

NEW APPLICATION  
ORIGINAL



BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS

JEFF HATCH-MILLER, Chairman  
MARC SPITZER  
WILLIAM A. MUNDELL  
MIKE GLEASON  
KRISTIN K. MAYES

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AZ CORP COMMISSION  
DOCUMENT CONTROL

IN THE MATTER OF THE APPLICATION  
OF PERKINS MOUNTAIN UTILITY  
COMPANY FOR A CERTIFICATE OF  
CONVENIENCE AND NECESSITY IN  
MOHAVE COUNTY

DOCKET NO.

APPLICATION FOR A CERTIFICATE  
OF CONVENIENCE AND NECESSITY --  
WASTEWATER

SW-20379A-05-0489

Pursuant to Arizona Revised Statutes, § 40-281 and Arizona Administrative Code R-14-2-402, Perkins Mountain Utility Company ("Perkins Mt. Utility" or "Company") hereby files this Application seeking a Certificate of Convenience and Necessity ("CC&N") to provide potable wastewater to master-planned communities that are currently in the planning stages in Mohave County. Perkins Mountain Water Company has concurrently filed an Application for a CC&N to provide water service in the same area ("Perkins Mt. Water Application").

In support of this Application, Perkins Mt. Utility provides the following information.

The Communities

Rhodes Homes Arizona, LLC ("Rhodes"), a reputable and experienced land developer and homebuilder has built more than a dozen developments in southern Nevada, including Rhodes Ranch, a 1,347-acre master-planned community that ultimately will contain up to 9,000 homes. Similar to Rhodes Ranch, Rhodes intends to develop two high-quality communities in Mohave County, Arizona: Golden Valley South and The Villages at White Hills.

Snell & Wilmer

LLP  
LAW OFFICES  
One Arizona Center, 400 E. Van Buren  
Phoenix, Arizona 85004-2202  
(602) 382-6000

1 Golden Valley South consists of 5,750 acres and is located approximately five miles  
2 southeast of Kingman, Arizona. Golden Valley South is planned to include an active retiree  
3 community with an 18-hole golf course, and an interconnected community for all age groups.  
4 Included in the plans for the master-planned community are an industrial/business park area and  
5 community commercial areas. At build-out, Golden Valley South is expected to be comprised of  
6 more than 33,000 dwelling units. See, the Golden Valley South Proposed Area Plan, which is  
7 attached to the Perkins Mt. Water Application as Exhibit A.  
8

9 The Villages at White Hills is planned as a 2,727-acre self-contained community to  
10 provide affordable homes for commuters to the Las Vegas metropolitan area. The Villages at  
11 White Hills is located along U.S. Highway 93, approximately 29 miles south of Hoover Dam,  
12 with a commercial area along U.S. Highway 93 that is expected to serve both residents and  
13 travelers. At build-out, The Villages at White Hills is expected to be comprised of more than  
14 20,000 dwelling units. See, The Villages at White Hills Proposed Area Plan, which is attached to  
15 the Perkins Mt. Water Application as Exhibit B.  
16

17 Open spaces, including the golf course, will be irrigated with reclaimed water from the  
18 wastewater reclamation plant. The reclaimed water system will have a significant effect on  
19 reducing the amount of groundwater that is needed within the developments. Reclaimed waters  
20 in excess of what can be utilized can be recharged into the ground using rapid infiltration basins  
21 or recharge wells, if applicable.  
22

23 Perkins Mt. Utility was formed to provide wastewater service to all of the residents and  
24 businesses in the Golden Valley South and The Villages at White Hills master-planned  
25 communities, and is seeking a CC&N for these areas. The legal descriptions of the property are  
26

1 attached as Exhibit C; detailed maps, as well as property ownership legends, are attached as  
2 Exhibit D.

3 **Projected Growth**

4 It is estimated that Perkins Mt. Utility will have one hundred and fifty (150) residential  
5 customers in the first year and three thousand thirty five (3,035) in year five. Although it is  
6 estimated that there will be no commercial customers in the first year; thirty (30) commercial  
7 customers are anticipated in year five. The number of anticipated irrigation customers is two (2)  
8 – both in the first year and at year five. No industrial customers are anticipated in the first five  
9 years. See Exhibit E, Schedule A-7 for a yearly analysis for years one through five.  
10

11 **Management and Operations Information**

12 Kirk Brynjulson is the President of Perkins Mt. Utility and the on-site manager for the  
13 utility. Mr. Brynjulson has been involved in the development business for over twenty-five years.  
14 He has developed several master planned communities in the Las Vegas, Nevada area, including  
15 Green Valley, Green Valley Ranch, Seven Hills and LynBrook, totaling over 30,000 units. Mr.  
16 Brynjulson is the Vice President of Operations for Rhodes Homes Arizona. His business address  
17 is 2215 Hualapai Mountain Road, Suite H, Kingman AZ 86401. Mr. Brynjulson can be reached  
18 by telephone at (928) 718-2210.  
19

20 Aricor Water Solutions has been retained as a consultant and contract operator for Perkins  
21 Mt. Utility. Ray Jones, principal of Aricor Water Solutions, has been certified by the Department  
22 of Environmental Quality as a Grade 3 Wastewater Treatment Plant Operator and a Grade 3  
23 Collection System Operator and is the certified operator for the Perkins Mt. Utility. Mr. Jones  
24 has over twenty years experience in all phases of the operations, engineering and management of  
25  
26

1 wastewater utilities in the state of Arizona. His experience includes nineteen years with Citizens  
2 Water Resources and Arizona American Water, the largest water and wastewater provider in  
3 Arizona. Mr. Jones' address is 25213 N. 49<sup>th</sup> Drive, Glendale AZ 85310. His telephone number  
4 is (623) 341-4771.

5 The attorneys for Perkins Mt. Utility are Deborah Scott and Kimberly Grouse. Their  
6 business address is Snell & Wilmer, L.L.P., One Arizona Center, 400 East Van Buren, Phoenix  
7 AZ 85004. Ms. Scott can be reached at (602) 382-6571; Ms. Grouse can be reached at (602) 382-  
8 6304.

9  
10 **Corporate Information**

11 Perkins Mountain Utility Company is a Nevada corporation. The Company's corporate  
12 headquarters are located at 4730 S. Fort Apache Road, Suite 300, Las Vegas, Nevada. The  
13 Nevada phone number is (702) 873-5338. Perkins Mt. Utility also has a local Kingman office,  
14 located at 2215 Hualapai Mountain Road, Suite H, Kingman AZ 86401. The telephone number is  
15 (928) 718-2210.

16  
17 The Company has applied for authority to transact business in Arizona as a foreign  
18 corporation with the Arizona Corporation Commission ("Commission"), Corporations Division,  
19 and will provide copies of that authority when received.

20  
21 The officers and directors of Perkins Mt. Utility are:

22	Kirk Brynjulson	Director, President	4730 S Fort Apache Rd, #300 Las Vegas, NV 89147
23	Frederick Chin	Director	4730 S Fort Apache Rd, #300 Las Vegas, NV 89147
24	Keith Mosley	Director	4730 S Fort Apache Rd, #300 Las Vegas, NV 89147
25	Paul Huygens	Secretary, Treasurer	4730 S Fort Apache Rd, #300 Las Vegas, NV 89147
26			

1 A certified copy of Perkins Mt. Utility's Articles of Incorporation and related documents  
2 are attached as Exhibit F; a copy of the Company's by-laws is attached as Exhibit G. Perkins  
3 Mt. Utility is authorized to issue 100,000 shares of common stock, and has issued 100 shares of  
4 common stock, \$0.01 par value per share.

5  
6 **Financial Information**

7 Perkins Mt. Utility will initially finance the required wastewater facilities using a  
8 combination of equity provided by Rhodes Homes Arizona, advances in aid of construction and  
9 contributions in aid of construction. The Company will be initially capitalized with an equity  
10 infusion of fifty thousand dollars (\$50,000).

11 Schedules of the estimated operating revenue, operating expenses, plant in service,  
12 balance sheet, income statement, and related schedules for Perkins Mt. Utility for years one  
13 through five are included in Exhibit E. The estimated property taxes are contained in Exhibit E,  
14 Schedule A-6.

15  
16 **Construction of Facilities**

17 Stanley Consultants has completed an Engineering Report for each master-planned  
18 community: the Golden Valley South report is attached to the Perkins Mt. Water Application as  
19 Exhibit H and The Village at White Hills report is attached to the Perkins Mt. Water Application  
20 as Exhibit I. As described in the Water Infrastructure section (reclaimed water is in the water  
21 section of the Golden Valley South engineering report) and Wastewater Infrastructure section of  
22 the reports, Perkins Mt. Utility will construct a new wastewater system to serve each of the  
23 master-planned communities. The wastewater systems will consist of collection mains, treatment  
24  
25  
26

1 and water reclamation facilities, an effluent reuse and recharge system, and related appurtenances  
2 as detailed in the reports.

3 Chapters 5 and 7 of the Golden Valley South report and Chapter 5 of The Villages at  
4 White Hills report contain detailed schedules and cost estimates for the required wastewater  
5 facilities. The total estimated cost to construct the effluent reuse system is \$9.95 million for  
6 Golden Valley South and \$5.6 million for The Villages at White Hills. The total estimated cost to  
7 construct the required backbone wastewater system is \$53.1 million for Golden Valley South and  
8 \$48.1 million for The Villages at White Hills. The total estimated cost to construct the required  
9 collection system within the subdivisions is \$37.9 million for Golden Valley South and \$23  
10 million for The Villages at White Hills.  
11

12 In Golden Valley South, construction of the wastewater system is estimated to begin in the  
13 first quarter of 2006. Construction is expected to begin in The Villages at White Hills in the  
14 second quarter of 2006. It is expected to take twenty years to complete construction of the entire  
15 system for both master planned communities.  
16

17 **Schedule of Proposed Rates**

18 A schedule of proposed rates for Perkins Mt. Utility is attached. See, Exhibit E, Schedule  
19 A-5.  
20

21 **Franchise**

22 Perkins Mt. Utility plans to file an application with Mohave County for a franchise  
23 concurrent with the review of this Application. Perkins Mt. Utility will supplement the record  
24 when the Mohave County franchise is received.  
25  
26

1 **The Landowners**

2 Major landowners have requested that Perkins Mt. Utility provide wastewater service in  
3 this area.<sup>1</sup> Copies of letters from those landowners are attached as Exhibit J. Within fifteen days,  
4 Perkins Mt. Utility will provide written notice of its application for a CC&N to all owners of  
5 record listed in Exhibit D, in the format prescribed by the Commission, which is attached as  
6 Exhibit K.  
7

8 **Regulatory Approvals**

9 Perkins Mt. Utility anticipates filing for numerous regulatory approvals over the life of the  
10 project. These include necessary Clean Water Act Section 208 Plan amendment, Aquifer  
11 Protection Permit, Reuse Permit, and ADEQ Approvals to Construct. Perkins Mt. Utility will  
12 supplement the record when the required approvals are received.  
13

14 **Conclusion**

15 Perkins Mt. Utility is a fit and proper entity to provide wastewater service to customers in  
16 the master-planned developments of Golden Valley South and The Villages at White Hills, and  
17 will do so in conjunction with Perkins Mountain Water Company. The Company is ready,  
18 willing and able to construct the necessary facilities. It has the financial resources, an  
19 experienced certified operator, and is in the process of obtaining a franchise and all necessary  
20 permits. For these reasons, Perkins Mt. Utility respectfully requests that the Commission find  
21 that Perkins Mt. Utility is a fit and proper entity and that it is in the public interest to grant  
22 approval for a CC&N.  
23

24  
25 <sup>1</sup> Eight very small parcels contained within the exterior boundaries of the planned Golden Valley South development  
26 are not part of the planned development. Since these parcels are fully encompassed by the Golden Valley South  
development, they have been included in the CC&N request.

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RESPECTFULLY SUBMITTED this 7th day of July, 2005.

SNELL & WILMER L.L.P.

By: 

Deborah R. Scott  
Kimberly A. Grouse  
One Arizona Center  
400 East Van Buren  
Phoenix AZ 85004-2202  
Attorneys for Perkins Mountain Utility Company

ORIGINAL and 13 copies filed this  
7th day of July, 2005, with:

Docket Control  
Arizona Corporation Commission  
1200 West Washington  
Phoenix, Arizona 85007



1684852.1

Snell & Wilmer

LLP  
LAW OFFICES  
One Arizona Center, 400 E. Van Buren  
Phoenix, Arizona 85004-2202  
(602) 382-6000

# Exhibit

A

Exhibit A

See, Golden Valley South Proposed Area Plan, attached  
to Perkins Mountain Water Company's CC&N  
Application, Docket No. \_\_\_\_\_

# Exhibit

# B

Exhibit B

See, The Villages at White Hills Proposed Area Plan, attached  
to Perkins Mountain Water Company's CC&N  
Application, Docket No. \_\_\_\_\_

# Exhibit

C

GOLDEN VALLEY SOUTH  
CC & N BOUNDARY

LEGAL DESCRIPTION

**TOWNSHIP 20 NORTH, RANGE 18 WEST, G. & S.R.M., MOHAVE COUNTY, AZ;**

SECTION 2, EXCEPT THE W2 NW4 NW4 NE4 NE4, & THE SE4 SE4;  
SECTION 3;  
SECTION 4;  
SECTION 8, EXCEPT THE W2 NW4 NW4 NE4;  
SECTION 9;  
SECTION 10;  
SECTION 11, EXCEPT THE S2 SE4 SE4 SE4;  
SECTION 14, EXCEPT THE E2 NE4, THE NE4 SE4, THE E2 W2 SE4 SE4, & THE E2 SE4 SE4;  
SECTION 16;

**TOWNSHIP 21 NORTH, RANGE 18 WEST, G. & S.R.M., MOHAVE COUNTY, AZ;**

SW4 SECTION 34.

THE VILLAGES AT WHITE HILLS  
CC & N SEWER/WATER BOUNDARY

LEGAL DESCRIPTION

**TOWNSHIP 27 NORTH, RANGE 20 WEST, G. & S.R.M., MOHAVE COUNTY, AZ;**

SECTION 16, EXCEPT THE NW4 NE4, & THE E2 NE4;  
W2 W2 SECTION 17;  
SECTION 20;  
SECTION 21, EXCEPT THE SW4, & THE S2 SW4 NW4;  
SECTION 23, EXCEPT THAT PORTION WITHIN THE BOUNDARIES OF BONITA M.S.  
1253A, AS SET FORTH IN SAID PATENT.  
ALL OF SECTION 30 LYING SOUTHERLY OF THE CENTERLINE OF WHITE HILLS  
ROAD (O.R. 274/50-97), EXCEPT THE SW4, & THE SW4 SE4;

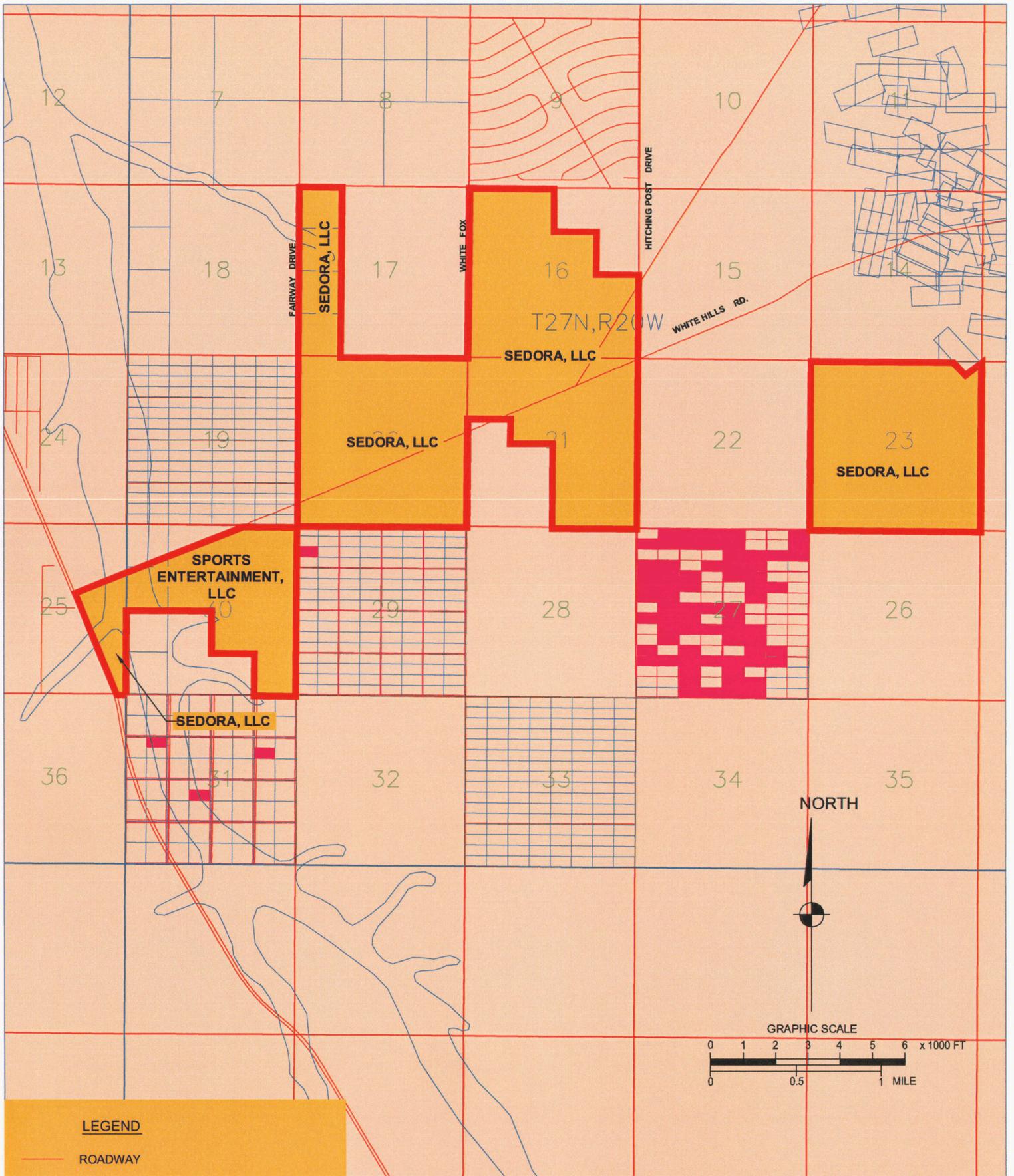
**TOWNSHIP 27 NORTH, RANGE 21 WEST, G. & S.R.M., MOHAVE COUNTY, AZ;**

A PORTION OF THE E2 SECTION 25 DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF THE SOUTHEAST QUARTER (SE ¼)  
OF SAID SECTION 25; THENCE SOUTH 00°28'58" WEST, ALONG THE EASTERLY LINE  
THEREOF, 2,643.95 FEET TO THE SOUTHEAST CORNER OF SAID SOUTHEAST  
QUARTER (SE ¼); THENCE NORTH 89°33'42" WEST, ALONG THE SOUTHERLY LINE  
THEREOF, 164.23 FEET TO THE POINT OF CURVE OF A NON TANGENT CURVE TO  
THE LEFT, OF WHICH THE RADIUS POINT LIES SOUTH 74°14'59" WEST, A RADIAL  
DISTANCE OF 5,821.58 FEET, SAID POINT BEING ON THE EASTERLY RIGHT-OF-  
WAY LINE OF U.S. HIGHWAY 95; THENCE NORTHERLY ALONG THE ARC, ALONG  
SAID EASTERLY RIGHT-OF-WAY LINE, THROUGH A CENTRAL ANGLE OF 07°34'58",  
770.46 FEET; THENCE NORTH 23°19'59" WEST, CONTINUING ALONG SAID  
EASTERLY RIGHT-OF-WAY LINE, 2,685.36 FEET TO THE CENTERLINE WHITE HILLS  
ROAD (O.R. 274/50-97); THENCE NORTH 68°20'45" EAST, ALONG SAID CENTERLINE,  
1,632.40 FEET TO THE EASTERLY LINE OF THE NORTHEAST QUARTER (NE ¼) OF  
SAID SECTION 25; THENCE SOUTH 00°28'34" WEST, ALONG SAID EASTERLY LINE,  
1,151.09 FEET TO THE POINT OF BEGINNING.

# Exhibit

D



**LEGEND**

- ROADWAY
- RHODES - THE VILLAGES OF WHITEHILLS WATER & SEWER BOUNDARY
- RHODES - THE VILLAGES OF WHITEHILLS
- MISCELLANEOUS RHODES PARCELS
- TOWNSHIP/RANGE LINE



**Stanley Consultants INC.**

5820 S. Eastern Avenue, Suite 200, Las Vegas, Nevada 89119  
www.stanleygroup.com

RHODES HOMES  
MOHAVE COUNTY, ARIZONA  
**THE VILLAGES AT WHITE HILLS CC&N  
WATER & SEWER BOUNDARIES**

DESIGNED \_\_\_\_\_  
DRAWN VND \_\_\_\_\_  
CHECKED DJF \_\_\_\_\_  
APPROVED DYW \_\_\_\_\_  
APPROVED DJF \_\_\_\_\_  
DATE 06-23-05 \_\_\_\_\_

SCALE: As Noted  
NO.

**CC&N-WS1**



**Stanley Consultants** INC.

A Stanley Group Company  
Engineering, Environmental and Construction Services - Worldwide

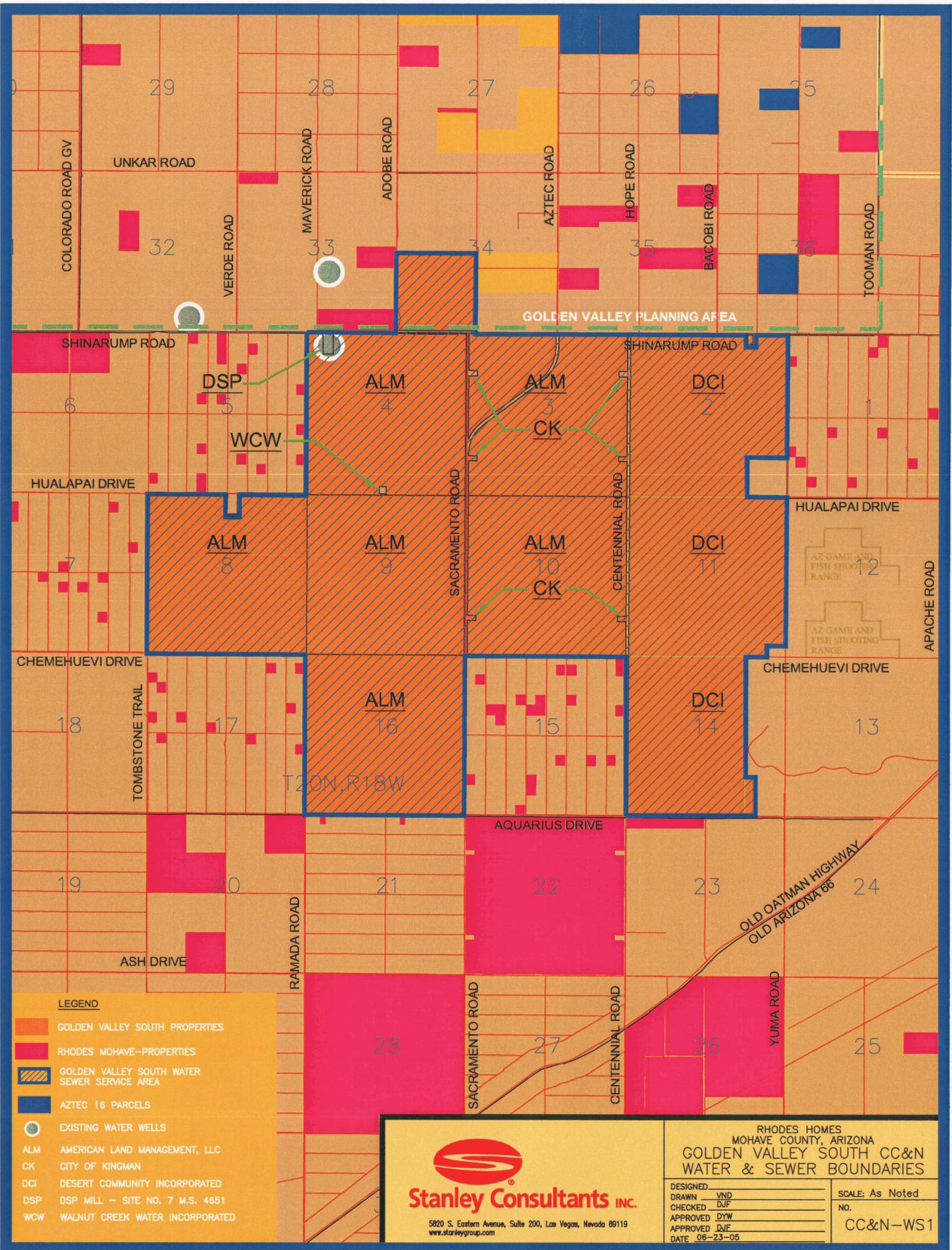
**DATE:** June 2005

**SUBJECT:** Rhodes Homes Arizona, LLC  
The Villages at White Hills – Ownership Legend

---

Sedora, LLC  
4730 S. Ft. Apache Rd. #300  
Las Vegas, NV 89147

Sports Entertainment, LLC  
2564 Wigwam Pkwy #233  
Henderson, NV 89074



**LEGEND**

- GOLDEN VALLEY SOUTH PROPERTIES
- RHODES MOHAVE-PROPERTIES
- GOLDEN VALLEY SOUTH WATER SEWER SERVICE AREA
- AZTEC 16 PARCELS
- EXISTING WATER WELLS
- ALM AMERICAN LAND MANAGEMENT, LLC
- CK CITY OF KINGMAN
- DCI DESERT COMMUNITY INCORPORATED
- DSP DSP MILL - SITE NO. 7 M.S. 4651
- WCW WALNUT CREEK WATER INCORPORATED



**Stanley Consultants INC.**

5820 S. Eastern Avenue, Suite 200, Las Vegas, Nevada 89119  
www.stanleygroup.com

RHODES HOMES  
MOHAVE COUNTY, ARIZONA  
**GOLDEN VALLEY SOUTH CC&N  
WATER & SEWER BOUNDARIES**

DESIGNED _____ DRAWN <u>YND</u> CHECKED <u>DJF</u> APPROVED <u>DYW</u> APPROVED <u>DJF</u> DATE <u>06-23-05</u>	SCALE: As Noted NO. <b>CC&amp;N-WS1</b>
--	---



**Stanley Consultants** INC.

A Stanley Group Company  
Engineering, Environmental and Construction Services - Worldwide

**DATE:** June 2005

**SUBJECT:** Rhodes Homes Arizona, LLC  
Golden Valley, South – Ownership Legend

---

American Land Management, LLC  
6101 S. Mustang Circle  
Sioux Falls, SD 57108

Desert Communities, Inc.  
4730 S. Ft. Apache Rd. #300  
Las Vegas, NV 89147

City of Kingman  
310 N. 4<sup>th</sup> Street  
Kingman, AZ 86401

Walnut Creek Water Co., Inc.  
c/o Dennis Sim  
119 E. Andy Devine Avenue  
Kingman, AZ 86401

DSP Mill Site #7 – M.S. #4651

# Exhibit

E

**Perkins Mountain Utility Company  
Index to Schedules**

<u>Schedule</u>	<u>Pages</u>	<u>Description</u>
A-1	1	Balance Sheet
A-2	1	Income Statement
A-3	5	Plant In Service and Depreciation
A-4	1	Rate Base and Return
A-4a	2	Advances In Aid of Construction and Refunds
A-4c	1	Contributions In Aid of Construction
A-5	1	Rate Design
A-6	1	Property Taxes
A-7	1	Year-End Customers - Summary
A-7a	3	Year-End Customers - Detail
A-7b	3	Average Number of Customers
A-7c	3	Customer Growth
A-8	1	Wastewater Treatment - Summary
A-8a	1	Effluent Sales
A-8b	3	Wastewater Treatment - Detail
A-8c	1	Wastewater/Effluent Demand Factors
A-8d	1	Facilities Planning Worksheet
A-9	1	Revenues
A-10	1	Expenses
A-11	1	Plant Additions - Summary
A-11a	2	Plant Additions - Detail
A-12	1	Cash Flow Statement

Perkins Mountain Utility Company  
Projected Balance Sheet

Schedule A-1  
Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Assets</b>					
<b>Current Assets</b>					
Cash	\$ 80,933	\$ 56,581	\$ 247,043	\$ 84,091	\$ 2,233,172
Accounts Receivable	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Current Assets</b>	<b>\$ 80,933</b>	<b>\$ 56,581</b>	<b>\$ 247,043</b>	<b>\$ 84,091</b>	<b>\$ 2,233,172</b>
<b>Fixed Assets</b>					
Utility Plant in Service	\$ 4,548,325	\$ 7,937,725	\$ 9,541,950	\$ 16,915,025	\$ 19,024,350
(less) Accumulated Depreciation	113,802	388,726	727,052	1,242,847	1,943,357
<b>Net Plant in Service</b>	<b>\$ 4,434,523</b>	<b>\$ 7,548,999</b>	<b>\$ 8,814,898</b>	<b>\$ 15,672,178</b>	<b>\$ 17,080,993</b>
CWIP	677,880	320,845	1,474,615	421,865	400,000
<b>Total Assets</b>	<b>\$ 5,193,337</b>	<b>\$ 7,926,425</b>	<b>\$ 10,536,555</b>	<b>\$ 16,178,134</b>	<b>\$ 19,714,165</b>
<b>Liabilities and Capital</b>					
<b>Current and Accrued Liabilities</b>					
Accounts Payable	\$ -	\$ -	\$ -	\$ -	\$ -
Notes Payable	-	-	-	-	-
Accrued Taxes	-	-	-	-	-
Accrued Interest	-	-	-	-	-
Other	-	-	-	-	-
<b>Total Current and Accrued Liabilities</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Long-Term Debt</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Other</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Deferred Credits</b>					
Advances in aid of Construction	\$ 1,853,325	\$ 4,002,168	\$ 5,565,418	\$ 7,381,387	\$ 9,230,777
Contributions in aid of Const. (net)	219,370	771,972	1,765,345	2,931,023	4,267,909
Accumulated Deferred Income Tax	-	-	-	-	-
<b>Total Deferred Credits</b>	<b>\$ 2,072,695</b>	<b>\$ 4,774,140</b>	<b>\$ 7,330,763</b>	<b>\$ 10,312,410</b>	<b>\$ 13,498,687</b>
<b>Total Liabilities</b>	<b>\$ 2,072,695</b>	<b>\$ 4,774,140</b>	<b>\$ 7,330,763</b>	<b>\$ 10,312,410</b>	<b>\$ 13,498,687</b>
<b>Capital Account</b>					
Common Stock	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000	\$ 50,000
Preferred	-	-	-	-	-
Paid in Capital	3,200,000	3,400,000	3,400,000	5,900,000	5,900,000
Retained Earnings	(129,359)	(297,715)	(244,208)	(84,276)	265,478
<b>Total Capital</b>	<b>\$ 3,120,641</b>	<b>\$ 3,152,285</b>	<b>\$ 3,205,792</b>	<b>\$ 5,865,724</b>	<b>\$ 6,215,478</b>
<b>Total Liabilities and Capital</b>	<b>\$ 5,193,337</b>	<b>\$ 7,926,425</b>	<b>\$ 10,536,555</b>	<b>\$ 16,178,134</b>	<b>\$ 19,714,165</b>

Perkins Mountain Utility Company  
Projected Income Statement

Schedule A-2  
Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Revenue</b>					
Water Sales	\$ 46,997	\$ 308,731	\$ 649,531	\$ 1,131,379	\$ 1,706,083
Establishment Charge	-	-	-	-	-
Other Operating Revenue	-	-	-	-	-
<b>Total Operating Revenue</b>	<b>\$ 46,997</b>	<b>\$ 308,731</b>	<b>\$ 649,531</b>	<b>\$ 1,131,379</b>	<b>\$ 1,706,083</b>
<b>Operating Expenses</b>					
Salaries and Wages	\$ 25,000	\$ 52,000	\$ 54,080	\$ 84,365	\$ 116,986
Employee Pensions and Benefits	6,000	12,480	12,979	20,248	28,077
Purchased Wastewater Treatment	-	-	-	-	-
Sludge Removal Expense	104	959	2,578	4,931	7,738
Purchased Power	11,656	62,274	108,824	176,463	257,168
Fuel for Power Production	250	258	265	273	281
Chemicals	518	4,795	12,891	24,654	38,690
Materials and Supplies	1,000	4,000	4,500	5,000	5,500
Contract Services					
Engineering	500	2,060	2,122	2,185	2,251
Accounting	1,250	5,150	5,305	5,464	5,628
Legal	1,250	5,150	5,305	5,464	5,628
Management	2,500	10,300	10,609	10,927	11,255
Testing	1,000	4,120	4,244	4,371	4,502
Administrative	7,500	30,900	31,827	32,782	33,765
Billing	456	4,146	10,698	19,908	30,846
Rental of Building/Property	750	3,090	3,183	3,278	3,377
Rental of Equipment	250	1,030	1,061	1,093	1,126
Transportation Expense	1,250	5,150	5,305	5,464	5,628
Insurance					
Vehicles	250	1,030	1,061	2,185	2,251
General Liability	375	1,545	1,591	1,639	1,688
Workman's Comp	375	1,545	1,591	1,639	1,688
Other	-	-	-	-	-
Advertising Expense	-	-	-	-	-
Rate Case Amortization	-	-	-	-	-
Regulatory Commission	-	-	-	-	-
Bad Debt	235	1,544	3,248	5,657	8,530
Miscellaneous	750	3,090	3,183	3,278	3,377
Depreciation (net of CIAC amort)	108,172	247,026	272,199	420,473	529,896
Taxes other than Income					
Property Taxes	3,723	9,571	20,308	34,731	56,628
Payroll Taxes	2,500	5,200	5,408	8,436	11,699
Other Taxes and Licenses	-	-	-	-	-
Income Taxes	50	50	14,698	89,850	205,300
<b>Total Operating Expenses</b>	<b>\$ 177,665</b>	<b>\$ 478,462</b>	<b>\$ 599,060</b>	<b>\$ 974,758</b>	<b>\$ 1,379,501</b>
<b>Operating Income or (Loss)</b>	<b>\$ (130,668)</b>	<b>\$ (169,731)</b>	<b>\$ 50,470</b>	<b>\$ 156,621</b>	<b>\$ 326,581</b>
<b>Other Income/Expenses</b>					
Interest Income	\$ 1,309	\$ 1,375	\$ 3,036	\$ 3,311	\$ 23,173
Other Income	-	-	-	-	-
Other Expense	-	-	-	-	-
Interest Expense	-	-	-	-	-
<b>Total Other Income/Expense</b>	<b>\$ 1,309</b>	<b>\$ 1,375</b>	<b>\$ 3,036</b>	<b>\$ 3,311</b>	<b>\$ 23,173</b>
<b>Net Income (Loss)</b>	<b>\$ (129,359)</b>	<b>\$ (168,356)</b>	<b>\$ 53,507</b>	<b>\$ 159,933</b>	<b>\$ 349,754</b>

Perkins Mountain Utility Company  
 Projected Plant in Service and Depreciation  
 By NARUC Plant Account

Schedule A-3  
 Page 1

	Depreciation Rate	Year	Year	Year	Year	Year
		1	1	1	1	1
		Additions	Depreciation*	Original Cost	Accumulated Depreciation	OCCLD
351 Organization	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
352 Franchises	0.00%	-	-	-	-	-
353 Land and Land Rights	0.00%	-	-	-	-	-
354 Structures and Improvements	3.33%	-	-	-	-	-
355 Power Generation Equipment	5.00%	50,000	1,250	50,000	1,250	48,750
360 Collection Sewers - Force Mains	2.00%	-	-	-	-	-
361 Collection Sewers - Gravity Mains	2.00%	1,228,225	12,282	1,228,225	12,282	1,215,943
362 Special Collecting Structures	2.00%	-	-	-	-	-
363 Services to Customers	2.00%	69,100	691	69,100	691	68,409
364 Flow Measuring Devices	10.00%	-	-	-	-	-
365 Flow Measuring Installations	10.00%	-	-	-	-	-
366 Reuse Services	2.00%	2,000	20	2,000	20	1,980
367 Reuse Meters and Meter Installations	8.33%	4,000	167	4,000	167	3,833
370 Receiving Wells	3.33%	-	-	-	-	-
371 Pumping Equipment	12.50%	650,000	40,625	650,000	40,625	609,375
374 Reuse Distribution Reservoirs	2.50%	-	-	-	-	-
375 Reuse Transmission and Distribution Sys.	2.50%	550,000	6,875	550,000	6,875	543,125
380 Treatment and Disposal Equipment	5.00%	1,950,000	48,750	1,950,000	48,750	1,901,250
381 Plant Sewers	5.00%	-	-	-	-	-
382 Outfall Sewer Lines	3.33%	-	-	-	-	-
389 Other Plant and Miscellaneous Equipment	6.67%	-	-	-	-	-
390 Office Furniture and Equipment	6.67%	5,000	167	5,000	167	4,833
390.1 Computers and Software	20.00%	2,500	250	2,500	250	2,250
391 Transportation Equipment	20.00%	22,000	2,200	22,000	2,200	19,800
392 Stores Equipment	4.00%	-	-	-	-	-
393 Tools, Shop and Garage Equipment	5.00%	10,000	250	10,000	250	9,750
394 Laboratory Equipment	10.00%	5,000	250	5,000	250	4,750
395 Power Operated Equipment	5.00%	-	-	-	-	-
396 Communications Equipment	10.00%	500	25	500	25	475
397 Miscellaneous Equipment	10.00%	-	-	-	-	-
398 Other Tangible Plant		-	-	-	-	-
<b>Totals</b>		<b>\$ 4,548,325</b>	<b>\$ 113,802</b>	<b>\$ 4,548,325</b>	<b>\$ 113,802</b>	<b>\$ 4,434,523</b>

Composite Rate (by year)

2.50%

\* 1/2 year convention used for plant additions

Perkins Mountain Utility Company  
 Projected Plant in Service and Depreciation  
 By NARUC Plant Account

	Depreciation Rate	Year	Year	Year	Year	Year
		2	2	2	2	2
		Additions	Depreciation*	Original Cost	Accumulated Depreciation	OCCLD
351 Organization	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
352 Franchises	0.00%	-	-	-	-	-
353 Land and Land Rights	0.00%	225,000	-	225,000	-	225,000
354 Structures and Improvements	3.33%	-	-	-	-	-
355 Power Generation Equipment	5.00%	50,000	3,750	100,000	5,000	95,000
360 Collection Sewers - Force Mains	2.00%	-	-	-	-	-
361 Collection Sewers - Gravity Mains	2.00%	1,796,700	42,532	3,024,925	54,814	2,970,111
362 Special Collecting Structures	2.00%	-	-	-	-	-
363 Services to Customers	2.00%	109,200	2,474	178,300	3,165	175,135
364 Flow Measuring Devices	10.00%	-	-	-	-	-
365 Flow Measuring Installations	10.00%	-	-	-	-	-
366 Reuse Services	2.00%	-	40	2,000	60	1,940
367 Reuse Meters and Meter Installations	8.33%	-	333	4,000	500	3,500
370 Receiving Wells	3.33%	-	-	-	-	-
371 Pumping Equipment	12.50%	-	81,250	650,000	121,875	528,125
374 Reuse Distribution Reservoirs	2.50%	-	-	-	-	-
375 Reuse Transmission and Distribution Sys.	2.50%	256,000	16,950	806,000	23,825	782,175
380 Treatment and Disposal Equipment	5.00%	950,000	121,250	2,900,000	170,000	2,730,000
381 Plant Sewers	5.00%	-	-	-	-	-
382 Outfall Sewer Lines	3.33%	-	-	-	-	-
389 Other Plant and Miscellaneous Equipment	6.67%	-	-	-	-	-
390 Office Furniture and Equipment	6.67%	-	334	5,000	500	4,500
390.1 Computers and Software	20.00%	-	500	2,500	750	1,750
391 Transportation Equipment	20.00%	-	4,400	22,000	6,600	15,400
392 Stores Equipment	4.00%	-	-	-	-	-
393 Tools, Shop and Garage Equipment	5.00%	2,500	563	12,500	813	11,688
394 Laboratory Equipment	10.00%	-	500	5,000	750	4,250
395 Power Operated Equipment	5.00%	-	-	-	-	-
396 Communications Equipment	10.00%	-	50	500	75	425
397 Miscellaneous Equipment	10.00%	-	-	-	-	-
398 Other Tangible Plant	-	-	-	-	-	-
<b>Totals</b>		<b>\$ 3,389,400</b>	<b>\$ 274,925</b>	<b>\$ 7,937,725</b>	<b>\$ 388,726</b>	<b>\$ 7,548,999</b>

Composite Rate (by year)

3.46%

\* 1/2 year convention used for plant additions

Perkins Mountain Utility Company  
 Projected Plant in Service and Depreciation  
 By NARUC Plant Account

	Depreciation Rate	Year 3	Year 3	Year 3	Year 3	Year 3
		Additions	Depreciation*	Original Cost	Accumulated Depreciation	OCCLD
351 Organization	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
352 Franchises	0.00%	-	-	-	-	-
353 Land and Land Rights	0.00%	-	-	225,000	-	225,000
354 Structures and Improvements	3.33%	-	-	-	-	-
355 Power Generation Equipment	5.00%	-	5,000	100,000	10,000	90,000
360 Collection Sewers - Force Mains	2.00%	-	-	-	-	-
361 Collection Sewers - Gravity Mains	2.00%	1,448,225	74,981	4,473,150	129,795	4,343,356
362 Special Collecting Structures	2.00%	-	-	-	-	-
363 Services to Customers	2.00%	153,500	5,101	331,800	8,266	323,534
364 Flow Measuring Devices	10.00%	-	-	-	-	-
365 Flow Measuring Installations	10.00%	-	-	-	-	-
366 Reuse Services	2.00%	-	40	2,000	100	1,900
367 Reuse Meters and Meter Installations	8.33%	-	333	4,000	833	3,167
370 Receiving Wells	3.33%	-	-	-	-	-
371 Pumping Equipment	12.50%	-	81,250	650,000	203,125	446,875
374 Reuse Distribution Reservoirs	2.50%	-	-	-	-	-
375 Reuse Transmission and Distribution Sys.	2.50%	-	20,150	806,000	43,975	762,025
380 Treatment and Disposal Equipment	5.00%	-	145,000	2,900,000	315,000	2,585,000
381 Plant Sewers	5.00%	-	-	-	-	-
382 Outfall Sewer Lines	3.33%	-	-	-	-	-
389 Other Plant and Miscellaneous Equipment	6.67%	-	-	-	-	-
390 Office Furniture and Equipment	6.67%	-	334	5,000	834	4,166
390.1 Computers and Software	20.00%	-	500	2,500	1,250	1,250
391 Transportation Equipment	20.00%	-	4,400	22,000	11,000	11,000
392 Stores Equipment	4.00%	-	-	-	-	-
393 Tools, Shop and Garage Equipment	5.00%	2,500	688	15,000	1,500	13,500
394 Laboratory Equipment	10.00%	-	500	5,000	1,250	3,750
395 Power Operated Equipment	5.00%	-	-	-	-	-
396 Communications Equipment	10.00%	-	50	500	125	375
397 Miscellaneous Equipment	10.00%	-	-	-	-	-
398 Other Tangible Plant	-	-	-	-	-	-
<b>Totals</b>		<b>\$ 1,604,225</b>	<b>\$ 338,326</b>	<b>\$ 9,541,950</b>	<b>\$ 727,052</b>	<b>\$ 8,814,898</b>

Composite Rate (by year)

3.55%

\* 1/2 year convention used for plant additions

Perkins Mountain Utility Company  
 Projected Plant in Service and Depreciation  
 By NARUC Plant Account

	Depreciation Rate	Year	Year	Year	Year	Year
		4	4	4	4	4
		Additions	Depreciation*	Original Cost	Accumulated Depreciation	OCLED
351 Organization	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
352 Franchises	0.00%	-	-	-	-	-
353 Land and Land Rights	0.00%	300,000	-	525,000	-	525,000
354 Structures and Improvements	3.33%	250,000	4,163	250,000	4,163	245,838
355 Power Generation Equipment	5.00%	100,000	7,500	200,000	17,500	182,500
360 Collection Sewers - Force Mains	2.00%	-	-	-	-	-
361 Collection Sewers - Gravity Mains	2.00%	1,585,025	105,313	6,058,175	235,108	5,823,067
362 Special Collecting Structures	2.00%	-	-	-	-	-
363 Services to Customers	2.00%	182,300	8,459	514,100	16,725	497,375
364 Flow Measuring Devices	10.00%	-	-	-	-	-
365 Flow Measuring Installations	10.00%	-	-	-	-	-
366 Reuse Services	2.00%	-	40	2,000	140	1,860
367 Reuse Meters and Meter Installations	8.33%	-	333	4,000	1,166	2,834
370 Receiving Wells	3.33%	-	-	-	-	-
371 Pumping Equipment	12.50%	400,000	106,250	1,050,000	309,375	740,625
374 Reuse Distribution Reservoirs	2.50%	-	-	-	-	-
375 Reuse Transmission and Distribution Sys.	2.50%	128,250	21,753	934,250	65,728	868,522
380 Treatment and Disposal Equipment	5.00%	4,125,000	248,125	7,025,000	563,125	6,461,875
381 Plant Sewers	5.00%	25,000	625	25,000	625	24,375
382 Outfall Sewer Lines	3.33%	250,000	4,163	250,000	4,163	245,838
389 Other Plant and Miscellaneous Equipment	6.67%	-	-	-	-	-
390 Office Furniture and Equipment	6.67%	-	334	5,000	1,167	3,833
390.1 Computers and Software	20.00%	2,500	750	5,000	2,000	3,000
391 Transportation Equipment	20.00%	22,000	6,600	44,000	17,600	26,400
392 Stores Equipment	4.00%	-	-	-	-	-
393 Tools, Shop and Garage Equipment	5.00%	2,500	813	17,500	2,313	15,188
394 Laboratory Equipment	10.00%	-	500	5,000	1,750	3,250
395 Power Operated Equipment	5.00%	-	-	-	-	-
396 Communications Equipment	10.00%	500	75	1,000	200	800
397 Miscellaneous Equipment	10.00%	-	-	-	-	-
398 Other Tangible Plant	-	-	-	-	-	-
<b>Totals</b>		<b>\$ 7,373,075</b>	<b>\$ 515,795</b>	<b>\$ 16,915,025</b>	<b>\$ 1,242,847</b>	<b>\$ 15,672,178</b>

Composite Rate (by year)

3.05%

\* 1/2 year convention used for plant additions

Perkins Mountain Utility Company  
 Projected Plant in Service and Depreciation  
 By NARUC Plant Account

	Depreciation Rate	Year 5	Year 5	Year 5	Year 5	Year 5
		Additions	Depreciation*	Original Cost	Accumulated Depreciation	OCLD
351 Organization	0.00%	\$ -	\$ -	\$ -	\$ -	\$ -
352 Franchises	0.00%	-	-	-	-	-
353 Land and Land Rights	0.00%	-	-	525,000	-	525,000
354 Structures and Improvements	3.33%	-	8,325	250,000	12,488	237,513
355 Power Generation Equipment	5.00%	100,000	12,500	300,000	30,000	270,000
360 Collection Sewers - Force Mains	2.00%	-	-	-	-	-
361 Collection Sewers - Gravity Mains	2.00%	1,656,275	137,726	7,714,450	372,834	7,341,616
362 Special Collecting Structures	2.00%	-	-	-	-	-
363 Services to Customers	2.00%	197,300	12,255	711,400	28,980	682,420
364 Flow Measuring Devices	10.00%	-	-	-	-	-
365 Flow Measuring Installations	10.00%	-	-	-	-	-
366 Reuse Services	2.00%	-	40	2,000	180	1,820
367 Reuse Meters and Meter Installations	8.33%	-	333	4,000	1,499	2,501
370 Receiving Wells	3.33%	-	-	-	-	-
371 Pumping Equipment	12.50%	-	131,250	1,050,000	440,625	609,375
374 Reuse Distribution Reservoirs	2.50%	-	-	-	-	-
375 Reuse Transmission and Distribution Sys.	2.50%	128,250	24,959	1,062,500	90,688	971,813
380 Treatment and Disposal Equipment	5.00%	-	351,250	7,025,000	914,375	6,110,625
381 Plant Sewers	5.00%	25,000	1,875	50,000	2,500	47,500
382 Outfall Sewer Lines	3.33%	-	8,325	250,000	12,488	237,513
389 Other Plant and Miscellaneous Equipment	6.67%	-	-	-	-	-
390 Office Furniture and Equipment	6.67%	-	334	5,000	1,501	3,499
390.1 Computers and Software	20.00%	-	1,000	5,000	3,000	2,000
391 Transportation Equipment	20.00%	-	8,800	44,000	26,400	17,600
392 Stores Equipment	4.00%	-	-	-	-	-
393 Tools, Shop and Garage Equipment	5.00%	2,500	938	20,000	3,250	16,750
394 Laboratory Equipment	10.00%	-	500	5,000	2,250	2,750
395 Power Operated Equipment	5.00%	-	-	-	-	-
396 Communications Equipment	10.00%	-	100	1,000	300	700
397 Miscellaneous Equipment	10.00%	-	-	-	-	-
398 Other Tangible Plant	-	-	-	-	-	-
<b>Totals</b>		<b>\$ 2,109,325</b>	<b>\$ 700,510</b>	<b>\$ 19,024,350</b>	<b>\$ 1,943,357</b>	<b>\$ 17,080,993</b>

Composite Rate (by year)

3.68%

\* 1/2 year convention used for plant additions

**Perkins Mountain Utility Company  
Projected Rate Base and Return**

**Schedule A-4  
Page 1**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
<b>Plant</b>					
Plant In Service	\$ 4,548,325	\$ 7,937,725	\$ 9,541,950	\$ 16,915,025	\$ 19,024,350
(less) Accumulated Depreciation	113,802	388,726	727,052	1,242,847	1,943,357
Net Plant In Service	<u>\$ 4,434,523</u>	<u>\$ 7,548,999</u>	<u>\$ 8,814,898</u>	<u>\$ 15,672,178</u>	<u>\$ 17,080,993</u>
<b>Deductions</b>					
Advances In Aid of Construction	\$ 1,853,325	\$ 4,002,168	\$ 5,565,418	\$ 7,381,387	\$ 9,230,777
Total Advances	<u>\$ 1,853,325</u>	<u>\$ 4,002,168</u>	<u>\$ 5,565,418</u>	<u>\$ 7,381,387</u>	<u>\$ 9,230,777</u>
Contributions in Aid of Construction (less) Amortization of CIAC	\$ 225,000 5,630	\$ 805,500 33,528	\$ 1,865,000 99,655	\$ 3,126,000 194,977	\$ 4,633,500 365,591
Net AIAC	<u>\$ 219,370</u>	<u>\$ 771,972</u>	<u>\$ 1,765,345</u>	<u>\$ 2,931,023</u>	<u>\$ 4,267,909</u>
Total Deductions	<u>\$ 2,072,695</u>	<u>\$ 4,774,140</u>	<u>\$ 7,330,763</u>	<u>\$ 10,312,410</u>	<u>\$ 13,498,687</u>
Rate Base	\$ 2,361,828	\$ 2,774,859	\$ 1,484,134	\$ 5,359,769	\$ 3,582,307
Operating Income	\$ (130,668)	\$ (169,731)	\$ 50,470	\$ 156,621	\$ 326,581
Rate of Return	-5.5%	-6.1%	3.4%	2.9%	9.1%

Perkins Mountain Utility Company  
 Advances In Aid of Construction and Refunds  
 By NARUC Plant Account

Advances	Percent Advanced	Year 1	Year 2	Year 3	Year 4	Year 5
351 Organization	0.0%	\$ -	\$ -	\$ -	\$ -	\$ -
352 Franchises	0.0%	-	-	-	-	-
353 Land and Land Rights						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-
354 Structures and Improvements						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-
355 Power Generation Equipment						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-
360 Collection Sewers - Force Mains						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-
361 Collection Sewers - Gravity Mains						
Backbone - Golden Valley	100.0%	900,000	450,000	450,000	450,000	450,000
Backbone - White Hills	100.0%	-	828,000	269,100	269,100	269,100
Subdivisions	100.0%	328,225	518,700	729,125	865,925	937,175
362 Special Collecting Structures	0.0%	-	-	-	-	-
363 Services to Customers	100.0%	69,100	109,200	153,500	182,300	197,300
364 Flow Measuring Devices	0.0%	-	-	-	-	-
365 Flow Measuring Installations	0.0%	-	-	-	-	-
366 Reuse Services						
Golden Valley	100.0%	2,000	-	-	-	-
White Hills	100.0%	-	-	-	-	-
367 Reuse Meters and Meter Installations						
Golden Valley	100.0%	4,000	-	-	-	-
White Hills	100.0%	-	-	-	-	-
370 Receiving Wells						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-
371 Pumping Equipment						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-
374 Reuse Distribution Reservoirs						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-
375 Reuse Transmission and Distribution Sys.						
Golden Valley	100.0%	550,000	-	-	128,250	128,250
White Hills	100.0%	-	256,000	-	-	-
380 Treatment and Disposal Equipment						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-
381 Plant Sewers						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-
382 Outfall Sewer Lines						
Golden Valley	0.0%	-	-	-	-	-
White Hills	0.0%	-	-	-	-	-

Perkins Mountain Utility Company  
 Advances In Aid of Construction and Refunds  
 By NARUC Plant Account

Schedule A-4a  
 Page 2

Advances	Percent Advanced	Year 1	Year 2	Year 3	Year 4	Year 5
389 Other Plant and Miscellaneous Equipment	0.0%	-	-	-	-	-
390 Office Furniture and Equipment	0.0%	-	-	-	-	-
390.1 Computers and Software	0.0%	-	-	-	-	-
391 Transportation Equipment	0.0%	-	-	-	-	-
392 Stores Equipment	0.0%	-	-	-	-	-
393 Tools, Shop and Garage Equipment	0.0%	-	-	-	-	-
394 Laboratory Equipment	0.0%	-	-	-	-	-
395 Power Operated Equipment	0.0%	-	-	-	-	-
396 Communications Equipment	0.0%	-	-	-	-	-
397 Miscellaneous Equipment	0.0%	-	-	-	-	-
398 Other Tangible Plant	0.0%	-	-	-	-	-
Annual Advances		\$ 1,853,325	\$ 2,161,900	\$ 1,601,725	\$ 1,895,575	\$ 1,981,825
Cumulative Advances		\$ 1,853,325	\$ 4,015,225	\$ 5,616,950	\$ 7,512,525	\$ 9,494,350
<b>Refunds</b>						
Refundable Revenue (Treatment Only)		\$ -	\$ 130,572	\$ 384,744	\$ 796,068	\$ 1,324,344
Annual Refund	10.0%	-	13,057	38,474	79,607	132,434
Cumulative Refunds		\$ -	\$ 13,057	\$ 51,532	\$ 131,138	\$ 263,573
Advance Balance		\$ 1,853,325	\$ 4,002,168	\$ 5,565,418	\$ 7,381,387	\$ 9,230,777

Perkins Mountain Utility Company  
 Projected Contributions in Aid of Construction (Hook-Up Fees)  
 By Customer Class

Schedule A-4b  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Contributions - Summary</b>					
Residential	\$ 225,000	\$ 577,500	\$ 1,050,000	\$ 1,230,000	\$ 1,470,000
Commercial	-	3,000	9,500	31,000	37,500
Industrial	-	-	-	-	-
<b>Total Hook-Up Fees</b>	<b>\$ 225,000</b>	<b>\$ 580,500</b>	<b>\$ 1,059,500</b>	<b>\$ 1,261,000</b>	<b>\$ 1,507,500</b>
<b>Cumulative Hook-Up Fees</b>	<b>\$ 225,000</b>	<b>\$ 805,500</b>	<b>\$ 1,865,000</b>	<b>\$ 3,126,000</b>	<b>\$ 4,633,500</b>
<b>Amortization</b>					
Composite Rate	2.50%	3.46%	3.55%	3.05%	3.68%
Amortization	\$ 5,630	\$ 27,899	\$ 66,127	\$ 95,322	\$ 170,614
<b>Cumulative Amortization</b>	<b>\$ 5,630</b>	<b>\$ 33,528</b>	<b>\$ 99,655</b>	<b>\$ 194,977</b>	<b>\$ 365,591</b>
<b>Contribution Balance</b>	<b>\$ 219,370</b>	<b>\$ 771,972</b>	<b>\$ 1,765,345</b>	<b>\$ 2,931,023</b>	<b>\$ 4,267,909</b>

<b>Contributions - Detail</b>	<b>Fee Level</b>					
Residential (Age Restricted)						
3/4"	\$ 1,500	\$ 112,500	\$ 270,000	\$ 315,000	\$ 375,000	\$ 442,500
Residential (Conventional Family)						
3/4"	\$ 1,500	112,500	307,500	735,000	855,000	1,027,500
1"	\$ 2,500	-	-	-	-	-
Commercial						
3/4"	\$ 1,500	-	3,000	4,500	7,500	7,500
1"	\$ 2,500	-	-	5,000	7,500	10,000
1-1/2"	\$ 5,000	-	-	-	-	20,000
2"	\$ 8,000	-	-	-	16,000	-
Industrial						
1-1/2"	\$ 5,000	-	-	-	-	-
2"	\$ 8,000	-	-	-	-	-
3"	\$ 15,000	-	-	-	-	-
4"	\$ 25,000	-	-	-	-	-

**Monthly Customer Charges - Treatment**

3/4" Meter	\$ 52.00
1" Meter	\$ 60.00
1-1/2" Meter	\$ 173.00
2" Meter	\$ 276.00
3" Meter	\$ 518.00
4" Meter	\$ 863.00
6" Meter	\$ 1,725.00
8" Meter	\$ 2,760.00

Gallons included in Monthly Customer Charge All

**Effluent Sales**

All meter Sizes	per acre-foot	\$ 200
	per 1,000 gallons	\$ 0.61

**Hookup Fees (CIAC)**

3/4" Meter	\$ 1,500.00
1" Meter	\$ 2,500.00
1-1/2" Meter	\$ 5,000.00
2" Meter	\$ 8,000.00
3" Meter	\$ 15,000.00
4" Meter	\$ 25,000.00
6" Meter	\$ 50,000.00
8" Meter	\$ 80,000.00

**Service Charges**

Establishment (a)	\$ 30.00
Establishment (After Hours) (a)	\$ 50.00
Re-Establishment (Within 12 Months)	•
Reconnection (Delinquent) (a)	\$ 40.00
NSF Check (a)	\$ 25.00
Deferred Payment	1.5%
Late Payment Penalty (Per Month)	1.5%
Deposit Interest	**
Deposit	**
Moving service at customer request	***

(a) Collected only if customer is not also a water customer

\* Number of months off system times the monthly customer charge for meter size

\*\* Per Commission Rule R14-2-603.B

\*\*\* Cost to include parts, labor, overhead and all applicable taxes

**Perkins Mountain Utility Company  
Projected Property Taxes**

**Schedule A-6  
Page 1**

	<u>Year 1</u>	<u>Year 2</u>	<u>Year 3</u>	<u>Year 4</u>	<u>Year 5</u>
Total Annual Revenue	\$ 46,997	\$ 308,731	\$ 649,531	\$ 1,131,379	\$ 1,706,083
3-Yr Average Revenue	46,997	177,864	335,086	696,547	1,162,331
CWIP @ 12/31	677,880	320,845	1,474,615	421,865	400,000
Book Value of Transportation Equip	19,800	15,400	11,000	26,400	17,600
<b>Calculate Full Cash Value</b>					
2 x 3-Yr Average Revenue	\$ 93,993	\$ 355,728	\$ 670,172	\$ 1,393,094	\$ 2,324,662
+ 10% of CWIP	67,788	32,085	147,462	42,187	40,000
- Transportation Equip	(19,800)	(15,400)	(11,000)	(26,400)	(17,600)
<b>Full Cash Value</b>	<b>\$ 141,981</b>	<b>\$ 372,412</b>	<b>\$ 806,634</b>	<b>\$ 1,408,880</b>	<b>\$ 2,347,062</b>
Assessment Ratio	25.0%	24.5%	24.0%	23.5%	23.0%
Assessed Value	\$ 35,495	\$ 91,241	\$ 193,592	\$ 331,087	\$ 539,824
Property Tax Rate (Avg. Mohave Cty)	10.49%	10.49%	10.49%	10.49%	10.49%
Projected Property Tax	\$ 3,723	\$ 9,571	\$ 20,308	\$ 34,731	\$ 56,628

Perkins Mountain Utility Company  
 Projected Year-End Customers - Summary  
 By Customer Class

Schedule A-7  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>All Customers</b>					
<b>Treatment Customers</b>					
Residential	150	535	1,235	2,055	3,035
Commercial	-	2	7	17	30
Industrial	-	-	-	-	-
<b>Effluent Customers</b>					
Irrigation	2	2	2	2	2
<b>TOTAL</b>	<b>152</b>	<b>539</b>	<b>1,244</b>	<b>2,074</b>	<b>3,067</b>
<b>Golden Valley South</b>					
<b>Treatment Customers</b>					
Residential	150	510	930	1,430	2,020
Commercial	-	2	6	13	20
Industrial	-	-	-	-	-
<b>Effluent Customers</b>					
Irrigation	2	2	2	2	2
<b>Total</b>	<b>152</b>	<b>514</b>	<b>938</b>	<b>1,445</b>	<b>2,042</b>
<b>The Village at White Hills</b>					
<b>Treatment Customers</b>					
Residential	-	25	305	625	1,015
Commercial	-	-	1	4	10
Industrial	-	-	-	-	-
<b>Effluent Customers</b>					
Irrigation	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>25</b>	<b>306</b>	<b>629</b>	<b>1,025</b>

Perkins Mountain Utility Company  
 Projected Year-End Customers - Detail  
 By Customer Class and Meter Size

Schedule A-7a  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>All Customers</b>					
<b>Treatment Customers</b>					
Residential (Age Restricted)					
3/4"	75	255	465	715	1,010
Residential (Conventional Family)					
3/4"	75	280	770	1,340	2,025
1"	-	-	-	-	-
Commercial					
3/4"	-	2	5	10	15
1"	-	-	2	5	9
1-1/2"	-	-	-	-	4
2"	-	-	-	2	2
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Effluent Customers</b>					
Irrigation					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	1	1	1	1	1
4"	-	-	-	-	-
6"	1	1	1	1	1
8"	-	-	-	-	-
<b>TOTAL</b>	<b>152</b>	<b>539</b>	<b>1,244</b>	<b>2,074</b>	<b>3,067</b>

Perkins Mountain Utility Company  
 Projected Year-End Customers - Detail  
 By Customer Class and Meter Size

Schedule A-7a  
 Page 2

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Golden Valley South</b>					
<b>Treatment Customers</b>					
Residential (Age Restricted)					
3/4"	75	255	465	715	1,010
Residential (Conventional Family)					
3/4"	75	255	465	715	1,010
1"	-	-	-	-	-
<b>Commercial</b>					
3/4"	-	2	4	7	10
1"	-	-	2	4	6
1-1/2"	-	-	-	-	2
2"	-	-	-	2	2
<b>Industrial</b>					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Effluent Customers</b>					
<b>Irrigation</b>					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	1	1	1	1	1
4"	-	-	-	-	-
6"	1	1	1	1	1
8"	-	-	-	-	-
<b>Total</b>	<b>152</b>	<b>514</b>	<b>938</b>	<b>1,445</b>	<b>2,042</b>

Perkins Mountain Utility Company  
 Projected Year-End Customers - Detail  
 By Customer Class and Meter Size

Schedule A-7a  
 Page 3

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>The Village at White Hills</b>					
<b>Treatment Customers</b>					
Residential (Age Restricted)					
3/4"	-	-	-	-	-
Residential (Conventional Family)					
3/4"	-	25	305	625	1,015
1"	-	-	-	-	-
Commercial					
3/4"	-	-	1	3	5
1"	-	-	-	1	3
1-1/2"	-	-	-	-	2
2"	-	-	-	-	-
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Effluent Customers</b>					
Irrigation					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
6"	-	-	-	-	-
8"	-	-	-	-	-
<b>Total</b>	-	25	306	629	1,025

Perkins Mountain Utility Company  
 Projected Average Number of Customers (used for revenue projection)  
 By Customer Class and Meter Size

Schedule A-7b  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
Average Factor for new Growth	0.25	0.50	0.50	0.50	0.50
<b>All Customers</b>					
<b>Treatment Customers</b>					
Residential (Age Restricted)					
3/4"	19	165	360	590	863
Residential (Conventional Family)					
3/4"	19	178	525	1,055	1,683
1"	-	-	-	-	-
Commercial					
3/4"	-	1	4	8	13
1"	-	-	1	4	7
1-1/2"	-	-	-	-	2
2"	-	-	-	1	2
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Effluent Customers</b>					
Irrigation					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	0	1	1	1	1
4"	-	-	-	-	-
6"	0	1	1	1	1
8"	-	-	-	-	-
<b>TOTAL</b>	<b>38</b>	<b>346</b>	<b>892</b>	<b>1,659</b>	<b>2,571</b>

Perkins Mountain Utility Company  
 Projected Average Number of Customers (used for revenue projection)  
 By Customer Class and Meter Size

Schedule A-7b  
 Page 2

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Golden Valley South</b>					
<b>Treatment Customers</b>					
Residential (Age Restricted)					
3/4"	19	165	360	590	863
Residential (Conventional Family)					
3/4"	19	165	360	590	863
1"	-	-	-	-	-
Commercial					
3/4"	-	1	3	6	9
1"	-	-	1	3	5
1-1/2"	-	-	-	-	1
2"	-	-	-	1	2
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Effluent Customers</b>					
Irrigation					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	0	1	1	1	1
4"	-	-	-	-	-
6"	0	1	1	1	1
8"	-	-	-	-	-
<b>Total</b>	<b>38</b>	<b>333</b>	<b>726</b>	<b>1,192</b>	<b>1,744</b>

Perkins Mountain Utility Company  
 Projected Average Number of Customers (used for revenue projection)  
 By Customer Class and Meter Size

Schedule A-7b  
 Page 3

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>The Village at White Hills</b>					
<b>Treatment Customers</b>					
Residential (Age Restricted)					
3/4"	-	-	-	-	-
Residential (Conventional Family)					
3/4"	-	13	165	465	820
1"	-	-	-	-	-
Commercial					
3/4"	-	-	1	2	4
1"	-	-	-	1	2
1-1/2"	-	-	-	-	1
2"	-	-	-	-	-
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Effluent Customers</b>					
Irrigation					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
6"	-	-	-	-	-
8"	-	-	-	-	-
<b>Total</b>	-	13	166	468	827

Perkins Mountain Utility Company  
 Projected Customer Growth  
 By Customer Class and Meter Size

Schedule A-7c  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>All Customers</b>					
<b>Treatment Customers</b>					
Residential (Age Restricted)					
3/4"	75	180	210	250	295
Residential (Conventional Family)					
3/4"	75	205	490	570	685
1"	-	-	-	-	-
Commercial					
3/4"	-	2	3	5	5
1"	-	-	2	3	4
1-1/2"	-	-	-	-	4
2"	-	-	-	2	-
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Effluent Customers</b>					
Irrigation					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	1	-	-	-	-
4"	-	-	-	-	-
6"	1	-	-	-	-
8"	-	-	-	-	-
<b>TOTAL</b>	<b>152</b>	<b>387</b>	<b>705</b>	<b>830</b>	<b>993</b>

Perkins Mountain Utility Company  
 Projected Customer Growth  
 By Customer Class and Meter Size

Schedule A-7c  
 Page 2

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Golden Valley South</b>					
<b>Treatment Customers</b>					
Residential (Age Restricted)					
3/4"	75	180	210	250	295
Residential (Conventional Family)					
3/4"	75	180	210	250	295
1"					
Commercial					
3/4"		2	2	3	3
1"			2	2	2
1-1/2"					2
2"				2	
Industrial					
1-1/2"					
2"					
3"					
4"					
<b>Effluent Customers</b>					
Irrigation					
1-1/2"					
2"					
3"	1				
4"					
6"	1				
8"					
<b>Total</b>	<b>152</b>	<b>362</b>	<b>424</b>	<b>507</b>	<b>597</b>

Perkins Mountain Utility Company  
 Projected Customer Growth  
 By Customer Class and Meter Size

Schedule A-7c  
 Page 3

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>The Village at White Hills</b>					
<b>Treatment Customers</b>					
Residential (Age Restricted)					
3/4"					
Residential (Conventional Family)					
3/4"	0	25	280	320	390
1"					
Commercial					
3/4"			1	2	2
1"				1	2
1-1/2"					2
2"					
Industrial					
1-1/2"					
2"					
3"					
4"					
<b>Effluent Customers</b>					
Irrigation					
1-1/2"					
2"					
3"					
4"					
6"					
8"					
<b>Total</b>	<b>0</b>	<b>25</b>	<b>281</b>	<b>323</b>	<b>396</b>

Perkins Mountain Utility Company  
 Projected Wastewater Treatment - Summary (in 1,000 gallons)  
 By Customer Class

Schedule A-8  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>All Customers</b>					
Residential	2,592	23,890	64,022	121,738	190,080
Commercial	-	86	432	1,534	3,370
Industrial	-	-	-	-	-
<b>TOTAL</b>	<b>2,592</b>	<b>23,976</b>	<b>64,454</b>	<b>123,271</b>	<b>193,450</b>
<b>Annual Average Day (MGD)</b>	<b>0.007</b>	<b>0.066</b>	<b>0.177</b>	<b>0.338</b>	<b>0.530</b>
<b>Golden Valley South</b>					
Residential	2,592	22,810	49,766	81,562	119,232
Commercial	-	86	389	1,296	2,506
Industrial	-	-	-	-	-
<b>Total</b>	<b>2,592</b>	<b>22,896</b>	<b>50,155</b>	<b>82,858</b>	<b>121,738</b>
<b>Annual Average Day (MGD)</b>	<b>0.007</b>	<b>0.063</b>	<b>0.137</b>	<b>0.227</b>	<b>0.334</b>
<b>The Village at White Hills</b>					
Residential	-	1,080	14,256	40,176	70,848
Commercial	-	-	43	238	864
Industrial	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>1,080</b>	<b>14,299</b>	<b>40,414</b>	<b>71,712</b>
<b>Annual Average Day (MGD)</b>	<b>-</b>	<b>0.003</b>	<b>0.039</b>	<b>0.111</b>	<b>0.196</b>

Perkins Mountain Utility Company  
 Projected Effluent Sales - Detail (in 1,000 gallons)  
 By Customer Class and Meter Size

Schedule A-8a  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>All Customers</b>					
Irrigation					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	5,046	20,183	20,183	20,183	20,183
4"	-	-	-	-	-
6"	33,638	134,550	134,550	134,550	134,550
8"	-	-	-	-	-
<b>TOTAL</b>	<b>38,683</b>	<b>154,733</b>	<b>154,733</b>	<b>154,733</b>	<b>154,733</b>
<b>Golden Valley South</b>					
Irrigation					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	5,046	20,183	20,183	20,183	20,183
4"	-	-	-	-	-
6"	33,638	134,550	134,550	134,550	134,550
8"	-	-	-	-	-
<b>Total</b>	<b>38,683</b>	<b>154,733</b>	<b>154,733</b>	<b>154,733</b>	<b>154,733</b>
<b>White Hills</b>					
Irrigation					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
6"	-	-	-	-	-
8"	-	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

Perkins Mountain Utility Company  
 Projected Wastewater Treatment - Detail (in 1,000 gallons)  
 By Customer Class and Meter Size

Schedule A-8b  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>All Customers</b>					
Residential (Age Restricted)					
3/4"	972	8,554	18,662	30,586	44,712
Residential (Conventional Family)					
3/4"	1,620	15,336	45,360	91,152	145,368
1"	-	-	-	-	-
Commercial					
3/4"	-	86	302	648	1,080
1"	-	-	130	454	907
1-1/2"	-	-	-	-	518
2"	-	-	-	432	864
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>TOTAL</b>	<b>2,592</b>	<b>23,976</b>	<b>64,454</b>	<b>123,271</b>	<b>193,450</b>
<b>Annual Average Day (MGD)</b>	<b>0.007</b>	<b>0.066</b>	<b>0.177</b>	<b>0.338</b>	<b>0.530</b>

Perkins Mountain Utility Company  
 Projected Wastewater Treatment - Detail (in 1,000 gallons)  
 By Customer Class and Meter Size

Schedule A-8b  
 Page 2

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Golden Valley South</b>					
Residential (Age Restricted)					
3/4"	972	8,554	18,662	30,586	44,712
Residential (Conventional Family)					
3/4"	1,620	14,256	31,104	50,976	74,520
1"	-	-	-	-	-
Commercial					
3/4"	-	86	259	475	734
1"	-	-	130	389	648
1-1/2"	-	-	-	-	259
2"	-	-	-	432	864
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Total.</b>	<b>2,592</b>	<b>22,896</b>	<b>50,155</b>	<b>82,858</b>	<b>121,738</b>
<b>Annual Average Day (MGD)</b>	<b>0.007</b>	<b>0.063</b>	<b>0.137</b>	<b>0.227</b>	<b>0.334</b>

Perkins Mountain Utility Company  
 Projected Wastewater Treatment - Detail (in 1,000 gallons)  
 By Customer Class and Meter Size

Schedule A-8b  
 Page 3

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>The Village at White Hills</b>					
Residential (Age Restricted)					
3/4"	-	-	-	-	-
Residential (Conventional Family)					
3/4"	-	1,080	14,256	40,176	70,848
1"	-	-	-	-	-
Commercial					
3/4"	-	-	43	173	346
1"	-	-	-	65	259
1-1/2"	-	-	-	-	259
2"	-	-	-	-	-
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Total</b>	-	1,080	14,299	40,414	71,712
<b>Annual Average Day (MGD)</b>	-	0.003	0.039	0.111	0.196



Perkins Mountain Utility Company  
Facilities Planning Worksheet

Schedule A-8d  
Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Golden Valley</b>					
Treatment (MGD)					
Avg Day	0.007	0.063	0.137	0.227	0.334
Avg Day Peak Month	0.009	0.075	0.165	0.272	0.400
Peak Hour	0.021	0.188	0.412	0.681	1.001
Treatment Planned	0.200	0.200	0.200	0.500	0.500
Effluent (1,000 gal)					
Production	2,592	22,896	50,155	82,858	121,738
Demand	38,683	154,733	154,733	154,733	154,733
Recharge/Disposal Supplemental Required	- 36,091	- 131,837	- 104,577	- 71,875	- 32,995
<b>White Hills</b>					
Treatment (MGD)					
Avg Day	-	0.003	0.039	0.111	0.196
Avg Day Peak Month	-	0.004	0.047	0.133	0.236
Peak Hour	-	0.009	0.118	0.332	0.589
Treatment Planned	-	0.100	0.100	0.300	0.300
Effluent (1,000 gal)					
Production	-	1,080	14,299	40,414	71,712
Demand	-	-	-	-	-
Recharge/Disposal Supplemental Required	- -	1,080 -	14,299 -	40,414 -	71,712 -

Perkins Mountain Utility Company  
 Projected Revenue  
 By Customer Class and Meter Size

Schedule A-9  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Wastewater Treatment</b>					
Residential (Age Restricted)					
3/4"	\$ 11,700	\$ 102,960	\$ 224,640	\$ 368,160	\$ 538,200
Residential (Conventional Family)					
3/4"	11,700	110,760	327,600	658,320	1,049,880
1"	-	-	-	-	-
Commercial					
3/4"	-	624	2,184	4,680	7,800
1"	-	-	720	2,520	5,040
1-1/2"	-	-	-	-	4,152
2"	-	-	-	3,312	6,624
Industrial					
1-1/2"	-	-	-	-	-
2"	-	-	-	-	-
3"	-	-	-	-	-
4"	-	-	-	-	-
<b>Total Wastewater Treatment</b>	<b>\$ 23,400</b>	<b>\$ 214,344</b>	<b>\$ 555,144</b>	<b>\$ 1,036,992</b>	<b>\$ 1,611,696</b>
<b>Effluent/Non-Potable Sales</b>					
Irrigation					
1-1/2"	\$ -	\$ -	\$ -	\$ -	\$ -
2"	-	-	-	-	-
3"	3,078	12,311	12,311	12,311	12,311
4"	-	-	-	-	-
6"	20,519	82,076	82,076	82,076	82,076
8"	-	-	-	-	-
<b>Total Effluent Sales</b>	<b>\$ 23,597</b>	<b>\$ 94,387</b>	<b>\$ 94,387</b>	<b>\$ 94,387</b>	<b>\$ 94,387</b>
<b>Total Treatment and Effluent Sales</b>	<b>\$ 46,997</b>	<b>\$ 308,731</b>	<b>\$ 649,531</b>	<b>\$ 1,131,379</b>	<b>\$ 1,706,083</b>
<b>Establishment Fees</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL Annual Revenue</b>	<b>\$ 46,997</b>	<b>\$ 308,731</b>	<b>\$ 649,531</b>	<b>\$ 1,131,379</b>	<b>\$ 1,706,083</b>

Perkins Mountain Utility Company  
Projected Expenses

Schedule A-10  
Page 1

Expense Category		Year 1	Year 2	Year 3	Year 4	Year 5
<b>Operation and Maintenance</b>						
Salaries and Wages		\$ 25,000	\$ 52,000	\$ 54,080	\$ 84,365	\$ 116,986
Employee Pensions and Benefits	24% of payroll	6,000	12,480	12,979	20,248	28,077
Purchased Wastewater Treatment		-	-	-	-	-
Sludge Removal Expense	\$ 0.04 per 1,000 gal	104	959	2,578	4,931	7,738
Purchased Power Treatment	\$ 1.15 per 1,000 gal	2,981	27,572	74,123	141,762	222,467
Purchased Power Effluent	\$ 0.22 per 1,000 gal	8,675	34,701	34,701	34,701	34,701
Fuel for Power Production	(a)	250	258	265	273	281
Chemicals	\$ 0.20 per 1,000 gal	518	4,795	12,891	24,654	38,690
Materials and Supplies		1,000	4,000	4,500	5,000	5,500
<b>Contract Services</b>						
Engineering	(a)	500	2,060	2,122	2,185	2,251
Accounting	(a)	1,250	5,150	5,305	5,464	5,628
Legal	(a)	1,250	5,150	5,305	5,464	5,628
Management	(a)	2,500	10,300	10,609	10,927	11,255
Testing	(a)	1,000	4,120	4,244	4,371	4,502
Administrative	(a)	7,500	30,900	31,827	32,782	33,765
Billing	\$ 1.00 per customer	456	4,146	10,698	19,908	30,846
Rental of Building/Property	(a)	750	3,090	3,183	3,278	3,377
Rental of Equipment	(a)	250	1,030	1,061	1,093	1,126
Transportation Expense	(a)	1,250	5,150	5,305	5,464	5,628
<b>Insurance</b>						
Vehicles	(a)	250	1,030	1,061	2,185	2,251
General Liability	(a)	375	1,545	1,591	1,639	1,688
Workman's Comp	(a)	375	1,545	1,591	1,639	1,688
Other		-	-	-	-	-
Advertising Expense		-	-	-	-	-
Rate Case Amortization		-	-	-	-	-
Regulatory Commission		-	-	-	-	-
Bad Debt	0.5% of revenue	235	1,544	3,248	5,657	8,530
Miscellaneous	(a)	750	3,090	3,183	3,278	3,377
<b>Subtotal Operation and Maintenance</b>		<b>\$ 63,219</b>	<b>\$ 216,615</b>	<b>\$ 286,448</b>	<b>\$ 421,268</b>	<b>\$ 575,979</b>
Depreciation (net of amortization of CIAC)		\$ 108,172	\$ 247,026	\$ 272,199	\$ 420,473	\$ 529,896
<b>Taxes other than Income</b>						
Property Taxes		3,723	9,571	20,308	34,731	56,628
Payroll Taxes	10% of payroll	2,500	5,200	5,408	8,436	11,699
Other Taxes and Licenses		-	-	-	-	-
Income Taxes		50	50	14,698	89,850	205,300
<b>Total Operating Expenses</b>		<b>\$ 177,665</b>	<b>\$ 478,462</b>	<b>\$ 599,060</b>	<b>\$ 974,758</b>	<b>\$ 1,379,501</b>
(a) Inflation at	3.0%					
<b>Cost of Power Assumptions (Effluent)</b>						
Average Pumping Head	400 feet					
Pump/Motor efficiency	56%					
Cost per KWh	\$ 0.10					
<b>Income Tax Calculation</b>						
Revenue		\$ 46,997	\$ 308,731	\$ 649,531	\$ 1,131,379	\$ 1,706,083
Operating Expenses		177,615	478,412	584,363	884,908	1,174,201
Interest Expense		-	-	-	-	-
Taxable Income		\$ (130,618)	\$ (169,681)	\$ 65,168	\$ 246,471	\$ 531,882
State Tax	6.968%	50	50	4,541	17,174	37,062
Federal Taxable Income		\$ (130,668)	\$ (169,731)	\$ 60,627	\$ 229,297	\$ 494,820
Federal Tax		-	-	10,157	72,676	168,239
Total Income Tax		\$ 50	\$ 50	\$ 14,698	\$ 89,850	\$ 205,300
Combined Tax Rate		-0.04%	-0.03%	22.55%	36.45%	38.60%

Perkins Mountain Utility Company  
 Plant Additions - Summary  
 By NARUC Plant Account

Schedule A-11  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
351 Organization	\$ -	\$ -	\$ -	\$ -	\$ -
352 Franchises	-	-	-	-	-
353 Land and Land Rights	-	225,000	-	300,000	-
354 Structures and Improvements	-	-	-	250,000	-
355 Power Generation Equipment	50,000	50,000	-	100,000	100,000
360 Collection Sewers - Force Mains	-	-	-	-	-
361 Collection Sewers - Gravity Mains	1,228,225	1,796,700	1,448,225	1,585,025	1,656,275
362 Special Collecting Structures	-	-	-	-	-
363 Services to Customers	69,100	109,200	153,500	182,300	197,300
364 Flow Measuring Devices	-	-	-	-	-
365 Flow Measuring Installations	-	-	-	-	-
366 Reuse Services	2,000	-	-	-	-
367 Reuse Meters and Meter Installations	4,000	-	-	-	-
370 Receiving Wells	-	-	-	-	-
371 Pumping Equipment	650,000	-	-	400,000	-
374 Reuse Distribution Reservoirs	-	-	-	-	-
375 Reuse Transmission and Distribution Sys.	550,000	256,000	-	128,250	128,250
380 Treatment and Disposal Equipment	1,950,000	950,000	-	4,125,000	-
381 Plant Sewers	-	-	-	25,000	25,000
382 Outfall Sewer Lines	-	-	-	250,000	-
389 Other Plant and Miscellaneous Equipment	-	-	-	-	-
390 Office Furniture and Equipment	5,000	-	-	-	-
390.1 Computers and Software	2,500	-	-	2,500	-
391 Transportation Equipment	22,000	-	-	22,000	-
392 Stores Equipment	-	-	-	-	-
393 Tools, Shop and Garage Equipment	10,000	2,500	2,500	2,500	2,500
394 Laboratory Equipment	5,000	-	-	-	-
395 Power Operated Equipment	-	-	-	-	-
396 Communications Equipment	500	-	-	500	-
397 Miscellaneous Equipment	-	-	-	-	-
398 Other Tangible Plant	-	-	-	-	-
Totals	\$ 4,548,325	\$ 3,389,400	\$ 1,604,225	\$ 7,373,075	\$ 2,109,325

**Projected CWIP**

CWIP Balance	\$ 677,880	\$ 320,845	\$ 1,474,615	\$ 421,865	\$ 400,000
Change in CWIP Balance	\$ 677,880	\$ (357,035)	\$ 1,153,770	\$ (1,052,750)	\$ (21,865)

Perkins Mountain Utility Company  
 Plant Additions - Detail  
 By NARUC Plant Account

Schedule A-11a  
 Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
351 Organization	\$ -	\$ -	\$ -	\$ -	\$ -
352 Franchises					
353 Land and Land Rights					
Golden Valley				300,000	
White Hills		225,000			
354 Structures and Improvements					
Golden Valley				250,000	
White Hills					
355 Power Generation Equipment					
Golden Valley	50,000			100,000	
White Hills		50,000			100,000
360 Collection Sewers - Force Mains					
Golden Valley					
White Hills					
361 Collection Sewers - Gravity Mains					
Backbone - Golden Valley	900,000	450,000	450,000	450,000	450,000
Backbone - White Hills		828,000	269,100	269,100	269,100
Subdivisions	328,225	518,700	729,125	865,925	937,175
362 Special Collecting Structures					
363 Services to Customers	69,100	109,200	153,500	182,300	197,300
364 Flow Measuring Devices					
365 Flow Measuring Installations					
366 Reuse Services					
Golden Valley	2,000	-	-	-	-
White Hills	-	-	-	-	-
367 Reuse Meters and Meter Installations					
Golden Valley	4,000	-	-	-	-
White Hills	-	-	-	-	-
370 Receiving Wells					
Golden Valley					
White Hills					
371 Pumping Equipment					
Golden Valley	650,000			400,000	
White Hills					
374 Reuse Distribution Reservoirs					
Golden Valley					
White Hills					
375 Reuse Transmission and Distribution Sys.					
Golden Valley	550,000			128,250	128,250
White Hills		256,000			
380 Treatment and Disposal Equipment					
Golden Valley	1,950,000			3,625,000	
White Hills		950,000		500,000	
381 Plant Sewers					
Golden Valley				25,000	
White Hills					25,000
382 Outfall Sewer Lines					
Golden Valley				250,000	
White Hills					

Perkins Mountain Utility Company  
 Plant Additions - Detail  
 By NARUC Plant Account

Schedule A-11a  
 Page 2

	Year 1	Year 2	Year 3	Year 4	Year 5
389 Other Plant and Miscellaneous Equipment					
390 Office Furniture and Equipment	5,000				
390.1 Computers and Software	2,500			2,500	
391 Transportation Equipment	22,000			22,000	
392 Stores Equipment					
393 Tools, Shop and Garage Equipment	10,000	2,500	2,500	2,500	2,500
394 Laboratory Equipment	5,000				
395 Power Operated Equipment					
396 Communications Equipment	500			500	
397 Miscellaneous Equipment					
398 Other Tangible Plant					
<b>Total</b>	<b>\$ 4,548,325</b>	<b>\$ 3,389,400</b>	<b>\$ 1,604,225</b>	<b>\$ 7,373,075</b>	<b>\$ 2,109,325</b>

Perkins Mountain Utility Company  
Projected Cash Flow

Schedule A-12  
Page 1

	Year 1	Year 2	Year 3	Year 4	Year 5
<b>Cash From Operations</b>					
Beginning Cash Balance	\$ 50,000	\$ 80,933	\$ 56,581	\$ 247,043	\$ 84,091
Net Income (Loss)	(129,359)	(168,356)	53,507	159,933	349,754
Non-Cash Expense					
Depreciation Expense	108,172	247,026	272,199	420,473	529,896
<b>Total Cash From Operations</b>	<b>\$ (21,187)</b>	<b>\$ 78,670</b>	<b>\$ 325,706</b>	<b>\$ 580,405</b>	<b>\$ 879,650</b>
<b>Cash from Financing Activities</b>					
Long-Term Debt Issuance	\$ -	\$ -	\$ -	\$ -	\$ -
Short-Term Debt Issuance	-	-	-	-	-
Paid In Capital	3,200,000	200,000	-	2,500,000	-
Advances In Aid Of Construction	1,853,325	2,161,900	1,601,725	1,895,575	1,981,825
Contributions In Aid Of Construction	225,000	580,500	1,059,500	1,261,000	1,507,500
Security Deposits	-	-	-	-	-
<b>Total Cash From Financing Activities</b>	<b>\$ 5,278,325</b>	<b>\$ 2,942,400</b>	<b>\$ 2,661,225</b>	<b>\$ 5,656,575</b>	<b>\$ 3,489,325</b>
<b>Cash Disbursements</b>					
Long-Term Debt Repayment	\$ -	\$ -	\$ -	\$ -	\$ -
Short-Term Debt Repayment	-	-	-	-	-
Dividends	-	-	-	-	-
Refund of Advances In Aid of Const.	-	13,057	38,474	79,607	132,434
Capital Expenditures	5,226,205	3,032,365	2,757,995	6,320,325	2,087,460
<b>Total Cash Disbursed</b>	<b>\$ 5,226,205</b>	<b>\$ 3,045,422</b>	<b>\$ 2,796,469</b>	<b>\$ 6,399,932</b>	<b>\$ 2,219,894</b>
<b>Ending Cash Balance</b>	<b>\$ 80,933</b>	<b>\$ 56,581</b>	<b>\$ 247,043</b>	<b>\$ 84,091</b>	<b>\$ 2,233,172</b>
<b>Interest Calculations</b>					
Interest Earned (a)	2.0%	1,309	1,375	3,036	3,311
Interest Expense					23,173

(a) Calculated on Average Cash Balance

# Exhibit

F



**DEAN HELLER**  
 Secretary of State  
 209 North Carson Street  
 Carson City, Nevada 89701-4239  
 (775) 684-5705  
 Website: secretaryofstate.biz

Entity #  
**E0316302005-6**  
 Document Number  
**20050188277-10**

Date Filed:  
 5/20/2005 4:18:22 PM  
 In the office of

*Dean Heller*

Dean Heller  
 Secretary of State

**Articles of Incorporation**  
 (PURSUANT TO NRS 78)

Important: Read attached instructions before completing form.

ABOVE SPACE IS FOR OFFICE USE ONLY

<b>1. Name of Corporation</b>	PERKINS MOUNTAIN UTILITY COMPANY		
<b>2. Resident Agent Name and Street Address:</b> <small>(For Mailing Address, See Instructions on Back)</small>	Keith Mosley Name 4730 S Fort Apache Road, Suite 300 Street Address Las Vegas NEVADA 89147 City State Zip Code Optional Mailing Address City State Zip Code		
<b>3. Shares:</b> <small>(Number of shares, par value, and authorized)</small>	Number of shares with par value: 100,000	Par Value: \$ .001	Number of shares without par value: 0
<b>4. Names &amp; Addresses of Initial Directors/Officers:</b> <small>(List all persons to be named in the articles)</small>	1. Frederick Chin Name 4730 S Fort Apache Road, Suite 300 Street Address Las Vegas NV 89147 City State Zip Code 2. Keith Mosley Name 4730 S Fort Apache Road, Suite 300 Street Address Las Vegas NV 89147 City State Zip Code 3. Kirk Brynjulson Name 4730 S Fort Apache Road, Suite 300 Street Address Las Vegas NV 89147 City State Zip Code		
<b>5. Purpose:</b> <small>(Section 78.010)</small>	The purpose of this Corporation shall be:		
<b>6. Name, Address and Signature of Incorporator:</b> <small>(See instructions on back for details)</small>	Keith Mosley Name 4730 S Fort Apache Road, Suite 300 Address Las Vegas NV 89147 City State Zip Code	Signature Date 5/20/05	
<b>7. Confirmation of Incorporator:</b> <small>(Required if incorporation is by mail)</small>	I hereby accept appointment as Director for the above named Corporation. Authorized Signature of R. A. or On Behalf of R. A. Company Date 5/20/05		

This form must be accompanied by appropriate fees. See attached fee schedule

Form 2005-0188277-10

ADDITIONAL INFORMATION TO  
ARTICLES OF INCORPORATION OF  
PERKINS MOUNTAIN UTILITY COMPANY

8. Limitation of Director and Officer Liability

No Director or Officer of the Corporation shall be personally liable to the Corporation or its stockholders for damages for breach of their fiduciary duty as a Director or Officer; provided, however, that this Article shall not eliminate or limit the liability of a Director or Officer for (i) acts or omissions which involve intentional misconduct, fraud or a knowing violation of law; and/or (ii) authorizing the unlawful payment of distributions in violation of Nevada Revised Statutes 78.300.

9. Indemnification

Any person made a party to any action, suit or proceeding by reason of the fact that he, his testator or intestate, is or was a Director, Officer or employee of the Corporation or of any corporation for which he served as such at the request of the Corporation, shall be indemnified by the Corporation against all expenses and other amounts for which indemnification may be made pursuant to law. The indemnification provided for herein shall be made at the times, in the manner, and to the fullest extent provided by law.

**DEAN HELLER**  
*Secretary of State*

**RENEE L. PARKER**  
*Chief Deputy  
Secretary of State*

**PAMELA RUCKEL**  
*Deputy Secretary  
for Southern Nevada*

**STATE OF NEVADA**



**OFFICE OF THE  
SECRETARY OF STATE**

**CHARLES E. MOORE**  
*Securities Administrator*

**SCOTT W. ANDERSON**  
*Deputy Secretary  
for Commercial Recordings*

**ELLYCKHSU**  
*Deputy Secretary  
for Elections*

**Certified Copy**

May 23, 2005

**Job Number:** C20050520-1791  
**Reference Number:** 00000200074-23  
**Expedite:**  
**Through Date:**

The undersigned filing officer hereby certifies that the attached copies are true and exact copies of all requested statements and related subsequent documentation filed with the Secretary of State's Office, Commercial Recordings Division listed on the attached report.

<b>Document Number(s)</b>	<b>Description</b>	<b>Number of Pages</b>
20050188277-10	Articles of Incorporation	2 Pages/1 Copies



Respectfully,

Handwritten signature of Dean Heller.

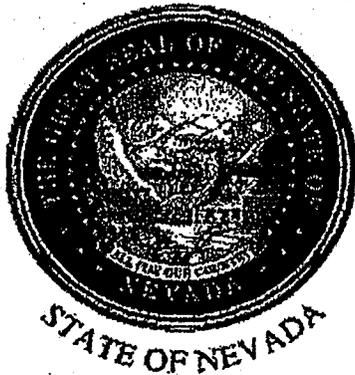
**DEAN HELLER**  
*Secretary of State*

By

Handwritten signature of the Certification Clerk.  
**Certification Clerk**

**Commercial Recording Division**  
202 N. Carson Street  
Carson City, Nevada 89701-4069  
Telephone (775) 684-5708  
Fax (775) 684-7138

SECRETARY OF STATE



**CERTIFICATE OF EXISTENCE  
WITH STATUS IN GOOD STANDING**

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that I am, by the laws of said State, the custodian of the records relating to filings by corporations, non-profit corporations, corporation soles, limited-liability companies, limited partnerships, limited-liability partnerships and business trusts pursuant to Title 7 of the Nevada Revised Statutes which are either presently in a status of good standing or were in good standing for a time period subsequent of 1976 and am the proper officer to execute this certificate.

I further certify that the records of the Nevada Secretary of State, at the date of this certificate, evidence, **PERKINS MOUNTAIN UTILITY COMPANY**, as a corporation duly organized under the laws of Nevada and existing under and by virtue of the laws of the State of Nevada since May 20, 2005, and is in good standing in this state.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on May 24, 2005.



*Dean Heller*

DEAN HELLER  
Secretary of State

By

*Stacey Roto*  
Certification Clerk

# SECRETARY OF STATE



## CORPORATE CHARTER

I, DEAN HELLER, the duly elected and qualified Nevada Secretary of State, do hereby certify that PERKINS MOUNTAIN UTILITY COMPANY, did on May 20, 2005, file in this office the original Articles of Incorporation; that said Articles of Incorporation are now on file and of record in the office of the Secretary of State of the State of Nevada, and further, that said Articles contain all the provisions required by the law of said State of Nevada.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the Great Seal of State, at my office on May 23, 2005.



Handwritten signature of Dean Heller in cursive.

DEAN HELLER  
Secretary of State

By

Handwritten signature of the Certification Clerk in cursive.  
Certification Clerk

# Exhibit

# G

**BYLAWS**  
**OF**  
**PERKINS MOUNTAIN UTILITY COMPANY**  
**a Nevada Corporation**

**ARTICLE I**  
**OFFICES**

Section 1. **Registered Office.** The registered office shall be maintained at such place as the Board of Directors shall determine from time to time.

Section 2. **Other Offices.** The corporation may also have offices at such other places both within and without the State of Nevada as the Board of Directors may from time to time determine or the business of the corporation may require.

**ARTICLE II**  
**STOCKHOLDERS**

Section 1. **Meetings.** All meetings of stockholders, for any purpose, may be held at such time and place, within or without the State of Nevada, as shall be stated in the notice of meeting or in a duly executed waiver of notice thereof.

Section 2. **Annual Meeting.** The annual meeting of stockholders shall be held on the day and at the time set by the Board of Directors, if not a legal holiday, and if a legal holiday, then on the next regular business day following, at the hour set forth in the notice thereof. At such annual meeting, the stockholders shall elect, by a plurality vote, a Board of Directors and transact such other business as may properly be brought before the meeting. Notwithstanding the foregoing, in the event that the Directors are elected by written consent of the stockholders in accordance with Article II, Section 11 of these Bylaws and Nevada Revised Statutes ("NRS") Section 78.320, an annual meeting of stockholders shall not be required to be called or held for such year, but the directors may call and notice an annual meeting for any other purpose or purposes.

Section 3. **Notice of Annual Meeting.** Written notice of the annual meeting shall be given to each stockholder entitled to vote thereat at least ten (10) days but not more than sixty (60) days before the date of the meeting. The notice must state the purpose or purposes for which the meeting is called and the time when, and the place where, the meeting is to be held.

Section 4. **List of Stockholders.** The officer who has charge of the stock ledger of the corporation shall prepare and make a complete list of the stockholders entitled to vote for the election of directors, arranged in alphabetical order, showing the address of and the number of shares registered in the name of each stockholder, and the list shall be produced and kept at the time and place of election during the whole time thereof and be subject to the inspection of any stockholder who may be present.

Section 5. **Special Meetings.** Special meetings of the stockholders, for any purpose or purposes, unless otherwise prescribed by statute or by the Articles of Incorporation, may be called by the President and shall be called by the President or Secretary at the request, in writing, of a majority of the Board of Directors, or at the request, in writing, of stockholders entitled to exercise a majority of the voting power of the

corporation. Such request shall state the purpose or purposes of the proposed meeting.

Section 6. Notice of Special Meetings. Written notice of a special meeting of stockholders stating the purpose or purposes for which the meeting is called, time when, and place where, the meeting will be held, shall be given to each stockholder entitled to vote thereat, at least ten (10) days but not more than sixty (60) days before the date fixed for the meeting.

Section 7. Limitation on Business. Business transacted at any special meeting of stockholders shall be limited to the purposes stated in the notice.

Section 8. Quorum. Stockholders of the corporation holding at least a majority of the voting power of the corporation, present in person or represented by proxy, regardless of whether the proxy has authority to vote on all matters, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the Articles of Incorporation. If, however, a quorum shall not be present or represented at any meeting of the stockholders, the stockholders entitled to vote thereat, present in person or represented by proxy, shall have the power to adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present or represented. At any adjourned meeting at which a quorum shall be present or represented, any business may be transacted which might have been transacted at the meeting as originally noticed.

Section 9. Voting Required for Action. When a quorum is present at any meeting, the stockholders holding a majority of the voting power of the corporation present in person or represented by proxy at such meeting shall decide any question brought before such meeting, unless the question is one upon which by express provision of the statutes or of the Articles of Incorporation, the Bylaws of the corporation, or an express agreement in writing, a different vote is required, in which case such express provision shall govern and control the decision of such question.. Voting for directors shall be in accordance with Article II, Section 2, of these Bylaws.

Section 10. Proxies. Except as otherwise provided in the Articles of Incorporation or in a Certificate of Designation or similar document filed with the Secretary of State of Nevada in accordance with NRS Section 78.1955, each stockholder shall, at every meeting of the stockholders be entitled to one (1) vote in person or by proxy for each share of stock having voting power held by such stockholder, but no proxy shall be valid after the expiration of six (6) months from the date of its execution unless (a) coupled with an interest, or (b) the person executing it specifies therein the length of time for which it is to be continued in force, which in no case shall exceed seven (7) years from the date of its execution.

Section 11. Action by Consent. Any action required or permitted to be taken at a meeting of the stockholders may be taken without a meeting if, before or after the action, a written consent thereto is signed by stockholders holding at least a majority of the voting power, except that if any greater proportion of voting power is required for such action at a meeting, then such greater proportion of written consents shall be required. In no instance where action is authorized by written consent, need a meeting of stockholders be called or noticed.

Section 12. Telephonic Meetings. Stockholders may participate in a meeting of stockholders by means of a telephone conference or similar method of communication by which all persons participating in the meeting can hear one another. Participation in such meeting shall constitute presence in person at the meeting.

Section 13. Closing of Transfer Books/Record Date. The Board of Directors may close the stock transfer books of the corporation for a period not exceeding sixty (60) days preceding the date of any meeting

of stockholders or the date for payment of any dividend or the date when any change or conversion or exchange of capital stock shall go into effect or for a period not exceeding sixty (60) days in connection with obtaining the consent of stockholders for any purpose. In lieu of closing the stock transfer books, the Board of Directors may fix in advance a record date, not more than sixty (60) days or less than ten (10) days before the date of any meeting of stockholders, or the date for the payment of any dividend, or the date for the allotment of rights, or the date when any change or conversion or exchange of capital stock shall go into effect, or a date in connection with obtaining such consent, as a record date for the determination of the stockholders entitled to notice of, and to vote at, any such meeting, and any adjournment thereof, or entitled to receive payment of any such dividend, or to any such allotment of rights, or to exercise the rights in respect of any such change, conversion or exchange of capital stock, or to give such consent, and in such case such stockholders and only such stockholders as shall be stockholders of record on the date so fixed shall be entitled to such notice of, and to vote at, such meeting and any adjournment thereof, or to receive payment of such dividend, or to receive such allotment of rights or to exercise such rights, or to give such consent, as the case may be, notwithstanding any transfer of any stock on the books of the corporation after any such record date fixed as aforesaid.

Section 14. Registered Stockholders. The corporation shall be entitled to recognize the exclusive right of a person registered on its books as the owner of shares to receive dividends and to vote as such owner, and the corporation shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of any other person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Nevada.

### ARTICLE III DIRECTORS

Section 1. Number. The number of Directors which shall constitute the whole Board shall be fixed by the stockholders of the corporation at any regular or special meeting of the stockholders in accordance with the Articles of Incorporation, provided, however that the number of Directors shall be at least one (1) and no more than five (5). The Directors shall either be elected by written consent in accordance with Article II, Section 11 of these Bylaws and NRS Section 78.320 or at the annual meeting of the stockholders, except as provided in Sections 2 and 3 of this Article, and each Director elected shall hold office until his successor is elected and qualified. Directors need not be stockholders. If, for any reason, Directors are not elected pursuant to NRS Section 78.320 or at the annual meeting of the stockholders, they may be elected at a special meeting of the stockholders called and held for that purpose.

Section 2. Vacancies. Vacancies and newly created directorships resulting from any increase in the authorized number of Directors may be filled by a majority of the Directors then in office, though less than a quorum, and the Directors so chosen shall hold office until their successors are duly elected and shall qualify, unless sooner displaced.

Section 3. Removal by Stockholders. Any Director or one or more of the incumbent Directors of the corporation may be removed from office by a vote of stockholders representing not less than two-thirds of the voting power of the issued and outstanding stock entitled to voting power, in which event the vacancy or vacancies so created shall be filled by a majority of the remaining Directors, though less than a quorum, as provided in Section 2 of this Article.

Section 4. Management of Business. The business of the corporation shall be managed by its Board of Directors which may exercise all such powers of the corporation and do all such lawful acts and things as are not by statute or by the Articles of Incorporation or by these Bylaws directed or required to be exercised or done by the stockholders.

Section 5. Meetings. The Board of Directors of the corporation may hold meetings, both regular and special, either within or without the State of Nevada.

Section 6. Annual Meeting. The first meeting of each newly elected Board of Directors shall be held immediately following, and at the time and place as, the annual meeting of stockholders or, if not so held, at such time and place as shall be fixed by the vote of the stockholders at the annual meeting. In the event that the first meeting of directors is not held following the annual meeting of stockholders and the stockholders fail to fix the time or place of such first meeting of the newly elected Board of Directors, or in the event such meeting is not held at the time and place so fixed by the stockholders, the meeting may be held at such time and place as shall be specified in a notice given as hereinafter provided for special meetings of the Board of Directors or as shall be specified in a written waiver signed by all of the Directors.

Section 7. Regular Meetings. Regular meetings of the Board of Directors may be held without notice at such time and at such place as from time to time shall be determined by the Board.

Section 8. Special Meetings. Special meetings of the Board may be called by the President on two (2) days' written notice to each Director. Special meetings shall be called by the President or Secretary in like manner and on like notice on the written request of a majority of the Directors.

Section 9. Quorum and Voting. A majority of the Directors then in office, at a meeting duly assembled, shall constitute a quorum for the transaction of business, and the act of the Directors holding a majority of the voting power of the Directors, present at any meeting at which there is a quorum, shall be the act of the Board of Directors except as may be otherwise specifically provided by statute or by the Articles of Incorporation. If a quorum shall not be present at any meeting of the Board of Directors, the Directors present may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum shall be present.

Section 10. Meetings by Consent. Unless otherwise restricted by the Articles of Incorporation or these Bylaws, any action required or permitted to be taken at any meeting of the Board of Directors or of any committee thereof may be taken without a meeting if, before or after the action, a written consent thereto is signed by all members of the Board or of such committee, as the case may be.

Section 11. Telephonic Meetings. Members of the Board of Directors or any committee designated by the Board of Directors may participate in a meeting of the Board of Directors or committee by means of a telephone conference system or similar method of communication by which all persons participating in the meeting can hear one another. Participation in such meeting constitutes presence in person at such meeting.

Section 12. Committees. The Board of Directors, by resolution or as set forth in these Bylaws, may designate one (1) or more committees, which, to the extent provided in such resolution or in these Bylaws, shall have and may exercise the powers of the Board of Directors in the management of the business and affairs of the corporation. Each committee must include at least one Director. The Board of Directors may appoint natural persons who are not Directors to serve on any committee. Each committee must have the name or names as may be designated in these Bylaws or as may be determined from time to time by resolution adopted by the Board of Directors. Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors as and when required.

Section 13. Compensation. The Directors may be paid their expenses, if any, of attendance at

each meeting of the Board of Directors and may be paid a fixed sum for attendance at each meeting of the Board of Directors, as the Board of Directors may determine from time to time by resolution. No such payment shall preclude any Director from serving the corporation in any other capacity and receiving compensation therefor. Members of special or standing committees may be allowed like compensation for attending committee meetings.

#### ARTICLE IV NOTICES

Section 1. General. Notices to Directors and stockholders shall be in writing and delivered personally or mailed to the Directors or stockholders at their addresses appearing on the books of the corporation. Notice by mail shall be deemed to be given at the time when the same shall be mailed. Notice to Directors may also be given by telegram or by other media, including electronic mail, if the sending of notice by such other media may be verified or confirmed.

Section 2. Waiver of Notice. Whenever any notice is required to be given under the provisions of the statutes or of the Articles of Incorporation or of these Bylaws, a waiver thereof in writing, signed by the person or persons entitled to said notice, whether before or after the time stated therein, shall be deemed equivalent thereto.

#### ARTICLE V OFFICERS

Section 1. General. The officers of the corporation shall be chosen by the Board of Directors and shall be a President, a Secretary and a Treasurer. The Board of Directors may also choose a Chairman of the Board, Chief Executive Officer, Chief Operating Officer, Chief Financial Officer, Vice Presidents (including Executive or Assistant Vice Presidents) and one (1) or more Assistant Secretaries and Assistant Treasurers. Two (2) or more offices may be held by the same person.

Section 2. Appointment. The Board of Directors shall appoint the officers of the corporation who shall hold office at the pleasure of the Board of Directors. No officer need be a member of the Board of Directors.

Section 3. Other Officers. The Board of Directors may appoint other officers and agents as it shall deem necessary who shall hold their positions for such terms and exercise such powers and perform such duties as shall be determined from time to time by the Board. Any such officer or agent may be removed at any time, with or without cause, by the Board of Directors unless otherwise agreed in writing.

Section 4. Compensation. The salaries and other compensation of all officers of the corporation shall be fixed by the Board of Directors unless otherwise agreed in writing.

Section 5. Duties of President. The President shall be the chief executive officer of the corporation and shall have general and active management of the business of the corporation and shall see that all orders and resolutions of the Board of Directors are carried into effect. He shall vote or execute, in the name of the corporation, proxies for any securities pursuant to which the corporation has voting rights, unless some other person is designated by the Board of Directors to execute such proxies.

Section 6. Duties of Vice President. The Vice President, if any, or if there shall be more than one (1), the Vice Presidents, in the order or seniority determined by the Board of Directors, shall, in the

absence or disability of the President, perform the duties and exercise the powers of the President and shall perform such other duties and have such other powers as the Board of Directors may prescribe from time to time.

Section 7. Duties of Secretary. The Secretary shall attend all meetings of the Board of Directors and all meetings of the stockholders and record all the proceedings of the meetings of the corporation and of the Board of Directors in a book to be kept for that purpose and shall perform like duties for the standing committees when required. He shall give or cause to be given notice of all meetings of the stockholders and special meetings of the Board of Directors and shall perform such other duties as may be prescribed by the Board of Directors or the President, under whose supervision he shall be.

Section 8. Duties of Assistant Secretaries. The Assistant Secretary, or if there be more than one (1) the Assistant Secretaries, in the order of seniority determined by the Board of Directors, shall, in the absence or disability of the Secretary, perform the duties and exercise the powers of the Secretary and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe.

Section 9. Duties of Treasurer. The Treasurer shall be the chief financial officer of the corporation and shall have the custody of the corporate funds and securities and shall keep full and accurate accounts of receipts and disbursements in books belonging to the corporation and shall deposit all moneys and other valuable effects in the name and to the credit of the corporation in such depositories as may be designated by the Board of Directors. He shall disburse the funds of the corporation as may be ordered by the Board of Directors, taking proper vouchers for such disbursements, and shall render to the President and the Board of Directors, at its regular meetings, or when the Board of Directors so requires, an account of all his transactions as Treasurer and of the financial condition of the corporation. The Treasurer is authorized to execute and file on behalf of the corporation all federal tax returns and all elections under federal tax laws. If required by the Board of Directors, he shall give the corporation a bond in such sum and with such surety or sureties as shall be satisfactory to the Board of Directors for the faithful performance of the duties of his office and for the restoration to the corporation, in case of his death, resignation, retirement or removal from office, of all books, papers, vouchers, money and other property of whatever kind in his possession or under his control, belonging to the corporation.

Section 10. Duties of Assistant Treasurers. The Assistant Treasurer, or if there shall be more than one (1) the Assistant Treasurers, in the order of seniority determined by the Board of Directors, shall, in the absence or disability of the Treasurer, perform the duties and exercise the powers of the Treasurer and shall perform such other duties and have such other powers as the Board of Directors may from time to time prescribe. The Assistant Treasurer is also authorized to execute and file on behalf of the corporation all federal tax returns and all elections under federal tax laws.

## ARTICLE VI CERTIFICATES OF STOCK

Section 1. Certificates. Every holder of stock in the corporation shall be entitled to have a certificate signed in the name of the corporation by the President and the Treasurer or the Secretary of the corporation, certifying the number of shares owned by him in the corporation. When such certificate is signed (a) by a transfer agent or an assistant transfer agent or (b) by a transfer clerk acting on behalf of the corporation and registrar, the signature of any such President, Treasurer or Secretary may be facsimile. If the corporation shall be authorized to issue more than one class of stock or more than one series of any class of stock, the voting powers, qualifications, limitations, restrictions, designations, preferences and relative rights shall be set

forth in full or summarized on the face or back of the certificate which the corporation shall issue to represent such class or series of stock; provided, however, that except as otherwise provided by applicable law, in lieu of the foregoing requirements, there may be set forth on the face or back of a certificate a statement directing the stockholder to a specified officer or agent of the corporation who will furnish such a summary or description without charge upon written request by any stockholder. In case any officer or officers who shall have signed, or whose facsimile signature or signatures shall have been used on, any such certificate or certificates shall cease to be such officer or officers of the corporation, whether because of death, resignation or otherwise, before such certificate or certificates have been delivered by the corporation, such certificate or certificates may nevertheless be adopted by the corporation and be issued and delivered as though the person or persons who signed such certificate or certificates, or whose facsimile signature or signatures have been used thereon, had not ceased to be such officer or officers of the corporation.

Section 2. Lost Certificates. The Board of Directors may direct a new certificate or certificates to be issued in place of any certificate or certificates theretofore issued by the corporation alleged to have been lost or destroyed, upon the making of an affidavit of that fact by the person claiming the certificate of stock to be lost or destroyed. When authorizing such issuance of a new certificate or certificates, the Board of Directors may, in its discretion and as a condition precedent to the issuance thereof, require the owner of such lost or destroyed certificate or certificates, or his legal representative, to advertise the same in such manner as it shall require and to give the corporation a bond in such sum as it may direct as indemnity against any claim that may be made against the corporation with respect to the certificate alleged to have been lost or destroyed.

## ARTICLE VII GENERAL PROVISIONS

Section 1. Dividends. Dividends upon the capital stock of the corporation may be declared by the Board of Directors out of funds legally available therefor at any regular or special meeting. Dividends may be paid in cash, in property, or in shares of the capital stock of the corporation.

Section 2. Reserves. Before payment of any dividend, there may be set aside out of any funds of the corporation available for dividends, such sum or sums as the Board of Directors from time to time, in its absolute discretion, thinks proper as a reserve or reserves to meet contingencies, or for equalizing dividends, or for repairing or maintaining any property of the corporation, or for such other purpose as the Directors shall think conducive to the interest of the corporation, and the Directors may modify or abolish any such reserve in the manner in which it was created.

Section 3. Checks. All checks or demands for money and notes of the corporation shall be signed by such officer or officers or such other person or persons as the Board of Directors may from time to time designate.

Section 4. Fiscal Year. The fiscal year of the corporation shall be fixed by resolution of the Board of Directors.

Section 5. Seal. The corporate seal, if there be one, shall have inscribed thereon the words, "State of Nevada".

Section 6. Captions. Captions used in these Bylaws are for convenience only and are not a part of these Bylaws and shall not be deemed to limit or alter any provisions hereof and shall not be deemed relevant in construing these Bylaws.

Section 7. Interpretations. To the extent permitted by the context in which used, words in the singular number shall include the plural, words in the masculine gender shall include the feminine and neuter, and vice versa.

ARTICLE VIII  
AMENDMENTS

Section 1. Amendments. These Bylaws may be amended or repealed at any regular meeting of the stockholders or of the Board of Directors, or at any special meeting of the stockholders or of the Board of Directors, if notice of such alteration or repeal be contained in the notice of such special meeting.

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**CERTIFICATION OF ADOPTION**

I certify that the foregoing Bylaws have been adopted as the Bylaws of Perkins Mountain Utility Company by its Board of Directors by written consent, in lieu of first meeting, and that these Bylaws, as of the date of this Certificate, have not been repealed, altered, amended, restated, or superseded, and remain in full force and effect.

Dated: May 24, 2005.



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Paul Huygens, Secretary

# Exhibit

# H

Exhibit H

See, Engineering Report for Golden Valley South, attached  
to Perkins Mountain Water Company's CC&N  
Application, Docket No. \_\_\_\_\_

# Exhibit

I

Exhibit I

See, Engineering Report for The Village at White Hills, attached  
to Perkins Mountain Water Company's CC&N  
Application, Docket No. \_\_\_\_\_

# Exhibit

J

**Sedora Holdings, LLC**  
**4730 S. Ft. Apache Rd. #300**  
**Las Vegas, NV 89147**

June 23, 2005

Mr. Kirk Brynjulson  
Perkins Mountain Water Company  
Perkins Mountain Utility Company  
2215 Hualapai Mountain Rd., Suite H  
Kingman AZ 86401

Dear Mr. Brynjulson:

On behalf of Sedora Holdings, LLC, (aka Sedora, LLC), we hereby request that Perkins Mountain Water Company and Perkins Mountain Utility Company provide water and wastewater services to our real property located in Mohave County Arizona. The property is located in Township 27 North, Range 20 West and is generally described as follows:

Township 27 North, Range 20 West

Section 16 – All, excepting the NW1/4 of the NE1/4, and the E1/2 of the NE1/4

Section 17 – W1/2 of the W1/2

Section 20 – All

Section 21 – All, excepting the SW1/4, and the S1/2 of the SW1/4 of the NW1/4

Section 23 - All, excepting that portion within the boundaries of Bonita M.S. 1253A, as set forth in said patent

We understand that provision of water and wastewater service by Perkins Mountain Water Company and Perkins Mountain Utility Company will be subject to approval of the Arizona Corporation Commission (ACC) and in accordance with the rules and regulations established by the ACC, the Arizona Department of Environmental Quality and other agencies having jurisdiction.

Sincerely,

Name: 

Title: Secretary Sagebrush Enterprises

**Desert Communities, Inc.**  
**4730 S. Ft. Apache Rd., #300**  
**Las Vegas, NV 89147**

June 23, 2005

Mr. Kirk Brynjulson  
Perkins Mountain Water Company  
Perkins Mountain Utility Company  
2215 Hualapai Mountain Rd., Suite H  
Kingman AZ 86401

Dear Mr. Brynjulson:

On behalf of Desert Communities, Inc., we herby request that Perkins Mountain Water Company and Perkins Mountain Utility Company provide water and wastewater services to our real property located in Mohave County Arizona. The property is located in Township 20 North, Range 18 West and is generally described as follows:

Section 2 – All, excepting the SE1/4 of the SE1/4, and the W1/2 of the NW1/4 of the NW1/4 of the NE1/4 of the NE1/4.

Section 11 – All, excepting the S1/2 of the SE1/4 of the SE1/4 of the SE1/4

Section 14 – All, excepting the E1/2 of the NE1/4, and the NE1/4 of the SE1/4, and the E1/2 of the W1/2 of the SE1/4 of the SE1/4, and the E1/2 of the SE1/4 of the SE1/4

We understand that provision of water and wastewater service by Perkins Mountain Water Company and Perkins Mountain Utility Company will be subject to approval of the Arizona Corporation Commission (ACC) and in accordance with the rules and regulations established by the ACC, the Arizona Department of Environmental Quality and other agencies having jurisdiction.

Sincerely,



Name: \_\_\_\_\_

Title: \_\_\_\_\_

*Secretary Sagebrush Enterprises*

**American Land Management, LLC  
6101 S. Mustang Circle  
Sioux Falls, SD 57018**

June 23, 2005

Mr. Kirk Brynjulson  
Perkins Mountain Water Company  
Perkins Mountain Utility Company  
2215 Hualapai Mountain Rd., Suite H  
Kingman AZ 86401

Dear Mr. Brynjulson:

On behalf of American Land Management, LLC, we herby request that Perkins Mountain Water Company and Perkins Mountain Utility Company provide water and wastewater services to our real property located in Mohave County Arizona. The property is located in Township 20 and 21 North, Range 18 West and is generally described as follows:

Township 21 North, Range 18 West  
Section 34 – SW1/4

Township 20 North, Range 18 West

Section 3 – All, excepting four small parcels owned by City of Kingman  
Section 4 – All, excepting one small parcel owned by Walnut Creek Water Co. and the DSP Mill Site #7  
Section 8 – All, excepting the W1/2 of the NW1/4 of the NW1/4 of the NE1/4  
Section 9 – All  
Section 10 – All, excepting two small parcels owned by City of Kingman  
Section 16 – All

We understand that provision of water and wastewater service by Perkins Mountain Water Company and Perkins Mountain Utility Company will be subject to approval of the Arizona Corporation Commission (ACC) and in accordance with the rules and regulations established by the ACC, the Arizona Department of Environmental Quality and other agencies having jurisdiction.

Sincerely,



V. Charles Sakura  
Manager

# Exhibit

K

**PUBLIC NOTICE OF AN APPLICATION  
FOR A CERTIFICATE OF CONVENIENCE AND NECESSITY  
BY  
PERKINS MOUNTAIN UTILITY COMPANY**

Perkins Mountain Utility Company has filed with the Arizona Corporation Commission ("Commission") an application for authority to provide wastewater service to an area in which records indicate that you are a property owner. If the application is granted, Perkins Mountain Utility Company would be the exclusive provider of wastewater service to the proposed area. Perkins Mountain Utility Company will be required by the Commission to provide this service under the rates and charges and terms and conditions established by the Commission. The granting of the application would not necessarily prohibit an individual from providing service to themselves from individually owned facilities on their property. The application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 West Washington Street, and at Perkins Mountain Utility Company, 2214 Hualapai Mountain Rd., Suite H, Kingman, Arizona 86401.

The Commission will hold a hearing on this matter. As a property owner you may have the right to intervene in the proceeding. If you do not want to intervene, you may appear at the hearing and make a statement on your own behalf. You may contact the Commission at the address and telephone number listed below for the date and time of the hearing and for more information on intervention. You may not receive any further notice of the proceeding unless requested by you.

If you have any questions or concerns about this application, have any objections to its approval, or wish to make a statement in support of it, you may contact the Consumer Services Section of the Commission at 1200 West Washington Street, Phoenix, Arizona 85007 or call 1-800-222-7000.