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BEFORE THE ARIZONA CORPORATION COMMISSION

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2004 FEB 27 P 4: 19

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IN THE MATTER OF THE APPLICATION OF AJO  
IMPROVEMENT COMPANY FOR RATE  
ADJUSTMENTS IN ITS WATER AND  
WASTEWATER RATES

Docket No. WS-01025A-03-0350

**NOTICE OF FILING OF  
REBUTTAL TESTIMONY**

Please take notice that Ajo Improvement Company hereby file the attached Rebuttal  
Testimony of Dan L. Neidlinger.

RESPECTFULLY SUBMITTED February 27, 2004.

**AJO IMPROVEMENT COMPANY**

Arizona Corporation Commission

**DOCKETED**

FEB 27 2004

DOCKETED BY

By

Michael W. Patten  
ROSHKA HEYMAN & DEWULF, PLC  
One Arizona Center  
400 East Van Buren Street, Suite 800  
Phoenix, Arizona 85004  
(602) 256-6100

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filed February 27, 2004, with:

Docket Control  
ARIZONA CORPORATION COMMISSION  
1200 West Washington  
Phoenix, Arizona 85007

**ROSHKA HEYMAN & DEWULF, PLC**  
ONE ARIZONA CENTER  
400 EAST VAN BUREN STREET - SUITE 800  
PHOENIX, ARIZONA 85004  
TELEPHONE NO 602-256-6100  
FACSIMILE 602-256-6800

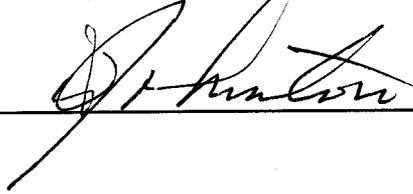
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**COPIES** of the foregoing hand-delivered  
February 27, 2004, to:

Jane L. Rodda, Esq.  
ALJ, Hearing Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington  
Phoenix, Arizona 85007

David Ronald, Esq.  
Legal Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington  
Phoenix, Arizona 85007

Ernest G. Johnson, Esq.  
Director, Utilities Division  
ARIZONA CORPORATION COMMISSION  
1200 West Washington  
Phoenix, Arizona 85007



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**BEFORE THE ARIZONA CORPORATION COMMISSION**

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IN THE MATTER OF THE APPLICATION OF  
AJO IMPROVEMENT COMPANY FOR RATE  
ADJUSTMENTS IN ITS WATER AND  
WASTEWATER RATES

Docket No. WS-01025A-03-0350

**REBUTTAL TESTIMONY**  
**OF**  
**DAN L. NEIDLINGER**  
**ON BEHALF OF**  
**AJO IMPROVEMENT COMPANY**

**FEBRUARY 27, 2004**

1 Rebuttal Testimony of Dan L. Neidlinger

2 **Q: PLEASE STATE YOUR NAME, ADDRESS AND OCCUPATION**

3 A: My name is Dan L. Neidlinger. My business address is 3020 North 17<sup>th</sup> Drive, Phoenix,  
4 Arizona. I am President of Neidlinger & Associates, Ltd., a consulting firm specializing in  
5 utility rate economics.

6 **Q: PLEASE DESCRIBE YOUR PROFESSIONAL QUALIFICATIONS AND**  
7 **EXPERIENCE.**

8 A: A summary of my professional qualifications and experience is included in the attached  
9 Statement of Qualifications. In addition to the Arizona Corporation Commission  
10 (“ACC”), I have presented expert testimony before regulatory commissions and agencies  
11 in Alaska, California, Colorado, Guam, Idaho, New Mexico, Nevada, Texas, Utah,  
12 Wyoming and the Province of Alberta, Canada.

13 **Q: ON WHOSE BEHALF ARE YOU APPEARING IN THIS PROCEEDING?**

14 A: I am appearing on behalf of Ajo Improvement Company (“AIC” or the “Company”), the  
15 applicant in this case.

16 **Q: WHAT IS THE PURPOSE OF YOUR TESTIMONY?**

17 A: The purpose of my testimony is to rebut certain portions of the direct testimony of Ms.  
18 Crystal Brown, ACC Staff accounting and rates witness in this case. I will also provide  
19 comments on the direct testimony of Ms. Sheryl Hubbard on behalf of intervenor Arizona  
20 Water Company (“Arizona Water”). My rebuttal testimony addresses cost of equity  
21 capital, income tax and water rate design issues.

22 **Q: DOES THE LACK OF REBUTTAL TO EVERY POSITION TAKEN OR**  
23 **ADJUSTMENTS MADE BY THESE WITNESSES ON OTHER RATEMAKING**  
24 **ISSUES MEAN THAT YOU AGREE WITH SUCH POSITIONS OR**  
25 **ADJUSTMENTS?**

26 A: No, it does not. However, the issues I address in rebuttal have the most substantial  
27 impact on AIC’s revenue requirement and water rate design.

1 **Q: PLEASE PROVIDE A SUMMARY OF YOUR REBUTTAL TESTIMONY.**

2 A: A summary of my rebuttal testimony is as follows:

- 3 1. Staff's recommended 8.5% cost of equity is unreasonably low and is based on a  
4 recent analysis for a large water company, Arizona-American Water Company, that is  
5 not, by any operating or statistical measure, comparable to AIC;
- 6 2. In developing its recommended water and wastewater revenue requirements, Staff  
7 used federal income tax rates that are significantly lower than the actual tax rate paid  
8 by AIC. Accordingly, Staff's revenue levels will result in dollar returns for both the  
9 water and wastewater departments that are well short of those recommended by Staff;
- 10 3. Staff recommends inverted block rates to encourage conservation. There is no  
11 evidence to support the contention that AIC's water customers are inefficient in their  
12 water use and need additional price incentives to conserve water usage;
- 13 4. Staff's recommended inverted block rates are not cost based, are improperly designed  
14 and produce large intra and interclass subsidies among AIC's water customers;
- 15 5. Seasonal water rates are preferable to inverted block rates since customers generally  
16 understand and react more positively to seasonal rates than to inverted block rates;  
17 and
- 18 6. The rates proposed by intervenor Arizona Water are not acceptable since they do not  
19 adequately cover total costs associated with 4" treated water service.

20

21

**I. COST OF EQUITY**

22 **Q: WHAT IS THE COST OF EQUITY REQUESTED IN THIS CASE?**

23 A: The requested cost of equity is 10% – a percentage equal to the Company's embedded  
24 cost of debt.

25 **Q: WHAT IS STAFF'S RECOMMENDED COST OF EQUITY?**

26 A: Ms. Brown is recommending a cost of equity of 8.50%. She states, on page 5 of her  
27 testimony, that this cost is based on a recent analysis for Arizona-American Water  
28 Company in Docket No. WS-01303A-02-0867. Staff's proposed return on rate base is  
29 8.80% or 1.20% lower than the 10% recommended by AIC. This lower rate of return

1 reduces revenue requirements for the water and wastewater departments by \$2,300 and  
2 \$4,350, respectively.

3 **Q: ARE ARIZONA-AMERICAN OPERATIONS COMPARABLE TO THOSE OF**  
4 **AIC?**

5 A: Certainly not. AIC serves approximately 1,200 water and wastewater customers  
6 compared to the over 76,000 water and 40,000 wastewater customers served by Arizona-  
7 America. Further, Arizona-American's total capital (\$289 million) is more than 200  
8 times greater than that of the Company (\$1.4 million). The financial and business risks  
9 confronted by these two companies are quite different. However, the Staff did not  
10 address these differences in formulating its recommended cost of equity.

11 **Q: HAS STAFF RECOMMENDED EQUITY RETURNS GREATER THAN 8.5%**  
12 **FOR OTHER WATER COMPANIES IN RECENT RATE PROCEEDINGS?**

13 A: Yes. In at least one other major water rate case, Arizona Water, Docket No. W-01445A-  
14 02-0619, the Staff's recommended cost of equity was 9.0%. Arizona Water is  
15 admittedly much larger than AIC but closer in size to AIC than Arizona-America.  
16 However, Staff gave no consideration to this analysis in determining cost of equity for  
17 AIC. Accordingly, I believe that Staff's proposed 8.5% cost of equity recommendation  
18 in this case is arbitrary and unreasonable.

19  
20 **II. INCOME TAXES**

21 **Q: MS. BROWN CALCULATED FEDERAL INCOME TAXES FOR AIC'S WATER**  
22 **AND SEWER DEPARTMENTS ON A STAND-ALONE BASIS. IS HER USE OF**  
23 **THESE LOW FEDERAL INCOME TAX RATES, 16% FOR WATER AND 22%**  
24 **FOR SEWER, CORRECT?**

25 A: No. AIC is a wholly-owned subsidiary of Phelps Dodge Corporation ("PD"). For federal  
26 income tax purposes, the income of AIC is consolidated with the income of all of PD's  
27 other operations in determining total taxable income. AIC does not file separate federal  
28 income tax returns.

29 **Q: WHAT IS THE FEDERAL INCOME TAX RATE FOR PD?**

1 A: PD's federal income tax rate is 35% since its taxable income exceeds \$10 million.  
2 Accordingly, the federal income tax rate for AIC is also 35% -- not 16% or 22%. The  
3 federal income tax rate used in this case to determine revenue requirements was 34%.

4 **Q: DOES THE COMPANY ACTUALLY PAY FEDERAL INCOME TAXES AT A**  
5 **35% RATE?**

6 A: Yes, it does. If AIC paid federal income taxes at a rate less than 35%, other operations of  
7 PD would be required to pay a rate greater than 35% thereby subsidizing AIC.

8 **Q: IN THE COMPANY'S LAST RATE CASE FOR AIC'S ELECTRIC**  
9 **DEPARTMENT, DOCKET NO. E-0125A-99-0564, WHAT WAS THE FEDERAL**  
10 **INCOME TAX RATE USED BY STAFF?**

11 A: Staff used the correct federal income tax rate of 35%. That rate was implicitly adopted  
12 by the Commission in approving the settlement reached by Staff and AIC in Decision No.  
13 62764.

14 **Q: WHAT IS THE REVENUE EFFECT OF THE FEDERAL INCOME TAX**  
15 **ERRORS IN THIS CASE?**

16 A: Had Staff used AIC's federal income tax rate of 35%, the gross revenue conversion factor  
17 for both departments would have been 1.6537. Staff's recommended increase in water  
18 revenues would be \$89,225 or \$20,392 greater than the \$68,833 increase shown on  
19 Schedule CSB-1. The comparable calculation for the sewer department would have  
20 provided an increase in revenues of \$161,429 or \$26,358 more than the recommended  
21 \$135,071 increase. This \$46,750 shortfall in revenue requirements is significant and  
22 must be corrected.

23

24

### III. WATER RATE DESIGN

25 **Q: HAVE YOU REVIEWED STAFF'S RECOMMENDED WATER RATE**  
26 **STRUCTURE?**

27 A: Yes. Staff is recommending monthly meter charges that are somewhat higher than those  
28 proposed by the Company and inverted block rates for all commodity usage. Two  
29 inverted block rates are recommended for customers receiving treated water through 5/8"

1 meters; one inverted block is recommended for all other meter sizes for both treated and  
2 untreated water.

3 **Q: ARE THERE ERRORS IN STAFF'S RATE CALCULATIONS?**

4 A: Yes. The billing units used by Staff are incorrect. Moreover, for some meter sizes, Staff  
5 classified commodity in the wrong rate block. As a result, Staff's proposed water rates  
6 produce water revenues that are greater than its recommended revenue requirement for  
7 the water department.

8 **Q: IS STAFF AWARE OF THESE ERRORS?**

9 A: Yes. Shortly after receiving Staff's report, I notified Ms. Brown of these errors. It is my  
10 understanding that Staff is in the process of revising its proposed water rates.

11 **Q: WHAT IS STAFF'S RATIONALE FOR PROPOSING INVERTED BLOCK  
12 RATES?**

13 A: The only rationale provided is Ms. Brown's statement on page 21 of her direct testimony,  
14 at line 13, that " Staff recommends an inverted tier rate structure to encourage efficient  
15 water use."

16 **Q: IS THERE ANY EVIDENCE TO SUPPORT THE CONTENTION THAT AIC'S  
17 CUSTOMERS ARE INEFFICIENT IN THEIR USE OF WATER?**

18 A: No. The Company's residential customers, on average, use only 68,000 gallons of water  
19 annually or 5,667 gallons per month. By any standard, this is an extremely modest level  
20 of consumption for residential use. Moreover, as shown on the attached Schedule DLN-  
21 1, AIC's total water sales and usage per customer over the past three years have been  
22 essentially flat. Accordingly, there are no alarming upward trends in water consumption  
23 that would warrant the use of inverted block rates as a conservation incentive for this  
24 company.

25 **Q: IS THE COMPANY'S SERVICE TERRITORY IN AN ARIZONA  
26 DEPARTMENT OF WATER RESOURCE'S ACTIVE MANAGEMENT AREA?**

27 A: No, it is not.

1 **Q: DID THE STAFF PROVIDE ANY COST JUSTIFICATION FOR ITS PROPOSED**  
2 **WATER RATE STRUCTURE?**

3 A: No. The Company requested cost justification from the Staff but none was provided.  
4 Although a class cost of service study was not conducted in this case, the cost of  
5 purchased water is readily quantifiable at \$2.67 per thousand gallons. Purchased water  
6 represents over 60% of the total cost of service for the water department. This basic  
7 costing consideration was overlooked or ignored by the Staff in the design of the 5/8"  
8 treated water rate. In fact, the first block of this rate does not even cover the cost of  
9 purchased water. As shown on Schedule DLN-2, the proposed rate for the first 3,000  
10 gallons of usage through a 5/8" meter is \$1.93 per thousand gallons or \$0.74 per thousand  
11 less than the cost to AIC to purchase the water. Under this rate proposal, over 30.8  
12 million gallons of water would be sold at an out-of-pocket loss to the Company of  
13 \$22,800 – an absurd and improper result.

14 **Q: DOES STAFF'S RATE PROPOSAL FOR THE 5/8" METER CLASS CREATE**  
15 **SIGNIFICANT CROSS-SUBSIDIES FOR RESIDENTIAL CUSTOMERS?**

16 A: Yes. The overall increase for the 5/8" meter class is 3.8%. However, approximately  
17 5,385 bills, or 43% of total 5/8" meter bills, receive decreases up to 6%. As shown on  
18 Ms. Brown's Schedule 19, page 1 of 10, customers with average usage of 5,861 gallons  
19 receive essentially no increase and customers with a median usage of 4,275 gallons  
20 receive a rate reduction of 2.7%. Under this proposed rate, the larger residential  
21 customers would provide significant subsidies to those customers using less than 6,000  
22 gallons per month. That could mean that a large family would be subsidizing a single  
23 person household simply because they have more people in the residence.

24 **Q: DO RATE DECREASES PROVIDE CUSTOMERS WITH ANY INCENTIVE TO**  
25 **CONSERVE THEIR WATER USAGE?**

26 A: No. There is no justification from either a cost or conservation standpoint for providing a  
27 customer with a rate reduction for doing nothing with respect to his or her water  
28 consumption.

1 **Q: ARE THERE ALSO INEQUITIES INHERENT IN THE STAFF'S PROPOSED**  
2 **RATES FOR METER CLASSES LARGER THAN 5/8"?**

3 A: Yes. One can quickly conclude from the distribution of bills, by block, provided on  
4 Schedule DLN-2 that the Staff did not analyze the usage characteristics of the larger  
5 meter sizes when blocking the proposed rates. Bill percentages in the top tier vary  
6 dramatically from 3% for 3" meters to 100% for 4" meters. The inverted rate design for  
7 these meters is essentially meaningless since all bills fall into either the lower block or  
8 the upper block. The bill percentages in both blocks should be comparable for all meter  
9 sizes. In summary, major revisions to the blocking and pricing of Staff's rate proposals  
10 are required to make them equitable to all customers.

11 **Q: WHAT IS THE EFFECT OF STAFF'S FLAWED RATE DESIGN PROPOSALS?**

12 A: In addition to the inequities within the meter class blocks, Staff's proposed rates unfairly  
13 transfer the bulk of the rate increase from the 5/8" meter class to the 4" meter class.  
14 Proposed increases for treated water, by meter size, are shown on Schedule DLN-3. The  
15 5/8" meters account for approximately 56% of total revenues but only 13% of the total  
16 revenue increase. In contrast, the 4" meters, which represent 30% of total revenues, are  
17 assigned 66% of the total revenue increase. As previously discussed, these inequitable  
18 disparities are largely the product of improperly designed rates.

19 **Q: ARE STAFF'S PROPOSED RATES FOR UNTREATED WATER SIMILARLY**  
20 **FLAWED?**

21 A: Yes, but to a lesser extent because the proposed commodity rates for all blocks of  
22 untreated water exceed the purchase cost of \$1.03 per thousand gallons.

23 **Q: ARE THERE RATE DESIGN ALTERNATIVES TO STAFF'S PROPOSED**  
24 **INVERTED BLOCK RATES THAT MIGHT BE CONSIDERED IN THIS CASE?**

25 A: Yes. A logical alternative is seasonal rates. The Company's water system has a  
26 demonstrable summer peak as indicated by the graph prepared by John Chelus, Staff  
27 Engineer in this proceeding (see page 4 of Mr. Chelus's report). Seasonal rates, or some  
28 version thereof, are used by many municipal water utilities. Seasonal rates are preferable  
29 to inverted block rates because customers understand seasonal rates but have a difficult

1 time understanding or effectively benefiting from inverted block rates. It is much easier  
2 for a customer to manage water usage and the resulting bill under seasonal rates than  
3 under inverted block rates.

4 **Q: HAVE YOU DESIGNED SEASONAL RATES FOR CONSIDERATION IN THIS**  
5 **CASE?**

6 A: Yes, I have. A seasonal rate alternative is shown on Schedule DLN-4. The summer  
7 season is the six-month period of April through September. Summer rates would be  
8 \$0.50 per thousand gallons greater than winter rates for treated water and \$0.18 greater  
9 for untreated water. I am not recommending these rates but offer them as a preferred  
10 alternative to inverted block rates should the Commission wish to inject differential  
11 pricing in AIC's water rates.

12 **Q: HAVE YOU REVIEWED THE TESTIMONY OF MS. SHERYL HUBBARD ON**  
13 **BEHALF OF INTERVENOR ARIZONA WATER?**

14 A: Yes. AIC sells water to Arizona Water for resale purposes. Arizona Water's annual  
15 purchases are 26% of AIC's total water sales. Arizona Water is the only customer that  
16 receives service through the Company's 4" treated water meter. Ms. Hubbard contends  
17 that the rate proposals of both the Company and the Staff for Arizona Water are  
18 excessive. In addition, she states neither rate design recognizes that Arizona Water  
19 receives its water on an off-peak basis. Her recommended rate for Arizona Water is the  
20 monthly service charge proposed by the Company of \$210 and a commodity charge of  
21 \$2.67 per thousand gallons.

22 **Q: DO YOU AGREE?**

23 A: I do agree, as previously discussed, that the Staff's rate proposal of a 36% increase  
24 imposes an excessive and unfair revenue burden on Arizona Water. I do not view the  
25 Company's proposed 23% increase for Arizona Water as excessive since it is only  
26 marginally greater than the overall increase of 19% sought for treated water. With  
27 respect to off-peak service, the Company has not made a study of the benefits, if any, of  
28 off-peak service. All water purchased by AIC is currently pumped by PD off-peak. If  
29 there are benefits associated with off-peak service, they would not, in my view, approach

1 the \$0.47 per thousand gallons discount (\$30,000 in annual revenues) proposed by Ms.  
2 Hubbard. Her proposed rate would provide the Company with only \$2,520 annually to  
3 cover Arizona Water's share of both operating costs (other than the cost of purchased  
4 water) and return on water utility plant. The Company's test year operating costs for the  
5 water department, excluding purchased water, income taxes and return, were \$254,367.  
6 Under Ms. Hubbard's rate proposal, Arizona Water would cover only 1% of these costs;  
7 therefore, her rate proposal is unreasonably low and should be rejected. Arizona Water's  
8 commodity rate should set at a level that is no less the system average rate.

9 **Q: DOES THAT CONCLUDE YOUR REBUTTAL TESTIMONY?**

10 **A:** Yes, it does.

## DAN L. NEIDLINGER

### SUMMARY STATEMENT OF QUALIFICATIONS

#### **I. General:**

Mr. Neidlinger is President of Neidlinger & Associates, Ltd., a Phoenix consulting firm specializing in utility rate economics and financial management. During his consulting career, he has managed and performed numerous assignments related to utility ratemaking and energy management.

#### **II. Education:**

Mr. Neidlinger was graduated from Purdue University with a Bachelor of Science degree in Electrical Engineering. He also holds a Master of Science degree in Industrial Management from Purdue's Krannert Graduate School of Management. He is a licensed Certified Public Accountant in Arizona and Ohio.

#### **III. Consulting Experience:**

Mr. Neidlinger has presented expert testimony on financial, accounting, cost of service and rate design issues in regulatory proceedings throughout the western United States involving companies from every segment of the utility industry. Testimony presented to these regulatory bodies has been on behalf of commission staffs, applicant utilities, industrial intervenors and consumer agencies. He has also testified in a number of civil litigation matters involving utility ratemaking and once served as a Special Master to a Nevada court in a lawsuit involving a Nevada public utility.

Mr. Neidlinger has performed feasibility studies related to energy management including cogeneration, self-generation, peak shaving and load-shifting analyses for clients with large electric loads. In addition, he has conducted electric and gas privatization studies for U.S. Army installations and assisted these and other consumer clients in contract negotiations with utility providers of electric, gas and wastewater service.

Mr. Neidlinger has extensive experience in the costing and pricing of utility services. During his consulting career, he has been responsible for the design and implementation of utility rates for over 30 electric, gas, water and wastewater utility clients ranging in size from 50 to 25,000 customers.

#### **IV. Professional Affiliations:**

Professional affiliations include the American Institute of Certified Public Accountants.

AJO IMPROVEMENT COMPANY  
ACC DOCKET NO. WS-01025A-03-0350

Annual Water Sales - Years 2000 - 2002

DESCRIPTION	YEAR	GALLONS SOLD (000)	AVERAGE CUSTOMERS	ANNUAL GALLONS PER CUST.
TREATED WATER:				
	2000	177,237	1,110	160
	2001	177,905	1,119	159
	2002	182,946	1,115	164
UNTREATED WATER:				
	2000	18,393	13	1,415
	2001	19,383	13	1,491
	2002	20,655	14	1,475
TOTAL WATER SALES:				
	2000	195,630	1,123	174
	2001	197,288	1,132	174
	2002	203,601	1,129	180

AJO IMPROVEMENT COMPANY  
ACC DOCKET NO. WS-01025A-03-0350

Effect of Staff Proposed Rates on Treated Water Bills

DESCRIPTION	STAFF RATE PER 1,000 GALLONS (1)	MARGIN (2)	TEST YEAR BILLS (3)	PERCENT OF TOTAL BILLS
<b>TREATED WATER:</b>				
<b>5/8" Meters:</b>				
First 3,000 Gallons	\$1.93	(\$0.74)	4,197	33.68%
3,000 - 14,000 Gallons	2.90	\$0.23	7,206	57.83%
Over 14,000 Gallons	3.47	\$0.80	1,058	8.49%
Total 5/8" Meters			12,461	100.00%
<b>1" Meters:</b>				
First 25,000 Gallons	2.90	\$0.23	175	74.15%
Over 25,000 Gallons	3.47	\$0.80	61	25.85%
Total 1" Meters			236	100.00%
<b>2" Meters:</b>				
First 63,000 Gallons	2.90	\$0.23	108	64.29%
Over 63,000 Gallons	3.47	\$0.80	60	35.71%
Total 2" Meters			168	100.00%
<b>3" Meters:</b>				
First 120,000 Gallons	2.90	\$0.23	28	96.55%
Over 120,000 Gallons	3.47	\$0.80	1	3.45%
Total 3" Meters			29	100.00%
<b>4" Meters:</b>				
First 180,000 Gallons	2.90	\$0.23	0	0.00%
Over 180,000 Gallons	3.47	\$0.80	12	100.00%
Total 4" Meters			12	100.00%

NOTES:

- (1) Staff Proposed Commodity Rates - Revised
- (2) Margin is the Excess Over the Purchased Cost of \$2.67 Per Thousand Gallons
- (3) Bills With Water Usage

AJO IMPROVEMENT COMPANY  
ACC DOCKET NO. WS-01025A-03-0350

Proposed Increases by Meter Size Under Staff Proposed Rates  
Treated Water

DESCRIPTION	REVENUES AT:		INCREASE	PERCENT OF TOTAL REVENUES (2)	PERCENT OF TOTAL INCREASE
	PRESENT RATES	STAFF PROPOSED RATES (1)			
5/8" Meters	\$306,818	\$318,494	\$11,676	55.89%	13.13%
1" Meters	14,219	17,174	2,955	2.59%	3.32%
2" Meters	54,093	68,424	14,331	9.85%	16.11%
3" Meters	8,818	10,129	1,311	1.61%	1.47%
4" Meters	164,986	223,653	58,667	30.06%	65.96%
	<u>\$548,934</u>	<u>\$637,874</u>	<u>\$88,940</u>	<u>16.20%</u>	<u>100.00%</u>

NOTES:

- (1) Adjusted for Errors In Pricing of Staff Billing Units
- (2) Present Revenues

AJO IMPROVEMENT COMPANY  
ACC DOCKET NO. WS-01025A-03-0350

SEASONAL RATE DESIGN

DESCRIPTION	PRES. RATE	PROP. RATE	GALLONS (000)	PRES. REV.	PROP. REV.	INCREASE	PERCENT INCREASE
<b>TREATED WATER:</b>							
Summer Usage (Apr. - Sep.)	\$2.54	\$3.35	94,313	\$239,555	\$315,949	\$76,394	31.89%
Winter Usage (Oct. - Mar.)	\$2.54	\$2.85	68,045	172,834	193,928	21,094	12.20%
Total			162,358	\$412,389	\$509,877	\$97,487	23.64%
<b>UNTREATED WATER:</b>							
Summer Usage (Apr. - Sep.)	\$1.75	\$1.90	31,370	\$54,898	\$59,603	\$4,706	8.57%
Winter Usage (Oct. - Mar.)	\$1.75	\$1.72	12,297	21,520	21,151	(369)	-1.71%
Total			43,667	\$76,417	\$80,754	\$4,337	5.67%