



NEW APPLICATION

0000025233
RECEIVED

ARIZONA CORPORATION COMMISSION

ARIZONA CORPORATION COMMISSION
DOCUMENT CONTROL



DOCKET NO. W-02181A-00-0766

**RATE APPLICATION
FOR WATER COMPANIES
WITH ANNUAL GROSS OPERATING REVENUES
(INCLUDING REQUESTED RATE RELIEF)
OF LESS THAN \$250,000
PER ARIZONA ADMINISTRATIVE CODE R14-2-103**

PINE VALLEY WATER CO.
UTILITY NAME

DECEMBER 31, 1999
TEST YEAR ENDED

You must complete ALL items in the application according to the instructions provided. If you have any questions regarding the application, call (602) 542-0851 for Staff assistance.

IN ORDER TO PROCESS YOUR APPLICATION
FORWARD THE
ORIGINAL AND TEN COPIES
TO
DOCKET CONTROL CENTER
1200 WEST WASHINGTON
PHOENIX, ARIZONA 85007

Note: Only three copies of the required bills and invoices must be submitted with the application.

Revised 08/00



Galvanized Corrugated Storage Tanks
 1919 SAN FERNANDO ROAD LOS ANGELES, CALIFORNIA 90044

STATEMENT

STATEMENT DATE: 03/10/95

ACCOUNT NUMBER: LANCE

PAGE: 1

LANCE ENTERPRISES, INC
 480 RAINTREE ROAD
 SEDONA, AZ 86351

AMOUNT REMITTED

\$

RETURN THIS PORTION OF STATEMENT
 WITH YOUR PAYMENT.

INVOICE	DATE	TERMS OR REF.	CODE	DEBITS	CREDITS	BALANCE
010612	02/28/95	APPLY DEP.	AD		2300.00-	2300.00
010612	02/27/95	Invoicing	SA	9200.00		9200.00
				9200.00	2300.00-	6900.00

22 PRESSURE

5000 GAL. PRESSURE

OUT-OF-STATE DELIVERY

*pd 3/14/95
 ch # 7142
 \$ 6900.00*

CURRENT	1 - 30 PAST DUE	31 - 60 PAST DUE	TOTAL DUE
6900.00	0.00	0.00	6900.00
OVER 60 PAST DUE	OPEN CR	TOTAL	
0.00	0.00	6900.00	

Oak Creek Builders Supply, Inc.

STATEMENT

2065 Contractors Road

Sedona, AZ 86336

Phone (520) 282-4802

CLOSING DATE: 7/31/95

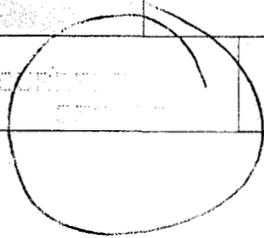
DUE DATE: 8/31/95

ACCT: 12720

Terms: A service charge of 2% per month, 24% annum will be charged on all past due accounts. Buyer agrees to pay all collection costs including attorney fees and interests and further agrees if court action is necessary it will take place in Yavapai County. Buyer agrees to above terms by signature on delivery receipt.

DATE	REFERENCE NO.	ST	C	DESCRIPTION	DEBIT	CREDIT
				UPDATE YOUR BUSINESS & COME ON IN AND CHECK OUT OUR MONTHLY SPECIALS.		
				BEV BALANCE	0.00	
7/11/95				INVOICE	1786.14	
7/24/95				STATEMENT THANK YOU		
7/31/95				INVOICE	251.98	
7/31/95				INVOICE	600.00	
				NEW BALANCE	852.09	
				60 DAYS	0.00	
				61-90 DAYS	0.00	

26 CREDIT
852.09
7/22/95



ARIZONA WATER WORKS SUPPLY

1008 W. 1st ST. • P. O. BOX 219
 TEMPE, AZ 85280
 602-966-5804

INVOICE	DATE	NUMBER
	12/15/95	34046

DATE ORDERED 12.14.95
 TERMS NET 30 DAYS
 FOB TEMPE
 SHIPPED VIA TRUCK
 DEL. TICKET # 957 P.O. #

ACCOUNT # 1215
 Lance Enterprises
 400 Raintree Rd.
 Sedona, AZ 86336

SHIPPED TO
 400 Raintree Rd.
 Sedona, AZ 86336

QTY	QTY	BK	PART	DESCRIPTION	UNIT	PRICE	TOTAL
ORD	SHIPP	ORD	NO				
14	14		F500.010	1 IPS CORP STOP		13.9900	195.
6	6		201.102	BRASS BULLHEAD TEE 3/4	X1263	10.9900	65.
6	6		BN07.060	3/4 X 6 BRASS NIPPLE	489	4.2600	25.
6	6		BN07.030	3/4 X 3 BRASS NIPPLE	258	2.2500	13.
12	12		212.007	BRASS ST 90 3/4	534	4.6500	55.
18	18		KV13.332W	3/4 ANGLE MTR STOP	1152	10.0200	180.
24	24		71	INSERT 3/4 PE TUBE	98	.8500	20.
18	18		72	INSERT 1 PE PIPE	11	.9700	17.
12	12		C86.33	3/4 MIPT X IPS PJ CPLG	733	6.3800	76.
8	8		C16.44	1 FIPT X IPS PJ CPLG	918	7.9900	63.
4	4		201.010	BRASS TEE 1"	875	7.6100	30.
2	2		237.131	BRASS HEX BUSH 1 X 3/4	341	2.9700	5.
12	12		MBB1.12	#1 12" BLK MTR BOX	1224	10.6500	127.
12	12		MBB2.12	# 2 12 BLK MTR BOX	2501	21.7500	261.
4	4		S71.404	4 X 1 BRZ SDL PVC	1534	13.3400	53.
2	2		562A	6 INCH CAST IRON VALVE B	3450	30.0000	60.

SUB-TOTAL: 1253.
 TAX: .
 SHIPPING: .

 1253.
 =====

12/28/95
Pd ck # 7335
165728

CONDITIONS OF SALE — Claims for shortage must be made within five days of receipt of shipment. Deliveries are contingent upon strikes, accidents and/or delays beyond our control. We replace materials with factory defects, but we will not be responsible for labor bills, construction damages or other consequential damages. Our responsibility for loss or damage ceases when we are given delivery receipt or carrier's receipt without exceptions. No goods can be returned until our consent is given. 25% is charged for handling returned goods. Seller reserves title to these goods until paid for in cash. INTEREST 1 1/2% PER MONTH OR 18% PER ANNUM ON ACCOUNTS OVERDUE. In the event that seller must resort to legal process to recover payment of goods delivered hereunder, purchaser agrees to pay seller's LEGAL EXPENSES including reasonable ATTORNEY'S FEES.

WATER WORKS SUPPLY

008 W. 1st ST. • P. O. BOX 219
 TEMPE, AZ 85280
 602-966-5804

INVOICE	03/09/95	01153
DATE ORDERED	02.28.95	PAGE 1
TERMS	NET 30 DAYS	
FOB	JOB SITE	
SHIPPED VIA	TRUCK	
DEL. TICKET #	7808	P.O. #

1215
Lance Enterprises
 400 Raintree Rd.
 Sedona, AZ 86336

SHIPPED TO
 400 Raintree Rd.
 Sedona, AZ 86336

QTY	PK	PART	DESCRIPTION		
NO	ORD	NO			
1	1		3-IN MAGNUM TURBINE METER	48.00	48.00
2	2		3-IN PVC BALL VALVE	36.2800	72.56
2	2		3-IN SPRING CHECK	36.6400	73.28
2	2	FC1.060	6 FLEX CPLG FOR C.I./PVC	50.3700	100.74
4	4	FC24.030	3 FLEX TRANSITION CPLG	32.2300	128.92
5	5	FC3.238.5	2 X 5 FLEX COUPLING	22.7500	113.75
1	1	FC3.190.5	1-1/2 X 5 FLEX COUPLING	16.1400	16.14
1	1	GN30.080	3 X 8 GALV NIP	6.8800	6.88
1	1	GN30.040	3 X 4 GALV NIP	4.6200	4.62
3	3		2 X 10 GAL NIPPLE	3.9100	11.73
1	1	117.015	GALV 45 1-1/2	3.7200	3.72
1	1	BGV.030	3 BRZ GATE VALVE	33.9900	33.99
2	2	401.338	3 X 2 PVC TEE	7.4680	14.94
2	2	437.338	3 X 2 PVC RB	2.2760	4.55
8	8	436.030	3 PVC MA	3.5580	28.46
8	8	436.020	2 PVC MA	.8200	6.56
1	1	417.020	3 PVC 45	1.5060	1.51
1	1	417.015	1-1/2 PVC 45	1.1560	1.16
1	1	SPCK.015	1-1/2 SPR CHECK VALVE BRS	24.0400	24.04
1	1	436.015	1-1/2 PVC MA	.6280	.63
1	1	QT705C	QUART 705 CLEAR	5.3000	5.30
2	2	152.030	BLACK 3 COMP FLG	11.0800	22.16
2	2	N.B.G.30	3" NUT/BOLT/GASKET SET	3.4000	6.80
1	1		GUAGE COCK SET	22.9300	22.93
6	6		FT SITE GLASS	1.5000	9.00

6	6	PMH.755L	3/4 MAGNETIC DRIVE MTR	36.0000	216.00
12	12	MCPL.007	3/4 MTR CPLG BRS	3.1400	37.68

TICKET 7842 03/07/95

SUBTOTAL: 1452.16
 TAX: .00
 SHIPPING CHARGES: .00
 TOTAL: 1452.16

*PO # 17195
 CO # 7149
 \$ 1452.16*

CONDITIONS OF SALE — Claims for shortage must be made within five days of receipt of shipment. Deliveries are contingent upon strikes, accidents and/or delays beyond our control. We replace materials with factory defects, but we will not be responsible for labor bills, construction damages or other consequential damages. Our responsibility for loss or damage ceases when we are given delivery receipt or carrier's receipt without exceptions. No goods can be returned until our consent is given. 25% is charged for handling returned goods. Seller reserves title to these goods until paid for in cash. INTEREST 1 1/2% PER MONTH OR 18% PER ANNUM ON ACCOUNTS OVERDUE. In the event that seller must resort to legal process to recover payment of goods delivered hereunder, purchaser agrees to pay seller's LEGAL EXPENSES including reasonable ATTORNEY'S FEES.

PINE VALLEY WATER CO. TEST YR. 12/31/99

On our 1993 application for a rate increase, our page 1A seems to have all our ducks in a row, see enclosed hi-lited copy, however, when you apply Murphy's Law to page 1A, nothing went as planned. We had discussed our rate increase with your Staff in Phoenix, and said we needed about \$3,000 a year more in income to carry out our projections, Murphy struck right there! We received approximately the rate increase we had requested, but had our fire hydrant maintenance taken out, which took over \$600 a year off the top of the increase.

Murphy struck again In 1995, when Yavapai County Road Dept. made a deal with the Pine Valley Homeowners Assoc. to improve the roads in Pine Valley. We still had about 85 vacant lots with no service connections, so it meant a crash program to get them all in, especially the road crossings, before the County started improving the roads. We finished the job in time, then had to Blue Stake, and maintain an on site Inspector, and repair crews while the County did their rough grading, two breaks in six inch mains and seven service line breaks. And, as the County did not follow the center of the road easment, but roughly followed the existing traveled road, as decreed by 10 years of 'courtesy grading" As said above, the paved road did not follow the easement center, which resulted in several of our street valve boxes that had to be modified, or replaced with new ones.

The next blow was when our well pump went out, we checked the electricity to the well pump and it seemed to check out. We then pulled the well pump for a check up, the pump company in Phoenix found nothing wrong, but told us the pump was old and tired, and the motor had several flaws. Which we now blame to many years of operation with the wrong Add-A-Phase. We started re-checking our electric supply, and found that our Add-A-Phase was malfunctioning. After several calls to the factory to check for reasons for the malfunction, we were informed that the model Add-A-Phase we had, was NOT for a deep well pump. (The Add-A-Phase is a big 'black box' which converts incoming single phase 240 volt power to three phase 480 volts). We still had 240 volt power to run our booster pumps, but the storage tanks were going down fast. We started phoning customers immediately to conserve water, and contacted a rental outfit in Flagstaff for a big enough portable generator to run the well. With the purchase of a new Add-A-Phase , and a new pump and motor, we were back in the water business, but at a cost of about \$13,000. The problem started on May 29th 1996, and was finished on June 13, 1996 without a single customer being out of water.

With the roads all paved we were in seventh heaven, until 1999, when Tiffany Const. came in and trenched for over two miles of power line replacement for APS. Again it was Blue Stake everything (some places 3 and 4 times) Again it was a case of on-site inspection, and leak repair. One six inch main,(our fault, mismarked) and nine service connections. However, the crew from Tiffany pitched right in and worked with us, down in the mud, on repairs. When the County broke one six inch main, eight County Highway workers stood around and watched Judy putting a repair coupling on, under pressure, while Pete fumbled around on crutches getting her tools etc.,

PINE VALLEY WATER CO. TEST YR. 12/31/99

We now seem to have all our ducks back in a row, but the row is much longer now. We have three booster pumps on line, one 7 1/2HP rebuilt 1996, one new 1996 10HP, and one 5 HP rebuilt 1997 (with a spare 5 HP on a shelf) which makes the Fire Department very happy to have in excess of 550GPM at all the hydrants, as well as a 500 gallon, 4 inch gravity line from the storage tanks. We also had a 2750 watt, 110 volt generator rebuilt and installed, together with a 1 1/2 HP 110 volt booster pump on line, with hand controls, for emergencies, which helped us answer a lot of Y2K questions by our customers.

Our major foreseeable problems now, are that somewhere we must find funds for pay increases, and LEI's old 1979 service truck is now going around the Odometer for the third time, and there are signs of the old 'one horse shay syndrome'. We have always tried for an honest 'Arms length transactions' between Lance Enterprises and Pine Valley Water, which often meant the last bill to be paid each month was payroll for Judy and Pete. Now that Pete is 77, and Judy is 69, they are backing out of operations more and more, which puts more burden on our son Lance, and his wife Lisa, therefore, payroll has got to be closer to the top of the list of bills to be paid. With a young family with low resources, they are not in a position to skip a month's pay in order to pay a bill. We will have to rely on a rate increase for existing customers for any increase in income, our average of new customers is only about two per year.

We feel the statements presented in our 1993 application answer all the items covered in your instructions, and, with a copy attached do not need repeating.

Your instructions really present a 'Catch 22' problem, you want us to hold our rates down to protect the public pocketbook, at the same time you want us to preach water conservation. If we have low rates, and good water conservation together, our gross income for the year will go down, while expenses keep climbing. Tell me how to do it.

Our bill forms have a space for useful information, last month we sent out a notice of a proposed rate increase, to date (Sept. 22nd) we have received four written responses, and twelve or more verbal comments. They are 100% go for it.

NARRATIVE DESCRIPTION OF APPLICATION FOR RATE INCREASE

Instructions:

Please provide a written narrative of the purpose for your request for a permanent rate increase. The narrative should include: changes in current compared to past operations that necessitate the increase; descriptions and/or calculations of adjustments made to amounts that are included in this application that are different than amounts recorded in your books/ledgers (pro forma adjustments); significant factors influencing your revenues, expenses and/or rate base; anticipated growth/decline in customers expected in the next two (2) years and the amount of anticipated construction to serve those customers and how financed; the type of customers served by the utility, e.g. residential and what type, irrigation, small retail businesses, large commercial, etc.; efforts made to encourage conservation of water through the proposed rate design or through other means; efforts made by the utility to control costs/expenses and/or mitigate the amount of rate increase; and other factors relevant to your request for increased rates.

The primary reason for the rate increase is to purchase and install a new 5,000 gallon hydro-pneumatic tank. The existing tank is 23 years old, with two leaks patched, and another developing. We have a contractor's estimate of \$20,700.00 for a complete job, but feel that by using in-house labor, and stretching the work over a three or four year period, we can do this work with an actual cash outlay of under \$14,000.00.

We have at the present time, permission to go into debt to our parent company for \$2,500.00. This would take care of site preparation and new concrete tank supports, with a small amount still available toward purchase of the tank. Savings, plus income from the rate increase (if granted), would allow us to purchase and install the tank during the second year. Our present stock of pipe and fittings would give a good start toward new piping required, at minimal cost.

Hopefully, somewhere in the third year, we would completely relocate and refurbish our existing electrical panel. After that, as funds accumulate, a building would be erected over the pressure tank and all piping, which would alleviate our present problem of insulating and heating our existing piping.

At present, we have 116 customers, with a projected increase over the next two years of 12 customers. All present and future customers are residential, with no commercial property.

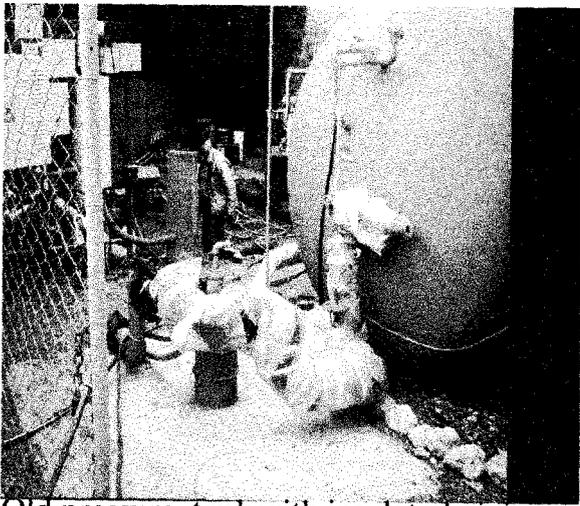
In asking for a 2 nd tier on our rate structure, we hope to encourage conservation by some of our larger water users. We also send out Newsletters with our monthly billing, and conservation is often mentioned. We also have a very active leak control program.

In regard to holding down operating costs, Pine Valley Water Company is operated on contract by our parent company, Lance Enterprises, Inc., at what we feel is a very low rate. We have no operators standing around doing "make work", and we have no vehicle expense, or major office overhead. We have however, experienced a large increase in our costs of doing the myriad of testing now required by ADEQ and the EPA, for which there is no provision in our present rate base.

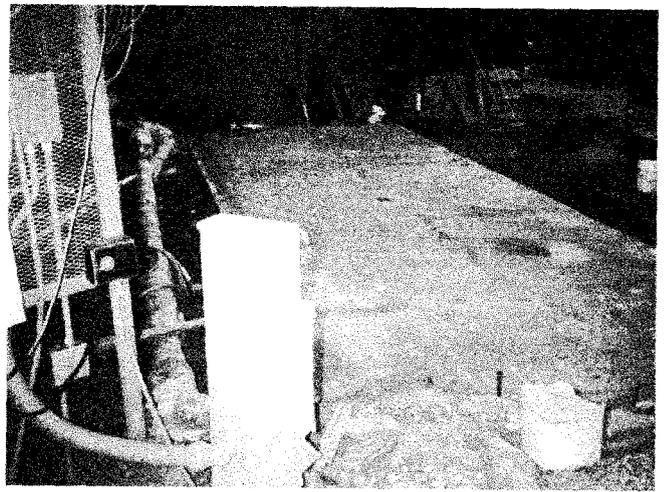
We study the Arizona Corporation Commission Newsletter, and check the rates throughout the State. We realize we are at present just above the median point for rates, but as we have only residential customers, on large lots, with a future of only 200 customers, we do not feel our rates are exorbitant.

As our last rate increase was in January 1987, we feel we are doing our best to mitigate both the amount, and the frequency of our rate increases.

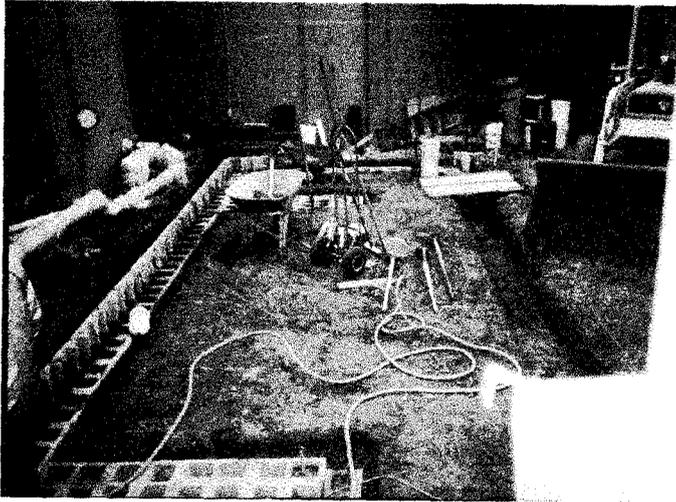
Attach additional pages if necessary.



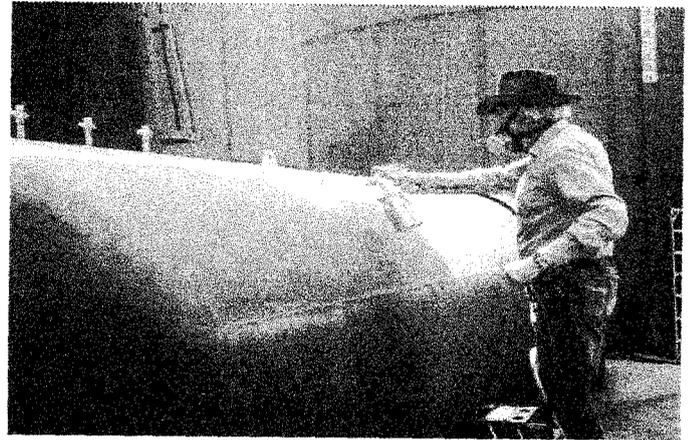
Old pressure tank with insulated piping



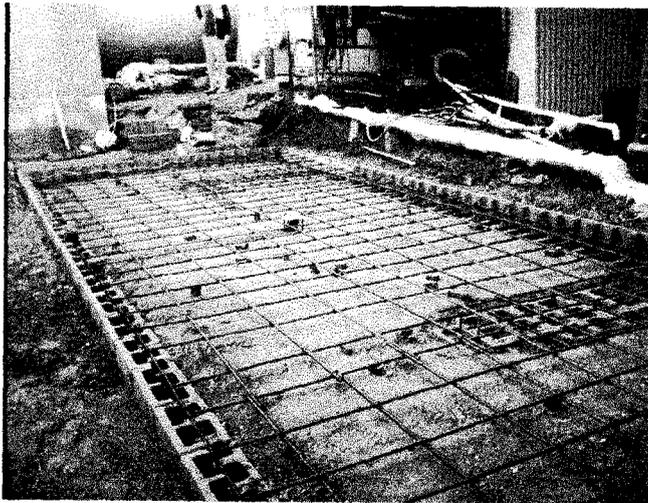
Finished floor



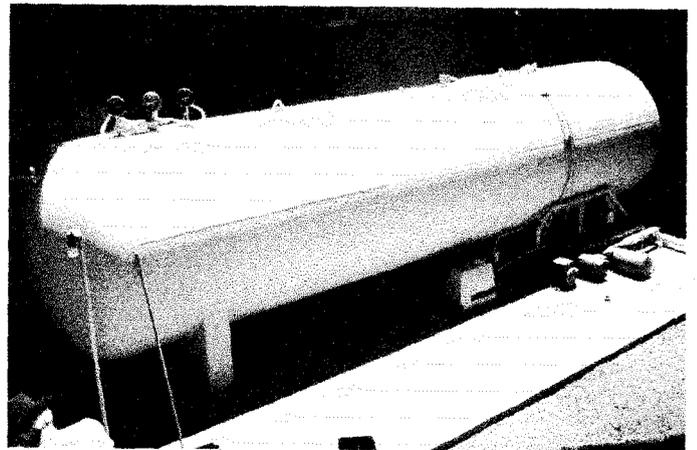
Start of footings for floor



Tank being sanded and primed-2 coats epoxy, finish, 2 color coats water based paint.

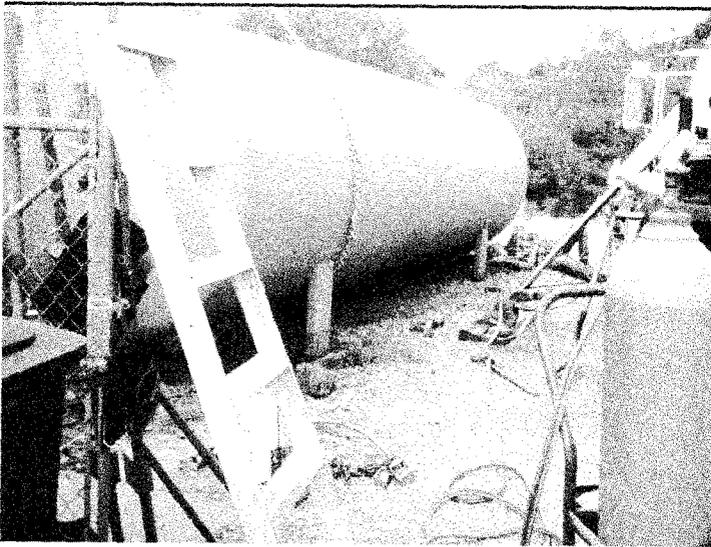


Steel set for floor, note extra reinforcing in floor for tank legs



Tank painted, 7 1/2 HP, 2 5HP pumps in place

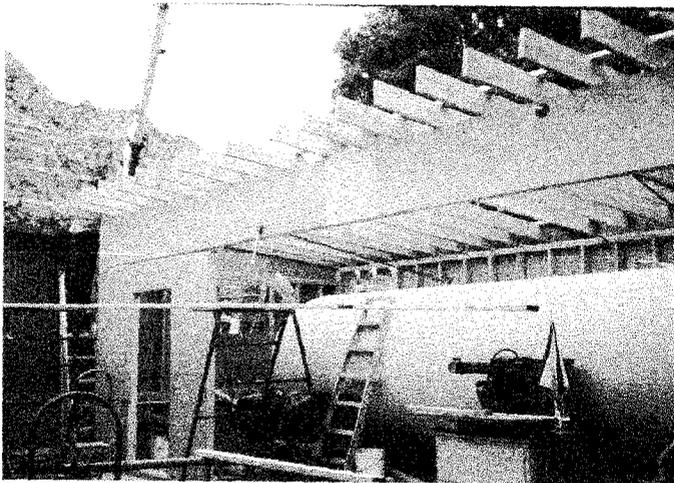
This is the start of 1994 & 1995 project of replacing existing twenty three year old pressure tank. . This and 1995 & 1996 projects were done with Pete & Judy's labor.



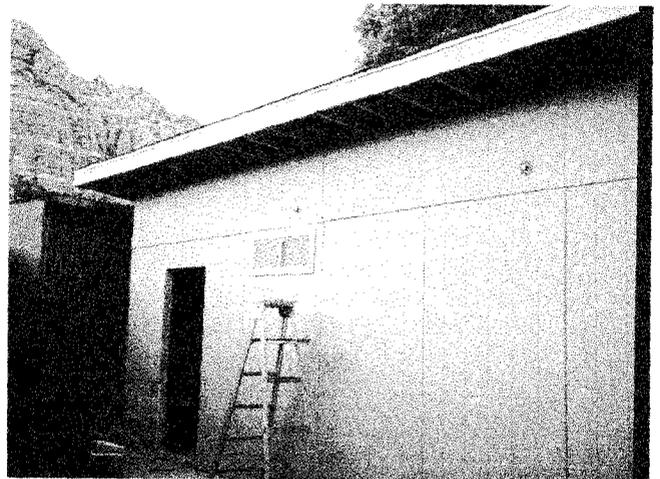
Old pressure tank on the way out.



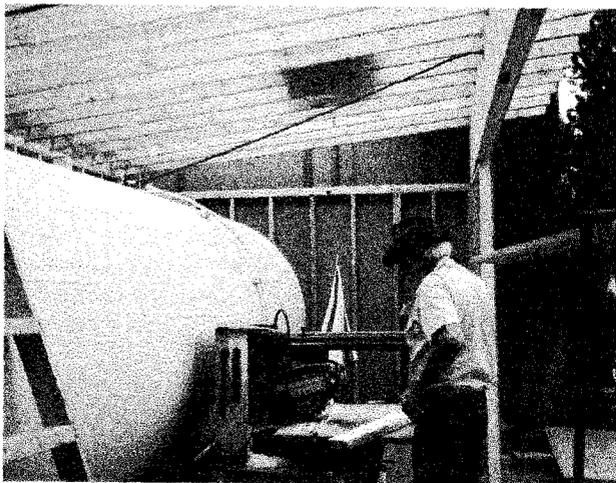
Removable front wall with parts bins & shelves



Roof going on - note beam for removable front wall.
Wall made removable for possible change of tank.

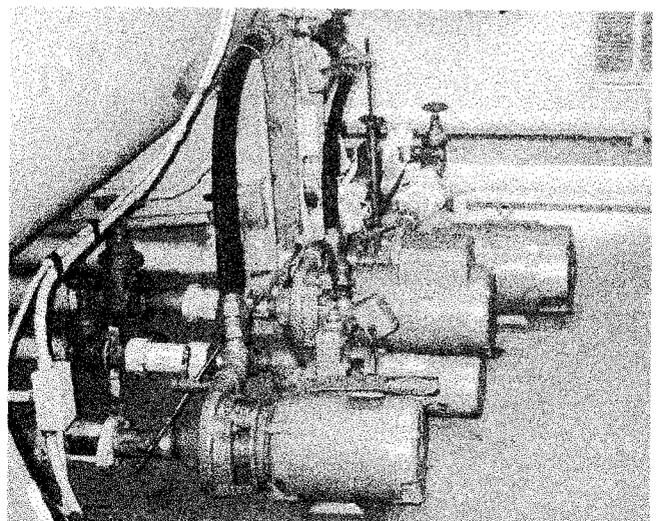


Outside of building, Parts bin removable side.



Getting ready for fabrication of removable front wall

This is 1995 & 1996 project. Building new pump house around tank



1999 Photo of present booster pumps and piping
all pumps piped and wired for removal without disturbing water flow - 5 - 1 1/2 - 10 - 7 1/2 HP

COMPLETE THE FOLLOWING STATEMENTS IN SUPPORT OF YOUR RATE REQUEST.

PINE VALLEY WATER CO. (Company Name) requests an increase in the existing rates charged by the Company. The information contained in this application is based upon a twelve-month Test Year ending 12/31/99 (mm/dd/yy). The Company had annual gross revenues of \$ 54,700⁴⁵, served 127 metered and 0 un-metered customers, and sold 10,621,702 gallons of water during the Test Year.

The composite depreciation rate the Company applies to utility plant in service is VAR percent. The Company is requesting an increase in revenues in the amount of \$ 10009⁵², and total annual gross revenues if the Company is granted the rate increase will be \$ 64709⁹⁷.

The Company notified its customers of its application for a rate increase on 9/1/00 & 10/1/00 (mm/dd/yy). A copy of the notice with a notarized cover letter stating the method of customer notification, as well as the date of the notification, is attached.

By completing this application in support of my request for a rate increase, I waive the right to use Reconstruction Cost New (RCND) plant information to determine fair value of plant in service.

The utility company ownership is a CORPORATION (if a corporation, please attach a list of stockholders and the respective number of shares owned). I have read and completed this application, and to the best of my knowledge, all of the information contained in, and attached to this application, is true and correct.

Name of Owner/Manager (Print)	Company Name
<u>PETE MANDEVILLE</u>	<u>PINE VALLEY WATER CO.</u>
Title <u>RESIDENT MNGR/EX VICE PRES</u>	Address <u>480 RAINTREE RD</u>
Signature <u>[Signature]</u>	<u>SEDONA, AZ 86351</u>
Date <u>9/30/00</u>	Phone Number <u>520/284-1819</u>
	Fax Number <u>520/284-9311</u>



**ARIZONA DEPARTMENT OF ENVIRONMENTAL QUALITY
MONITORING ASSISTANCE PROGRAM
ANNUAL SAMPLING FEE INVOICE**

Pursuant to A.R.S. 49-113, interest will be charged if full payment is not received by the specified due date. If you dispute the amount listed, please contact ADEQ as soon as possible. To reduce interest costs on an unpaid invoice, you may remit an amount that you believe is not in dispute. However, if nonpayment is due to willful neglect, you may suffer an additional five percent penalty of up to twenty-five percent of the amount due for each month or fraction of a month the amount is past due.

**If you have any questions about your invoice, contact
Tony Bode at (602) 207-4532
or toll-free within Arizona at (800) 234-5677, extension 4644**

Pursuant to A.R.S. § 49-360 and A.A.C. R18-4-224 through R18-4-226, "The director shall establish fees for the centralized monitoring program to be collected from all public water systems..."

Account/PWSID #: 13103	Invoice Number 57641
To: PETE MANDEVILLE 480 RAINTREE RD SEDONA, AZ 86351 	Billing for Calendar Year: 2000
	Due Date: December 13, 1999
	Total Amount Due \$ 466.70
	Amount Paid \$ 466.70

↑ Keep the top portion for your records. ↑

↓ **THIS ENTIRE BOTTOM PORTION MUST BE RETURNED TO ADEQ.** ↓

Annual Sampling Fee Invoice

Invoice # 57641

PETE MANDEVILLE 480 RAINTREE RD SEDONA, AZ 86351	Account/PWSID #: 13103	MAP
	Billing for Calendar Year: 2000	
	Due Date: 12/13/1999	

ANNUAL SAMPLING FEE WORKSHEET

	Meter Weight	Unit Fee		
3/4" connections and smaller	118 connections X	1.00 X	3.50 =	413.00
1" connections	4 connections X	1.67 X	3.50 =	23.38
1 1/2" connections	1 connections X	3.33 X	3.50 =	11.66
2" connections	1 connections X	5.33 X	3.50 =	18.66
3" connections	0 connections X	10.00 X	3.50 =	0.00
4" connections	0 connections X	16.67 X	3.50 =	0.00
6" connections	0 connections X	33.33 X	3.50 =	0.00
8" connections or larger	0 connections X	53.33 X	3.50 =	0.00
Total Sampling Fee (if total number of connections is less than or equal to 100, the fee is \$ 350.00)			\$	466.70
Plus Paid Interest Charges and/or Other Adjustments			\$	0.00
Plus Unpaid Interest Charges as of 11/10/1999			\$	0.00
Minus Payments Received and/or Other Adjustments			\$	0.00
Amount Due			\$	466.70
Amount received by ADEQ (Make check payable to State of Arizona)			\$	

All computations are rounded to the nearest penny.

* A \$12 fee will be charged for any check not honored by the bank.

Do not write below this line

Make your check or money order payable to State of Arizona
THIS FORM MUST ACCOMPANY YOUR REMITTANCE.

Check Number: 3119
Received:
Postmarked:
Entered:

Mail to: Arizona Department of Environmental Quality
P.O. Box 618
Phoenix, AZ 85001-0618

ATI 11/10/99
WM:MKC

Company Name: <i>PINE VALLEY WATER CO.</i>	Test Year Ended: <i>12/31/99</i>
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CURRENT AND PROPOSED RATES AND CHARGES

CUSTOMER CLASS: RESIDENTIAL

	CURRENT RATES	PROPOSED RATES
MINIMUM OR SERVICE CHARGES	\$ GALLONS	\$ GALLONS
5/8" x 3/4" Meter	<i>16.50</i> for <i>1000</i>	<i>17.00</i> for <i>0</i>
3/4" Meter	<i>17.50</i> for <i>1000</i>	<i>18.00</i> for <i>0</i>
1" Meter	<i>22.00</i> for <i>1000</i>	<i>22.50</i> for <i>0</i>
1-1/2" Meter	<i>28.00</i> for <i>1000</i>	<i>28.00</i> for <i>0</i>
2" Meter	<i>37.00</i> for <i>1000</i>	<i>37.00</i> for <i>0</i>
3" Meter	<i>193.00</i> for <i>1000</i>	<i>N</i> for <i>N/A</i>
4" Meter	<i>321.00</i> for <i>1000</i>	<i>/</i> for <i>/</i>
6" Meter	<i>643.00</i> for <i>1000</i>	<i>A</i> for <i>A</i>
COMMODITY CHARGE (EXCESS OF MINIMUM)	\$ Per Gallons	\$ Per Gallons
<i>1,001 To 5,000</i>	<i>2.75</i>	<i>0-5000 \$2.95</i>
<i>5000 & OVER</i>	<i>3.26</i>	<i>5001-12000 3.95</i>
		<i>12000 → 4.25</i>
FLAT RATE	\$ Per Month	\$ Per Month

Company Name: <i>PINE VALLEY WATER Co.</i>	Test Year Ended: <i>12/31/99</i>
---	-------------------------------------

CURRENT AND PROPOSED SERVICE CHARGES

CUSTOMER CLASS: *RESIDENTIAL*

SERVICE LINE AND METER INSTALLATION CHARGES	CURRENT RATES	PROPOSED RATES
5/8" X 3/4" Meter	\$ — 0 —	\$ — 0 —
3/4" Meter	\$ — 0 —	\$ — 0 —
1" Meter	\$ — 0 —	\$ — 0 —
1-1/2" Meter	\$ 570 ⁰⁰	\$ 570 ⁰⁰
2" Meter	\$ 970 ⁰⁰	\$ 970 ⁰⁰
3" Meter	\$ 1,900 ⁰⁰	\$ 1,900 ⁰⁰
4" Meter	\$ 2,155 ⁰⁰	\$ 2,155 ⁰⁰
6" Meter	\$ 4,165 ⁰⁰	\$ 4,165 ⁰⁰

Establishment	\$ 25 ⁰⁰	\$ 35 ⁰⁰
Establishment (After Hours)	\$ 40 ⁰⁰	\$ 45 ⁰⁰
Reconnection (Delinquent)	\$ 35 ⁰⁰	\$ 40 ⁰⁰
Meter Test	\$ 30 ⁰⁰	\$ 50 ⁰⁰
Deposit	\$ 2 mo Per Rule	\$ OWNERS - PER RULE RENTERS \$75 ⁰⁰ ON PAYMT of FINAL BI
Deposit Interest	— 0 — %	— 0 — %
Re-establishment (Within 12 months)	\$ Mo's off x MINIMUM	\$ SAME
NSF Check	\$ 15 ⁰⁰	\$ 25 ⁰⁰
Deferred Payment	8 %	8 %
Meter Re-read	\$ 10 ⁰⁰	\$ 25 ⁰⁰
Late Fee	\$ 5 ⁰⁰	\$ 5 ⁰⁰

**PLEASE INDICATE A YES OR NO ANSWER TO THE QUESTIONS BELOW AND
PROVIDE AN EXPLANATION WHERE NECESSARY.**

A parent-subsiary relationship, or affiliation, with another entity includes corporations, partnerships, or sole proprietorship, as well as common ownership of a water company and another entity, such as a development company.

Are any assets owned jointly with any affiliated or subsidiary entities?

No

If Yes, please provide a description of each jointly owned asset, it's cost, and the percentage of the asset owned by the utility. (Please note the amounts reported on Pages 10 and 11 should only include the percentage of plant owned by the utility.)

Were any of the assets constructed or acquired from an affiliated or subsidiary entity?

No

If Yes, please identify the affiliated entity, the relationship with the utility, and a detailed listing of all transactions reflected in the Plant accounts. Also include detail for other balance sheet accounts, such as Advances, Contributions in Aid of Construction, inter-company payables and receivables, as well as Income Statement items such as revenues and expenses.

Company Name:

PINE VALLEY WATER CO

Test Year Ended:

DEC 31 1999

Plant Additions or (Retirements) by Year

Acct No.	Description	Cost Per Prior Decision	1996	1997	1998	Current Test Year
301	Organization	4298	-0-	-0-	-0-	-0-
302	Franchises	N/A	N/A	N/A	N/A	N/A
303	Land and Land Rights	14450	14450	14450	14450	14450
304	Structures and Improvements		23401	723	21955	21232
307	Wells and Springs	7000	-0-	-0-	-0-	-0-
311	Pumping Equipment	34394	21209	2252	16933	15439
320	Water Treatment Equipment	N/A	N/A	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	5000	0	-0-	-0-	-0-
331	Transmission and Distrib. Main	58,614	34,107	1963	30181	28218
333	Services		0	N/A	N/A	N/A
334	Meters and Meter Installations	13,010	7349	1694	4708	3369
335	Hydrants	4564	225	222	-0-	-0-
336	Backflow Prevention Devices	N/A	N/A	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	↑	↓	3	316	282
340	Office Furniture and Equipment			N/A	N/A	N/A
341	Transportation Equipment					
343	Tools, Shop and Garage Equip.					
344	Laboratory Equipment					
345	Power Operated Equipment					
346	Communication Equipment					
347	Miscellaneous Equipment	↓	↓	↓	↓	↓
348	Other Tangible Plant	1800	28,637	1432	25772	24340
	TOTAL WATER PLANT	143,130	129,377	8,289	114,315	107,330

NOTE: Please include 3 copies of invoices for all plant asset purchases over \$1000 for the Test Year and all intervening years, and attach additional pages as necessary.

Company Name: PINE VALLEY WATER CO

Test Year Ended: 12/31/99

Plant Additions or (Retirements) by Year

Acct No.	Description	Cost Per Prior Decision	19__	1994	1995	Current Test Year
301	Organization	4298		0	0	
302	Franchises	N/A		N/A	N/A	
303	Land and Land Rights	14450		14450		
304	Structures and Improvements	N/A		N/A	16421	
307	Wells and Springs	7000		0	0	
311	Pumping Equipment	34394		13343	44546	
320	Water Treatment Equipment	N/A		N/A	N/A	
330	Distribution Reservoirs and Standpipes	5000		0	0	
331	Transmission and Distrib. Mains	58614		38,644	1952	
333	Services	N/A		N/A		
334	Meters and Meter Installations	13010		4486	1596	
335	Hydrants	4564		1250	684	
336	Backflow Prevention Devices	N/A		N/A	N/A	
339	Other Plant and Misc. Equipment	↓		↓	↓	
340	Office Furniture and Equipment	↓		↓	↓	
341	Transportation Equipment	↓		↓	↓	
343	Tools, Shop and Garage Equip.	↓		↓	↓	
344	Laboratory Equipment	↓		↓	↓	
345	Power Operated Equipment	↓		↓	↓	
346	Communication Equipment	↓		↓	↓	
347	Miscellaneous Equipment	↓		↓	↓	
348	Other Tangible Plant	1800		180	260	
	TOTAL WATER PLANT	143130		71753	10527	

NOTE: Please include 3 copies of invoices for all plant asset purchases over \$1000 for the Test Year and all intervening years, and attach additional pages as necessary.

Company Name:

PINE VALLEY WATER CO.

Test Year Ended:

12/31/99

UTILITY PLANT IN SERVICE

Acct. No.		Original Cost	Accumulated Depreciation	O.C.L.D.
301	Organization	4,298	4,298	- 0 -
302	Franchises	N/A	N/A	N/A
303	Land and Land Rights	14,450	- 0 -	14,450
304	Structures and Improvements	24,390	3,158	21,232
307	Wells and Springs	7,000	7,000	- 0 -
311	Pumping Equipment	46,302	30,863	15,439
320	Water Treatment Equipment	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	5,000	5,000	- 0 -
331	Transmission and Distribution Mains	58,614	30,396	28,218
333	Services	N/A	N/A	N/A
334	Meters and Meter Installations	19,688	16,319	3,369
335	Hydrants	4,564	4,564	- 0 -
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	342	60	282
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment	↑	↑	↑
343	Tools, Shop and Garage Equipment	↑	↑	↑
344	Laboratory Equipment	↑	↑	↑
345	Power Operated Equipment	↑	↑	↑
346	Communication Equipment	↑	↑	↑
347	Miscellaneous Equipment	↓	↓	↓
348	Other Tangible Plant	28,636	4,296	24,340
	TOTAL WATER PLANT	213,284	105,954	107,330

TRIED TO SEPARATE SERVICES & METERS ACCOUNTANT DOESN'T UNDERSTAND!

Company Name: <i>PINE VALLEY WATER CO</i>	Test Year Ended: <i>12/31/99</i>
--	-------------------------------------

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number	Pump Horsepower	Pump Yield (Gpm)	Casing Size (inches)	Meter Size (inches)
<i>55-627209</i>	<i>20</i>	<i>85</i>	<i>8"</i>	<i>3"</i>

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
<i>N/A</i>		

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.) = *10621702*

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
<i>10</i>	<i>1</i>	<i>5</i>	<i>1 4"</i>
<i>7 1/2</i>	<i>1</i>		<i>GRAVITY OUT OF BOTTOM OF TANK</i>
<i>5</i>	<i>1</i>		
<i>1 1/2 110VOLT</i>	<i>1</i>		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
		<i>5000</i>	<i>1</i>

Company Name: PINE VALLEY WATER CO

Test Year Ended: 12/31/99

WATER COMPANY PLANT DESCRIPTION CONTINUED

MAINS

Size (in inches)	Material	Length (in feet)
2		
3		
4	PVC	8378
5		
6	PVC	10031
8		
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 x 3/4	118
3/4	2
1	5
1 1/2	1
2	1
Comp. 3	
Turbo 3	3 (WELL)
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	
Comp. 8	
Turbo 8	

For the following three items, please list the utility owned assets in each category.

TREATMENT EQUIPMENT:

N/A

STRUCTURES:

PUMP HOUSE - FENCES

OTHER:

GENERATOR FOR 42K w/1 1/2 HP PUMP + FUTURE EMERGENCIES

WATER USE DATA SHEET

NAME OF COMPANY	PINE VALLEY WATER CO.
ADEQ Public Water System Number:	04-13-103

MONTH/YEAR (Most Recent 12 Months)	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)
DEC. 1999	127	906994
NOV. 1999	127	1079880
OCT. 1999	127	864330
SEPT. 1999	127	1169190
AUG. 1999	127	771298
JULY 1999	129	1471690
JUNE 1999	126	1236210
MAY 1999	126	745525
APRIL 1999	126	724998
MAR 1999	127	572647
FEB 1999	125	604205
JAN 1999	125	474735
	<i>Total</i>	10621702

Is the Water Utility located in an Active Management Area (AMA)?

YES

NO

Does the Company have a Gallons Per Capita Day (GPCD) requirement?

YES

NO

If Yes, please prove the GPCD amount: _____

Company Name: PINE VALLEY WATER CO	Test Year Ended: 12/31/99
--	-------------------------------------

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

	OPERATING REVENUES	PRIOR YEAR	TEST YEAR
461	Metered Water Revenue	\$ 53,105.15	\$ 54,700.45
460	Unmetered Water Revenue	— 0 —	— 0 —
474	Other Water Revenues	— 0 —	320.00
	TOTAL REVENUES	\$ 53,105.15	\$ 55,020.45
	OPERATING EXPENSES		
601	Salaries and Wages*	\$ 0	\$ 0
610	Purchased Water**	0	0
615	Purchased Power**	4,813.80	5,630.12
618	Chemicals	0	0
620	Repairs and Maintenance***	7,621.43	11,757.91
621	Office Supplies and Expense	0	0
630	Outside Services***	21,200.00	27,908.22
635	Water Testing	0	0
641	Rents	5,843.52	5,846.52
650	Transportation Expenses	0	0
657	Insurance - General Liability	0	0
659	Insurance - Health and Life	0	0
666	Regulatory Commission Expense - Rate Case	0	0
675	Miscellaneous Expense	1,284.73	1,950.86
403	Depreciation Expense (from Page 16)	9,508	6,985
408	Taxes Other Than Income	0	0
408.11	Property Taxes**	1,451.10	2,516.42
409	Income Tax	0	0
	TOTAL OPERATING EXPENSES	\$ 49,717.58	\$ 62,595.05
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	0	0
421	Non-Utility Income	0	0
426	Miscellaneous Non-Utility Expenses	0	0
427	Interest Expense	(1,785.00)	(1,360.00)
	TOTAL OTHER INCOME/EXP	\$(1,785.00)	\$(1,360.00)
	NET INCOME/(LOSS)	\$ 1,602.57	\$(893.40)

* Provide a breakdown by name, position, salary, and duties.

** Provide copies of bills for Test Year expenses.

*** Provide copies of invoices exceeding \$500 for expenses.

NOTE: Do not include sales tax in revenue or expense.

Regarding Items number 601, 621, 635, 650, 657, 659 on Page 15.
Pine Valley Water Co. is owned by Lance Enterprises, Inc, and operated on a Contract.

Lance Enterprises, Inc. carries all appropriate Insurances, especially naming PVWC and it's operations. Policy is for \$1,000,000 in liability.

Lance Enterprises, Inc. is a Union Shop, and all employees are covered by Health and Welfare policies which include, 80% Health, Dental, and Eye coverage. There is also Pension and Death benefits.

Enclosed is a copy of the present operating rates which we feel are low, but we feel are about all PVWC can afford under the present rate structure.

LANCE ENTERPRISES, INC

480 Raintree Rd
Sedona, AZ. 86351
Phone 520-284-1819 Fax 520-284-9311
August 23, 1999

Pine Valley Water Co.
480 Raintree Rd
Sedona, AZ 86351
Ms Judy Mandeville

Judy,

In my letter of December 21, 1998 relating to an increase in our monthly operating charges, several of the rates were arbitrary, and, subject to review, Since then, with Lance on Payroll, and Pete off, some of our guestimates were off.

* 30 day operator standby @ \$35.00 per day	\$ 1,050.00
1/2 of office personal cost @ \$500.00 per month	250.00
*1/2 of telephone base rate	36.00
30% of office overhead	27.45
*1/2 fo 1/2 public liability insurance	109.75
\$30.00 per day for office etc.	450.00
Meter reading charge now covered in operator cost	-----
Monthly water samples (collection, shipping, lab costs)	31.50
As we now operate two service vehicles, and the golf cart, basically dedicated to PVWC service, we have "guessed" at a fair monthly charge	350.00

	\$ 2,304.70

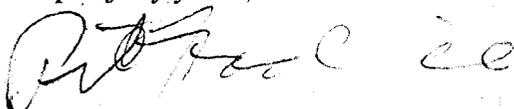
Service rates as spelled out in Sept. 1997 will remain the same.
Items marked with asterick above will reflect increases.

30 day operator standby time, increased to \$37.50	1,125.00
1/2 telephone base rate will increase to 2/3 of base rate	54.00
1/12 of 1/2 insurance will increase to 1/2 of 65%	142.66

New rates will take effect as of Dec. 1st billing (or as early as practical).

\$ 2,430.61

Respectfully yours,



Pete Mandeville, Exec. VP



PINE VALLEY WATER CO

Your Account Number
945560281

Billing Date

Post Office Box 2907
Phoenix, AZ 85062-2907

**THANK YOU
FOR YOUR BUSINESS**

We sincerely thank you for your business during the past year and wish you good health, happiness and success during 1999.

We look forward to serving you for many years to come.

LOOKING FOR MORE INFORMATION ABOUT DEREGULATION OF ARIZONA'S ELECTRIC INDUSTRY?

Log on to the APS Internet site at www.apsc.com.

We appreciate your business. Thank you!

THIS MONTH'S ELECTRIC BILLING INFORMATION

Please see back for additional information

Service Address
480 RAINTREE RD
LOT 42

You are on the E-221 RATE

Your Meter Number D61491

On Jan 11 your total kWh read was 29918
On Dec 12 your total kWh read was 26094
Your total kWh usage is 3824

Your kW demand read was 26

Basic service charge	15.00
Charge for kWh used	273.90
Charge for kW demand	46.02
Sales tax	18.45
Regulatory assessment	0.47
Sub Total	353.84

Billing Summary

Previous Billing as of 12/16/1998	341.54
Payment 12/30/1998	-341.54
Total Current Month Billing	353.84

Total Amount Due \$353.84

THANK YOU FOR YOUR PAYMENT

**EQUALIZER BALANCED PAYMENT PLAN
BALANCE THE HIGHS AND LOWS OF YOUR ELECTRIC BILLS.
JOIN THE EQUALIZER PLAN THIS MONTH BY SENDING IN
YOUR PAYMENT OF \$424.00 AND CHECKING THE
AUTHORIZATION BOX BELOW.**

*Pd 1/24/99
Chk # 3072
353.84*

Continued on next page
Please return lower portion with payment. When paying in person, bring entire bill.

Total Amount Due \$317.41

THANK YOU FOR YOUR PAYMENT

**EQUALIZER BALANCED PAYMENT PLAN
BALANCE THE HIGHS AND LOWS OF YOUR ELECTRIC BILLS.
JOIN THE EQUALIZER PLAN THIS MONTH BY SENDING IN
YOUR PAYMENT OF \$427.00 AND CHECKING THE
AUTHORIZATION BOX BELOW.**

*Pd 2/11/99
Chk # 3080
317.41*

Continued on next page
Please return lower portion with payment. When paying in person, bring entire bill.

Total Amount Due \$363.24

THANK YOU FOR YOUR PAYMENT

If we can help please call (602)371-6767

Total billing amount due on presentation

* sign up for Equalizer

To receive your password, visit the customer service section of our website and complete an on-line registration form.

Billing Summary

Previous Billing as of 03/16/1999
Payment 03/26/1999
Total Current Month Billing

363.24
-363.24
407.42
\$407.42

Total Amount Due

THANK YOU FOR YOUR PAYMENT

If we can help please call (602)371-6767

Total billing amount due on presentation

*Pd 4/30/99
407.42
Ch # 3090*

Please return lower portion with payment. When paying in person, bring entire bill.

(602) 371-6816 or 1-800
253-9405.

Total Amount Due

438.15
\$438.15

THANK YOU FOR YOUR PAYMENT

If we can help please call (602)371-6767

Total billing amount due on presentation

*Pd 5/23/99
Ch # 3093*

Please return lower portion with payment. When paying in person, bring entire bill.

Total Amount Due

\$584.62

THANK YOU FOR YOUR PAYMENT

If we can help please call (602)371-6767

Total billing amount due on presentation

*Pd 7/1/99
Ch # 3098
584.62*

Please return lower portion with payment. When paying in person, bring entire bill.

moderate who favors
solar energy and
deregulation of
utilities.

Total Current Month Billing

771.32

Total Amount Due

\$771.32

THANK YOU FOR YOUR PAYMENT

If we can help please call (602)371-6767

Total billing amount due on presentation

Please return lower portion with payment. When paying in person, bring entire bill.

Total Amount Due

\$527.32

THANK YOU FOR YOUR PAYMENT

If we can help please call (602)371-6767

Total billing amount due on presentation

PAID Check #:
Date: 8.11

see the insert in this month's bill.

Basic service charge	15.00
Charge for kWh used	385.84
Charge for kW demand	47.79
Sales tax	24.71
Regulatory assessment	0.63
Sub Total	473.97

Billing Summary

Previous Billing as of 08/13/1999	527.32
Payment 08/23/1999	-527.32
Total Current Month Billing	473.97

Total Amount Due \$473.97

THANK YOU FOR YOUR PAYMENT

**EQUALIZER BALANCED PAYMENT PLAN
BALANCE THE HIGHS AND LOWS OF YOUR ELECTRIC BILLS.
JOIN THE EQUALIZER PLAN THIS MONTH BY SENDING IN
YOUR PAYMENT OF \$451.00 AND CHECKING THE
AUTHORIZATION BOX BELOW.**

If we can help please call (602)371-6767

Total billing amount due on presentation

*Pd ch # 3109
9/22/99
473.97*

amount of the "FREE
DECREASE CREDIT"
line of this bill
is for the estimated
decrease you would have
received for July,
August and September.

Please return lower portion with payment. When paying in person, bring entire bill.
Total Current Month Billing

Total Amount Due \$442.44

THANK YOU FOR YOUR PAYMENT

**EQUALIZER BALANCED PAYMENT PLAN
BALANCE THE HIGHS AND LOWS OF YOUR ELECTRIC BILLS.
JOIN THE EQUALIZER PLAN THIS MONTH BY SENDING IN
YOUR PAYMENT OF \$454.00 AND CHECKING THE
AUTHORIZATION BOX BELOW.**

Continued on next page
Please return lower portion with payment. When paying in person, bring entire bill.

Total Amount Due \$511.60

THANK YOU FOR YOUR PAYMENT

If we can help please call (602)371-6767

Total billing amount due on presentation

*00
ch # 51160*

in the
et; please call
vice Assistant Paula
house at (602) 534-3833.

Please return lower portion with payment. When paying in person, bring entire bill.

Total Amount Due \$438.79
THANK YOU FOR YOUR PAYMENT

If we can help please call (602)371-6767

Total billing amount due on presentation

*Pd 12/26/99
ch # 3122
438.79*

Please return lower portion with payment. When paying in person, bring entire bill.

Company Name:

PINE VALLEY WATER CO.

Test Year Ended:

12/31/99

CALCULATION OF DEPRECIATION EXPENSE

Acct. No.		Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	4,298	- 0 -	- 0 -
302	Franchises	N/A	N/A	N/A
303	Land and Land Rights	14,450	N/A	N/A
304	Structures and Improvements	24,390	1.72	723
307	Wells and Springs	7000	COMPLETE	- 0 -
311	Pumping Equipment	46,302	VAR	N/A
320	Water Treatment Equipment	N/A	N/A	N/A
330	Distribution Reservoirs and Standpipes	5000	COMPLETE	- 0 -
331	Transmission and Distribution Mains	58,614	3.33	1,963
333	Services	N/A	N/A	N/A
334	Meters and Meter Installations	19,688	10.	1,339
335	Hydrants	4,564	COMPLETE	- 0 -
336	Backflow Prevention Devices	N/A	N/A	N/A
339	Other Plant and Misc. Equipment	342	10	34
340	Office Furniture and Equipment	N/A	N/A	N/A
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment			
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	28,636	5.00	1,432
	TOTAL WATER PLANT	213,284		6,985

NOTE: Use Test Year ending balances for Column 1, and proposed depreciation rates in Column 2.

Company Name:

PINE VALLEY WATER CO.

Test Year Ended:

12/31/99

BALANCE SHEET

	ASSETS	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 988 ⁵⁶	\$ 2,850 ⁷²
134	Working Funds	N/A	N/A
135	Temporary Cash Investments		
141	Customer Accounts Receivable		
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 988 ⁵⁶	\$ 2,850 ⁷²
	FIXED ASSETS		
101	Utility Plant in Service	\$ 180,349 ⁹¹	\$ 180,349 ⁹¹
103	Property Held for Future Use	28,636 ⁰⁰	28,636 ⁰⁰
105	Construction Work in Progress	NONE	NONE
108	Accumulated Depreciation - Utility Plant	94,671 ⁰⁰	101,656 ⁰⁰
121	Non-Utility Property	N/A	N/A
122	Accumulated Depreciation - Non Utility	N/A	N/A
	TOTAL FIXED ASSETS	\$ 114,314 ⁹¹	\$ 107,329 ⁹¹
	TOTAL ASSETS	\$ 115,303 ⁴⁷	\$ 110,180 ⁶³

NOTE: Total Assets on this page should equal Total Liabilities and Capital on Page 18.

Company Name: PINE VALLEY WATER CO.	Test Year Ended: 12/31/99
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BALANCE SHEET CONTINUED

	LIABILITIES	BALANCE AT BEGINNING OF TEST YEAR	BALANCE AT END OF TEST YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ — 0 —	\$ 7,153 ⁸⁵
232	Notes Payable (Current Portion)	0	0
234	Notes/Accounts Payable to Associated Companies	0	0
235	Customer Deposits	222 ⁵⁰	— 0 —
236	Accrued Taxes	196 ⁵⁹	247 ⁰⁰
237	Accrued Interest	0	0
241	Miscellaneous Current and Accrued Liabilities	18,000 ⁰⁰	15,830 ⁰⁰
	TOTAL CURRENT LIABILITIES	\$ 19,419 ⁰⁹	\$ 23,230 ⁸⁵
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 0	\$ 0
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$ N/A	\$ N/A
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction		
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ — 0 —	\$ — 0 —
	TOTAL LIABILITIES	\$ 19,419 ⁰⁹	\$ 23,230 ⁸⁵
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 1000 ⁰⁰	\$ 1000 ⁰⁰
211	Paid in Capital in Excess of Par Value	77,389 ⁰⁰	77,389 ⁰⁰
215	Retained Earnings	17,495 ³⁸	8,560 ⁷⁸
218	Proprietary Capital (Sole Props and Partnerships)	N/A	N/A
	TOTAL CAPITAL	\$ 95,884 ³⁸	\$ 86,949 ⁷⁸
	TOTAL LIABILITIES AND CAPITAL	\$ 115,303 ⁴⁷	\$ 110,180 ⁶³

Company Name: <i>PINE VALLEY WATER Co.</i>	Test Year Ended: <i>12/31/99</i>
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SUPPLEMENTAL FINANCIAL DATA
Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	<i>12/30/99</i>	<i>NA</i>	<i>NA</i>	<i>N/A</i>
Source of Loan	<i>STOCK HOLDERS</i>			
ACC Decision No.	<i>N/A</i>			
Reason for Loan	<i>LOANS FROM STOCKHOLDERS</i>			
Dollar Amount Issued	\$ <i>N/A</i>	\$	\$	\$
Amount Outstanding	\$ <i>16,000⁰⁰</i>	\$	\$	\$
Date of Maturity	<i>11/1/00</i>			
Interest Rate	<i>8%</i>			
Current Year Interest	\$ <i>1,360⁰⁰</i>	\$	\$	\$
Current Year Principle	\$ <i>16,000⁰⁰</i>	\$ <i>Y</i>	\$ <i>Y</i>	\$ <i>Y</i>

If the Commission has not approved any of the above loans, please attach an explanation citing why the Company did not seek approval. If additional space is needed, please attach as many supplemental pages as necessary.

Meter Deposit Balance at Test Year End	\$ <u><i>— 0 —</i></u>
Meter Deposits Refunded During the Test Year	\$ <u><i>1222⁵⁰</i></u>

Company Name: PINE VALLEY WATER CO	Test Year Ended: 12/31/99
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CONTRIBUTIONS IN AID OF CONSTRUCTION

Balance Per Prior Decision	\$
Additions 19	\$
Total Additions	\$
Balance at Test Year End	\$

ADVANCES IN AID OF CONSTRUCTION

	Additions During Year	Refunds During Year	Cumulative Total
Balance per Prior Decision			
19			
19			
19			
19			
19			
Total of Additions			
Total of Refunds			

NOTE: Prior Decision refers to the balances per the prior Staff Report as adjusted per the final Commission Decision.

Company Name: PINE VALLEY WATER CO	Test Year Ended: 12/31/99
Meter Size: 5/8 X 3/4	1 st Quarter Ended: 3/30/99

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	JAN	FEB	MAR	
- 0 -	5	3	4	12
1 to 1,000	14	11	12	37
1,001 to 2,000	14	10	15	39
2,001 to 3,000	20	14	13	47
3,001 to 4,000	17	24	16	57
4,001 to 5,000	15	9	15	39
5,001 to 6,000	13	12	11	36
6,001 to 7,000	5	4	6	15
7,001 to 8,000	6	11	9	26
8,001 to 9,000	3	5	7	15
9,001 to 10,000	1	3	2	6
10,001 to 12,000	2	6	3	11
12,001 to 14,000	1	3	2	6
14,001 to 16,000	0	0	1	1
16,001 to 18,000	0	0	0	0
18,001 to 20,000	1	0	1	2
20,001 to 25,000		2	1	3
25,001 to 30,000				0
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				
Total Bills	117	117	118	352

Company Name: <u>PINE VALLEY WATER Co.</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>3/8 x 3/4</u>	2 nd Quarter Ended: <u>3/30 - 6/30/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	Apr	MAY	June	
- 0 -	1	1	2	4
1 to 1,000	9	8	3	20
1,001 to 2,000	16	11	8	35
2,001 to 3,000	9	16	9	34
3,001 to 4,000	12	16	5	33
4,001 to 5,000	15	7	11	33
5,001 to 6,000	9	13	7	29
6,001 to 7,000	11	7	9	27
7,001 to 8,000	6	7	8	21
8,001 to 9,000	3	4	8	15
9,001 to 10,000	7	8	4	19
10,001 to 12,000	7	11	10	28
12,001 to 14,000	8	1	3	12
14,001 to 16,000	1	1	7	9
16,001 to 18,000	2	3	5	10
18,001 to 20,000		1	6	7
20,001 to 25,000		1	6	7
25,001 to 30,000	1	1	4	6
30,001 to 35,000			1	1
35,001 to 40,000				0
40,001 to 50,000				0
50,001 to 60,000			1	1
60,001 to 70,000				0
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				↓
Total Bills	117	117	117	351

Company Name: PINE VALLEY WATER CO. Test Year Ended: 12/31/99
 Meter Size: 5/8 x 3/4 3rd Quarter Ended: 4/30 - 9/30/99

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	J	A	S	
- 0 -	2	1	1	4
1 to 1,000	8	6	5	19
1,001 to 2,000	3	6	8	17
2,001 to 3,000	6	12	6	24
3,001 to 4,000	6	9	16	31
4,001 to 5,000	10	9	11	30
5,001 to 6,000	5	5	6	16
6,001 to 7,000	7	12	6	25
7,001 to 8,000	8	10	11	29
8,001 to 9,000	8	8	3	19
9,001 to 10,000	6	4	3	13
10,001 to 12,000	11	8	13	32
12,001 to 14,000	4	10	4	18
14,001 to 16,000	9	2	6	17
16,001 to 18,000	3	4	3	10
18,001 to 20,000	2	2	5	9
20,001 to 25,000	8	6	6	20
25,001 to 30,000	9	1	1	11
30,001 to 35,000	1		2	3
35,001 to 40,000	2	1	1	4
40,001 to 50,000	1			1
50,001 to 60,000				0
60,001 to 70,000	1	1	1	3
70,001 to 80,000		1		1
80,001 to 90,000				0
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				↓
Total Bills	120	118	118	356

Company Name: <u>PINE VALLEY WATER CO.</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>5/8 X 3/4</u>	4 th Quarter Ended: <u>9/30 - 12/31/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	P	N	P	
- 0 -	1	0	2	3
1 to 1,000	8	5	5	18
1,001 to 2,000	7	8	8	23
2,001 to 3,000	16	11	11	38
3,001 to 4,000	13	16	14	43
4,001 to 5,000	10	11	20	41
5,001 to 6,000	12	7	5	24
6,001 to 7,000	7	13	14	34
7,001 to 8,000	8	8	6	22
8,001 to 9,000	8	5	10	23
9,001 to 10,000	5	5	3	13
10,001 to 12,000	9	3	5	17
12,001 to 14,000	6	11	5	22
14,001 to 16,000	3	1	3	7
16,001 to 18,000	0	0	1	1
18,001 to 20,000	1	4	2	7
20,001 to 25,000	1	4	1	6
25,001 to 30,000	2	3	1	6
30,001 to 35,000		1	1	2
35,001 to 40,000				0
40,001 to 50,000		2		2
50,001 to 60,000	1			1
60,001 to 70,000				0
70,001 to 80,000				0
80,001 to 90,000				0
90,001 to 100,000			1	1
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				0
Total Bills	118	118	118	354

Company Name: PINE VALLEY WATER CO.

Test Year Ended: 12/31/99

Meter Size: 5/8 X 3/4

BILL COUNT SUMMARY

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
- 0 -					
1 to 1,000					
1,001 to 2,000					
2,001 to 3,000					
3,001 to 4,000					
4,001 to 5,000					
5,001 to 6,000					
6,001 to 7,000					
7,001 to 8,000					
8,001 to 9,000					
9,001 to 10,000					
10,001 to 12,000					
12,001 to 14,000					
14,001 to 16,000					
16,001 to 18,000					
18,001 to 20,000					
20,001 to 25,000					
25,001 to 30,000					
30,001 to 35,000					
35,001 to 40,000					
40,001 to 50,000					
50,001 to 60,000					
60,001 to 70,000					
70,001 to 80,000					
80,001 to 90,000					
90,001 to 100,000					
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)					
Total Bills	352	351	356	354	1413



Company Name: <u>PINE VALLEY WATER CO.</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>3/4 X 3/4</u>	1 st Quarter Ended: <u>1/1/99 - 3/31/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	JAN	FEB	MAR	
- 0 -	0	1	1	2
1 to 1,000	1	0	0	1
1,001 to 2,000	0	1	1	2
2,001 to 3,000	0			0
3,001 to 4,000	1			1
4,001 to 5,000				0
5,001 to 6,000				
6,001 to 7,000				
7,001 to 8,000				
8,001 to 9,000				
9,001 to 10,000				
10,001 to 12,000				
12,001 to 14,000				
14,001 to 16,000				
16,001 to 18,000				
18,001 to 20,000				
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				
Total Bills	2	2	2	6

Company Name: PINE VALLEY WATER CO.	Test Year Ended: 12/31/99
Meter Size: 3/4 x 3/4	2 nd Quarter Ended: 3/31/99 - 6/99

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	A	M	L	
- 0 -				0
1 to 1,000				0
1,001 to 2,000				0
2,001 to 3,000	2	2	2	6
3,001 to 4,000				0
4,001 to 5,000				0
5,001 to 6,000				0
6,001 to 7,000				0
7,001 to 8,000				0
8,001 to 9,000				0
9,001 to 10,000				0
10,001 to 12,000				0
12,001 to 14,000				0
14,001 to 16,000				0
16,001 to 18,000				0
18,001 to 20,000				0
20,001 to 25,000				0
25,001 to 30,000				0
30,001 to 35,000				0
35,001 to 40,000				0
40,001 to 50,000				0
50,001 to 60,000				0
60,001 to 70,000				0
70,001 to 80,000				0
80,001 to 90,000				0
90,001 to 100,000				0
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				0
Total Bills	2	2	2	6

Company Name: <u>PINE VALLEY WATER CO.</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>3/4 X 3/4</u>	3 rd Quarter Ended: <u>6/30/99 - 9/30/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	A	S		
- 0 -				0
1 to 1,000	1			1
1,001 to 2,000				0
2,001 to 3,000		2	2	4
3,001 to 4,000				0
4,001 to 5,000	1			1
5,001 to 6,000				0
6,001 to 7,000				
7,001 to 8,000				
8,001 to 9,000				
9,001 to 10,000				
10,001 to 12,000				
12,001 to 14,000				
14,001 to 16,000				
16,001 to 18,000				
18,001 to 20,000				
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				
Total Bills	2	2	2	6

Company Name: <u>PINE VALLEY WATER Co.</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>3/4 X 3/4</u>	4 th Quarter Ended: <u>9/30/99 - 12/31/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	0	N	D	
- 0 -				0
1 to 1,000		1	1	1
1,001 to 2,000	1		1	2
2,001 to 3,000	1	1	1	3
3,001 to 4,000				0
4,001 to 5,000				
5,001 to 6,000				
6,001 to 7,000				
7,001 to 8,000				
8,001 to 9,000				
9,001 to 10,000				
10,001 to 12,000				
12,001 to 14,000				
14,001 to 16,000				
16,001 to 18,000				
18,001 to 20,000				
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, cct.)				6
Total Bills	2	2	2	6

Company Name: <i>PINE VALLEY WATER CO.</i>	Test Year Ended: <i>12/31/99</i>
Meter Size: <i>3/4 X 3/4</i>	

BILL COUNT SUMMARY

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
- 0 -					
1 to 1,000					
1,001 to 2,000					
2,001 to 3,000					
3,001 to 4,000					
4,001 to 5,000					
5,001 to 6,000					
6,001 to 7,000					
7,001 to 8,000					
8,001 to 9,000					
9,001 to 10,000					
10,001 to 12,000					
12,001 to 14,000					
14,001 to 16,000					
16,001 to 18,000					
18,001 to 20,000					
20,001 to 25,000					
25,001 to 30,000					
30,001 to 35,000					
35,001 to 40,000					
40,001 to 50,000					
50,001 to 60,000					
60,001 to 70,000					
70,001 to 80,000					
80,001 to 90,000					
90,001 to 100,000					
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)					
Total Bills	<i>6</i>	<i>6</i>	<i>6</i>	<i>6</i>	<i>24</i>



Company Name: <u>PINE VALLEY WATER CO</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>1"</u>	1 st Quarter Ended: <u>1/99 - 3/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	JAN	FEB	MAR	
- 0 -			0	0
1 to 1,000			0	0
1,001 to 2,000			1	1
2,001 to 3,000	1	2	0	3
3,001 to 4,000	1		3	4
4,001 to 5,000	2		1	3
5,001 to 6,000				0
6,001 to 7,000		1		1
7,001 to 8,000				0
8,001 to 9,000		1		1
9,001 to 10,000				0
10,001 to 12,000				
12,001 to 14,000				
14,001 to 16,000				
16,001 to 18,000				
18,001 to 20,000				
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				
Total Bills	4	4	5	13

Company Name: <u>PINE VALLEY WATER CO.</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>1"</u>	2 nd Quarter Ended: <u>4/99 - 6/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	A	M	J.	
- 0 -	0			0
1 to 1,000	0			0
1,001 to 2,000	1	1		2
2,001 to 3,000	0			0
3,001 to 4,000	1		1	2
4,001 to 5,000	1	2		3
5,001 to 6,000	2		1	3
6,001 to 7,000			1	1
7,001 to 8,000		1		1
8,001 to 9,000				0
9,001 to 10,000		1		1
10,001 to 12,000				0
12,001 to 14,000			1	1
14,001 to 16,000				0
16,001 to 18,000			1	1
18,001 to 20,000				0
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				
Total Bills	5	5	5	15

Company Name: <u>PINE VALLEY WATER CO</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>1"</u>	3 rd Quarter Ended: <u>4/1- 6/30/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	J	A	S	
- 0 -				0
1 to 1,000	/			1
1,001 to 2,000				0
2,001 to 3,000			/	1
3,001 to 4,000		/	/	2
4,001 to 5,000	/			1
5,001 to 6,000		/		1
6,001 to 7,000	/	/	/	3
7,001 to 8,000				0
8,001 to 9,000		/	/	2
9,001 to 10,000				0
10,001 to 12,000				0
12,001 to 14,000	/			1
14,001 to 16,000		/		1
16,001 to 18,000				0
18,001 to 20,000			/	1
20,001 to 25,000	/			1
25,001 to 30,000				0
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				
Total Bills	5	5	5	15



Company Name: PINE VALLEY WATER CO. Test Year Ended: 12/31/99
 Meter Size: 1" 4th Quarter Ended: 7/1 - 9/30/99

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	0	N	D	
- 0 -				0
1 to 1,000				0
1,001 to 2,000				0
2,001 to 3,000				0
3,001 to 4,000	1	1	1	3
4,001 to 5,000			1	1
5,001 to 6,000			1	1
6,001 to 7,000	2			2
7,001 to 8,000	2	1	1	4
8,001 to 9,000				0
9,001 to 10,000				0
10,001 to 12,000			1	1
12,001 to 14,000		1		1
14,001 to 16,000				0
16,001 to 18,000		1		1
18,001 to 20,000				0
20,001 to 25,000				0
25,001 to 30,000		1		1
30,001 to 35,000				0
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				
Total Bills	5	5	5	15

Company Name: *PINE VALLEY WATER CO.*

Test Year Ended: *12/31/19*

Meter Size: *1"*

BILL COUNT SUMMARY

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
- 0 -					
1 to 1,000					
1,001 to 2,000					
2,001 to 3,000					
3,001 to 4,000					
4,001 to 5,000					
5,001 to 6,000					
6,001 to 7,000					
7,001 to 8,000					
8,001 to 9,000					
9,001 to 10,000					
10,001 to 12,000					
12,001 to 14,000					
14,001 to 16,000					
16,001 to 18,000					
18,001 to 20,000					
20,001 to 25,000					
25,001 to 30,000					
30,001 to 35,000					
35,001 to 40,000					
40,001 to 50,000					
50,001 to 60,000					
60,001 to 70,000					
70,001 to 80,000					
80,001 to 90,000					
90,001 to 100,000					
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)					
Total Bills	<i>13</i>	<i>15</i>	<i>15</i>	<i>15</i>	<i>58</i>



Company Name: PINE VALLEY WATER CO	Test Year Ended: 12/31/99
Meter Size: 1 1/2"	1 st Quarter Ended: 1/99 - 3/31/99

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
- 0 -				0
1 to 1,000				↓
1,001 to 2,000				
2,001 to 3,000				
3,001 to 4,000				
4,001 to 5,000				
5,001 to 6,000				
6,001 to 7,000				
7,001 to 8,000				
8,001 to 9,000				
9,001 to 10,000				
10,001 to 12,000	1			1
12,001 to 14,000		1		1
14,001 to 16,000				0
16,001 to 18,000			1	1
18,001 to 20,000				0
20,001 to 25,000				↓
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				0
Total Bills	1	1	1	3

Company Name: <u>PINE VALLEY WATER CO</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>1 1/2"</u>	2 nd Quarter Ended: <u>4/1/99 - 6/30/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
- 0 -				0
1 to 1,000				
1,001 to 2,000				
2,001 to 3,000				
3,001 to 4,000				
4,001 to 5,000				
5,001 to 6,000				
6,001 to 7,000				
7,001 to 8,000				
8,001 to 9,000				
9,001 to 10,000			1	
10,001 to 12,000	1			
12,001 to 14,000				
14,001 to 16,000				
16,001 to 18,000				
18,001 to 20,000				
20,001 to 25,000	1			
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				
Total Bills	1	1	1	3

Company Name: <i>PINE VALLEY WATER Co.</i>	Test Year Ended: <i>12/31/99</i>
Meter Size: <i>1 1/2"</i>	3 rd Quarter Ended: <i>7/1 - 9/30/99</i>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
- 0 -				0
1 to 1,000				↓
1,001 to 2,000				
2,001 to 3,000				
3,001 to 4,000				
4,001 to 5,000				
5,001 to 6,000				
6,001 to 7,000				
7,001 to 8,000				
8,001 to 9,000				
9,001 to 10,000			1	
10,001 to 12,000	1			1
12,001 to 14,000				0
14,001 to 16,000		1		1
16,001 to 18,000				0
18,001 to 20,000				↓
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				1
Total Bills	1	1	1	3

Company Name: <u>PINE VALLEY WATER CO.</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>1 1/2"</u>	4 th Quarter Ended: <u>10/1 - 12/31/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	JAN	FEB	MAR	
- 0 -				0
1 to 1,000	1			1
1,001 to 2,000				0
2,001 to 3,000				0
3,001 to 4,000				0
4,001 to 5,000				0
5,001 to 6,000			1	1
6,001 to 7,000		1		1
7,001 to 8,000				0
8,001 to 9,000				
9,001 to 10,000				
10,001 to 12,000				
12,001 to 14,000				
14,001 to 16,000				
16,001 to 18,000				
18,001 to 20,000				
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				↓
Total Bills	1	1	1	3

Company Name: <i>PINE VALLEY WATER Co.</i>	Test Year Ended: <i>12/31/99</i>
Meter Size: <i>1 1/2"</i>	

BILL COUNT SUMMARY

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
- 0 -					
1 to 1,000					
1,001 to 2,000					
2,001 to 3,000					
3,001 to 4,000					
4,001 to 5,000					
5,001 to 6,000					
6,001 to 7,000					
7,001 to 8,000					
8,001 to 9,000					
9,001 to 10,000					
10,001 to 12,000					
12,001 to 14,000					
14,001 to 16,000					
16,001 to 18,000					
18,001 to 20,000					
20,001 to 25,000					
25,001 to 30,000					
30,001 to 35,000					
35,001 to 40,000					
40,001 to 50,000					
50,001 to 60,000					
60,001 to 70,000					
70,001 to 80,000					
80,001 to 90,000					
90,001 to 100,000					
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)					
Total Bills	<i>3</i>	<i>3</i>	<i>3</i>	<i>3</i>	<i>12</i>



Company Name: <u>PINE VALLEY WATER CO.</u>	Test Year Ended: <u>12/31/99</u>
Meter Size: <u>2"</u>	1 st Quarter Ended: <u>1/1/99 - 3/31/99</u>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
	JAN	FEB	MAR	
- 0 -	0			0
1 to 1,000	0			↓
1,001 to 2,000	0			↓
2,001 to 3,000	1			1
3,001 to 4,000		1	1	2
4,001 to 5,000				0
5,001 to 6,000				↓
6,001 to 7,000				
7,001 to 8,000				
8,001 to 9,000				
9,001 to 10,000				
10,001 to 12,000				
12,001 to 14,000				
14,001 to 16,000				
16,001 to 18,000				
18,001 to 20,000				
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				↓
Total Bills	1	1	1	3

Company Name: <i>PINE VALLEY WATER CO.</i>	Test Year Ended: <i>12/31/99</i>
Meter Size: <i>2"</i>	2 nd Quarter Ended: <i>4/1 - 6/30/99</i>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
- 0 -				0
1 to 1,000				↓
1,001 to 2,000				
2,001 to 3,000				
3,001 to 4,000				
4,001 to 5,000		<i>1</i>		<i>1</i>
5,001 to 6,000				0
6,001 to 7,000				0
7,001 to 8,000				0
8,001 to 9,000			<i>1</i>	<i>1</i>
9,001 to 10,000				0
10,001 to 12,000				0
12,001 to 14,000	<i>1</i>			<i>1</i>
14,001 to 16,000				0
16,001 to 18,000				↓
18,001 to 20,000				
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				
Total Bills	<i>1</i>	<i>1</i>	<i>1</i>	

Company Name: <i>PINE VALLEY</i>	Test Year Ended: <i>12/31/99</i>
Meter Size: <i>2"</i>	3 rd Quarter Ended: <i>7/1 - 9/30/99</i>

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
- 0 -				0
1 to 1,000				↓
1,001 to 2,000				↓
2,001 to 3,000				↓
3,001 to 4,000		1		1
4,001 to 5,000				0
5,001 to 6,000				↓
6,001 to 7,000				↓
7,001 to 8,000				↓
8,001 to 9,000	1			1
9,001 to 10,000			1	1
10,001 to 12,000				0
12,001 to 14,000				↓
14,001 to 16,000				
16,001 to 18,000				
18,001 to 20,000				
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				↓
Total Bills	1	1	1	3

Company Name: PINE VALLEY WATER CO	Test Year Ended: 12/31/99
Meter Size: 2"	4 th Quarter Ended: 10/1 - 12/31/99

GALLONAGE RANGE	NUMBER OF BILLS			TOTAL BILLS FOR QUARTER
- 0 -				0
1 to 1,000			1	1
1,001 to 2,000				0
2,001 to 3,000				↓
3,001 to 4,000				
4,001 to 5,000				
5,001 to 6,000				
6,001 to 7,000				
7,001 to 8,000				
8,001 to 9,000				
9,001 to 10,000		1		
10,001 to 12,000				0
12,001 to 14,000				0
14,001 to 16,000		1		1
16,001 to 18,000				0
18,001 to 20,000				↓
20,001 to 25,000				
25,001 to 30,000				
30,001 to 35,000				
35,001 to 40,000				
40,001 to 50,000				
50,001 to 60,000				
60,001 to 70,000				
70,001 to 80,000				
80,001 to 90,000				
90,001 to 100,000				
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)				↓
Total Bills	1	1	1	3

Company Name: PINE VALLEY WATER CO.

Test Year Ended: 12/31/99

Meter Size: 2"

BILL COUNT SUMMARY

	1 st Qtr	2 nd Qtr	3 rd Qtr	4 th Qtr	Total
- 0 -					
1 to 1,000					
1,001 to 2,000					
2,001 to 3,000					
3,001 to 4,000					
4,001 to 5,000					
5,001 to 6,000					
6,001 to 7,000					
7,001 to 8,000					
8,001 to 9,000					
9,001 to 10,000					
10,001 to 12,000					
12,001 to 14,000					
14,001 to 16,000					
16,001 to 18,000					
18,001 to 20,000					
20,001 to 25,000					
25,001 to 30,000					
30,001 to 35,000					
35,001 to 40,000					
40,001 to 50,000					
50,001 to 60,000					
60,001 to 70,000					
70,001 to 80,000					
80,001 to 90,000					
90,001 to 100,000					
Over 100,000 (List actual gallons, i.e. - 120,000, ect.)					
Total Bills	<u>3</u>	<u>3</u>	<u>3</u>	<u>3</u>	<u>12</u>



CUSTOMER NOTIFICATION

Sept. 30, 2000

PINE VALLEY WATER CO. has filed with the Arizona Corporation Commission an application for a \$10009.52 increase in its rates and charges. The Application is available for inspection during regular business hours at the offices of the Commission in Phoenix at 1200 W. Washington St., the Commission in Tucson at 400 West Congress, North Bldg, Room 218, and at Pine Valley Water Co., at 480 Raintree Rd. Sedona. Please be advised that the rates and charges ultimately approved by the Commission may be higher or lower than the rates and charges requested in the Application.

Customer input is an important part of the Commission's analysis of the requested increase and is a factor in determining whether a hearing will be conducted. Customers are encouraged to call to the Commission's attention any questions or concerns related to the Company's Application, including service, billing procedures or other factors important in determining the reasonableness of charges. As a property owner or customer, you may have the right to intervene in this matter. Customers wishing to communicate with the Commission, or request information on intervention in the proceeding, should contact the Commission's Consumer Services Section at 1-800-222-7000 in Phoenix, or 1-800-535-0148 in Tucson.

Customers are advised that the Commission may act upon the Application without a hearing. Regardless of whether a formal hearing is held, comments submitted in writing will be Docketed in the file, which the Commission reviews prior to making the final Decision on the Application. It is important that you contact the Commission within 15 days so that the Commission's Staff can consider your comments and concerns in developing its recommendations to the Commission. The present rates have been in effect since Dec. 1, 1994. An increase in rates is necessary at this time to continue operating at our present level of service.

Monthly Charge	Present Rates	Proposed Rates
5/8" X 3/4" meter for 1000 gal.	\$16.50	\$ 17.00 for 0 gal
3/4" " "	17.50	18.00 " "
1" " "	22.00	22.50 " "
1 1/2" " "	28.00	28.00 " "
2" " "	37.00	37.00 " "
3" " "	193.50	193.50 " "
4" " "	321.00	321.00 " "
6" " "	643.00	643.00 " "

Service Charges	Present Rates	Proposed Rates
Establishment	\$ 25.00	\$35.00
Establishment(After Hrs.)	40.00	45.00
Reconnection(Delinquent)	35.00	40.00
NSF Check	15.00	25.00
Meter Reread/if correct	10.00	25.00
Meter Test	30.00	55.00
Deposit	Per Rule	Owners Per Rule
Renters Deposit		75.00 returned on payment of final bill
Re-establishment w/n 12 mos. Mos. off system x min.	Per Rule	plus establishment
Late Notice	5.00	5.00

PINE VALLEY WATER CO.
480 RAINTREE RD.
SEDONA, AZ. 86351
284-1819

Account No. 88 Current Reading Date 9/1/00 Previous Date 8/1/00

METER READINGS

Previous	Current	Gallons Used	Description	Amount
22,910	24,000	1,090	Water	\$16.75
			Sales Tax	\$0.95
			Sub. Total	\$17.70
			Credit	\$0.00
			Past Due	\$0.00
			Misc	\$0.00

88
Mr. William Waterman
8631 E. Columbus Ave.
Scottsdale, Az. 85251

Total Due \$0.00

DUE UPON RECEIPT

**PAYMENTS NOT RECEIVED BY 20TH OF THE MONTH ARE CONSIDERED DELINQUENT
PLEASE PUT YOUR ACCOUNT # ON THE MEMO LINE OF YOUR CHECK**

Account No. 88 Current Reading Date 9/1/00 Previous Date 8/1/00

Meter Reading

Previous	Current	Gallons Used	Description	Amount
22,910	24,000	1,090	Water	\$16.75
			Sales Tax	\$0.95
			Sub. Total	\$17.70
			Credit	\$0.00
			Past Due	\$0.00
			Misc.	\$0.00

88
Mr. William Waterman
8631 E. Columbus Ave.
Scottsdale, Az. 85251

Total Due \$0.00

Dear Customers, Neighbors, Friends,

I usually start with Lewis Carroll's "The time has come", the walrus said...", well, it's getting a little shopworn, so I'll only say The Time has Come.

We will be going for a water rate increase. Our last increase was in 1994 and it netted us about \$600 a year less than anticipated, but we made do with it. Our rates have always been predicated on getting enough income to get along on, that is; four months of not enough to get by on (winter), four months of just getting by (spring and fall), and hopefully enough in the summer to even the year out to a break even point. This formula not only leaves us with virtually no net profit, but not even enough to reinvest into the company for improvements, repair and replacement of worn tools or even money for a contingency fund for emergencies (the sound you hear is us knocking on wood). We are at a point that without our personal outside income (social security, ect.) we would not make ends meet. We anticipate asking for an increase that will leave our rates below Big Park Water's (a company which has a much higher ratio of customers to expenses). When Lance Enterprises was busy building tanks they subsidized the water company by paying the majority of the office and operator payrolls but now the water company has to pay it's own way and frankly it's just not making it. The Rate Hearing Chairman told Virginia Todd, years ago when she protested a rate increase - be glad the Mandevilles can subsidize your water rates. Our response was that our customers are our friends and neighbors and we just wanted to get by. Well, we are no longer getting by; in addition to the above mention of lack of reinvestment and contingency funds our two operators, Judy and Lance, are working or on call 24 hours a day seven days a week and make a combined \$18,000 annual wage and I don't take any payment for my service to the water company. Therefore, though we wish it wasn't so, the end result is the prospect of a rate increase.

Respectfully yours,

Dear Customers, Neighbors, Friends,

I usually start with Lewis Carroll's "The time has come", the walrus said...", well, it's getting a little shopworn, so I'll only say The Time has Come.

We will be going for a water rate increase. Our last increase was in 1994 and it netted us about \$600 a year less than anticipated, but we made do with it. Our rates have always been predicated on getting enough income to get along on, that is; four months of not enough to get by on (winter), four months of just getting by (spring and fall), and hopefully enough in the summer to even the year out to a break even point. This formula not only leaves us with virtually no net profit, but not even enough to reinvest into the company for improvements, repair and replacement of worn tools or even money for a contingency fund for emergencies (the sound you hear is us knocking on wood). We are at a point that without our personal outside income (social security, ect.) we would not make ends meet. We anticipate asking for an increase that will leave our rates below Big Park Water's (a company which has a much higher ratio of customers to expenses). When Lance Enterprises was busy building tanks they subsidized the water company by paying the majority of the office and operator payrolls but now the water company has to pay it's own way and frankly it's just not making it. The Rate Hearing Chairman told Virginia Todd, years ago when she protested a rate increase - be glad the Mandeville's can subsidize your water rates. Our response was that our customers are our friends and neighbors and we just wanted to get by. Well, we are no longer getting by; in addition to the above mention of lack of reinvestment and contingency funds our two operators, Judy and Lance, are working or on call 24 hours a day seven days a week and make a combined \$18,000 annual wage and I don't take any payment for my service to the water company. Therefore, though we wish it wasn't so, the end result is the prospect of a rate increase.

Respectfully yours, Pete Mandeville

HEY,
NO PROBLEM. THE
WATER IS GREAT. I
EVEN DRINK IT! I RARE
THE RATES. J. H.

Dear Pete & Judy,
Thank you so much!
You have given
to keep our water
so reasonable. You
certainly deserve to
make a reasonable
living so we agree
a raise in rates is
necessary.
Ruth Roy

PINE VALLEY WATER CO.
480 RAINTREE RD.
SEDONA, AZ. 86351
284-1819

*Dear Pete & Judy I am
sorry to hear about the
rate increase but you
deserve all the help
you have washed your
hands for
me every day
I did never say
the November day
helped your case
at my home
the town
down
Best
y*

Account No. 198
METER READINGS

Current Reading Date 9/1/00 Previous Date 8/1/00

Previous	Current	Gallons Used	Description	Amount
1,455,830	1,473,510	17,680	Water	\$68.84
			Sales Tax	\$3.92
			Sub. Total	\$72.76
			Credit	\$0.00
			Past Due	\$0.00
			Misc	\$0.00

198
Ms. Rose Marie Licher
2990 Valley Vista Dr.
Sedona, .Az. 86351

Total Due \$72.76

PAID UPON RECEIPT

Dear Customers, Neighbors, Friends,

I usually start with Lewis Carroll's "The time has come", the walrus said...", well, it's getting a little shopworn, so I'll only say The Time has Come.

We will be going for a water rate increase. Our last increase was in 1994 and it netted us about \$600 a year less than anticipated, but we made do with it. Our rates have always been predicated on getting enough income to get along on, that is; four months of not enough to get by on (winter), four months of just getting by (spring and fall), and hopefully enough in the summer to even the year out to a break even point. This formula not only leaves us with virtually no net profit, but not even enough to reinvest into the company for improvements, repair and replacement of worn tools or even money for a contingency fund for emergencies (the sound you hear is us knocking on wood). We are at a point that without our personal outside income (social security, ect.) we would not make ends meet. We anticipate asking for an increase that will leave our rates below Big Park Water's (a company which has a much higher ratio of customers to expenses). When Lance Enterprises was busy building tanks they subsidized the water company by paying the majority of the office and operator payrolls but now the water company has to pay it's own way and frankly it's just not making it. The Rate Hearing Chairman told Virginia Todd, years ago when she protested a rate increase - be glad the Mandeville's can subsidize your water rates. Our response was that our customers are our friends and neighbors and we just wanted to get by. Well, we are no longer getting by; in addition to the above mention of lack of reinvestment and contingency funds our two operators, Judy and Lance, are working or on call 24 hours a day seven days a week and make a combined \$18,000 annual wage and I don't take any payment for my service to the water company. Therefore, though we wish it wasn't so, the end result is the prospect of a rate increase.

Respectfully yours, Pete Mandeville

METER READING
ACCOUNT NO. 198

284-1819
SEDONA, AZ. 86351
480 RAINTREE RD.
PINE VALLEY WATER CO.

*No
Problem
for it!
:)*

To the Pine Valley
Water Co.

So far the proposed
water rate increase, —
it's time has come.

You give good
service and our
water tastes great —
all the time!

Sally Freeman

PINE VALLEY WATER CO.
 480 RAINTREE RD.
 SEDONA, AZ. 86351
 284-1819

Account No. 333 Current Reading Date 10/1/00 Previous Date 9/1/00

METER READINGS

Previous	Current	Gallons Used	Description	Amount
0	0	0	Water	\$16.50
			Sales Tax	\$0.94
			Sub. Total	\$17.44
333			Credit	
Jones			Past Due	
			Misc	

Total Due \$17.44

DUE UPON RECEIPT
PAYMENTS NOT RECEIVED BY 20TH OF THE MONTH ARE CONSIDERED DELINQUENT
PLEASE PUT YOUR ACCOUNT # ON THE MEMO LINE OF YOUR CHECK

Account No. 333 Current Reading Date 10/1/00 Previous Date 9/1/00
 Meter Reading

Previous	Current	Gallons Used	Description	Amount
0	0	0	Water	\$16.50
			Sales Tax	\$0.94
			Sub. Total	\$17.44
333			Credit	
Jones			Past Due	
			Misc	

Total Due \$17.44

Dear Customers, Neighbors, and Friends,

Regarding our requested rate increase, we have had four small rate increases since we bought the company in 1978. This one is a little bigger, but not much, and it's six years since our last increase. Several customers have asked us what we would do as we got older, and said they hoped we could find a better solution than selling out to a bigger system.

When Lance and Lisa expressed a desire to come to Arizona and help with the water company, we almost jumped through the phone at them. They're here now, with a new house, and about three years experience with system operations, and learning fast.

Pete is 'retired' (from payroll) now, and Judy hopes to retire next year, which brings us to the problem of the larger rate increase. Over the years when money got a little tight, or a major unfunded large project came along, Judy and Pete were on the tail end of bills to be paid. When Lance and Lisa take over, we hope we can pay them little more than Judy and Pete worked for, and, put their pay at the top of bills to be paid.

Another financial problem is a much slower growth, we've averaged only two new customers per year for the last seven years.

We have a complete copy of the rate increase application here at the office for your perusal, (all 51 pages). Office hours, 9:00 AM to 12 Noon: Monday to Friday.

The following is additional cost increases that was not required to be sent to customers. Commodity Charge

(excess of minimum)	Present	Requested rate	
1,001 to 5,000gal	\$2.75	0 to 5000gal	\$2.95
5,000 on up	3.26	5,001 to 12,000	3.95
		12,000	4.25

Respectfully Yours

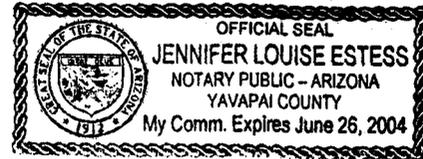
**PINE VALLEY WATER CO.
480 RAINTREE RD.
SEDONA, AZ. 86351
Phone 520-284-1819 Fax 520-284-9311
Sept. 25, 2000**

Dear Sirs,

These are the notices we have sent our customers notifying them of our request for a rate increase. Enclosed you will find our typical water bill of Sept. 1, 2000 that went to all of our customers. This was our first notification of our proposed rate increase. In with their Oct. 1 bill we will enclose the one requested by you to be sent, a copy is enclosed of the notice. We combined both pages.

Sincerely

Judy Mandeville
Judy Mandeville



STATE OF ARIZONA

County of Yavapai

Subscribed, and sworn to, acknowledged before me by Judy Mandeville, Pres.

this 25 day of September 2000

My commission expires:

June 26, 2004

Notary Public

Jennifer Louise Estess