

ORIGINAL



0000023853

1 Richard L. Sallquist
Sallquist, Drummond & O'Connor, P.C.
2 Tempe Office
4500 S. Lakeshore Drive
3 Suite 339
Tempe, Arizona 85282
4 Phone: (480) 839-5202
Fax: (480) 345-0412

RECEIVED

2005 AUG 25 P 12: 51

AZ CORP COMMISSION
DOCUMENT CONTROL

Arizona Corporation Commission

DOCKETED

AUG 25 2005

DOCKETED BY

CR

BEFORE THE ARIZONA CORPORATION COMMISSION

8 IN THE MATTER OF THE APPLICATION)
OF VALLEY UTILITIES WATER)
9 COMPANY INC. FOR AN INCREASE IN)
ITS WATER RATES FOR CUSTOMERS)
10 WITHIN MARICOPA COUNTY, ARIZONA)

DOCKET NO. W-01412A-04-0736

11 IN THE MATTER OF THE APPLICATION)
OF VALLEY UTILITIES WATER)
12 COMPANY, INC. FOR AUTHORITY TO)
ISSUE PROMISSORY NOTE(S) AND)
13 OTHER EVIDENCES OF INDEBTEDNESS)
PAYABLE AT PERIODS OF MORE THAN)
14 TWELVE MONTHS AFTER THE DATE OF)
ISSUANCE.)

DOCKET NO. W-01412A-04-0849

APPLICANT'S CLOSING
BRIEF

16 Valley Utilities Water Company, Inc., ("Valley" or the "Company") has accepted the
17 Staff's position on virtually every recommended adjustment on plant items and operating
18 expenses for the Test Year. However, the Company believes the Staff's recommendation
19 that the Company's proposed Arsenic Operating and Maintenance Recovery Surcharge
20 Mechanism ("AOMRSM", hereinafter the Adjustor) be denied is unreasonable.

21 Staff's argument in opposition to establishing the Adjustor is that the Arsenic
22 Operation and Maintenance ("AO&M") costs are not "known and measurable". The
23

1 Company agrees and responds that the uncertainty is precisely the point and is the basis
2 for the Company's need for the Adjustor. The AO&M expenses that will be incurred by
3 the Company are the result of the mandate by another agency, the Arizona Department of
4 Environmental Quality, which is enforcing the new federal arsenic regulations.

5 The Company is not requesting that the Commission authorize the collection of an
6 Adjustor at this time; merely authorize the establishment of the mechanism in the context
7 of this rate application as is required by the Scates Case. *Scates v. Arizona Corporation*
8 *Commission* (App. 1978) 118 Ariz. 531, 578 P.2d 612. Collection would start only after
9 the Company has actually incurred the expense.

10 The Staff argues that the Adjustor is not needed because these costs can be recovered
11 by the Company as part of its base rates in a subsequent rate application. That is partially
12 true. The Company will probably start incurring these costs in early 2007. It will not
13 have a full year of operational experience with those costs during that year 2007 so that it
14 could not demonstrate the full "known and measurable" costs during a Test Year 2007.
15 Given that, the initial filtration cost will never be recovered. The uncontroverted
16 testimony in this proceeding, and a fact which is adopted in the Staff Report, is that the
17 estimated annual AO&M expense would be approximately \$216,600. Failure of the
18 Company to recover all or any portion of those justifiable expenses from its customers
19 will further reduce the Company's negative equity position, precisely what the Staff is
20 recommending the Company reverse.

21 Another reason a rate case is not the best method to recover these costs is that even if
22 the Company had a full 12 month history of AO&M expense for the Test Year, those
23 expenses will be different in future years. Rejuvenating these treatment modules is not a

1 frequent occurrence, nor is it done on a known cycle. The timing and cost will not be
2 predictable even after a period of operation. Mr. Prince testified that the constituents of
3 the water in the Company's wells vary considerably over time, and that this variation will
4 cause the required filtration/treatment, and the resultant AO&M expense, to be volatile.
5 This being the case, any Test Year determined AO&M expense will, by definition, be
6 wrong in subsequent years. Further, even if the total costs were known, the variations in
7 the water consumption, (the denominator in any computation of the cost per thousand
8 gallons), will vary. These variations will guarantee an over or under collection of the
9 costs if those costs are built into a base rate during a rate proceeding.

10 Adjustor Clauses have been utilized by this Commission for over 5 decades.
11 Commission Decision No. 49333, dated September 13, 1978, cites the historic use of
12 adjustors starting in 1952, and their increased popularity starting in 1973 to 1975 during
13 which oil and natural gas costs increased substantially. Adjustor Clauses are not a new or
14 unusual regulatory mechanism in Arizona. They have been utilized to permit recovery of
15 the cost of natural gas, coal, purchased power, and purchased water and have been
16 authorized for gas, electric, and water utilities regulated by the Commission. The factors
17 considered by the Commission in authorizing Adjustor Clauses have been similar in all
18 cases. They include the following: (1) the cost is a significant line item on the
19 companies' income statement, (2) the cost is volatile due to either unit price fluctuations
20 or the amount consumed, (3) the identification of the cost is relatively simple and easily
21 auditable, (4) the quantity consumed and unit price of the commodity consumed are not
22 controlled by the company, and (5) the cost does not contain any company allocations
23 (labor or otherwise) and is not paid to any related entity.

1 The Company's proposed AOMRSM fit squarely within those parameters. Mr.
2 Bourassa testified that the estimated AO&M expenses for the Test Year sales would
3 amount to \$0.84 per thousand gallons. This is obviously a very substantial portion of the
4 Company's total operating cost and over 50% of the Staff's Tier One recommended rate.
5 Another virtue of the Adjustor is that it is consistent with good regulatory practice in that
6 it advises each customer of the reason and amount of this significant cost. The Adjustor
7 will be a specific line item on each customers' monthly billing indicating the cost of this
8 federally mandated program.

9 The elements of AO&M cost are few and simple, albeit very large dollar items. Mr.
10 Prince testified that there are four types of expenses to be incurred as AO&M expenses
11 for the arsenic treatment facilities. The first includes the media, the actual filtration
12 product. Second are the transportation and landfill disposal fees. Next would be the
13 large filtration vessels, with the fourth being the labor associated with the replacement of
14 the media/vessels. The Company's engineer has estimated the annual AO&M cost to be
15 \$216,600 per year, which is again uncontroverted by the Staff and referenced in the Staff
16 Report.

17 The filtration media is a "commodity" that is purchased from a limited number of
18 suppliers, the current one being located in Germany which also adds to the volatility with
19 transportation expenses and money exchange rates. The second cost is for the removal
20 and drying of the used media which must then be transported to a disposal site. This is a
21 several day on-site drying process followed by the utilization of heavy equipment to load
22 the many tons of spent media onto trucks. The landfills will then require a disposal fee.
23 Recharging of those vessels is a relatively simple procedure performed by the vendor with

1 the use of his with heavy equipment, and is included in the media cost. If there are
2 modular systems utilized on some of the well sites, that involves the replacement of large
3 canisters weighing several tons each using a forklift to load them on semi trailers. There
4 is a charge for each module exchanged, again with a third-party vendor.

5 The AO&M cost characteristics are very similar to other costs which the Commission
6 has traditionally permitted to be recovered by Adjustor Clauses. The costs are large,
7 variable, uncontrolled by the Company, verifiable by Staff, and paid exclusively to third
8 parties. These AO&M costs are a natural for recovery through an Adjustor.

9 Because the circumstances for each company will vary, the Commission has typically
10 not attempted to incorporate the details of the computation of the clause level or the
11 reporting requirements under the clause in the orders authorizing the Adjustor Clauses.
12 Instead, they have directed the Commission Staff to establish the procedures for a
13 particular type of clause that would be adaptable to the various companies with similar
14 needs. Attached hereto as Exhibit 1 is Commission Decision No. 49576, dated December
15 29, 1978 containing a Staff Report setting forth the computation formulas and reporting
16 forms for electric fuel adjustment clauses, including the "bank balance" procedure to
17 address any over/under collection issues. We apologize for the quality of the copy, but
18 that Decision demonstrates the type of procedures the Staff can establish upon the
19 Commission's implementation of the Adjustor Clause. Please note that those forms
20 contemplate recovery of forecasted costs which the Company is not proposing. These
21 procedures insure the proper operation of the clause, and provide protection for the
22 customers and the Company.

1 It is submitted that given the number of companies in Arizona that will be required to
2 implement arsenic treatment (all of which will incur substantial AO&M expenses), it is
3 appropriate that the Commission adopt a procedure that will provide the companies
4 subject to this federally mandated program a reasonable opportunity to recover those
5 costs. The Company's proposed mechanism assures recovery of only those costs -- no
6 more, no less. It is unreasonable to expect the owners to permanently absorb any portion
7 of these costs. There is no rational basis to suggest that the owners "share" in paying
8 these costs. Likewise, the Company should not be obligated to suffer the negative cash
9 flow associated with those expenses. A future rate case can not permit recovery of
10 expenses incurred prior to the Test Year, so the Commission must act before these
11 expenses are incurred. The Company is not requesting a projected or forecasted
12 operation and maintenance expense recovery similar to that allowed in the electric fuel
13 adjustment clauses, but is merely requesting recovery of its actual incurred cost, after the
14 fact. The proposed clause will result in the owners of the Company recovering their duly
15 incurred expenses each year on a delayed basis, something that a future rate proceeding
16 must address in the Working Capital Allowance.

17 Staff may argue that if the Commission determines that an Adjustor is appropriate, it
18 should follow a generic proceeding similar to that adopted for the electric clauses in
19 Decision No. 49576. It is submitted that that will be of little assistance to Valley.
20 Assuming the Commission adopted such a procedure immediately, Valley will not file
21 another rate application prior to incurring those expenses. Thus, the Adjustor needs to be
22 included in the instant rate case. Even with an AO&M Adjustor, the Company will not
23 collect the property taxes associated with the AO&M revenues.

1 Companies with an adjustment clause are always subject to Staff's audits and the
2 Commission subsequently modifying the computation method or reporting procedures
3 under that clause. If following further analysis of the procedure in a generic or other
4 company's proceeding, the Commission determines that the computation or reporting
5 details of the specific AO&M cost authorized by the Commission for Valley in this
6 proceeding need to be refined, revisions to the mechanics of the clause can be
7 implemented by Staff without further order of the Commission.

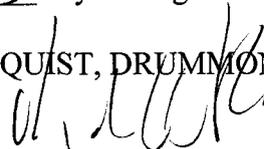
8 In the event the Commission believes the Adjustor is not appropriate at this time, its
9 only alternative is to increase the Staff recommended Operating Margin to reflect the risk
10 associated with operation of the mandated arsenic treatment facilities. In addition to
11 recommending denial of the Adjustor, the Staff is recommending that the Commission
12 approve an Operating Margin for this Company with a negative Rate Base that would
13 provide approximately \$98,000. Those funds are, by definition, designed to provide a
14 margin or buffer in addition to its other expenses. The purpose of an Operating Margin is
15 to meet unexpected operating expenses and to provide a nominal return. It is submitted
16 that denial of a procedure to timely recover these known AO&M expenses, albeit not
17 measurable at this time, in effect intentionally confiscates the authorized Operating
18 Margin. The magnitude of the AO&M expense (over two times Staff's recommended
19 Operating Margin), will certainly consume all of the Operating Margin, leaving nothing
20 for other unexpected expenses or to provide any return. We have set forth above the
21 difficulties with attempting to recover this large variable expense with a fixed number in
22 a rate case. The Company believes that even adjusting the Operating Margin is an
23

1 inadequate regulatory response to this, dare we say emergency, facing this small
2 Company.

3 We would urge the Judge to be bold and creative in addressing what is, without
4 question, a very serious financial obligation that is rapidly approaching this Company and
5 all other similarly situated companies. The Commission must respond proactively to
6 provide a mechanism that will provide the Company with some reasonable and
7 predictable opportunity to meet its obligation to provide safe drinking water to its
8 customers. The logical and well proven mechanism of an Adjustor Clause begs to be
9 implemented by the Commission to address this potentially devastating expense. The
10 Company would urge the Judge to adopt the Company's proposed Adjustor Clause with a
11 provision that directs the Staff to design the appropriate computation, reporting, bank
12 balance, and auditing methodologies.

13 RESPECTFULLY submitted this 25th day of August 2005.

14 SALLQUIST, DRUMMOND & O'CONNOR, P.C.

15 By: 

16 Richard L. Sallquist

17 SALLQUIST, DRUMMOND & O'CONNOR, P.C.

18 Tempe Office

19 4500 S. Lakeshore Drive, Suite 339

20 Tempe, AZ 85282

21 Attorneys for Valley Utilities Water Company, Inc.

22 Original and fifteen copies of the
23 foregoing filed this 25th day
of August 2005:

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

93055.00000.185

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23

A copy of the foregoing
mailed/hand delivered this
25th day of August 2005, to:

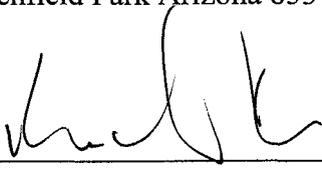
Utilities Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Legal Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

Hearing Division
Arizona Corporation Commission
1200 West Washington
Phoenix, Arizona 85007

K. Robert Janis
13043 W. Sierra Vista Drive
Glendale, Arizona 85307

TCCrownover
James Shade
P.O. Box 363
Litchfield Park Arizona 85340



BEFORE THE ARIZONA CORPORATION COMMISSION

DEC 30 1977

ERNEST GARFIELD
Chairman
BUD TIMS
Commissioner
JIM WEEKS
Commissioner

FILE

IN THE MATTER OF THE COMMISSION ON ITS)
OWN MOTION INVESTIGATING ESCALATION)
CLAUSES AND/OR PURCHASED POWER FUEL)
ADJUSTMENT CLASSES OF THE ELECTRIC)
UTILITIES OPERATING INTRASTATE IN)
ARIZONA.)

DECISION NO. 4957

OPINION AND ORDER

DOCKET NOS.:
9955-E-1025 U-1703
U-1773 U-1891
U-1345 U-1749
U-1586 U-1750
9962-E-1032 9979-E-1
U-1851 U-1787
U-1824 U-1575
U-2044 U-1461
U-1933

DATES OF HEARING: November 2,3,4,21, December 5,6,20. & 21, 1977

PLACE OF HEARING: Phoenix, Arizona

HEARING OFFICER: David C. Kennedy

APPEARANCES: Evans, Kitchel & Jenckes, by Stephen W. Pogson,
Attorneys for Ajo Improvement Company, California
Pacific Utilities Company, Citizens Utilities
Company, and Morenci Water & Electric Company

Gentry, McNulty, Borowiec & Desens, by James F.
McNulty, Jr., Attorneys for Arizona Electric
Power Cooperative, Inc., Graham County Electric
Cooperative, Inc. and Sulphur Springs Valley
Electric Cooperative, Inc.

Snell & Wilmer, by Jaron B. Norberg, and Richard
L. Sallquist, Attorneys for Arizona Public Service
Company

Paul J. Crowder and Rex A. Hall, Attorneys for
Columbus Electric Cooperative, Inc.

Charles D. Wahl, Attorney for Continental Divide
Electric Cooperative, Inc., Duncan Valley Electric
Cooperative, Inc., Garkane Power Association,
Mohave Electric Cooperative, Inc., and Trico
Electric Cooperative, Inc., Navopache Electric
Cooperative, Inc., and Sulphur Springs Valley
Electric Cooperative, Inc.

Martinez and Curtis, by Michael A. Curtis, Attorne
for Navopache Electric Cooperative, Inc.

Lawrence V. Robertson, Jr., Attorney for Tucson
Gas & Electric Company

Bruce E. Meyerson, Attorney for Arizona Community
Action Association

Thomas M. Rogers, Attorney for the Arizona Corpora
tion Commission

Docket Nos. - Various
Decision No. 49576

On October 25, 1978, this Commission issued its Decision No. 49438 regarding revised application of fuel and/or purchased power escalation clauses.

In that Decision, the Commission directed the Utilities Division, along with advisors approved by the Commission, (1) to formulate monthly reporting forms which include fuel costs, purchased power costs, and use of generating facilities; and (2) to determine appropriate filings and format in connection with the formal proceedings contemplated in that Decision. The approval of the format set forth herein does not constitute a new fuel and/or purchased power escalation clause. Each utility shall be governed by the provisions of the fuel and/or purchased power authority previously granted by this Commission and which were applicable when frozen by the Commission on November 13, 1978. This order establishes a uniform method of reporting, in most instances, and provides for limited hearings after which the Commission may authorize an increase or decrease in the escalator amount.

The Arizona Corporation Commission staff will audit those projections submitted which indicate an increase or decrease in fuel and/or purchased power of one mill or more. If upon completion of the audit the increase or decrease of the one mill or more as forecasted is determined to be realistic, the staff will recommend to the Commission that a hearing be held at which time a determination will be made by the Commission if the increase or decrease should be approved.

It is intended that the hearing referred to above shall be limited only to those items which affect the cost of fuel and/or purchased power.

Notice of such hearing will be made in the same manner as other hearings of utility matters. The regular mailing lists used by the Arizona Corporation Commission Utilities Division will be utilized. Separate notice to each consumer will not be required in these matters.

Decision No. 49438 also provided that "bank accounts" were to be treated by a subsequent order. "Bank accounts" have been an integral part of fuel and/or purchased power escalation clauses approved by this Commission for many years, and will continue uninterrupted by carrying forward any balances as of November 13, 1978, at which time all clauses were frozen. This account serves to insure that those costs properly recoverable from customers under the conditions prescribed in each clause are balanced to the amount actually recovered, thus protecting both the consumer and the utility against over or under collection of such costs. We have concluded that the "bank account" is a fair and essential part of properly designed and monitored fuel and/or purchased power adjustments and should be continued.

The staff has requested the actual "bank account" as of 11/30/78 from each of the electric utilities. This "bank account" shall be recomputed as of December 31, 1978, and again at January 31, 1979. It is intended that this system of permitting the use of fuel and/or purchased power adjustments shall begin as of 2/1/79. The "bank account" as of 1/31/79 shall be spread in equal increments over the forecast of the six month period, February 1, 1979 through July 31, 1979. The effect of spreading the "bank account" over six months will result in the recovery or the refund of any under-collection or over-collection as the case may be.

The "bank account" will be computed each month on form FA-2 as prepared by the Arizona Corporation Commission Utilities Division. It is intended that the "bank account" will be a continuing account and this balance eventually will be refunded or collected. The Commission may make an adjustment to the base cost of fuel and/or purchased power as a result of a formal proceeding which would permit the recovery or refunding of the "bank account".

ACCORDINGLY, IT IS ORDERED:

1. "Bank accounts" will remain an integral part of fuel and/or purchased power clauses and procedures and will be reported and adjusted as set out herein.

2. For the purposes of the computation of authorized adjustment clauses, the base rate shall be the base rate established in the last permanent rate proceeding or when the clause was authorized, as the case may be, and, if appropriate, plus or minus the escalator in effect on November 13, 1978 when frozen by order of this Commission. In future computations that portion of the increase or decrease from the above-defined base attributable to line losses and company use shall be excluded.

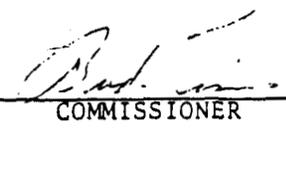
3. "Company use" does not include use at power plants for auxiliaries and other power plant station use.

4. Failure of a utility to submit the required monthly reports or the proper use of the forms of the Arizona Corporation Commission, Utilities Division, will result in the loss of the application of fuel and/or purchased power adjustments approved in this order.

IT IS FURTHER ORDERED that the format for hearings pertaining to these matters shall be as set forth herein.

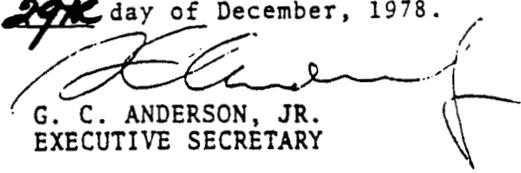
BY ORDER OF THE ARIZONA CORPORATION COMMISSION.


CHAIRMAN


COMMISSIONER


COMMISSIONER

IN WITNESS WHEREOF, I, G. C. ANDERSON, JR., Executive Secretary of the Arizona Corporation Commission, have hereunto set my hand and caused the official seal of this Commission to be affixed, at the Capitol in the City of Phoenix, this 29~~th~~ day of December, 1978.


G. C. ANDERSON, JR.
EXECUTIVE SECRETARY

TO WHOM IT MAY CONCERN

FROM: Utilities Division

DATE: November 29, 1978

SUBJECT: Electric Fuel Adjustment Forms & Reporting Procedures

The Commission through Decision No. 49438 eliminated the existing fuel adjustment procedures and ordered the utilities division to formulate monthly reporting forms which include fuel costs, purchased power cost and use of generating facilities. The Utilities Division was ordered to suggest appropriate filings and the format to be used in connection with formal proceedings.

The Utilities Division with Commission concurrence has developed the following forms which are to be submitted monthly, and/or on a one time basis to establish a historical data bank.

The forms are similar to the previous forms used with the exception of line losses, and own usage not being included, and a one mill fluctuation (plus or minus) being the determination if an increase or decrease should be recommended to the Commission and a hearing conducted.

Reporting Procedures

1. FA-1. This is the establishment of a historical data bank and will be submitted in this format only once.
2. FA-2. This form will be completed and submitted monthly starting with the end of November, 1978 bank balance. The current bank balance will be brought forward to FA-5 line 17 and submitted as part of

the six month forecast.

3. FA-3. To be submitted each month using previous months actual booked figures.
4. FA-4. To establish a historical data bank and submitted only once.
5. FA-5. This form to be submitted monthly with a new month being added each month and the past month being dropped. This will always give you a six (6) month future forecast.
6. FA-6. This will be submitted each month showing sales and usage by classes based upon the past months actual booked figures.

If your company has base meter charge, demand charge and energy charges, all categories must be filled in.

Any deviation or noncompliance will result in a zero pass-through of the fuel adjustment factor.

ROBERT G. KIRCHER, Director
Utilities Division

	JUL 78	AUG 78	SEPT 78	OCT 78	NOV 78
4. GAS GENERATION	\$				
5. OIL GENERATION	\$				
6. COAL GENERATION	\$				
7. PURCHASED POWER	\$				
8. BASE METER CHARGE	\$				
9. DEMAND CHARGE	\$				
0. ENERGY CHARGE	\$				
1. TOTAL COST GEN OR PURCH	\$				
2. KWH PURCHASED OR GENERATED	kwh				
3. PURCHASE COST PER KWH (LINE 1 ÷ 12)	\$				
7. BANK BALANCE (+)	\$				
9. SALES (KWH)	kwh				

	JAN 78	FEB 78	MAR 78	APR 78	MAY 78	JUNE 78
4. GAS GENERATION						
5. OIL GENERATION						
6. COAL GENERATION						
7. PURCHASED POWER						
BASE METER CHARGE						
DEMAND CHARGE						
ENERGY CHARGE						
TOTAL COST GEN OR PURCH						
KWH PURCHASED OR GENERATED						
PURCHASE COST PER KWH (LINE 11 ÷ 12)						
BANK BALANCE (2)						
SALES (KWH)						

kwh

\$

\$

kwh

\$

\$

\$

\$

\$

\$

\$

\$

\$

\$

COMPANY NAME

BANK ACCOUNT FORMAT
 UTILITIES DIVISION FUEL ADJUSTMENT 2

DATE _____

MONTH OF _____, 19__

1.	Bank Balance Brought Forward	\$ _____	
2.	Cost Purchase Power or Generated	_____	
3.	Total Cost to be Recovered (line 1 + line 2)		\$ _____
9.	Sales (kwh)	_____	
10.	Base Period Cost	_____	
11.	Amount Recovered By Base Period Cost (line 10 x line 9)		\$ _____
12.	Fuel Adjustment Per kwh	¢ _____	
13.	Amount Recovered by Fuel Adjustment (line 9 x line 12)		\$ _____
14.	Total Amount Recovered (line 11 + line 13)		\$ _____
15.	Bank Balance (line 14 - line 3)		\$ _____

This form is required each month. The results of the previous month shall be reported and the form completed in full. All figures must be actual - no estimates.

UTILITIES DIVISION FUEL ADJUSTMENT 3

 ARIZONA CORPORATION COMMISSION
 FUEL ADJUSTMENT
 INPUT FORM
 ACTUAL
 HISTORICAL DATA

DATE _____

1. COMPANY NUMBER _____
2. COMPANY NAME _____
3. COMPANY ADDRESS _____
4. GAS GENERATION \$ _____
5. OIL GENERATION \$ _____
6. COAL GENERATION \$ _____
7. PURCHASED POWER
8. a. BASE METER CHARGE \$ _____
9. b. DEMAND CHARGE \$ _____
10. c. ENERGY CHARGE \$ _____
11. TOTAL COST GEN & PURCH POWER (ACTUAL \$ _____
12. KWH PURCHASED OR GENERATED) kwh _____
13. COST PFR KWH (LINE 11 ÷ 12) \$ _____
17. BANK BALANCE (+) \$ _____
19. SALES (KWH) kwh _____

This form must be completed in full and submitted monthly giving the actual figures for the previous months operations. No estimates.

DATE

ARIZONA CORPORATION COMMISSION
 HISTORICAL INFORMATION

	JAN 78	FEB 78	MAR 78	APR 78	MAY 78	JUNE 78
A. SALES (KWH)						
1. RESIDENTIAL						
2. COMMERCIAL (SMALL)						
3. COMMERCIAL (LARGE)						
4. INDUSTRIAL						
5. IRRIGATION						
6. MUNICIPALITY						
7. OTHER						
B. SALES (\$)						
8. RESIDENTIAL						
9. COMMERCIAL (SMALL)						
10. COMMERCIAL (LARGE)						
11. INDUSTRIAL						
12. IRRIGATION						
13. MUNICIPALITY						
14. OTHER						
C. NUMBER OF CUSTOMERS						
15. RESIDENTIAL						
16. COMMERCIAL (SMALL)						
17. COMMERCIAL (LARGE)						
18. INDUSTRIAL						
19. IRRIGATION						
20. MUNICIPALITY						
21. OTHER						

* FILL ALL SPACES WHERE APPLICABLE

DATE _____

	JUL 78	AUG 78	SEPT 78	OCT 78	NOV 78
SALES (KWH)					
1. RESIDENTIAL					
2. COMMERCIAL (SMALL)					
3. COMMERCIAL (LARGE)					
4. INDUSTRIAL					
5. IRRIGATION					
6. MUNICIPALITY					
7. OTHER					
SALES (\$)					
8. RESIDENTIAL					
9. COMMERCIAL (SMALL)					
10. COMMERCIAL (LARGE)					
11. INDUSTRIAL					
12. IRRIGATION					
13. MUNICIPALITY					
14. OTHER					
NUMBER OF CUSTOMERS					
15. RESIDENTIAL					
16. COMMERCIAL (SMALL)					
17. COMMERCIAL (LARGE)					
18. INDUSTRIAL					
19. IRRIGATION					
20. MUNICIPALITY					
21. OTHER					

* FILL ALL SPACES WHERE APPLICABLE

COMPANY NAME _____

FUEL ADJUSTMENT 6 MONTH FORECAST

UTILITIES DIVISION FUEL ADJUSTMENT \$

DATE _____

	MONTH (specify)	MONTH (specify)	MONTH (specify)	MONTH (specify)	MONTH (specify)	MONTH (specify)	TOTAL
4. Gas Generation - Allowable							
5. Oil Generation - Allowable							
6. Coal Generation - Allowable							
7. Purchased Power							
8. Interchange							
9. Demand Charge							
10. Energy Charge							
11. Total Cost Gen & Purch							
12. kWh Estimated Generated and							
13. Purchased Cost per kWh (Line 11 + 12)							
14. Line Loss & Own Usage (kwh)							
15. Cost Line Loss & Own Usage (Line 14x13)							
16. Purch of Gas Cost to be Recovered (Line 11 - 15)							
17. Bank Balance (+)							
18. Total Cost to be Recovered (Line 16+17)							
19. Sales (kwh)							
20. Cost per kWh sold (Line 18 + 19)							
21. Base Period Cost							
22. Fuel Adjustment (Line 20 - 21)							
23. Current Fuel Adjustment							
24. Increase or Decrease (Line 22 - 23)							

ARIZONA CORPORATION COMMISSION
ADDITIONAL INFORMATION
INPUT FORM

UTILITIES DIVISION FUEL ADJUSTMENT 6

DATE _____

SALES (KWH)

- 1. RESIDENTIAL _____
- 2. COMMERCIAL (SMALL) _____
- 3. COMMERCIAL (LARGE) _____
- 4. INDUSTRIAL _____
- 5. IRRIGATION _____
- 6. MUNICIPALITY _____
- 7. OTHER _____

SALES (\$)

- 8. RESIDENTIAL _____
- 9. COMMERCIAL (SMALL) _____
- 10. COMMERCIAL (LARGE) _____
- 11. INDUSTRIAL _____
- 12. IRRIGATION _____
- 13. MUNICIPALITY _____
- 14. OTHER _____

NUMBER OF CUSTOMERS

- 15. RESIDENTIAL _____
- 16. COMMERCIAL (SMALL) _____
- 17. COMMERCIAL (LARGE) _____
- 18. INDUSTRIAL _____
- 19. IRRIGATION _____
- 20. MUNICIPALITY _____
- 21. OTHER _____

Enter all required information from previous month.
No estimates.