

# Summary of Assets for Rate Making Purposes (by major utility)

Utility	Utility Type	Connections by Utility Type	Capital Structure <sup>1</sup> (Debt:Equity %)	PPE <sup>2</sup> 2018 (\$ millions)	Five-year Investment Forecast <sup>3</sup> (\$ millions)
Empire	Electric	172,000	51 : 49 <sup>4</sup>	2,046.8	Organic investment: \$ 1,700 Project: Customer Savings Plan (CSP) \$ 1,170
EnergyNorth	Natural Gas	92,600	51 : 49	439.4	Organic investment: \$ 330 Project: Granite Bridge \$ 370
Peach State	Natural Gas	55,400	45 : 55	186.1	Organic investment: \$ 75
New England	Natural Gas	56,600	50 : 50	168.0	Organic investment: \$ 120
CalPeco	Electric	50,000	48 : 52	363.7	Organic investment: \$ 290 Project: California Renewables (C100) \$ 250
Granite State	Electric	44,000	50 : 50	155.6	Organic investment: \$ 180
All others	Water Natural Gas Electric	164,000 133,400	47 : 53 <sup>5</sup>	757.8	Organic investment: \$ 430
<b>Total – Water</b>		<b>164,000</b>			
<b>Total – Natural Gas</b>		<b>338,000</b>		<b>\$4,117.4</b>	<b>\$4,915</b>
<b>Total – Electric</b>		<b>266,000</b>			
<b>Less:</b>	<b>Accumulated deferred income taxes<sup>6</sup></b>			<b>(766.3)</b>	
	<b>Cost of removal</b>			<b>(193.6)</b>	
	<b>Advances in aid of construction</b>			<b>(63.7)</b>	
<b>Consolidated net assets for ratemaking purposes</b>				<b>\$3,093.8</b>	

1. Authorized by regulator from previous rate case.

2. Property, Plant and Equipment as at December 31, 2018.

3. Five year capital expenditure estimate as per 2018 Investor Day and excludes acquisitions.

4. Empire - Missouri capital structure is a management estimate. Previous rate case was a black box settlement.

5. Management estimate of weighted average capital structure for all other utilities.

6. Consists of Accumulated deferred income taxes (ADIT) of \$438.4 and regulatory liability of \$327.9 for excess ADIT resulting from U.S. Tax Reform.

*This document contains summary information relating to the Liberty Utilities Group's rate base at its various utility systems for the year ended December 31, 2018. For information relating to Algonquin Power & Utilities Corp.'s ("APUC") business and projects and related risks, see APUC's most recent annual information form and interim and annual management's discussion and analysis, which can be found under APUC's profile on [www.SEDAR.com](http://www.SEDAR.com) and [www.sec.gov/edgar](http://www.sec.gov/edgar). All of the information contained in this document is supplemental thereto. Information presented is as at June 28, 2019*

# Regulatory Environment

Utility	Utility Type	State	Commission	Authorized ROE (%)	Ratemaking Mechanisms – Key Features		
					Revenue Assurance <sup>3</sup>	Accelerated Recovery Mechanisms <sup>4</sup>	Post Test Year Recovery <sup>5</sup>
<b>Empire</b>	Electric	Missouri	Appointed	9.5% - 9.9% <sup>1</sup>	<i>In process</i>	✓	✓
<b>EnergyNorth</b>	Natural Gas	New Hampshire	Appointed	9.3%	✓	✓	✓
<b>Peach State</b>	Natural Gas	Georgia	Elected	10.5%	✓	✓	✓
<b>New England</b>	Natural Gas	Massachusetts	Appointed	9.6%	✓	✓	✓
<b>CalPeco</b>	Electric	California	Appointed	10%	✓	✓	✓
<b>Granite State</b>	Electric	New Hampshire	Appointed	9.4%	<i>In process</i>	✓	✓
<b>All others</b>	Water/Natural Gas/ Electric	7 states	Appointed/ Elected	9.5% <sup>2</sup>			

1. In the last Missouri rate case a range was provided for the return on equity ("ROE").

2. The total authorized ROE is a management estimate of the weighted average.

3. Revenue assurance includes revenue decoupling mechanism which disassociates a utility's profits from its sales of the energy commodity. This allows the utility's rate of return to align with meeting revenue targets, and for the adjustments of rates up or down to meet the revenue target at the end of the adjustment period.

4. Accelerated recovery mechanism allows for the recovery of capital and operating expenses in rates outside a rate case proceeding.

5. Post test year recovery is the recovery of capital and or operating expenses included in rates outside the test period for the establishment of rates.

# Forward-Looking Statements Disclaimer

This document contains statements that constitute “forward-looking statements” or “forward-looking information” within the meaning of applicable securities legislation (collectively, “forward-looking information”). The words “anticipates”, “believes”, “budget”, “could”, “estimates”, “expects”, “forecasts”, “intends”, “may”, “might”, “plans”, “projects”, “schedule”, “should”, “will”, “would” and similar expressions are often intended to identify forward-looking information, although not all forward-looking information contains these identifying words. Specific forward-looking information in this document includes, but is not limited to, statements relating to expected future growth and capital investments. The forecasts and projections that make up the forward-looking information contained herein are based on certain factors or assumptions, many of which are outside of the control of APUC and Liberty Utilities.

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