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**ARKANSAS  
PUBLIC SERVICE COMMISSION  
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P.O. Box 400  
Little Rock, Arkansas 72203-0400  
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**Mary Loos**  
Secretary of  
The Commission  
(501) 682-5782

October 23, 2018

Sen. Bill Sample  
Rep. Jim Dotson  
c/o Marty Garrity  
Bureau of Legislative Research  
State Capitol, Rm 315  
Little Rock, Arkansas 72201

**RE: PSC Quarterly Reports a/o September 30, 2018**

Dear Ms. Garrity:

Enclosed please find the quarterly rate case report of the Arkansas Public Service Commission for the period ending September 30, 2018.

This report is also available on our website at [www.arkansas.gov/psc](http://www.arkansas.gov/psc).

Sincerely,

A handwritten signature in blue ink that reads "Mary Loos".

Mary Loos  
Secretary of the Commission

Enclosure

**ARKANSAS PUBLIC SERVICE COMMISSION  
QUARTERLY RATE CASE REPORT  
PURSUANT TO ARK. CODE ANN. § 23-4-420  
FOR THE QUARTER ENDED September 30, 2018**

**DOCKET:** 18-027-U

**COMPANY:** Liberty Utilities (Pine Bluff Water) Inc.

**CASE STYLE:** IN THE MATTER OF THE APPLICATION OF LIBERTY UTILITIES (PINE BLUFF WATER) INC. FOR APPROVAL OF A GENERAL CHANGE OR MODIFICATION IN RATES, CHARGES, AND TARIFFS

**CASE FILED:** May 1, 2018

**CASE SUMMARY:** Prior Application requested a retail revenue requirement of \$11,787,866 and a requested return on equity and overall rate of return of 10.0% and 5.63%%, respectively. Commission directed filing of a new Application by October 17, 2018.

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***COMPANY TESTIMONY  
FILING DATES:***

N/A

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***STAFF & INTERVENOR  
TESTIMONY FILING  
DATES:***

N/A

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***PUBLIC COMMENT  
HEARING & LOCATION:***

N/A

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***EVIDENTIARY HEARING &  
LOCATION:***

N/A

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***STATUTORY FINAL  
ORDER  
DEADLINE:***

N/A

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**STAFF CONTACT:**

Diana Brenske

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**STATUS:**

On April 24, 2018, Liberty Utilities established this docket by filing a Motion for Interim Protective Order of Non-Disclosure indicating its intent to file a general rate change application indicating that the application and accompanying testimony would have confidential information. However, prior to the entry of the protective order, Liberty Utilities filed its redacted Application along with redacted Minimum Filing Requirements (MFRs) pursuant to the Commission's Rules of Practice and Procedure (RPP). In its order issued May 2, 2018, the Commission noted, among other things, that Liberty Utilities failed to comply with filing deadlines and that the Application was incomplete because Liberty Utilities had not filed the confidential versions of its application and testimonies. The Commission found that the time period for Staff to review the MFRs would not start until the completed MFRs were filed. However, Liberty Utilities did not file the confidential versions timely or completely. When it did finally file its MFRs, Staff found significant deficiencies. The Attorney General supported Staff's filing and noted additional deficiencies. Liberty Utilities did not respond timely to Staff's Notice of Deficiencies. As part of its filing Liberty Utilities filed a second set of MFRs rather than eliminating or reducing areas of non-compliance found in the 1<sup>st</sup> MFRs thus compounding the inconsistencies and errors. As part of its general rate case Liberty Utilities sought approval for a consolidation with Woodson-Hensley Water Corp. Consolidations and acquisitions are not governed by the provisions governing rate cases which more than doubled the complexity of the docket. Staff determined that Liberty Utilities did provide sufficient evidence to support its acquisition request. Liberty Utilities never sought Staff's guidance from Staff in preparing its case as it is entitled to do under the RPPs. Staff filed a Motion for Order to Show Cause alleging that Liberty Utilities repeated failure to comply with the RPPs materially impaired and delayed the proper, considered, and orderly review of the Application by Staff. Staff requested that the Commission dismiss the Application without prejudice. On June 29, 2018, Liberty Utilities submitted a Motion to Withdraw Its Pending Application. However, included within the Motion to Withdraw was a Motion for a Waiver of the 60-day statutory notice requirement for refiling of an application. Staff filed a response indicating that it would only agree to a waiver conditionally. Liberty Utilities responded agreeing with some but not all of Staff's conditions. On July 19, 2018, the Commission granted Liberty Utilities' Motion to withdraw its Application and granted a waiver of the requirement of Ark. Code Ann. § 23-4-401 requiring 60 days' notice contingent on certain enumerated conditions.

On August 24, 2018, Liberty Utilities filed its 2<sup>nd</sup> Application. On September 5, 2018, the General Staff filed a Motion for a Commission Finding that Liberty Utilities Application did not comply with the requirements of its Order granting withdrawal of the 1<sup>st</sup> Application. On September 21, 2018, the Commission issued its order finding that the 2<sup>nd</sup> Application did not comply with the terms of is

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Order. The Commission directed Liberty Utilities to file a fully compliant Application by October 17, 2018.
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**DOCKET:** 17-071-U

**COMPANY:** Black Hills Energy Arkansas, Inc. (BHEA)

**CASE STYLE:** IN THE MATTER OF THE APPLICATION OF BLACK HILLS ENERGY ARKANSAS, INC. FOR APPROVAL OF A GENERAL CHANGE IN RATES AND TARIFFS

**CASE FILED:** December 15, 2017

**CASE SUMMARY:** Application filed on December 15, 2017, requests a retail revenue requirement of \$121,041,436 and a requested return on equity and overall rate of return of 10.2% and 6.1756%, respectively.

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**COMPANY TESTIMONY**

**FILING DATES:** June 26, 2018 – Rebuttal; August 1, 2018 – Sur-Surrebuttal

**STAFF & INTERVENOR**

**TESTIMONY FILING DATES:** May 29, 2018 – Direct; July 24, 2018 - Surrebuttal

**PUBLIC COMMENT HEARING &**

**LOCATION:** September 4, 2018 – Blytheville;  
September 6, 2018 - Fayetteville

**EVIDENTIARY HEARING &  
LOCATION:**

August 28, 2018  
Arkansas Public Service Commission Hearing Room

**STATUTORY FINAL ORDER  
DEADLINE:**

October 15, 2018

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**STAFF CONTACT:** Diana Brenske

**STATUS:**

On October 5, 2018, after a hearing, the Commission approved the *Stipulation and Settlement Agreement* submitted by General Staff, Black Hills Energy Arkansas, Inc. and the Attorney General's Office which provided a total rate scheduled revenue requirement of \$105,286,730 and a return on equity and rate of return of 9.61% and 5.6153%, respectively. On October 15, 2017, the Commission approved the Compliance Tariffs filed by BHEA on October 10, 2018.