899	\$2,201,899
28	Less Capital Repairs Deduction	\$0	\$0	\$0	\$0	\$0
29	Additions Subject to 20 YR MACRS Tax Depreciation	\$2,201,899	\$2,201,899	\$2,201,899	\$2,201,899	\$2,201,899
30	20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	6.677%	6.177%	5.713%
31	Remaining Tax Depreciation	\$82,571	\$158,955	\$147,021	\$136,011	\$125,794
32	<u>-</u>					
33	Federal Tax Depreciation	\$1,142,236	\$79,478	\$73,510	\$68,006	\$62,897
34	State Tax Depreciation =	\$82,571	\$158,955	\$147,021	\$136,011	\$125,794

<u>Note</u>: 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

<u>Period</u>	Rate
January 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%
January 1, 2014 to December 31, 2014	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities REP/VMP Revenue Requirement Calculation of REP Tax Depreciation 2015 - Per Tax Return Using Capital Repairs Tax Return Rate

		(a) <u>CY 2015</u>	(b) <u>CY 2016</u>	(c) <u>CY 2017</u>	(d) <u>CY 2018</u>
1	Capital Repairs Deduction				
2	Plant Additions	\$1,321,456			
3	Capital Repairs Deduction Rate	0.00%			
4	Capital Repairs Deduction	\$0	•		
5					
6	Bonus Depreciation				
7	Plant Additions	\$1,321,456			
	Less Capital Repairs Deduction	\$0	-		
	Plant Additions Net of Capital Repairs Deduction	\$1,321,456			
10					
	Plant Additions Eligible for Bonus Depreciation	100.00%	•		
	Plant Additions Eligible for Bonus Depreciation	\$1,321,456			
	Bonus Depreciation rate	50%	•		
	Bonus Depreciation rate	\$660,728			
15		#000 7 00			
	Bonus Depreciation	\$660,728			
17					
	Remaining Tax Depreciation (Federal) Plant Additions	£4 224 4EC	£4 004 4E6	£4 004 4E6	£4 224 4E6
		\$1,321,450 \$0	\$1,321,456 \$0	\$1,321,456 \$0	
	Less Capital Repairs Deduction Less Bonus Depreciation	\$660,728			\$0 \$660,728
	Additions Subject to 20 YR MACRS Tax Depreciation	\$660,728			\$660,728
	20 YR MACRS Tax Depreciation Rates	3.750%		. ,	6.177%
	Remaining Tax Depreciation	\$24,777	\$47,698	\$44,117	\$40,813
25		Ψ24,111	Ψ47,090	Ψ44,117	ψ+0,013
	Remaining Tax Depreciation (State)				
	Plant Additions	\$1,321,456	\$1 321 456	\$1,321,456	\$1,321,456
	Less Capital Repairs Deduction	\$0	\$0	\$0	\$0
	Additions Subject to 20 YR MACRS Tax Depreciation	\$1,321,456		\$1,321,456	\$1,321,456
	20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	6.677%	6.177%
	Remaining Tax Depreciation	\$49,555	\$95,396	\$88,234	\$81,626
32		,	,	, -	. ,-
33	Federal Tax Depreciation	\$685,505	\$47,698	\$44,117	\$40,813
34	State Tax Depreciation	\$49,555	\$95,396	\$88,234	\$81,626

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

<u>Period</u>	Rate
January 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%
January 1, 2014 to December 31, 2014	50%
January 1, 2015 to December 31, 2015	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities REP/VMP Revenue Requirement Calculation of REP Tax Depreciation 2016 - Per Tax Return Using Capital Repairs Tax Return Rate

		(a) <u>CY 2016</u>	(b) <u>CY 2017</u>	(c) <u>CY 2018</u>
1 2 3 4	Capital Repairs Deduction Plant Additions Capital Repairs Deduction Rate Capital Repairs Deduction	\$849,390 0.00% \$0		
5 6	Bonus Depreciation			
7	Plant Additions	\$849,390		
8	Less Capital Repairs Deduction	\$0		
9 10	Plant Additions Net of Capital Repairs Deduction	\$849,390		
	Plant Additions Eligible for Bonus Depreciation	100.00%		
12	Plant Additions Eligible for Bonus Depreciation	\$849,390		
13	Bonus Depreciation rate	50%		
14	Bonus Depreciation rate	\$424,695		
15 16 17	Bonus Depreciation	\$424,695		
18	Remaining Tax Depreciation (Federal)			
19	Plant Additions	\$849,390	\$849,390	\$849,390
20	Less Capital Repairs Deduction	\$0	\$0	\$0
21	Less Bonus Depreciation	\$424,695	\$424,695	\$424,695
22	Additions Subject to 20 YR MACRS Tax Depreciation	\$424,695	\$424,695	\$424,695
23	20 YR MACRS Tax Depreciation Rates	3.750%	7.219%	6.677%
24	Remaining Tax Depreciation	\$15,926	\$30,659	\$28,357
25 26	Remaining Tax Depreciation (State)	#0.40.200	£0.40.200	#040.000
	Plant Additions	\$849,390	\$849,390	\$849,390
28		\$0 \$849.390	\$0 \$849.390	\$0
	Additions Subject to 20 YR MACRS Tax Depreciation	,	,	\$849,390
30	20 YR MACRS Tax Depreciation Rates	3.750% \$31,852	7.219% \$61,317	6.677% \$56,714
31 32	Remaining Tax Depreciation	φ31,00Z	φ01,317	φ30,/ 14
33	Federal Tax Depreciation	\$440,621	\$30,659	\$28,357
34	State Tax Depreciation	\$31,852	\$61,317	\$56,714

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

<u>Period</u>	Rate
January 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%
January 1, 2014 to December 31, 2014	50%
January 1, 2015 to December 31, 2015	50%
January 1, 2016 to December 31, 2016	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities REP/VMP Revenue Requirement Calculation of REP Tax Depreciation 2017 - Per Tax Return Using Capital Repairs Tax Return Rate

		(a) <u>CY 2017</u>	(b) <u>CY 2018</u>
1 2 3	Capital Repairs Deduction Plant Additions Capital Repairs Deduction Rate	\$1,699,030 0.00%	
4 5	Capital Repairs Deduction Bonus Depreciation	\$0	
6 7	Plant Additions	\$1,699,030	
8	Less Capital Repairs Deduction	\$0	
9 10	Plant Additions Net of Capital Repairs Deduction	\$1,699,030	
11	Plant Additions Eligible for Bonus Depreciation	100.00%	
12	Plant Additions Eligible for Bonus Depreciation	\$1,699,030	
13	Bonus Depreciation rate	50%	
14 15	Bonus Depreciation rate	\$849,515	
16 17	Bonus Depreciation	\$849,515	
18	Remaining Tax Depreciation (Federal)		
19	Plant Additions	\$1,699,030	
	Less Capital Repairs Deduction	\$0	\$0
21	·	\$849,515	
23	Additions Subject to 20 YR MACRS Tax Depreciation 20 YR MACRS Tax Depreciation Rates	\$849,515 3.750%	
24	Remaining Tax Depreciation	\$31,857	\$61,326
25	Temaining Tax Depresiation	ψο1,007	Ψ01,020
	Remaining Tax Depreciation (State)		
27		\$1,699,030	\$1,699,030
	Less Capital Repairs Deduction	\$0	\$0
29	Additions Subject to 20 YR MACRS Tax Depreciation	\$1,699,030	
30 31	20 YR MACRS Tax Depreciation Rates Remaining Tax Depreciation	3.750% \$63,714	7.219% \$122,653
32	Remaining Tax Depreciation	φυσ,7 14	φ122,000
33	Federal Tax Depreciation	\$881,372	\$61,326
34	State Tax Depreciation	\$63,714	\$122,653
	Note: Plant additions not subject to the capital repairs deduction may be		
	<u>Period</u>	<u>Rate</u>	
	January 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%	
	January 1, 2014 to December 31, 2014	50%	
	January 1, 2015 to December 31, 2015	50%	
	January 1, 2016 to December 31, 2016 January 1, 2017 to December 31, 2017	50% 50%	
	January 1, 2017 to December 31, 2017	30%	

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities Docket No DE 19-xxx Schedule DBS-1 Page 15 of 15

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities REP/VMP Revenue Requirement Calculation of REP Tax Depreciation 2018 - Per Tax Return Using Capital Repairs Tax Return Rate

		(a) <u>CY 2018</u>
1	Capital Repairs Deduction	
2	Plant Additions	\$1,087,416
3	Capital Repairs Deduction Rate	0.00%
4 5	Capital Repairs Deduction	ΦΟ
6	Bonus Depreciation	
7	Plant Additions	\$1,087,416
8	Less Capital Repairs Deduction	\$0
9	Plant Additions Net of Capital Repairs Deduction	\$1,087,416
10		
11	Plant Additions Eligible for Bonus Depreciation	100.00%
12	Plant Additions Eligible for Bonus Depreciation	\$1,087,416
13 14	Bonus Depreciation rate Bonus Depreciation rate	<u>0%</u> \$0
15	Bonus Depreciation rate	φυ
16	Bonus Depreciation	\$0
17	•	
18	Remaining Tax Depreciation (Federal)	
19	Plant Additions	\$1,087,416
20	Less Capital Repairs Deduction	\$0 \$0
21 22	Less Bonus Depreciation Additions Subject to 20 YR MACRS Tax Depreciation	\$0 \$1,087,416
23	20 YR MACRS Tax Depreciation Rates	3.750%
24	Remaining Tax Depreciation	\$40,778
25		. ,
26	Remaining Tax Depreciation (State)	
27	Plant Additions	\$1,087,416
28	Less Capital Repairs Deduction	\$0
29	Additions Subject to 20 YR MACRS Tax Depreciation	\$1,087,416
30 31	20 YR MACRS Tax Depreciation Rates Remaining Tax Depreciation	3.750% \$40,778
32	Remaining Tax Depreciation	ψ40,776
33	Federal Tax Depreciation	\$40,778
34	State Tax Depreciation	\$40,778
	Note: Direct additions and subject to the special associated deduction associated	
	<u>Note</u> : Plant additions not subject to the capital repairs deduction may be Period	Pata
	January 1, 2007 to December 31, 2007	<u>Rate</u> 0%
	January 1, 2007 to Becomber 31, 2007 January 1, 2008 to September 7, 2010	50%
	September 8, 2010 to December 31, 2011	100%
	January 1, 2012 to December 31, 2013	50%
	January 1, 2014 to December 31, 2014	50%
	January 1, 2015 to December 31, 2015	50%
	January 1, 2016 to December 31, 2016	50%
	January 1, 2017 to December 31, 2017	50%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities Procedure for Adjusting Distribution Rates for Capital Investment Allowance Calculation of Percentage Adjustment to Distribution Rates Based on Rates Effective May 1, 2019 (a)

Rate Class	Distribution Rate Component	Ва	Current se Distribution <u>Rates</u> (a)	Forecasted <u>Units</u> <u>(b)</u>		Forecasted Revenues (c)
D	Customer Charge 1st 250 kWh Excess 250 kWh Off Peak kWh Farm kWh D-6 kWh	\$ \$ \$ \$ \$ \$ \$	14.08 0.04699 0.04699 0.04057 0.04435 0.04132	421,281 93,002,563 172,155,006 1,472,320 1,002,087 800,050	\$ \$ \$ \$ \$ \$ \$	5,931,636 4,370,190 8,089,564 59,732 44,443 33,058
D-10	Customer Charge On Peak kWh Off Peak kWh	\$ \$ \$	14.08 0.10098 0.00140	5,363 1,854,674 3,477,600	\$ \$ \$	906,132 187,285 4,869
G-1	Customer Charge Demand Charge On Peak kWh Off Peak kWh Credit for High Voltage Delivery > 2.4 kv	\$ \$ \$	366.85 7.81 0.00503 0.00151 (0.42)	1,707 981,764 168,806,788 209,431,849 354,650	\$ \$ \$ \$	626,213 7,667,577 849,098 316,242 (119,955)
G-2	Customer Charge Demand Charge All kWh Credit for High Voltage Delivery > 2.4 kv	\$ \$ \$	61.17 7.86 0.00197 (0.42)	11,660 522,041 157,384,800 1,121	\$ \$ \$	713,242 4,103,242 310,048
G-3	Customer Charge All kWh Minimum Charge > 25 kVA	\$ \$ \$	14.08 0.04462 2.49	64,820 91,104,797	\$ \$	912,666 4,065,096
M	Luminaire Charge All kWh	\$	-	4,393,570	\$ \$	998,836 -
Т	Customer Charge All kWh	\$ \$	14.08 0.03882	10,842 13,377,598	\$ \$	152,655 519,318
V	Minimum Charge All kWh	\$ \$	14.08 0.04587	162 334,712	\$ \$	2,281 15,353
			Total Forecast	ted Revenues	\$	40,758,822

⁽a) Includes Docket No. DE 16-383 compliance adjustments filed 3/12/19

 $Luminaire\ forecasted\ revenues\ determined\ by\ attachmentment\ 5\ of\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ in\ Docket\ DE\ 16-383\ line\ 32\ or\ Settlement\ Agreement\ In\ Settlement\ In$

⁽b) Company Forecast

⁽c) Column (a) x column (b)

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities

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Liberty Utilities (Granite State Electric) d/b/a 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, 2019

(1) Increase in Annual Revenue Requirement \$247,919

(2) Forecasted Base Distribution Revenues \$40,758,822

(3) Percentage of Adjustment to Distribution Rates 0.61%

- (1) DBS-1 Page 3 Line 66
- (2) Forecasted Base Distribution Revenues for the period of May 1, 2019 April 30, 2020
- (3) Line (1) ÷ Line (2)

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities

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Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities Calculation of Reliability Enhancement Program and Vegetation Management Plan Adjustment Factor Rates Effective May 1, 2019

(1)	O&M Expense Above Base O&M Expense	\$444,301
(2)	Final Balance of Reconciliation of CY 2017 Incremental O&M Expense Above Base O&M Expense	(\$11,822)
(3)	Reliability Enhancement Program and Vegetation Management Plan Expense	\$432,479
(4)	Estimated kWh deliveries May 1, 2019 - April 30, 2020	918,598,414
(5)	Reliability Enhancement Program and Vegetation Management Plan Adjustment Factor	\$0.00047

- (1) Schedule DBS-1, Page 2, Line 7
- (2) Schedule DBS-3, Page 1, Line 13
- (3) Line (1) + Line (2)
- (4) Per Company forecast
- (5) Line (3) ÷ Line (4), truncated after 5 decimal places

Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities REP/VMP Rate Design Procedure for Adjusting Distribution Rates for Capital Investment Allowance & Incremental O&M Expense Rates Effective May 1, 2019

		Current	Proposed May 1, 2019 Distribution % Increase/	Proposed May 1, 2019 Base Distribution	Proposed May 1, 2019 REP/VMP O&M Adjustment	Proposed May 1, 2019 Total Distribution
Rate Class	<u>Distribution Rate Component</u>	Rates (a)	% (Decrease) (b)	Charges (c)	Factor (d)	Charges (e)
D	Customer Charge	\$14.08	0.61%	\$14.16		\$14.16
	All kWh	\$0.04699	0.61%	\$0.04727	\$0.00047	\$0.04774
	16 Hour Off Peak kWh Farm kWh	\$0.04057	0.61%	\$0.04081	\$0.00047	\$0.04128
	D-6 kWh	\$0.04435 \$0.04132	0.61% 0.61%	\$0.04462 \$0.04157	\$0.00047 \$0.00047	\$0.04509 \$0.04204
		,			,	,
D-10	Customer Charge	\$14.08	0.61%	\$14.16		\$14.16000
	On Peak kWh Off Peak kWh	\$0.10098	0.61%	\$0.10159	\$0.00047	\$0.10206
	OII Feak KVVII	\$0.00140	0.61%	\$0.00140	\$0.00047	\$0.00187
G-1	Customer Charge	\$366.85	0.61%	\$369.08		\$369.08
	Demand Charge	\$7.81	0.61%	\$7.86		\$7.86
	On Peak kWh	\$0.00503	0.61%	\$0.00506	\$0.00047	\$0.00553
	Off Peak kWh Credit for High Voltage Delivery > 2.4 k	\$0.00151 (\$0.42)	0.61% 0.61%	\$0.00151 (\$0.42)	\$0.00047	\$0.00198 (\$0.42)
	orealt for Flight Voltage Delivery > 2.4 K	(ψ0.42)	0.0170	(ψ0.42)		(ψ0.42)
G-2	Customer Charge	\$61.17	0.61%	\$61.54		\$61.54
	Demand Charge	\$7.86	0.61%	\$7.91	00.00047	\$7.91
	All kWh Credit for High Voltage Delivery > 2.4 k	\$0.00197 (\$0.42)	0.61% 0.61%	\$0.00198 (\$0.42)	\$0.00047	\$0.00245 (\$0.42)
	orealt for Flight Voltage Delivery > 2.4 K	(ψ0.42)	0.0170	(ψ0.42)		(ψ0.42)
G-3	Customer Charge	\$14.08	0.61%	\$14.16		\$14.16
	All kWh	\$0.04462	0.61%	\$0.04488	\$0.00047	\$0.04535
	Minimum Charge > 25 kVA	\$2.49	0.61%	\$2.51		\$2.51
М	Luminaire Charge Description					
	HPS 4,000	\$7.39	0.61%	\$7.43		\$7.43
	HPS 9,600	\$8.97	0.61%	\$9.02		\$9.02
	HPS 27,500	\$15.77	0.61%	\$15.86		\$15.86
	HPS 50,000 HPS 9,600 (Post Top)	\$20.54	0.61%	\$20.66		\$20.66 \$10.30
	HPS 27,500 (POST TOP)	\$10.34 \$15.90	0.61% 0.61%	\$10.39 \$15.99		\$10.39 \$15.99
	HPS 50,000 Flood	\$21.96	0.61%	\$22.09		\$22.09
	Incandescent 1,000	\$9.88	0.61%	\$9.94		\$9.94
	Mercury Vapor 4,000	\$7.14	0.61%	\$7.18		\$7.18
	Mercury Vapor 8,000	\$8.70	0.61%	\$8.75		\$8.75
	Mercury Vapor 22,000 Mercury Vapor 63,000	\$16.45 \$31.22	0.61% 0.61%	\$16.55 \$31.40		\$16.55 \$31.40
	Mercury Vapor 22,000 Flood	\$18.19	0.61%	\$18.30		\$18.30
	Mercury Vapor 63,000 Flood	\$31.42	0.61%	\$31.60		\$31.60
	LED Fixtures					
	30 Watt Pole Top	\$10.92	0.61%	\$10.98		\$10.98
	50 Watt Pole Top	\$11.37	0.61%	\$11.43		\$11.43
	130 Watt Pole Top 190 Watt Pole Top	\$13.14 \$17.30	0.61% 0.61%	\$13.21 \$17.40		\$13.21 \$17.40
	50 Watt URD	\$12.49	0.61%	\$12.57		\$12.57
	90 Watt Flood	\$12.60	0.61%	\$12.67		\$12.67
	130 Watt Flood	\$13.79	0.61%	\$13.87		\$13.87
	50 Watt Barn	\$4.81	0.61%	\$4.84		\$4.84
	Pole and Accessory Charge <u>Description</u>					
	Pole -Wood	\$8.72	0.61%	\$8.77		\$8.77
	Fiberglass - Direct Embedded	\$9.03	0.61%	\$9.08		\$9.08
	Fiberglass w/Foundation <25 ft	\$15.33	0.61%	\$15.42		\$15.42
	Fiberglass w/Foundation >=25 ft Metal Poles - Direct Embedded	\$25.60 \$18.26	0.61%	\$25.76 \$18.37		\$25.76 \$18.37
	Metal Poles - Direct Embedded Metal Poles with Foundation	\$18.26 \$22.03	0.61% 0.61%	\$18.37 \$22.16		\$18.37 \$22.16
	All kWh	\$0.00000	0.61%	\$0.00000	\$0.00047	\$0.00047
-	Customer Charge	644.00	0.640/	04440		644.40
Т	Customer Charge All kWh	\$14.08 \$0.03882	0.61% 0.61%	\$14.16 \$0.03905	\$0.00047	\$14.16 \$0.03952
			5.5.70	+ 30000	ţ3.000 //	
V	Minimum Charge	\$14.08	0.61%	\$14.16	eo ooc 47	\$14.16
	All kWh	\$0.04587	0.61%	\$0.04615	\$0.00047	\$0.04662

⁽a) Includes Docket No. DE 16-383 compliance adjustments filed 3/12/19
(b) Schedule DBS-2, Page 2, Line 3
(c) Column (a) x (1+Column (b))
(d) Schedule DBS-2, Page 3, Line 3
(e) Column (c) + Column (d)

Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities Reconciliation of CY 2019 O&M Expense

		Beginning Balance With Interest (a)	Delivery Sales (kWh) (b)	(Credit)/ Charge (c)	Ending Balance (d)	Balance Subject to Interest (e)	Effective Interest Rate (f)	Interest (g)	Cumulative Interest (h)
1	June-18	\$541,144	77,249,726	\$552,414	(\$11,270)	(\$11,270)	4.75%	(\$45)	(\$45)
3	July-18	(\$11,315)	84,002,513		(\$11,315)	(\$11,315)	5.00%	(\$47)	(\$92)
4	August-18	(\$11,362)	90,131,042		(\$11,362)	(\$11,362)	5.00%	(\$47)	(\$139)
5	September-18	(\$11,409)	85,696,403		(\$11,409)	(\$11,409)	5.00%	(\$48)	(\$187)
6	October-18	(\$11,457)	69,871,752		(\$11,457)	(\$11,457)	5.25%	(\$50)	(\$237)
7	November-18	(\$11,507)	65,591,799		(\$11,507)	(\$11,507)	5.25%	(\$50)	(\$287)
8	December-18	(\$11,557)	78,628,696		(\$11,557)	(\$11,557)	5.25%	(\$51)	(\$338)
9	January-19	(\$11,608)	79,161,490		(\$11,608)	(\$11,608)	5.50%	(\$53)	(\$391)
10	February-19	(\$11,661)	75,763,818		(\$11,661)	(\$11,661)	5.50%	(\$53)	(\$444)
11	March-19	(\$11,714)	72,047,583		(\$11,714)	(\$11,714)	5.50%	(\$54)	(\$498)
12	April-19	(\$11,768)	68,054,934		(\$11,768)	(\$11,768)	5.50%	(\$54)	(\$552)

13 (Over)/Under Recovery: (\$11,822)

- (a) Schedule DBS-2, Page 3, Line 4 in Docket DE 18-034
- (b) Company Billing Reports, Line 11 & 12 estimated
- (c) Supplemental Attachment 1, Line 6 in Docket DE 18-050
- (d) Column (a) Column (c)
- (e) Line 1 equals Column (d) Lines 2-12 average of Column (a) and Column (d)
- (f) Interest rate on customer deposits
- (g) Column (e) x Column (f)) ÷ 12
- (h) Prior month Column (h) + Current month Column (g)
- * Estimate

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities Docket No DE 19-xxx Schedule DBS-4 Page 1 of 1

Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities Bill Calculation

Usage	650	kWh				
				May 1, 2019		May 1, 2019
			Current	Proposed	Current	Proposed
			Rates (a)	Rates	Bill	Bill
Customer Charge	е		\$14.08	\$14.16	\$14.08	\$14.16
Distribution Char	ge					
All kWh			\$0.04699	\$0.04774	\$11.75	\$11.94
Storm Recovery	Adjustm	ent	\$0.00000	\$0.00000	\$0.00	\$0.00
Transmission Ch	arge		\$0.03460	\$0.03460	\$22.49	\$22.49
Stranded Cost Cl	narge		(\$0.00095)	(\$0.00095)	-\$0.62	-\$0.62
System Benefits	Charge		\$0.00535	\$0.00535	\$3.48	\$3.48
Electricity Consu	mption 1	ax	\$0.00000	\$0.00000	<u>\$0.00</u>	<u>\$0.00</u>
Subtotal Retail Delivery Services					\$51.18	\$51.45
Energy Service C	harge		\$0.08299	\$0.08299	<u>\$53.94</u>	<u>\$53.94</u>
				Total Bill	\$105.12	\$105.39
\$ i	increas	e in 650 kW	/h Total Reside	ntial Bill		\$0.27

⁽a) Includes Docket No. DE 16-383 compliance adjustments filed 3/12/19

% increase in 650 kWh Total Residential Bill

0.25%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities Docket No DE 19-xxx Schedule DBS-5 Page 1 of 1

Liberty Utilities (Granite State Electric) d/b/a Liberty Utilities Municipal Taxes as a Percentage of Net Plant

	12/31/2016	12/31/2017
1 Plant in Service, per Form 1, Page 200, Line 3 (+) Line 6 2 Depreciation Reserve, per Form 1, Page 200, Line 12 (+) Line 18 3 Net Plant	215,486 (72,886) 142,600	229,296 (79,789) 149,507
 4 Average Net Plant 5 Plant in Service 6 Depreciation Reserve 7 Net Plant 	197,157 (69,527) 127,630	213,227 (74,658) 138,569
8 Municipal Taxes, Form 1, Page 262, Line 1	4,682	4,478
9 % Municipal Taxes to Net Plant	3.67%	3.23%

Liberty Utilities (Granite State Electric) Corp. d/b/a Liberty Utilities Book Depreciation Calculation Using 2017 FERC Form 1 Data Filed April 18, 2018

					Average	Depreciation
	Depreciation Expense		Depreciable Plant Balances		Depreciable Plant	Rate
	12/31/2016	12/31/2017	12/31/2016	12/31/2017	12/31/2016	12/31/2017
1 Distribution	4,920,000	5,304,849	186,221,800	199,161,361	192,691,581	2.75%
2 General	607,870	483,791	16,449,769	16,714,527	16,582,148	2.92%
3 Total - Granite	5,527,870	5,788,640	202,671,569	215,875,888	209,273,729	2.77%
4 Depreciation Expense per Form 1:						
5 FERC Form 1, Page 114						
6 Depreciation Expense (403) Line 6	5,527,870	5,788,640				
7 Depreciation Expense for ARO (403.1) Line 7						
8 Total per Form 1, Page 114	5,527,870	5,788,640				
9 FERC Form 1, Page 336						
10 Distribution (incl ARO) Line 8	4,920,000	5,304,849				
11 General Line 10	607,870	483,791				
12 Total per Form 1, Page 336	5,527,870	5,788,640				
13 Depreciable Plant Balances per Form 1:						
14 FERC Form 1, Page 204-207						
15 Distribution Plant Page 207 Line 75	187,908,011	200,859,082				
16 Land & Land Rights Page 207 Line 60	1,686,211	1,697,721				
17 Total	186,221,800	199,161,361				
18 General Plant Page 207 Line 99	18,070,141	18,334,899				
19 Land & Land Rights Page 207 Line 86	1,620,372	1,620,372				
20 Total	16,449,769	16,714,527				
21 Total, excluding Land & Land Rights	202,671,569	215,875,888				
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