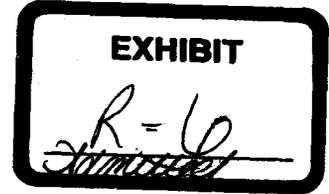




0000070724

ARIZONA WATER COMPANY  
APACHE JUNCTION SYSTEM - SECOND REVISION  
DOCKET NO. W-1445A-02-0619  
TABLE OF CONTENTS TO SCHEDULES WAR



SCHEDULE #

WAR - 1	REVENUE REQUIREMENTS
WAR - 2	RATE BASE - ORIGINAL COST
WAR - 3	SUMMARY OF RATE BASE ADJUSTMENTS
WAR - 4	RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT, PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION
WAR - 5	RATE BASE ADJ. #4 - RECONCILE TEST YEAR ALLOCATED PHOENIX OFFICE & METER SHOP AND ACCUMULATED DEPRECIATION BALANCES
WAR - 6	RATE BASE ADJ. #5 - REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION
WAR - 7	RATE BASE ADJUSTMENT #9 - WORKING CAPITAL
WAR - 8	OPERATING INCOME - TEST YEAR AND RUCO PROPOSED
WAR - 9	SUMMARY OF OPERATING ADJUSTMENTS
WAR - 10	OPERATING ADJ. #1 - RECONCILE COMPANY PROPOSED OPERATING INCOME TO 2002 ACTUAL
WAR - 11	OPERATING ADJ. #5 - REVENUE ANNUALIZATION FOR 2002
WAR - 12	OPERATING ADJ. #8 - DEPRECIATION & AMORTIZATION EXPENSE
WAR - 13	OPERATING ADJ. #9 - PROPERTY TAX EXPENSE
WAR - 14	OPERATING ADJ. #10 - INCOME TAXES
WAR - 15	OPERATING ADJ. #11 - APACHE JUNCTION PURCHASED CAP WATER EXPENSE
WAR - 16	COST OF CAPITAL
WAR - 17	PROPOSED RATES
WAR - 18	MONTHLY MINIMUM CHARGES
WAR - 19	BILLING ANALYSIS
WAR - 20	REVENUE SUMMARY BY METER SIZE AND CUSTOMER CLASS

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 REVENUE REQUIREMENTS

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-1  
 PAGE 1 OF 2

LINE NO.	DESCRIPTION	(A) COMPANY REQUESTED	(B) RUCO RECOMMENDED
1	ADJUSTED RATE BASE	\$ 24,207,015	\$ 19,874,334
2	ADJUSTED OPERATING INCOME	1,862,935	2,100,095
3	CURRENT RATE OF RETURN (L2 / L1)	7.70%	10.57%
4	REQUIRED RATE OF RETURN	11.00%	8.68%
5	REQUIRED OPERATING INCOME (L4 * L1)	2,662,772	1,725,657
6	OPERATING INCOME DEFICIENCY (L5 - L2)	799,837	(374,438)
7	GROSS REVENUE CONVERSION FACTOR	1.63241	1.63245
8	GROSS REVENUE INCREASE	\$ 1,305,661	\$ (611,251)
9	CURRENT REVENUES T/Y ADJUSTED	8,943,927	9,612,009
10	PROPOSED ANNUAL REVENUE (L8 + L9)	10,249,588	9,000,758
11	PERCENTAGE AVERAGE INCREASE	14.60%	-6.36%

REFERENCES:

COLUMN (A): COMPANY SCHEDULE A-1

COLUMN (B): SCHEDULE WAR-1, PG. 2, WAR-2, AND WAR-8

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 GROSS REVENUE CONVERSION FACTOR

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-1  
 PAGE 2 OF 2

LINE NO.	DESCRIPTION	AMOUNT	REFERENCE
1	REVENUE	1.0000	
2	UNCOLLECTIBLES	<u>0.002316</u>	COMPANY SCH. C-3
3	SUB-TOTAL	0.9977	LINE 1 - LINE 2
4	LESS: TAX RATE	<u>38.51%</u>	NOTE (a)
5	TOTAL	0.6126	LINE 3 - LINE 4
6	REVENUE CONVERSION FACTOR	<u>1.63245</u>	LINE 1/LINE 5

NOTE (a):  
 CALCULATION OF EFFECTIVE TAX RATE

OPERATING INCOME BEFORE TAXES	100.00%
ARIZONA STATE TAX	<u>6.97%</u>
TAXABLE INCOME FEDERAL	93.03%
FEDERAL INCOME TAX RATE	<u>34.00%</u>
SUBTOTAL	31.63%
ADD STATE TAX RATE	38.60%
LINE 3 ABOVE	<u>99.77%</u>
EFFECTIVE TAX RATE	38.51%

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 RATE BASE - ORIGINAL COST

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-2

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) RUCO ADJUSTMENTS	(C) RUCO AS ADJUSTED
1	PLANT IN SERVICE/POST-TEST YEAR ADDITIONS	\$ 54,521,888	\$ (733,301)	\$ 53,788,587
2	PHOENIX OFFICE & METER SHOP ALLOCATION	870,209	214,642	1,084,851
3	DEFERRED CAP CHARGES	704,903	(59,696)	645,207
4	ACCUMULATED DEPRECIATION	<u>(8,791,705)</u>	<u>(1,102,379)</u>	<u>(9,894,085)</u>
5	NET PLANT IN SERVICE	\$ 47,305,294	\$ (1,680,734)	\$ 45,624,560
6	CONSTRUCTION WORK IN PROGRESS (CWIP)	<u>-</u>	<u>-</u>	<u>-</u>
7	TOTAL NET PLANT	\$ 47,305,294	\$ (1,680,734)	\$ 45,624,560
8	ADVANCES IN AID OF CONSTRUCTION (AIAC)	(15,443,377)	(1,264,007)	(16,707,384)
9	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)	(6,228,486)	(668,894)	(6,897,380)
10	ACCUMULATED AMORTIZATION OF CIAC	713,806	169,980	883,786
11	DEFERRED INCOME TAXES	(2,699,309)	(409,446)	(3,108,755)
14	WORKING CAPITAL	<u>559,087</u>	<u>(479,580)</u>	<u>79,507</u>
15	TOTAL RATE BASE	<u>\$ 24,207,015</u>	<u>\$ (4,332,681)</u>	<u>\$ 19,874,334</u>

REFERENCES:

COLUMN (A): COMPANY SCHEDULE B-1  
 COLUMN (B): SCHEDULE WAR-3  
 COLUMN (C): COLUMN (A) + COLUMN (B)

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
APACHE JUNCTION SYSTEM - SECOND REVISION  
SUMMARY OF RATE BASE ADJUSTMENTS

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) ADJ.#1	(C) ADJ.#2	(D) ADJ.#3	(E) ADJ.#4	(F) ADJ.#5	(G) ADJ.#6	(H) ADJ.#7	(I) ADJ.#8	(J) ADJ.#9	(K) ADJ.#10	(L) ADJ.#11	(M) RUCO ADJUSTED
1	PLANT IN SERVICE/POST-TEST YEAR ADDITIONS	\$54,821,888	(\$733,301)	\$130,939		113,863	(30,160)							\$ 53,768,587
2	PHOENIX OFFICE & METER SHOP ALLOCATION	870,209										(59,696)		1,084,851
3	DEFERRED CAP CHARGES	704,903												645,207
4	ACCUMULATED DEPRECIATION	(8,791,705)			(\$988,516)	(113,863)								(9,894,085)
5	NET PLANT IN SERVICE	\$47,306,294	\$ (733,301)	\$ 130,939	\$ (988,516)	\$ -	\$ (30,160)	\$ -	\$ -	\$ -	\$ -	\$ (59,696)	\$ -	\$ 45,824,580
6	CONSTRUCTION WORK IN PROGRESS (CWIP)													
7	TOTAL NET PLANT	\$47,306,294	\$ (733,301)	\$ 130,939	\$ (988,516)	\$ -	\$ (30,160)	\$ -	\$ -	\$ -	\$ -	\$ (59,696)	\$ -	\$ 45,824,580
8	ADVANCES IN AID OF CONSTRUCTION (AIAC)	(15,443,377)						(1,264,007)						(16,707,384)
9	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)	(6,228,468)							(688,894)					(6,917,362)
10	ACCUMULATED AMORTIZATION OF CIAC	713,806							169,980					883,786
11	DEFERRED INCOME TAXES	(2,699,309)								(409,446)				(3,108,755)
12	WORKING CAPITAL	559,087												79,507
13	TOTAL RATE BASE	\$24,207,015	\$ (733,301)	\$ 130,939	\$ (988,516)	\$ -	\$ (30,160)	\$ (1,264,007)	\$ (498,914)	\$ (409,446)	\$ (479,580)	\$ (59,696)	\$ -	\$ 19,874,834

REFERENCE:  
SCHEDULE WAR 4, PAGE 7  
SCHEDULE WAR 4, PAGE 7  
SCHEDULE WAR 4, PAGE 7  
SCHEDULE WAR 5  
SCHEDULE WAR 6  
RUCO D.R. NO. 6.3

ADJUSTMENT #:  
7. CIAC - 2002 BAL & AMORTIZATION  
8. ACCUMULATED DEFERRED INCOME TAXES  
9. WORKING CAPITAL  
10. DEFERRED CAP CHARGES  
11. NOT USED

REFERENCE:  
RUCO D.R. NO. 6.3, TESTIMONY - WAR  
RUCO D.R. NO. 6.3  
SCHEDULE WAR-7, PAGE 3  
TESTIMONY - WAR  
N/A

ADJUSTMENT #:  
1. PLANT IN SERVICE/POST-TEST YEAR ADDITIONS  
2. PHOENIX OFFICE & METER SHOP ALLOCATION  
3. ACCUMULATED DEPRECIATION  
4. RECONCILE PHX. OFFICE & METER SHOP AND ACCUM. DEPR.  
5. REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION  
6. AIAC - 2002 BALANCE

NOTES:  
(a) NET OF ACCUMULATED DEPRECIATION  
(b) GROSS PHOENIX OFFICE AND METER SHOP ADDITIONS ALLOCATED DURING 2002  
(c) INCLUDES ACCUMULATED DEPRECIATION ON 2002 PHOENIX OFFICE AND METER SHOP ADDITIONS

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT,  
 PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1990 PLANT VALUE PER COMPANY	1990 ACUM DEPR. PER COMPANY	1990 NET PLANT PER PRIOR ACC PER COMPANY	1991 ADDITIONS PER COMPANY	1991 (RETIREMENTS) PER COMPANY	1991 YEAR END PLANT VALUE PER RUCCO	1991 DEPRECIATION EXPENSE PER RUCCO	1991 ACCUMULATED DEPRECIATION PER RUCCO	1991 YEAR END NET PLANT PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	0	0	0	0	0	0	0
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	0	0	0	0	0	0	0	0	0
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	6,545	39,338	6,545	14,195	0	6,545	6,481	45,818	229,079
7	314.0	SOURCE OF SUPPLY: WELLS	260,702	3,901	221,364	0	0	274,897	0	0	3,901
8	320.0	PUMPING PLANT: LAND*	3,901	1,860	10,468	0	0	12,328	298	2,159	10,169
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	12,328	144,633	813,890	59,691	0	1,018,214	23,919	166,551	849,663
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	956,523	0	0	0	0	0	0	0	0
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	0	635	3,576	0	0	4,211	102	737	3,474
13	331.0	WATER TREATMENT PLANT: EQUIPMENT	56,552	0	55,552	0	0	55,552	0	0	55,552
14	332.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0
15	340.0	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - TANKS & MAINS*	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	1,663,153	250,955	1,412,198	7,347	0	1,670,500	40,337	291,292	1,379,208
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	9,502,472	1,433,839	8,068,633	278,270	(8,806)	9,771,935	233,220	1,658,254	8,113,682
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	91,874	13,863	78,011	6,640	0	98,514	2,304	16,167	82,347
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	1,999,217	301,664	1,697,553	118,842	(10,476)	2,107,583	49,692	340,881	1,766,702
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	464,093	70,026	394,067	4,962	(3,428)	465,617	11,249	77,847	387,770
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	562,609	84,893	477,716	3,216	0	565,825	13,654	96,547	467,278
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	6,307	0	6,307	0	0	6,307	0	0	6,307
24	389.1	GENERAL PLANT: LAND - OFFICE*	63	0	63	0	0	63	0	0	63
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0
26	389.3	GENERAL PLANT: LAND - MISC.*	124,389	18,769	105,620	0	0	124,389	3,010	21,779	102,610
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	22,681	3,422	19,259	121	0	22,802	550	3,973	18,829
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	478	72	406	0	0	478	12	84	394
29	390.3	GENERAL PLANT: MISC. BUILDINGS	22,903	3,456	19,447	0	(138)	22,764	553	3,869	18,895
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	18,824	2,840	15,984	1,213	0	20,037	470	3,311	16,726
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	16,241	2,451	13,790	339	0	16,580	397	2,848	13,732
32	391.2	GENERAL PLANT: OFFICE FURNITURE	259	39	220	0	0	259	6	45	214
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	56,177	8,477	47,700	1,526	(37)	57,866	1,378	9,817	47,849
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	1,148	173	975	49	0	1,197	28	202	985
35	395.0	GENERAL PLANT: LAB EQUIPMENT	30,101	4,542	25,559	1,916	(614)	31,503	745	4,773	26,730
36	396.0	GENERAL PLANT: POWER EQUIPMENT	126,784	19,131	107,653	4,464	0	126,784	3,068	22,199	104,585
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	1,781	289	1,512	464	0	2,245	49	317	1,928
38	397.1	GENERAL PLANT: MOBILE RADIOS	59	9	50	1,460	0	1,519	19	28	1,491
39	397.2	GENERAL PLANT: AUTO CONTROLS	232	35	197	0	0	232	6	41	191
40	398.0	GENERAL PLANT: MISC.	\$16,013,597	\$2,405,391	\$13,608,206	\$500,251	(\$23,400)	\$16,450,448	\$391,548	\$2,773,539	\$13,716,909
41		TOTALS									

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24  
 NOTE:  
 \* - NON-DEPRECIABLE PLANT

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
APACHE JUNCTION SYSTEM - SECOND REVISION  
RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT,  
PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1992 ADDITIONS PER COMPANY	1992 DEPRECIATION EXPENSE PER RUO	1992 YEAR END NET PLANT VALUE PER RUO	1992 ACCUMULATED DEPRECIATION PER RUO	1992 YEAR END NET PLANT VALUE PER RUO	1993 ADDITIONS PER COMPANY	1993 DEPRECIATION EXPENSE PER RUO	1993 YEAR END NET PLANT VALUE PER RUO	1993 ACCUMULATED DEPRECIATION PER RUO	1993 YEAR END NET PLANT VALUE PER RUO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	0	0	0	0	0	0	0	0
3	310.1	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0	0
4	310.2	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	0	0	0	0	0	0	0	0	0	0
5	310.3	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	6,545	0	6,545	0	0	6,878	0	6,878
7	314.0	SOURCE OF SUPPLY: WELLS	541	6,689	275,436	52,477	223,961	278	7,137	216,101	59,615	3,901
8	320.0	PUMPING PLANT: LAND*	0	3,901	12,526	2,457	9,871	0	319	9,552	2,776	9,552
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	298	1,079,166	161,753	917,443	41,295	28,366	930,372	180,873	930,372
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	93,169	25,379	1,079,166	161,753	917,443	41,295	28,366	930,372	180,873	930,372
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	0	0	0	0	0	0	0	0	0	0
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	599	45,276	1,336	43,940	4,024	1,225	46,739	2,561	46,739
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	41,065	0	55,552	0	55,552	0	0	55,552	0	55,552
15	340.0	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS*	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	0	0	1,670,500	331,718	1,338,782	0	0	1,684,815	375,179	1,309,645
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	0	40,428	8,307,313	1,879,540	6,877,728	0	0	10,814,098	2,030,879	8,723,079
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS/SPRINKLERS	435,132	241,501	10,186,853	1,879,540	8,307,313	687,728	271,562	10,936,544	2,136,565	8,800,000
20	344.0	TRANSMISSION & DISTRIBUTION: SERVICES	4,594	2,440	103,108	18,606	84,502	6,946	0	91,448	453,366	1,985,081
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	153,716	52,730	2,250,297	382,609	1,867,688	177,879	7,729	2,045,567	12,748	430,456
22	346.0	TRANSMISSION & DISTRIBUTION: SERVICES	21,869	11,392	475,852	77,605	398,247	44,988	12,748	413,235	117,848	305,411
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	27,954	14,004	591,538	110,310	481,228	71,822	16,140	563,068	117,848	445,220
24	369.1	GENERAL PLANT: LAND - OFFICE*	0	0	6,307	0	6,307	0	0	6,307	0	6,307
25	369.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	63	0	63	0	0	63	0	63
26	389.1	GENERAL PLANT: LAND - MISC.*	0	0	0	0	0	0	0	0	0	0
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	0	3,010	124,389	24,790	99,599	271,982	6,566	367,565	14,674	367,565
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	552	22,802	4,525	18,277	143,308	2,446	166,110	6,971	159,139
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	12	478	95	483	0	12	478	108	370
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	0	551	22,764	4,410	18,354	3,131	590	22,764	5,010	17,754
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	1,211	300	21,248	3,410	17,838	0	591	24,379	4,401	19,978
32	391.2	GENERAL PLANT: OFFICE FURNITURE	835	411	17,415	3,259	14,156	800	461	18,215	3,721	14,494
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	163	1,304	422	2,068	334	0	11	422	65	357
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	1,481	29	50,192	2,068	48,026	334	1,290	49,552	2,482	47,070
35	395.0	GENERAL PLANT: POWER EQUIPMENT	0	696	42,151	231	37,737	0	31	42,151	262	39,535
36	396.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	11,904	3,068	126,784	25,267	101,517	0	1,102	126,784	28,551	98,233
37	397.0	GENERAL PLANT: MOBILE RADIOS	0	54	3,115	372	1,873	3,567	104	5,812	476	5,336
38	397.2	GENERAL PLANT: AUTO CONTROLS	1,596	56	3,115	84	3,031	2,423	112	5,538	196	5,342
39	398.0	TOTALS	\$795,220	\$405,885	\$17,198,498	\$3,092,254	\$14,106,244	\$1,482,651	\$461,202	\$18,585,242	\$3,453,546	\$15,127,694
40	398.0	TOTALS	\$795,220	\$405,885	\$17,198,498	\$3,092,254	\$14,106,244	\$1,482,651	\$461,202	\$18,585,242	\$3,453,546	\$15,127,694
41												

REFERENCE:  
ACC STAFF D.R. NO. REL 1-24  
NOTE:  
\* - NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1994 ADDITIONS PER COMPANY	1994 (RETIREMENTS) PER COMPANY	1994 PLANT VALUE PER RUCCO	1994 DEPRECIATION EXPENSE PER RUCCO	1994 ACCUMULATED DEPRECIATION PER RUCCO	1994 YEAR END NET PLANT PER RUCCO	1995 ADDITIONS PER COMPANY	1995 (RETIREMENTS) PER COMPANY	1995 PLANT VALUE PER RUCCO	1995 DEPRECIATION EXPENSE PER RUCCO	1995 ACCUMULATED DEPRECIATION PER RUCCO	1995 YEAR END NET PLANT PER RUCCO
1	301.0	INTANGIBLES ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES FRANCHISES*	0	0	0	0	0	0	0	0	0	0	0	0
3	303.0	INTANGIBLES MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	1,290	0	5,998	0	0	10,992	5,044	0	10,992	0	0	10,992
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	490	0	7,968	0	0	7,968	0	0	7,968	0	0	7,968
7	314.0	SOURCE OF SUPPLY: WELLS	2,244	0	277,996	7,170	66,795	211,175	555	(29,596)	248,989	6,824	44,083	204,906
8	320.0	PUMPING PLANT: LAND*	584	0	3,901	0	0	3,901	0	0	3,901	0	0	3,901
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	584	0	12,912	327	3,103	9,809	10,854	(1,238)	22,528	459	2,324	20,204
10	325.0	PUMPING PLANT: EQUIPMENT	15,548	0	1,126,793	28,983	209,856	916,937	86,629	(1,716)	1,205,706	30,206	238,346	967,360
11	330.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	381	0	0	0	0	0	0	0	0	0	0	0
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	381	0	361	5	0	356	0	0	356	0	0	347
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	3,357	0	52,657	1,320	3,881	48,776	0	0	52,657	1,364	5,245	47,412
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	55,552	0	0	55,552	0	0	55,552	0	0	55,552
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	0	0	0	0	0	0	0	0	0	0
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	0	0	0	0	0	0	0	0	0	0	0	0
19	343.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	898,596	0	1,894,615	43,637	418,606	1,265,009	333	(38,976)	1,685,148	43,641	462,447	1,222,701
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	3,161	0	11,672,815	291,205	2,242,355	9,330,460	796,532	(88,861)	12,430,441	312,137	2,615,616	9,814,825
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	245,332	(6,049)	113,115	2,889	24,254	88,861	4,482	(13,428)	117,597	2,898	27,242	90,355
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	40,332	(8,548)	2,659,730	65,788	495,195	2,164,535	393,197	(6,502)	3,039,489	73,805	585,482	2,484,017
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	16,329	(1,864)	540,382	13,584	83,178	457,204	31,421	(6,502)	563,901	14,233	191,066	568,373
24	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	669,224	17,146	133,130	536,094	46,717	0	715,941	17,956	191,066	568,373
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	63	0	0	63	0	0	63	0	0	63
26	389.3	GENERAL PLANT: LAND - MISC.*	0	0	63	0	0	63	0	0	63	0	0	63
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	6,911	(864)	989,710	8,689	23,799	965,911	3,724	0	392,440	10,116	33,915	359,525
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	5,724	0	171,834	4,376	11,347	160,487	0	0	171,834	4,451	15,798	156,036
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	0	478	12	120	358	0	0	478	12	132	346
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	867	(830)	25,134	591	4,961	17,173	23,837	0	45,971	882	5,843	40,128
31	391.1	GENERAL PLANT: OFFICE EQUIPMENT	1,128	0	25,246	643	5,044	20,202	0	0	25,246	654	5,698	19,548
32	393.0	GENERAL PLANT: OFFICE FURNITURE	2,034	(620)	19,343	486	4,207	15,136	0	0	19,343	501	4,708	14,635
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	11,768	(285)	1,836	289	(599)	2,362	11,095	(655)	12,378	194	(695)	13,073
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	61,025	1,432	3,619	57,406	0	0	61,025	1,521	5,240	55,785
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	1,197	31	3,619	57,406	0	0	61,025	1,521	5,240	55,785
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	(392)	42,289	1,088	6,672	35,617	0	0	42,289	1,083	3,444	34,444
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	125,784	3,268	3,184	122,600	4,683	0	131,417	3,344	35,178	96,239
38	397.1	GENERAL PLANT: MOBILE RADIOS	4,320	0	5,675	208	683	5,449	8,984	0	12,600	237	(891)	12,065
39	397.2	GENERAL PLANT: AUTO CONTROLS	0	0	145	145	341	5,334	8,984	(1,469)	12,600	237	(891)	13,491
40	398.0	GENERAL PLANT: MISC.	0	0	1,116	17	29	1,116	0	0	1,116	29	56	1,059
41		TOTALS	\$1,261,427	(\$59,051)	\$19,767,618	\$494,384	\$3,872,881	\$15,893,638	\$1,424,333	(\$56,308)	\$21,096,643	\$527,077	\$4,304,651	\$16,791,992

REFERENCE:  
 ACC-STAFF D.R. NO. REL 1-24  
 NOTE:  
 \* - NON-DEPRECIABLE PLANT

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-4  
 PAGE 4 OF 7

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1996 ADDITIONS PER COMPANY	1996 (RETIREMENTS) PER COMPANY	1996 YEAR END NET PLANT VALUE PER RUCCO	1996 DEPRECIATION EXPENSE PER RUCCO	1996 ACCUMULATED DEPRECIATION PER RUCCO	1996 YEAR END NET PLANT VALUE PER RUCCO	1997 ADDITIONS PER COMPANY	1997 (RETIREMENTS) PER COMPANY	1997 YEAR END NET PLANT VALUE PER RUCCO	1997 DEPRECIATION EXPENSE PER RUCCO	1997 ACCUMULATED DEPRECIATION PER RUCCO	1997 YEAR END NET PLANT VALUE PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	301.0	INTANGIBLES: ORGANIZATION*	0	0	0	0	0	0	0	0	0	0	0	0
3	303.0	INTANGIBLES: MISC.	0	0	0	0	0	0	0	0	0	0	0	0
4	310.0	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	3,439	0	14,421	0	0	14,957	0	0	14,957	0	0	14,957
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	7,368	0	0	4,773	0	(2,956)	0	0	(2,956)	0
7	314.0	SOURCE OF SUPPLY: WELLS	75,402	(4,439)	319,962	7,368	47,022	381,946	61,984	0	3,901	9,090	96,112	326,834
8	320.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	2,022	(6,303)	24,550	610	2,934	24,550	0	0	24,550	686	3,659	20,891
9	321.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	118,824	0	1,318,227	32,685	284,727	1,350,775	83,154	(10,806)	1,350,775	35,062	289,203	1,101,572
10	325.0	PUMPING PLANT: ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
11	326.0	PUMPING PLANT: ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: EQUIPMENT	26,024	0	78,681	1,701	6,924	71,735	251	0	78,632	2,041	8,987	69,645
13	332.0	WATER TREATMENT PLANT: EQUIPMENT	0	0	55,552	0	0	55,552	0	0	55,552	0	0	55,552
14	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	0	0	0	0	0	0	0	0	0	0
15	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
16	340.2	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	18,034	0	1,703,242	43,880	506,327	1,196,915	937	(40,575)	1,704,179	44,128	550,453	1,153,726
17	341.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	577,596	(38,124)	12,968,919	328,922	2,905,414	10,063,499	1,662,766	0	14,611,104	357,161	3,223,740	11,837,364
18	342.0	TRANSMISSION & DISTRIBUTION: MANSPRINKLERS	5,044	0	122,641	3,111	30,353	92,288	16,956	(16,555)	93,743	65,819	683,782	105,948
19	343.0	TRANSMISSION & DISTRIBUTION: MANSPRINKLERS	442,324	(32,533)	3,449,230	84,028	606,918	2,842,312	517,254	0	3,359,566	18,873	686,182	3,263,377
20	345.0	TRANSMISSION & DISTRIBUTION: METERS	49,488	(12,374)	600,395	15,070	97,665	502,730	18,553	(13,223)	522,506	22,068	179,270	610,408
21	346.0	TRANSMISSION & DISTRIBUTION: METERS	63,244	0	779,165	19,362	170,430	608,735	156,420	0	824,906	0	0	745,636
22	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	6,307	0	0	6,307	0	0	6,307	0	0	6,307
23	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	63	0	0	63	0	0	63	0	0	63
24	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0	0	0	0
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	392,440	10,164	44,080	348,360	0	0	392,440	10,164	54,244	388,196
26	389.3	GENERAL PLANT: OFFICE BUILDINGS	0	0	171,834	4,451	20,248	151,586	0	0	171,834	4,451	24,989	147,335
27	390.1	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	478	12	145	333	0	0	478	12	8,225	37,745
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	45,971	1,191	7,034	38,937	0	0	45,971	1,191	7,226	23,695
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	0	30,921	727	6,625	24,496	0	0	30,921	727	5,794	16,697
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	5,675	0	20,851	521	5,228	15,623	1,940	0	22,791	565	7,226	23,695
31	391.1	GENERAL PLANT: OFFICE EQUIPMENT	1,508	0	12,378	321	(975)	15,353	0	0	12,378	321	(254)	12,632
32	391.2	GENERAL PLANT: OFFICE FURNITURE	0	0	74,825	1,739	5,363	69,462	7,667	0	82,392	2,036	7,626	74,766
33	394.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	15,189	(1,389)	1,197	7,635	842	842	0	0	1,197	31	386	811
34	394.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	0	0	41,002	33,367	0	0	0	0	41,002	1,062	8,667	32,305
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	92,835	38,582	0	0	0	0	92,835	3,404	41,985	89,432
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	0	131,417	3,404	1,407	18,308	2,162	0	131,417	3,404	41,985	19,691
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	6,637	0	18,715	424	1,407	18,308	0	0	21,877	539	1,946	14,402
38	397.1	GENERAL PLANT: MOBILE RADIOS	234	0	12,834	329	(562)	13,396	1,599	0	14,493	353	(209)	14,493
39	397.2	GENERAL PLANT: AUTO CONTROLS	4,376	0	5,492	86	143	5,492	5,920	0	11,412	219	1,402	14,402
40	398.0	GENERAL PLANT: MISC.	\$1,415,110	(\$37,399)	\$22,414,354	\$581,243	\$4,788,495	\$17,640,453	\$2,960,526	(\$99,860)	\$24,374,920	\$811,469	\$5,275,963	\$19,694,937
TOTALS			\$1,415,110	(\$37,399)	\$22,414,354	\$581,243	\$4,788,495	\$17,640,453	\$2,960,526	(\$99,860)	\$24,374,920	\$811,469	\$5,275,963	\$19,694,937

REFERENCE:  
 ACC-STAFF D.R. NO. REL. 1-24  
 NOTE:  
 \* NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1988 ADDITIONS PER COMPANY	1988 (RETIREMENTS) PER COMPANY	1988 YEAR END PLANT VALUE PER RUCCO	1988 DEPRECIATION EXPENSE PER RUCCO	1988 ACCUMULATED DEPRECIATION PER RUCCO	1988 YEAR END NET PLANT PER RUCCO	1989 ADDITIONS PER COMPANY	1989 (RETIREMENTS) PER COMPANY	1989 YEAR END PLANT VALUE PER RUCCO	1989 DEPRECIATION EXPENSE PER RUCCO	1989 ACCUMULATED DEPRECIATION PER RUCCO	1989 YEAR END NET PLANT PER RUCCO
1	301.0	INTANGIBLES ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES FRANCHISES*	1,435	0	1,435	0	0	1,435	0	0	0	0	0	1,435
3	303.0	INTANGIBLES SEC. SUPPLY, LAND, WATER RIGHTS*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.2	SOURCE OF SUPPLY, LAND, RESERVOIRS*	627	0	15,584	0	0	39,252	23,868	0	0	0	0	39,252
5	310.3	SOURCE OF SUPPLY, LAND, WELLS*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY, LAND, WELLS*	0	0	4,773	0	(2,595)	48,320	40,562	(13,286)	18,842	18,842	(2,595)	48,320
7	314.0	PUMPING PLANT, LAND*	61,932	(14,644)	429,234	10,505	51,972	377,262	609,823	(13,286)	1,025,771	18,842	57,529	968,242
8	320.0	PUMPING PLANT, LAND*	0	0	3,901	0	3,901	3,901	4,552	0	29,102	695	4,900	24,202
9	321.0	PUMPING PLANT, STRUCTURES & IMPROVEMENTS	436,758	0	1,827,415	41,676	330,761	1,496,654	139,582	0	1,966,997	49,138	379,898	1,567,099
10	325.0	PUMPING PLANT, ELECTRICAL EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
11	320.0	WATER TREATMENT PLANT, LAND*	0	0	0	0	0	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT, STRUCTURES & IMPROVEMENTS	0	0	361	9	42	319	0	0	961	0	0	0
13	331.0	WATER TREATMENT PLANT, EQUIPMENT	0	0	78,932	2,044	11,031	67,901	1,004	0	79,936	2,057	13,069	66,847
14	332.0	WATER TREATMENT PLANT, EQUIPMENT	0	0	107,694	0	0	107,694	75,965	0	183,459	0	0	183,459
15	340.0	TRANSMISSION & DISTRIBUTION, LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION, LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION, STRUCTURES	0	0	0	0	0	0	0	0	0	0	0	0
18	342.0	TRANSMISSION & DISTRIBUTION, STORAGE TANKS	1,357,381	0	3,061,560	61,716	512,170	2,449,390	411,623	(30,806)	3,473,165	84,625	696,784	2,776,389
19	343.0	TRANSMISSION & DISTRIBUTION, MAINS	3,604,740	(26,938)	18,179,460	424,789	3,619,822	14,568,650	3,410,550	(30,806)	21,558,650	514,860	4,103,876	17,454,774
20	344.0	TRANSMISSION & DISTRIBUTION, MAINS	784,193	(9,711)	4,729,355	112,397	37,812	4,616,953	62,860	(15,515)	4,701,438	5,325	43,137	4,658,301
21	345.0	TRANSMISSION & DISTRIBUTION, FIRE SPRINKLERS	127,183	(5,308)	1,265,180	28,413	205,180	1,064,000	107,169	(7,611)	1,176,549	39,101	236,670	1,153,547
22	346.0	TRANSMISSION & DISTRIBUTION, SERVICES	0	0	0	0	0	0	0	0	0	0	0	0
23	347.0	TRANSMISSION & DISTRIBUTION, HYDRANTS	346,777	(2,503)	1,265,180	28,413	205,180	1,064,000	488,648	(7,611)	1,552,617	39,101	236,670	1,513,547
24	389.2	GENERAL PLANT, LAND, OFFICE*	0	0	6,307	0	6,307	6,307	0	0	6,307	0	0	6,307
25	389.3	GENERAL PLANT, LAND, WAREHOUSE*	0	0	63	0	63	63	0	0	63	0	0	63
26	390.1	GENERAL PLANT, OFFICE BUILDINGS	0	0	392,440	10,164	64,408	328,032	40,646	0	40,646	0	0	40,646
27	390.2	GENERAL PLANT, WAREHOUSE BUILDINGS	0	0	171,834	4,451	29,149	142,685	1,317	0	144,002	10,164	74,572	317,868
28	390.3	GENERAL PLANT, MISC. BUILDINGS	0	0	478	12	170	308	1,317	0	1,731,151	4,468	33,617	139,534
29	391.0	GENERAL PLANT, OFFICE EQUIPMENT	17,624	0	45,971	1,191	9,415	36,556	33,438	0	45,971	1,191	10,606	35,365
30	391.1	GENERAL PLANT, ELECTRICAL EQUIPMENT	608	0	48,545	1,029	8,255	40,290	3,712	0	81,963	1,890	9,845	72,038
31	391.2	GENERAL PLANT, OFFICE FURNITURE	105	0	23,399	698	6,392	17,007	3,712	0	27,111	654	7,046	20,065
32	393.0	GENERAL PLANT, WAREHOUSE EQUIPMENT	13,798	0	12,483	322	68	12,415	17,182	0	12,483	323	391	12,092
33	394.0	GENERAL PLANT, GARAGE EQUIPMENT	0	0	96,190	2,313	9,939	86,251	0	0	113,372	2,714	12,653	100,719
34	395.0	GENERAL PLANT, LAB EQUIPMENT	0	0	11,977	31	417	760	5,996	0	7,195	109	325	6,870
35	396.0	GENERAL PLANT, POWER EQUIPMENT	0	0	1,062	1,062	9,759	81,243	0	0	1,062	1,062	0	81,243
36	397.0	GENERAL PLANT, COMMUNICATIONS EQUIPMENT	0	0	131,417	3,404	45,559	86,828	0	0	131,417	3,404	48,782	38,046
37	397.1	GENERAL PLANT, MOBILE RADIOS	3,395	0	5,046	5,046	5,046	5,046	11,029	0	16,075	3,724	48,782	33,020
38	397.2	GENERAL PLANT, AUTO CONTROLS	377,976	0	381,576	5,957	386,466	386,466	34,225	0	420,691	10,583	15,632	410,020
39	398.0	GENERAL PLANT, MISC.	0	0	15,139	957	719	14,382	6,197	0	22,336	498	1,217	21,119
40	398.0	GENERAL PLANT, MISC.	0	0	15,139	957	719	14,382	6,197	0	22,336	498	1,217	21,119
41		TOTALS	\$7,230,008	(\$59,222)	\$32,145,705	\$736,794	\$5,957,555	\$28,172,363	\$6,566,583	(\$73,431)	\$38,638,858	\$910,696	\$6,754,821	\$31,844,037

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24

NOTE:  
 \*NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	2000 ADDITIONS PER COMPANY	2000 (RETIREMENTS) PER COMPANY	2000 YEAR END NET P/R	2000 DEPRECIATION PER P/R	2000 ACCUMULATED DEPRECIATION PER P/R	2000 YEAR END NET P/R	2001 ADDITIONS PER COMPANY	2001 (RETIREMENTS) PER COMPANY	2001 YEAR END NET P/R	2001 DEPRECIATION PER P/R	2001 ACCUMULATED DEPRECIATION PER P/R	2001 YEAR END NET P/R
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES	0	0	1,435	0	0	1,435	0	0	0	0	0	1,435
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	71,284	0	110,536	0	0	110,536	3,420	0	0	0	0	113,956
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	(6,774)	38,951	0	(9,369)	48,320	10,488	0	(9,369)	0	0	58,808
7	314.0	SOURCE OF SUPPLY: WELLS*	114,403	0	1,140,174	23,049	85,578	1,054,596	1,365,263	0	2,505,437	47,211	132,788	2,372,649
8	320.0	PUMPING PLANT: LAND*	0	0	3,901	0	0	3,901	10,286	0	14,187	0	0	14,187
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	91	0	29,193	755	5,655	23,538	14,429	(72,125)	37,024	943	6,598	37,024
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	45,014	(8,875)	2,003,136	51,413	422,438	1,580,700	590,580	0	2,461,591	57,818	408,130	2,053,461
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	0	0	0	0	0	0	0	0	0	0	0	0
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	361	9	61	300	9,399	0	9,760	131	192	9,958
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	44,574	(44,266)	80,244	2,074	(29,103)	109,347	42,500	0	122,744	2,629	(26,474)	148,218
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	183,459	0	0	183,459	359	0	183,798	0	0	183,798
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	0	0	0	0	0	0	0	0	0	0
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	2,184,725	(28,041)	3,473,164	89,855	786,749	2,686,414	292,172	(87,919)	3,755,236	93,639	890,356	2,874,978
19	343.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	54,029	0	23,705,384	586,295	4,662,134	19,043,250	4,715,004	0	28,329,469	678,851	5,240,085	23,084,423
20	345.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	707,721	(11,899)	6,448,221	157,946	49,975	241,074	61,382	0	352,431	179,865	58,308	294,123
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	205,811	(15,427)	1,115,470	26,429	133,733	981,737	1,013,319	(16,604)	7,442,936	30,805	1,218,374	6,224,562
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	233,228	(1,270)	1,982,175	48,334	283,735	1,698,440	446,189	(5,877)	2,422,487	57,040	334,898	1,117,742
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	6,307	0	0	6,307	0	0	6,307	0	0	6,307
24	389.2	GENERAL PLANT: LAND - OFFICE*	0	0	63	0	0	63	0	0	63	0	0	63
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	40,646	0	0	40,646	0	0	40,646	0	0	40,646
26	389.3	GENERAL PLANT: LAND - MISC.*	10,872	0	403,312	10,305	84,877	318,435	0	0	403,312	10,446	96,323	307,989
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	0	0	173,151	4,485	38,101	135,050	0	0	173,151	4,485	42,586	130,565
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	478	12	194	284	0	0	478	12	207	271
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	0	45,971	1,191	11,797	34,174	0	0	45,971	1,191	12,987	32,984
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	2,673	0	84,656	2,158	12,103	72,553	7,820	0	92,476	2,294	14,397	78,079
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	2,968	0	30,079	741	7,766	22,293	9,985	0	39,444	900	8,687	30,757
32	391.2	GENERAL PLANT: OFFICE FURNITURE	0	0	12,483	323	715	11,768	1,528	0	14,011	343	1,058	12,963
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	16,446	0	129,818	3,149	15,922	114,016	10,734	(3,500)	137,052	3,496	15,798	121,294
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	1,511	0	8,706	205	1,731	7,975	0	0	8,706	225	957	7,749
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	(10,655)	325	825	1,131	29,253	0	0	30,447	169	1,980	28,467
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	0	131,447	3,263	52,187	79,260	0	0	131,447	3,404	55,960	75,487
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	121,468	1,024	4,376	39,082	451	0	42,510	1,005	5,461	37,049
38	397.1	GENERAL PLANT: AUTO CONTROLS	34,715	0	460,449	11,476	27,108	433,341	43,800	0	504,249	12,483	39,691	464,548
39	397.1	GENERAL PLANT: MISC.	3,663	0	25,989	626	1,843	25,989	0	0	25,989	673	2,516	23,483
40	388.0	TOTALS	\$3,719,871	(\$127,427)	\$42,231,302	\$1,038,125	\$7,705,518	\$34,500,411	\$8,742,278	(\$205,032)	\$50,768,548	\$1,194,051	\$8,694,537	\$42,074,011

REFERENCE:  
 ACC STAFF D R NO. REL 1-24

NOTE:  
 \* NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	2002 ADDITIONS PER COMPANY	2002 (RETIREMENTS) PER COMPANY	2002 PLANT VALUE PER RUCO	2002 DEPRECIATION EXPENSE PER RUCO	2002 ACCUMULATED DEPRECIATION PER RUCO	2002 YEAR END NET PLANT PER RUCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	1,435	0	0	1,435
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	16,998	0	130,954	0	0	130,954
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	49,439	0	(9,969)	56,808
7	314.0	SOURCE OF SUPPLY: WELLS	594,081	(24,552)	3,074,966	72,266	180,503	2,894,463
8	320.0	PUMPING PLANT: LAND*	0	0	14,187	0	0	14,187
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	1,790	0	45,412	1,153	7,751	37,661
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	399,104	(69,656)	2,791,039	68,022	406,495	2,384,544
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	0	0	0	0	0	0
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	9,760	253	445	9,315
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	8,861	(26,754)	104,851	2,947	(50,281)	155,132
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	183,798	0	0	183,798
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	45,648	0	3,800,984	97,854	978,213	2,822,771
18	342.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	1,161,156	0	29,425,079	747,921	5,930,442	23,494,637
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	14,968	(65,546)	367,399	9,322	67,630	299,769
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	720,050	(9,951)	8,153,035	201,968	1,410,391	6,742,644
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	112,121	(8,645)	1,366,748	34,059	170,944	1,195,804
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	146,918	(12,421)	2,556,984	64,484	386,961	2,170,023
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	1,802	0	8,109	0	0	8,109
24	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	63	0	0	63
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	40,646	0	0	40,646
26	389.3	GENERAL PLANT: LAND - MISC.*	0	0	429,474	10,785	106,108	323,367
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	26,162	0	173,151	4,485	47,071	126,080
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	478	12	219	259
29	390.3	GENERAL PLANT: MISC. BUILDINGS	137,836	(38,337)	145,469	2,479	(22,871)	168,340
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	0	0	92,476	2,395	16,792	75,684
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	0	0	39,444	1,022	9,708	29,736
32	391.2	GENERAL PLANT: OFFICE FURNITURE	846	0	14,857	374	1,432	13,425
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	12,348	(2,265)	147,135	3,660	17,173	129,961
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	1,845	0	10,551	249	1,206	9,344
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	30,447	789	2,769	27,678
36	396.0	GENERAL PLANT: POWER EQUIPMENT	7,307	0	138,724	3,498	59,099	79,626
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	42,919	1,112	6,593	36,326
38	397.1	GENERAL PLANT: MOBILE RADIOS	0	0	504,249	13,060	52,661	451,588
39	397.2	GENERAL PLANT: AUTO CONTROLS	0	0	25,264	664	2,139	(1,475)
40	398.0	GENERAL PLANT: MISC.	306	(1,041)	\$53,919,526	\$1,344,852	\$9,780,222	\$44,114,704
41		TOTALS	\$3,410,146	(6259,168)				
42		BALANCES PER COMPANY			\$ 54,521,888		\$ 8,791,705	
43		BALANCES PER RUCO			\$ 53,919,526		\$ 9,780,222	
44		LESS: POST-TEST YEAR ALLOCATED PHOENIX OFFICE & METER SHOP ADDITIONS**						
45		TOTAL ADJUSTMENTS			\$ (733,307)		\$ 988,516	

REFERENCES:

ACC STAFF D.R. NO. REL 1-24  
 ACC STAFF D.R. NO. REL 18-1  
 RUCO D.R. NO. 62

NOTE:

\* NON-DEPRECIABLE PLANT  
 \*\* BASED ON AN ALLOCATION FACTOR OF 0.2498 PER RUCO D.R. NO. 4.2

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 RATE BASE ADJ. #4 - RECONCILE TEST YEAR ALLOCATED PHOENIX OFFICE  
 & METER SHOP AND ACCUMULATED DEPRECIATION BALANCES

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-5

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>TEST YEAR COMPANY</u>
1	GROSS PHOENIX OFFICE PLANT & METER SHOP	\$ 4,002,988
2	ADD: PHOENIX OFFICE CONSTRUCTION WORK IN PROGRESS (CWIP)	126,565
3	GROSS PHOENIX OFFICE PLANT & METER SHOP WITH CWIP	\$ 4,129,553
4	TIMES: ALLOCATION FACTOR	<u>0.2383</u>
5	ALLOCATED GROSS PHOENIX OFFICE PLANT & METER SHOP WITH CWIP	\$ 984,072
6	NET ALLOCATED PHOENIX OFFICE PLANT & METER SHOP WITH CWIP	<u>870,209</u>
7	RUCO ADJUSTMENT TO PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION	<b>\$ 113,863</b>

REFERENCES:

- LINE 1: COMPANY SCHEDULE B-2 PAGES 10 AND 11
- LINE 2: COMPANY SCHEDULE B-2 PAGE 10
- LINE 3: LINE 1 + LINE 2
- LINE 4: COMPANY SCHEDULE B-1 PAGE 1
- LINE 5: LINE 3 x LINE 4
- LINE 6: COMPANY SCHEDULE B-1 PAGE 1 (SUM OF LINES 6 AND 7)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 RATE BASE ADJ. #5 - REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-6

LINE NO.	DESCRIPTION	(A) TEST YEAR COMPANY	(B) TEST YEAR RUCO	
1	GROSS PHOENIX OFFICE PLANT	\$ 3,903,884	\$ 3,903,884	COMPANY SCHEDULE B-2 PAGE 10
2	LESS: ACCUMULATED DEPRECIATION	453,222	453,222	COMPANY SCHEDULE B-2 PAGE 10
3	NET PHOENIX OFFICE PLANT	\$ 3,450,662	\$ 3,450,662	LINE 1 + LINE 2
4	ADD: CWIP	126,565	-	COMPANY SCHEDULE B-2 PAGE 10
5	TOTALS	\$ 3,577,227	\$ 3,450,662	LINE 3 + LINE 4
4	TIMES: ALLOCATION FACTOR	0.2383	0.2383	COMPANY SCHEDULE B-1 PAGE 2
5	ALLOCATED PHOENIX OFFICE PLANT	\$ 852,453	\$ 822,293	COMPANY SCHEDULE B-1 PAGE 2
6	RUCO ADJUSTMENT		\$ (30,160)	LINE 5 COLUMN (B) - LINE 5 COLUMN (A)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 1999  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL

DOCKET NO. W-1445A-00-0962  
 SCHEDULE WAR-7  
 PAGE 1 OF 4

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	CASH WORKING CAPITAL PER COMPANY	\$ 328,417	COMPANY SCH. B-5, PG. 1
2	CASH WORKING CAPITAL PER RUCO	<u>(135,652)</u>	SCH. WAR-7, PG. 3
3	DECREASE IN CASH WORKING CAPITAL	(464,069)	LINE 2 - LINE 1
4	MATERIALS & SUPPLIES PER COMPANY	43,863	COMPANY SCH. B-5, PG. 1
5	MATERIALS & SUPPLIES PER RUCO	<u>42,142</u>	DATA REQUEST RUCO 6.4 a)
6	MATERIALS & SUPPLIES ADJUSTMENT	(1,721)	LINE 5 - LINE 4
7	PREPAYMENTS PER COMPANY AND SPECIAL DEPOSITS	68,040	COMPANY SCH. B-5, PG. 1
8	PREPAYMENTS PER RUCO	<u>63,414</u>	DATA REQUEST RUCO 6.4 b)
9	PREPAYMENTS ADJUSTMENT	(4,626)	LINE 8 - LINE 7
10	REQUIRED BANK BALANCES PER COMPANY	118,768	COMPANY SCH. B-5, PG. 1
11	REQUIRED BANK BALANCES PER RUCO	<u>109,604</u>	DATA REQUEST RUCO 6.4 c)
12	REQUIRED BANK BALANCE ADJUSTMENT	(9,164)	LINE 11 - LINE 10
13	TOTAL WORKING CAPITAL ADJUSTMENT	<b>(479,580)</b>	LINES 3, 6, 9 & 12

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 LEAD/LAG CALCULATION

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 2 OF 4

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>EXPENSES PER COMPANY</u>	<u>RUCO ADJUSTMENTS</u>	<u>ADJUSTED EXPENSES</u>	<u>(LEAD)/LAG DAYS</u>	<u>\$ DAYS</u>
1	PURCHASED POWER	\$ 645,378	\$ 24,205	\$ 669,583	27.97	\$ 18,728,237
2	PAYROLL	1,170,887	47,955	1,218,842	14.00	17,063,793
3	PURCHASED WATER	971,436	(170,229)	801,207	(17.45)	(13,981,062)
4	CHEMICALS	52,405	10,667	63,072	25.00	1,576,800
5	PROPERTY & LIABILITY INSURANCE	20,666	(179)	20,487	(45.27)	(927,461)
6	WORKER'S COMPENSATION	15,713	2,532	18,245	(46.50)	(848,386)
7	HEALTH INSURANCE	228,778	(15,701)	213,077	(8.92)	(1,900,646)
8	OTHER O&M EXPENSES	873,925	(530,649)	343,276	(9.27)	(3,182,172)
9	DEPRECIATION & AMORTIZATION	1,425,604	(129,165)	1,296,439	N/A	N/A
10	FEDERAL & STATE INCOME TAXES	922,496	(165,072)	757,424	61.95	46,925,678
11	DEFERRED INCOME TAXES	165,955	N/A	N/A	N/A	N/A
12	FICA TAXES	87,552	4,770	92,322	14.00	1,292,508
13	FUTA & SUTA TAXES	1,919	260	2,179	83.10	181,075
14	PROPERTY TAXES	758,542	(16,482)	742,060	212.00	157,316,800
15	REG., CONTRACT, & MISCELLANEOUS FEES	145,480	10,837	156,317	(98.83)	(15,448,804)
16	SALES & OCCUPATION TAXES	715,798	56,022	771,820	37.53	28,966,405
17	PENSION EXPENSE	<u>100,078</u>	<u>8,671</u>	<u>108,749</u>	<u>34.72</u>	<u>3,775,765</u>
18	TOTAL	\$ 8,302,612	\$ (861,556)	\$ 7,275,101 *	32.93	\$ 239,538,529

NOTE

N/A = NON CASH CHARGES EXCLUDED FROM WORKING CAPITAL CALCULATION

\* RUCO RECOMMENDED LEVEL OF OPERATING EXPENSE - SCHEDULE WAR-8, COLUMN (E), LINE 16

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 CALCULATION OF CASH WORKING CAPITAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 3 OF 4

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	AVERAGE EXPENSE LAG	32.93	SCH. WAR-7, PG. 2
2	AVERAGE REVENUE COLLECTION LAG	<u>26.12</u>	CO. SCH. B-5, PG. 2
3	EXCESS EXPENSE OVER REVENUE LAG	(6.81)	LINE 2 - LINE 1
4	TOTAL EXPENSES	\$ 7,275,101	SCH. WAR-7, PG. 2
5	CASH WORKING CAPITAL REQUIREMENT	(135,652)	(LINE 3 X LINE 4)/365 DAYS
6	PER COMPANY	<u>\$ 328,417</u>	CO. SCH. B-5, PG. 2
7	INCREASE (DECREASE) IN WORKING CAPITAL	<u>\$ (464,069)</u>	LINE 5 - LINE 6

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 CALCULATION OF INCOME TAX LAG

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 4 OF 4

<u>LINE NO.</u>	<u>(A) PAYMENT DATE</u>	<u>(B) SERVICE PERIOD MIDPOINT</u>	<u>(C) (LEAD)/LAG DAYS</u>	<u>(D) PAYMENT AMOUNT</u>	<u>(E) DOLLAR DAYS</u>
1	04/12/99	07/01/99	(80.00)	\$ 397,000	(31,760,000)
2	06/11/99	07/01/99	(20.00)	50,000	(1,000,000)
3	09/14/99	07/01/99	75.00	486,000	36,450,000
4	12/14/99	07/01/99	166.00	970,000	161,020,000
5	03/14/00	07/01/99	257.00	<u>(240,000)</u>	<u>(61,680,000)</u>
6	TOTALS			\$ 1,663,000	103,030,000
7	INCOME TAX LAG		<span style="border: 1px solid black; padding: 2px;">61.95</span>		

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 OPERATING INCOME - TEST YEAR AND RUCO PROPOSED

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-8

LINE NO.	DESCRIPTION	(A) COMPANY TEST YEAR AS FILED	(B) RUCO TEST YEAR ADJUSTMENTS	(C) RUCO TEST YEAR AS ADJUSTED	(D) RUCO PROPOSED CHANGES	(E) RUCO RECOMMENDED
<u>REVENUES - WATER:</u>						
1	REVENUE FROM WATER SALES	\$ 8,943,927	\$ 668,082	\$ 9,612,009	\$ (611,251)	\$ 9,000,758
2	OTHER REVENUES	-	-	-	-	-
3	TOTAL OPERATING REVENUES	\$ 8,943,927	\$ 668,082	\$ 9,612,009	\$ (611,251)	\$ 9,000,758
<u>OPERATING EXPENSES:</u>						
2	PURCHASED WATER	\$ 1,003,040	\$ (60,304)	\$ 942,736	\$ -	\$ 942,736
3	OTHER	23,251	136	23,387		23,387
4	PURCHASED POWER	618,711	65,047	683,758		683,758
5	PURCHASED GAS	-	-	-		-
6	OTHER	117,465	49,419	166,884		166,884
7	WATER TREATMENT	191,642	1,958	193,600		193,600
8	TRANSMISSION & DISTRIBUTION	758,594	13,231	771,825		771,825
9	CUSTOMER ACCOUNTS	636,246	28,603	664,849		664,849
10	SALES	2,059	(406)	1,653		1,653
11	ADMINISTRATIVE & GENERAL	896,828	39,156	935,984		935,984
12	DEPRECIATION & AMORTIZATION	1,425,605	(129,166)	1,296,439		1,296,439
13	PROPERTY TAXES	751,447	(9,387)	742,060		742,060
14	OTHER TAXES	70,454	24,048	94,501		94,501
15	INCOME TAXES	585,651	408,587	994,237	(236,813)	757,424
16	TOTAL OPERATING EXPENSES	\$ 7,080,992	\$ 430,922	7,511,914	\$ (236,813)	\$ 7,275,101
17	NET INCOME	\$ 1,862,935	\$ 237,160	\$ 2,100,095	\$ (374,438)	\$ 1,725,657

REFERENCES:

COLUMN (A): CO. SCH. C-1, PG. 1  
 COLUMN (B): SCH. WAR-9  
 COLUMN (C): COLUMN (A) + COLUMN (B)  
 COLUMN (D): SCH. WAR-1  
 COLUMN (E): COLUMN (C) + COLUMN (D)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 SUMMARY OF OPERATING ADJUSTMENTS

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-9

LINE NO.	DESCRIPTION	COMPANY PROPOSED	ADJ. #1	ADJ. #2	ADJ. #3	ADJ. #4	ADJ. #5	ADJ. #6	ADJ. #7	ADJ. #8	ADJ. #9	ADJ. #10	ADJ. #11	RUCO ADJUSTED
<u>REVENUES - WATER</u>														
1	REVENUE FROM WATER SALES	\$ 8,943,927	\$ 1,187,356	\$ (771,820)	\$ 49,226	\$ (13,615)	\$ 216,935		\$ -					\$ 9,612,009
2	OTHER REVENUES	-												-
3	TOTAL OPERATING REVENUES	\$ 8,943,927	\$ 1,187,356	\$ (771,820)	\$ 49,226	\$ (13,615)	\$ 216,935	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 9,612,009
<u>OPERATING EXPENSES:</u>														
2	PURCHASED WATER	\$ 1,003,040	\$ (201,833)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 942,736
3	OTHER	23,251	136											23,387
4	PURCHASED POWER	618,711	50,872			(3,791)	17,966							683,758
5	PURCHASED GAS	-	-											-
6	OTHER	117,465	49,419											166,884
7	WATER TREATMENT	191,642	(2,868)				4,826							193,600
8	TRANSMISSION & DISTRIBUTION	758,594	21,371			(8,140)								771,825
9	CUSTOMER ACCOUNTS	636,246	28,603											664,849
10	SALES	2,059	(406)					85,850						1,653
11	ADMINISTRATIVE & GENERAL	896,828	(43,101)	(19,504)			15,911							935,984
12	DEPRECIATION & AMORTIZATION	1,425,605							(129,166)					1,296,439
13	PROPERTY TAXES	751,447								(9,387)				742,060
14	OTHER TAXES	70,454	776,364	(752,316)										94,501
15	INCOME TAXES	585,651										408,587		994,237
16	TOTAL OPERATING EXPENSES	\$ 7,080,992	\$ 678,557	\$ (771,820)	\$ -	\$ (11,931)	\$ 38,703	\$ 85,850	\$ -	\$ (129,166)	\$ (9,387)	\$ 408,587	\$ 141,529	\$ 7,511,914
17	NET INCOME	\$ 1,862,935	\$ 508,800	\$ -	\$ 49,226	\$ (1,684)	\$ 178,232	\$ (85,850)	\$ -	\$ 129,166	\$ 9,387	\$ (408,587)	\$ (141,529)	\$ 2,100,095

ADJUSTMENT #:

1. RECONCILE COMPANY PROPOSED OPERATING INCOME TO 2002 ACTUAL
2. REMOVE 2002 REGULATORY ASSESSMENT & SALES TAXES
3. ELIMINATE PPAM AND PWAM REVENUES
4. ELIMINATE UNBILLED REVENUES & EXPENSES
5. ANNUALIZE ADDITIONAL REVENUES & EXPENSES
6. AMORTIZATION OF RATE CASE EXPENSE

REFERENCE:

- RUCO D.R. NO. 1.10
- RUCO D.R. NO. 1.10 & ACC STAFF D.R. NO. REL 19-1
- RUCO D.R. NO. 7.1 & RUCO D.R. NO. 7.2
- RUCO D.R. NO. 7.3
- RUCO D.R. NO. 6.6
- COMPANY SCHEDULE C-2, PAGE 7, TESTIMONY WAR

ADJUSTMENT #:

7. REMOVE MAP SURCHARGE REVENUES
8. DEPRECIATION & AMORTIZATION EXPENSE
9. PROPERTY TAX EXPENSE
10. INCOME TAX EXPENSE
11. PURCHASED CAP WATER EXPENSE

REFERENCE:

- TESTIMONY WAR
- SCHEDULE WAR-12
- SCHEDULE WAR-13
- SCHEDULE WAR-14
- SCHEDULE WAR-15

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 OPERATING ADJ. #1 - RECONCILE COMPANY  
 PROPOSED OPERATING INCOME TO 2002 ACTUAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-10  
 PAGE 1 OF 2

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) 2002 ACTUAL	(C) DIFFERENCE	(D) RUCO ADJUSTMENT
<u>REVENUES - WATER:</u>					
1	REVENUE FROM WATER SALES	\$ 8,943,927	\$ 10,131,283	\$ 8,943,927	\$ 1,187,356
2	OTHER REVENUES	0.00	0.00	0.00	0.00
3	TOTAL OPERATING REVENUES	\$ 8,943,927	\$ 10,131,283	\$ 8,943,927	\$ 1,187,356
<u>OPERATING EXPENSES:</u>					
4	PURCHASED WATER	\$ 1,003,040	\$ 801,207	\$ 1,003,040	\$ (201,833)
5	OTHER	23,251	23,387	23,251	136
6	PURCHASED POWER	618,711	669,583	618,711	50,872
7	PURCHASED GAS	-	-	-	-
8	OTHER	117,465	166,884	117,465	49,419
9	WATER TREATMENT	191,642	188,774	191,642	(2,868)
10	TRANSMISSION & DISTRIBUTION	758,594	779,965	758,594	21,371
11	CUSTOMER ACCOUNTS	636,246	664,849	636,246	28,603
12	SALES	2,059	1,653	2,059	(406)
13	ADMINISTRATIVE & GENERAL	896,828	853,727	896,828	(43,101)
14	DEPRECIATION & AMORTIZATION	1,425,605	1,224,438	1,425,605	- (a)
15	PROPERTY TAXES	751,447	639,367	751,447	- (a)
16	OTHER TAXES	70,454	846,817	70,454	776,364
17	INCOME TAXES	585,651	868,112	585,651	- (a)
	TOTAL OPERATING EXPENSES	\$ 7,080,992	\$ 7,728,763	\$ 7,080,992	\$ 678,557
19	NET INCOME	<u>\$ 1,862,935</u>	<u>\$ 2,402,520</u>	<u>\$ 1,862,935</u>	<u>\$ 508,800</u>

REFERENCES:

COLUMN (A): COMPANY SCHEDULE C-1 PAGE 1 OF 5  
 COLUMN (B): DATA REQUEST RUCO 1.10  
 COLUMN (C): COLUMN (B) - COLUMN (A)  
 COLUMN (D): COLUMN (C) LINES 1 THRU 13, LINES 16, 18 & 19

NOTE:

(a) SEPARATE PRO FORMA ADJUSTMENTS NOT INCLUDED IN RECONCILIATION

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 OPERATING ADJ. #1 - RECONCILE COMPANY  
 PROPOSED OPERATING INCOME TO 2002 ACTUAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-10  
 PAGE 2 OF 2

LINE NO.	DESCRIPTION	(A) TEST YEAR ACTUAL	(B) 2002 ACTUAL	(C) DIFFERENCE
<u>REVENUES - WATER:</u>				
1	REVENUE FROM WATER SALES	\$ 9,314,017	\$10,131,283	\$ 817,266
2	OTHER REVENUES	0.00	0.00	0.00
3	TOTAL OPERATING REVENUES	\$ 9,314,017	\$10,131,283	\$ 817,266
<u>OPERATING EXPENSES:</u>				
4	PURCHASED WATER	805,211	801,207	(4,004)
5	OTHER	23,251	23,387	136
6	PURCHASED POWER	588,864	669,583	80,719
7	PURCHASED GAS	-	-	-
8	OTHER	117,465	166,884	49,419
9	WATER TREATMENT	189,843	188,774	(1,069)
10	TRANSMISSION & DISTRIBUTION	682,301	779,965	97,664
11	CUSTOMER ACCOUNTS	606,014	664,849	58,835
12	SALES	2,059	1,653	(406)
13	ADMINISTRATIVE & GENERAL	774,394	853,727	79,333
14	DEPRECIATION & AMORTIZATION	1,082,006	1,224,438	142,432
15	PROPERTY TAXES	647,720	639,367	(8,353)
16	OTHER TAXES	784,012	846,817	62,805
17	INCOME TAXES	889,813	868,112	(21,701)
	TOTAL OPERATING EXPENSES	7,192,953	7,728,763	535,810
19	NET INCOME	<u>\$ 2,121,064</u>	<u>\$ 2,402,520</u>	<u>\$ 281,456</u>

REFERENCES:

COLUMN (A): COMPANY SCHEDULE C-1 PAGE 1 OF 5  
 COLUMN (B): DATA REQUEST RUCO 1.10  
 COLUMN (C): COLUMN (B) - COLUMN (A)

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
APACHE JUNCTION SYSTEM - SECOND REVISION  
OPERATING ADJ. #5 - REVENUE ANNUALIZATION FOR 2002

LINE NO.	DESCRIPTION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
1	YEAR END CUSTOMERS - 2002	17,027	17,027	17,027	17,027	17,027	17,027	17,027	17,027	17,027	17,027	17,027	17,027
2	2002 CUSTOMERS	16,198	16,244	16,329	16,403	16,512	16,597	16,680	16,765	16,847	16,877	16,961	17,027
3	INCREASE IN CUSTOMERS - 2002	829	783	698	624	515	430	347	262	180	150	66	-
4	AVERAGE REVENUE FOR THE MONTH	\$ 39.24	\$ 40.89	\$ 40.95	\$ 42.61	\$ 46.87	\$ 53.32	\$ 52.31	\$ 50.92	\$ 50.74	\$ 43.94	\$ 44.39	\$ 42.98
5	INCREASE IN REVENUES	\$ 32,534	\$ 32,017	\$ 28,583	\$ 26,590	\$ 24,138	\$ 22,927	\$ 18,150	\$ 13,342	\$ 9,133	\$ 6,581	\$ 2,930	\$ -
6	TOTAL INCREASE IN REVENUE	\$ 216,935											
7	INCREASE IN REVENUE PER COMPANY												
8	REVENUE ADJUSTMENT	216,935											
9	GALLONS SOLD PER AVERAGE CUSTOMER	9,608	10,288	10,860	11,079	13,100	15,665	14,882	14,899	14,345	11,549	11,593	10,723
10	INCREASE IN CUSTOMERS	829	783	698	624	515	430	347	262	180	150	66	0
11	INCREASE IN GALLONS	7,954,884	8,055,563	7,580,244	6,913,234	6,748,344	6,735,820	5,163,905	3,903,598	2,582,046	1,732,348	785,144	0
12	TOTAL INCREASE IN GALLONS	58,143,131											
13	PUMPING COST PER GALLON	0.000309											
14	INCREASE IN PUMPING COST	17,966											
15	WATER TREATMENT COSTS PER GALLON	0.000083											
16	INCREASE IN WATER TREATMENT COSTS	4,826											
17	TOTAL INCREASE IN BILLS	4,884											
18	MONTHLY ACCOUNTING COST PER BILL	3.26											
19	INCREASE IN ACCOUNTING COST	15,911											

REFERENCES:  
 LINE #1 - RUCO DATA REQUEST #66  
 LINE #2 - RUCO DATA REQUEST #66  
 LINE #3 - LINE #1 MINUS LINE #2  
 LINE #4 - RUCO DR #1.10 = TOTAL MONTH REV. MINUS OTHER REV. / TOTAL MONTHLY CUSTOMERS FOR POST-TEST-YEAR  
 LINE #5 = LINE #3 MULTIPLIED BY LINE #4  
 LINE #6 = SUMMATION OF LINE #5  
 LINE #7 - NO REFERENCE  
 LINE #8 - LINE #6 MINUS LINE #7  
 LINE #9 - GALLONS SOLD, AWC's ANNUAL REPORT & MONTHLY CUSTOMERS, RUCO DR #66  
 LINE #10 = LINE #3  
 LINE #11 = LINE #9 MULTIPLIED BY LINE #10  
 LINE #12 = SUMMATION OF LINE #11  
 LINE #13 - CO. W/P C2-5, PAGE 3  
 LINE #14 = LINE #12 X LINE #13  
 LINE #15 - CO. W/P C2-5, PAGE 3  
 LINE #16 = LINE #12 MULTIPLIED BY LINE #15  
 LINE #17 = SUMMATION OF LINE #3  
 LINE #18 - CO. W/P C2-5, PAGE 4  
 LINE #19 = LINE #17 X LINE #18

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 OPERATING ADJ. #8 - DEPRECIATION & AMORTIZATION EXPENSE

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-12

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	(A) ACTUAL TEST YEAR BALANCE PER COMPANY	(B) RUCO ADJUSTMENTS	(C) RUCO ADJUSTED BALANCE	(D) COMPOSITE DEPRECIATION RATE	(E) RUCO RECOMMENDED DEPRECIATION EXPENSE
1	301.0	INTANGIBLES: ORGANIZATION*	\$ -	\$ -	\$ -	0.00%	\$ -
2	302.0	INTANGIBLES: FRANCHISES*	1,435	-	1,435	0.00%	-
3	303.0	INTANGIBLES: MISC.*	-	-	-	0.00%	-
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	113,958	(2)	113,956	0.00%	-
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	-	-	-	0.00%	-
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	49,438	2	49,439	0.00%	-
7	314.0	SOURCE OF SUPPLY: WELLS	2,505,438	(1)	2,505,437	2.59%	64,891
8	320.0	PUMPING PLANT: LAND*	14,187	-	14,187	0.00%	-
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	43,621	2	43,622	2.59%	1,130
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	2,461,590	1	2,461,591	2.59%	63,755
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	-	-	-	2.59%	-
12	330.0	WATER TREATMENT PLANT: LAND*	-	-	-	0.00%	-
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	9,760	-	9,760	2.59%	253
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	122,743	2	122,744	2.59%	3,179
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	183,798	-	183,798	0.00%	-
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	-	-	-	0.00%	-
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	-	-	-	2.59%	-
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	3,755,335	1	3,755,336	2.59%	97,263
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	28,329,468	1	28,329,469	2.59%	733,733
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	352,430	2	352,431	2.59%	9,128
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	7,442,934	2	7,442,936	2.59%	192,772
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	1,263,272	-	1,263,272	2.59%	32,719
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	2,422,487	-	2,422,487	2.59%	62,742
24	389.1	GENERAL PLANT: LAND - OFFICE*	6,307	-	6,307	0.00%	-
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	63	-	63	0.00%	-
26	389.3	GENERAL PLANT: LAND - MISC.*	40,646	-	40,646	0.00%	-
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	403,312	-	403,312	2.59%	10,446
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	173,152	(1)	173,151	2.59%	4,485
29	390.3	GENERAL PLANT: MISC. BUILDINGS	478	-	478	2.59%	12
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	22,133	23,838	45,971	2.59%	1,191
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	116,312	(23,836)	92,476	2.59%	2,395
32	391.2	GENERAL PLANT: OFFICE FURNITURE	39,445	(1)	39,444	2.59%	1,022
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	3,469	10,542	14,011	2.59%	363
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	147,593	(10,541)	137,052	2.59%	3,550
35	395.0	GENERAL PLANT: LAB EQUIPMENT	8,707	(1)	8,706	2.59%	225
36	396.0	GENERAL PLANT: POWER EQUIPMENT	30,448	(1)	30,447	2.59%	789
	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	126,784	4,633	131,417	2.59%	3,404
1	397.1	GENERAL PLANT: MOBILE RADIOS	44,636	(1,717)	42,919	2.59%	1,112
2	397.2	GENERAL PLANT: AUTO CONTROLS	500,241	4,008	504,249	2.59%	13,060
3	398.0	GENERAL PLANT: MISC.	32,926	(6,927)	25,999	2.59%	673
4							
5		TEST YEAR TOTALS	\$ 50,768,542	\$ 6	\$ 50,768,548		\$ 1,304,291
6							
7		POST TEST YEAR ADDITIONS	3,753,346	(733,307)	\$3,020,039	2.59%	78,219
8							
9		GROSS DEPRECIABLE PHOENIX OFFICE AND METER SHOP ALLOCATION	953,912	129,137	1,083,049 **	2.59%	28,051
10							
11		2002 TOTALS	\$ 55,475,800	\$ (604,164)	\$ 54,871,635		\$ 1,410,561
12							
13		ADD:					
14		AMORTIZATION OF DEFERRED CAP CHARGES INCURRED THROUGH 2002 ***					64,521
15							
16		LESS:					
17		AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION @ 2.59% COMPOSITE RATE ****					178,642
18							
19		TOTAL PRO FORMA DEPRECIATION & AMORTIZATION EXPENSE					\$ 1,296,439
20							
21		DEPRECIATION & AMORTIZATION EXPENSE PER COMPANY					1,425,605
22							
23		DEPRECIATION & AMORTIZATION EXPENSE ADJUSTMENT (LINE 56 - LINE 58)					\$ (129,166)

REFERENCES:  
 COLUMN (A): COMPANY SCHEDULE E-5 PAGE 1 OF 4 AND STAFF DATA REQUEST REL 1-24  
 COLUMN (B): COLUMN (C) - COLUMN (A)  
 COLUMN (C): RUCO SCHEDULE WAR-4 PAGE 7  
 COLUMN (D): COMPOSITE DEPRECIATION RATE OF 2.59%  
 COLUMN (E): COLUMN (C) x COLUMN (D)

NOTES:  
 \* NON-DEPRECIABLE PLANT ASSETS  
 \*\* NET OF \$1,802 IN NON-DEPRECIABLE LEASEHOLD IMPROVEMENTS (\$7,215 x 0.2498 ALLOCATION FACTOR FOR 2002 = \$1,802)  
 \*\*\* DEFERRED CAP CHARGES AMORTIZED OVER TEN YEARS - \$645,207 ÷ 10 YEARS = \$64,521  
 \*\*\*\* RUCO ADJUSTED CIAC BALANCE x COMPOSITE RATE = \$6,897,380 x 2.59% = \$178,642

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 OPERATING ADJ. #9 - PROPERTY TAX EXPENSE

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-13

LINE NO.	DESCRIPTION	AMOUNT	REFERENCE
1	REVENUES - 2000	\$ 8,487,722	COMPANY SCH. C-2, W/P C2-19a
2	REVENUES - 2001	8,598,219	COMPANY SCH. C-2, W/P C2-19a
3	REVENUES - 2002	<u>9,359,462</u>	D. R. NO. REL 19-1
4	TOTAL	\$ 26,445,403	SUM LINES 1, 2, & 3
5	3 YEAR AVERAGE	8,815,134	LINE 4/3 YEARS
6	MULTIPLIER FOR REVENUES (2 X LAST 3 YRS. AVERAGE REVENUE)	<u>x 2</u>	ADOR VALUATION FACTOR
7	REVENUES FOR FULL CASH VALUE	<u>17,630,269</u>	LINE 5 X 2 (MULTIPLIER FOR REVENUES)
8	ADD: 10% OF CWIP BALANCE	11,268	COMPANY SCH. B-2, PG. 2; LINE 4 X 10%
9	LESS: LICENSED VEHICLES	<u>-</u>	STAFF DATA REQUEST REL 23-1
10	FULL CASH VALUE	17,641,537	LINE 7 + LINE 8 MINUS LINE 9
11	ASSESSMENT RATIO	<u>25%</u>	PER ADOR VALUATION METHOD
12	ASSESSED VALUE	4,410,384	LINE 10 X LINE 11
13	PROPERTY TAX RATE	<u>16.8253%</u>	PER TAX BILLS
14	PROPERTY TAXES PAYABLE PER RUCO	742,060	LINE 12 X LINE 13
15	PROPERTY TAXES PER COMPANY	<u>751,447</u>	COMPANY SCH. C-1, PG. 1
16	ADJUSTMENT	<u>(9,387)</u>	LINE 14 MINUS LINE 15

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 OPERATING ADJ. #10 - INCOME TAXES

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-14

LINE NO.	DESCRIPTION	AMOUNT	REFERENCE
	<u>FEDERAL INCOME TAXES:</u>		
1	OPERATING INCOME BEFORE INCOME TAXES	\$ 3,094,332	SCH. WAR-9
	LESS:		
2	ARIZONA STATE TAX	179,483	LINE 11
3	INTEREST EXPENSE	<u>518,513</u>	NOTE (a)
4	FEDERAL TAXABLE INCOME	2,396,336	LINE 1 - LINES 2 & 3
5	FEDERAL INCOME TAX RATE	<u>34.00%</u>	TAX RATE
6	FEDERAL INCOME TAX EXPENSE	814,754	LINE 4 X LINE 5
	<u>STATE INCOME TAXES:</u>		
7	OPERATING INCOME BEFORE INCOME TAXES	3,094,332	LINE 1
	LESS:		
8	INTEREST EXPENSE	<u>518,513</u>	NOTE (A)
9	STATE TAXABLE INCOME	2,575,819	LINE 7 - LINE 8
10	STATE TAX RATE	<u>6.968%</u>	TAX RATE
11	STATE INCOME TAX EXPENSE	179,483	LINE 9 X LINE 10
12	TOTAL INCOME TAXES	994,237	LINE 6 + LINE 11
13	INCOME TAXES PER COMPANY	<u>585,651</u>	COMPANY SCH. C-1, PG. 2
14	ADJUSTMENT	<u>\$ 408,587</u>	LINE 12 - LINE 13

NOTE (a):  
 INTEREST SYCHRONIZATION

ADJUSTED RATE BASE	\$ 19,874,334
WEIGHTED COST OF DEBT	<u>2.61%</u>
	\$ 518,513

LINE NO.	DESCRIPTION	(A) PER COMPANY	(B) PER RUCO
1	CAWCD DELIVERY CHARGES (5,163 ACRE FEET)	\$ 299,454	\$ 299,454
2	M&I CHARGES (5,163 ACRE FEET)	144,061	144,061
3	MESA TREATMENT PLANT CHARGES	120,801	120,801
4	RESERVE CAPACITY & LEASE	<u>137,769</u>	<u>137,769</u>
5	TOTALS	<u>\$ 702,085</u>	<u>\$ 702,085</u>
5	TREATMENT COST NOVEMBER 2001 (120,801/11)=10,982 "CAP CANAL CLOSED NOV 2001 FOR REPAIRS.	\$ 10,982	\$ 10,982
6	ADDITIONAL M&I COST	113,939 (a)	47,939 (b)
7	ADDITIONAL CAWCD PER ACRE-FEET	<u>41,304</u>	<u>82,608 (c)</u>
8	TOTAL APACHE JUNCTION PURCHASED CAP WATER EXPENSE	\$ 166,225	<u>\$ 141,529</u>

REFERENCES:  
 COMPANY WORKPAPER FOR SCHEDULE C-2  
 CENTRAL ARIZONA WATER CONSERVATION DISTRICT WEB SITE

NOTES:  
 (a) BASED ON AN M&I CHARGE OF \$43.00 PER ACRE FOOT IN EFFECT UNTIL JUNE 30, 2003  
 (b) BASED ON AN M&I CHARGE OF \$32.00 PER ACRE FOOT APPROVED BY THE CAWCD BOARD IN MARCH 2003  
 (c) BASED ON A DELIVERY CHARGE OF \$74.00 PER ACRE FOOT APPROVED BY THE CAWCD BOARD IN JUNE 2003

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 APACHE JUNCTION SYSTEM - SECOND REVISION  
 COST OF CAPITAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-16

LINE NO.	DESCRIPTION	(A) AMOUNT	(B) ADJUSTMENT	(C) ADJUSTED BALANCE	(D) CAPITAL RATIO	(E) COST	(F) WEIGHTED COST
1	SHORT-TERM DEBT	\$ 2,850,000	\$ 1,650,000	\$ 4,500,000	5.62%	4.00%	0.22%
2	LONG-TERM DEBT:	23,000,677	(400,677)	22,600,000	28.24%	8.44%	2.38%
3	COMMON EQUITY	49,442,738	3,473,716	52,916,454	66.13%	9.18%	6.07%
4	TOTAL	\$ 75,293,415	4,723,039	\$ 80,016,454	100.00%		8.68%

REFERENCES:

- COLUMN (A): COMPANY SCH. D - 1
- COLUMN (B): TESTIMONY, WAR
- COLUMN (C): COLUMN (A) + COLUMN (B)
- COLUMN (D): COLUMN (C) ÷ COLUMN (C), LINE 5
- COLUMN (E): TESTIMONY, WAR
- COLUMN (F): COLUMN (D) x COLUMN (E)

**ARIZONA WATER COMPANY  
BISBEE SYSTEM - SECOND REVISION  
DOCKET NO. W-1445A-02-0619  
TABLE OF CONTENTS TO SCHEDULES WAR**

SCHEDULE #

WAR - 1	REVENUE REQUIREMENTS
WAR - 2	RATE BASE - ORIGINAL COST
WAR - 3	SUMMARY OF RATE BASE ADJUSTMENTS
WAR - 4	RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT, PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION
WAR - 5	RATE BASE ADJ. #4 - RECONCILE TEST YEAR ALLOCATED PHOENIX OFFICE & METER SHOP AND ACCUMULATED DEPRECIATION BALANCES
WAR - 6	RATE BASE ADJ. #5 - REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION
WAR - 7	RATE BASE ADJUSTMENT #9 - WORKING CAPITAL
WAR - 8	OPERATING INCOME - TEST YEAR AND RUCO PROPOSED
WAR - 9	SUMMARY OF OPERATING ADJUSTMENTS
WAR - 10	OPERATING ADJ. #1 - RECONCILE COMPANY PROPOSED OPERATING INCOME TO 2002 ACTUAL
WAR - 11	OPERATING ADJ. #5 - REVENUE ANNUALIZATION FOR 2002
WAR - 12	OPERATING ADJ. #8 - DEPRECIATION & AMORTIZATION EXPENSE
WAR - 13	OPERATING ADJ. #9 - PROPERTY TAX EXPENSE
WAR - 14	OPERATING ADJ. #10 - INCOME TAXES
WAR - 15	OPERATING ADJ. #11 - NOT USED FOR THIS SYSTEM
WAR - 16	COST OF CAPITAL
WAR - 17	PROPOSED RATES
WAR - 18	MONTHLY MINIMUM CHARGES
WAR - 19	BILLING ANALYSIS
WAR - 20	REVENUE SUMMARY BY METER SIZE AND CUSTOMER CLASS

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 REVENUE REQUIREMENTS

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-1  
 PAGE 1 OF 2

LINE NO.	DESCRIPTION	(A) COMPANY REQUESTED	(B) RUCO RECOMMENDED
1	ADJUSTED RATE BASE	\$ 3,700,113	\$ 3,617,853
2	ADJUSTED OPERATING INCOME	31,709	113,195
3	CURRENT RATE OF RETURN (L2 / L1)	0.86%	3.13%
4	REQUIRED RATE OF RETURN	11.00%	8.68%
5	REQUIRED OPERATING INCOME (L4 * L1)	407,012	314,133
6	OPERATING INCOME DEFICIENCY (L5 - L2)	375,303	200,937
7	GROSS REVENUE CONVERSION FACTOR	1.63241	1.63191
8	GROSS REVENUE INCREASE	\$ 612,649	\$ 327,912
9	CURRENT REVENUES T/Y ADJUSTED	1,256,950	1,313,153
10	PROPOSED ANNUAL REVENUE (L8 + L9)	1,869,599	1,641,065
11	PERCENTAGE AVERAGE INCREASE	48.74%	24.97%

REFERENCES:

COLUMN (A): COMPANY SCHEDULE A-1  
 COLUMN (B): SCHEDULE WAR-1, PG. 2, WAR-2, AND WAR-8

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 GROSS REVENUE CONVERSION FACTOR

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-1  
 PAGE 2 OF 2

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	REVENUE	1.0000	
2	UNCOLLECTIBLES	<u>0.002316</u>	COMPANY SCH. C-3
3	SUB-TOTAL	0.9977	LINE 1 - LINE 2
4	LESS: TAX RATE	<u>38.49%</u>	NOTE (a)
5	TOTAL	0.6128	LINE 3 - LINE 4
6	REVENUE CONVERSION FACTOR	<u>1.63191</u>	LINE 1/LINE 5

NOTE (a):  
 CALCULATION OF EFFECTIVE TAX RATE

OPERATING INCOME BEFORE TAXES	100.00%
ARIZONA STATE TAX	<u>6.97%</u>
TAXABLE INCOME FEDERAL	93.03%
FEDERAL INCOME TAX RATE	<u>33.98%</u>
SUBTOTAL	31.61%
ADD STATE TAX RATE	38.58%
LINE 3 ABOVE	<u>99.77%</u>
EFFECTIVE TAX RATE	38.49%

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 RATE BASE - ORIGINAL COST

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-2

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) RUCO ADJUSTMENTS	(C) RUCO AS ADJUSTED
1	PLANT IN SERVICE/POST-TEST YEAR ADDITIONS	\$ 7,433,939	\$ 187,076	\$ 7,621,015
2	PHOENIX OFFICE & METER SHOP ALLOCATION	193,907	47,638	241,545
3	ACCUMULATED DEPRECIATION	<u>(3,099,049)</u>	<u>(121,468)</u>	<u>(3,220,517)</u>
4	NET PLANT IN SERVICE	\$ 4,528,797	\$ 113,246	\$ 4,642,043
5	CONSTRUCTION WORK IN PROGRESS (CWIP)	<u>-</u>	<u>-</u>	<u>-</u>
6	TOTAL NET PLANT	\$ 4,528,797	\$ 113,246	\$ 4,642,043
7	ADVANCES IN AID OF CONSTRUCTION (AIAC)	(190,083)	(11,491)	(201,574)
8	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)	(372,133)	(2,425)	(374,558)
9	ACCUMULATED AMORTIZATION OF CIAC	55,613	9,670	65,283
10	DEFERRED INCOME TAXES	(423,066)	(146,467)	(569,533)
11	WORKING CAPITAL	<u>100,985</u>	<u>(44,792)</u>	<u>56,193</u>
12	TOTAL RATE BASE	<u>\$ 3,700,113</u>	<u>\$ (82,260)</u>	<u>\$ 3,617,853</u>

REFERENCES:

COLUMN (A): COMPANY SCHEDULE B-1

COLUMN (B): SCHEDULE WAR-3

COLUMN (C): COLUMN (A) + COLUMN (B)

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
BISEEE SYSTEM - SECOND REVISION  
SUMMARY OF RATE BASE ADJUSTMENTS

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B)	(C)	(D)	(E)	(F)	(G)	(H)	(I)	(J)	(K)	(L)	(M) RUCO ADJUSTED
		ADJ.#1	ADJ.#2	ADJ.#3	ADJ.#4	ADJ.#5	ADJ.#6	ADJ.#7	ADJ.#8	ADJ.#9	ADJ.#10	ADJ.#11		
1	PLANT IN SERVICE-POST-TEST YEAR ADDITIONS	\$ 7,433,939	\$28,987			(6,721)								\$ 7,621,015
2	PHOENIX OFFICE & METER SHOP ALLOCATION	193,907			25,372									241,545
3	ACCUMULATED DEPRECIATION	(3,099,049)			(25,372)									(3,220,517)
4	NET PLANT IN SERVICE	\$ 4,528,797	\$ 28,987	\$ (96,096)	\$ -	\$ (6,721)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,642,043
5	CONSTRUCTION WORK IN PROGRESS (CWIP)													
6	TOTAL NET PLANT	\$ 4,528,797	\$ 28,987	\$ (96,096)	\$ -	\$ (6,721)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 4,642,043
7	ADVANCES IN AID OF CONSTRUCTION (A/A/C)	(190,083)					(11,491)							(201,574)
8	CONTRIBUTIONS IN AID OF CONSTRUCTION (C/A/C)	(372,133)					(2,425)							(374,558)
9	ACCUMULATED AMORTIZATION OF CIA/C	55,613					9,670							65,283
10	DEFERRED INCOME TAXES	(423,066)					(146,467)							(569,533)
11	WORKING CAPITAL	100,995												56,193
12	TOTAL RATE BASE	\$ 3,700,113	\$ 187,076	\$ (96,096)	\$ -	\$ (6,721)	\$ (11,491)	\$ 7,245	\$ (146,467)	\$ (44,792)	\$ -	\$ -	\$ -	\$ 3,617,853

ADJUSTMENT #:  
 1. PLANT IN SERVICE-POST-TEST YEAR ADDITIONS  
 2. PHOENIX OFFICE & METER SHOP ALLOCATION  
 3. ACCUMULATED DEPRECIATION  
 4. RECONCILE PHX OFFICE & METER SHOP AND ACCUM. DEPR.  
 5. REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION  
 6. A/A/C-2002 BALANCE

ADJUSTMENT #:  
 7. CIA/C-2002 BAL. & AMORTIZATION  
 8. ACCUMULATED DEFERRED INCOME TAXES  
 9. WORKING CAPITAL  
 10. NOT USED  
 11. NOT USED

REFERENCE:  
 SCHEDULE WAR 4, PAGE 7  
 SCHEDULE WAR 4, PAGE 7  
 SCHEDULE WAR 4, PAGE 7  
 SCHEDULE WAR-5  
 SCHEDULE WAR-6  
 RUCO D.R. NO. 6.3

REFERENCE:  
 RUCO D.R. NO 6.3, TESTIMONY - WAR  
 RUCO D.R. NO. 6.3  
 SCHEDULE WAR-7, PAGE 3  
 N/A  
 N/A

NOTES:  
 (a) NET OF ACCUMULATED DEPRECIATION  
 (b) GROSS PHOENIX OFFICE AND METER SHOP ADDITIONS ALLOCATED DURING 2002  
 (c) INCLUDES ACCUMULATED DEPRECIATION ON 2002 PHOENIX OFFICE AND METER SHOP ADDITIONS

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1990 PLANT VALUE PER COMPANY	1990 ACCUM DEPR. PER COMPANY	1990 NET PRIOR ACC PER COMPANY	1991 ADDITIONS PER COMPANY	1991 (RETIREMENTS) PER COMPANY	1991 YEAR END PLANT VALUE PER RUCO	1991 DEPRECIATION EXPENSE PER RUCO	1991 ACCUMULATED DEPRECIATION PER RUCO	1991 YEAR END NET PLANT PER RUCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	0	0	0	0	0	0	0
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	36	0	36	0	0	36	0	0	36
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	2,415	0	2,415	0	0	2,415	0	0	2,415
7	314.0	SOURCE OF SUPPLY: WELLS	33,511	12,642	20,869	0	0	33,511	811	13,453	20,058
8	320.0	PUMPING PLANT: LAND*	6,371	0	6,371	0	0	6,371	0	0	6,371
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	25,821	9,741	16,080	0	0	25,821	625	10,366	15,455
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	375,837	141,787	234,050	7,617	(724)	382,730	9,179	150,241	232,489
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	187,548	70,754	116,794	0	0	187,548	4,539	75,292	112,256
12	330.0	WATER TREATMENT PLANT: LAND*	0	0	0	0	0	0	0	0	0
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	1,476	557	919	0	0	1,476	36	593	883
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	21,084	7,954	13,130	0	0	21,084	510	8,464	12,620
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	5,044	0	5,044	0	0	5,044	0	0	5,044
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES**	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	238,057	0	238,057	0	0	238,057	0	0	238,057
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	2,518,894	89,808	1,482,49	0	0	2,878,561	5,761	95,569	142,488
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	7,151	2,698	4,453	365,471	(5,804)	2,878,561	65,309	1,009,772	1,868,789
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	400,625	151,138	249,487	6,487	0	449,818	252	2,949	10,689
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	210,774	79,516	131,258	51,234	(2,041)	449,818	10,280	159,387	290,431
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	125,708	47,424	78,284	560	(892)	210,942	5,103	84,226	126,716
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	0	12,908	0	138,616	3,198	50,622	87,994
24	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0	0	0	0
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0
26	389.3	GENERAL PLANT: LAND - MISC.*	0	0	0	0	0	0	0	0	0
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	21,513	8,116	13,397	1,519	0	23,032	539	8,655	14,377
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	11,938	4,504	7,434	0	0	11,938	289	4,793	7,145
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	0	0	0	0	0	0	0	0
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	12,605	4,755	7,850	0	(127)	12,478	304	4,932	7,546
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	14,919	5,628	9,291	576	0	15,495	368	5,996	9,499
32	391.2	GENERAL PLANT: OFFICE FURNITURE	10,811	4,079	6,732	146	0	10,957	263	4,342	6,615
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	0	0	0	0	0	0	0	0	0
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	24,993	9,429	15,564	1,131	0	26,124	619	10,047	16,077
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	0	0	0	0	0	0	0
36	396.0	GENERAL PLANT: POWER EQUIPMENT	13,884	5,238	8,646	0	0	13,884	336	5,574	8,310
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	48,810	18,414	30,396	0	0	48,810	1,181	19,595	29,215
38	397.1	GENERAL PLANT: MOBILE RADIOS	300	113	187	614	0	914	15	128	786
39	397.2	GENERAL PLANT: AUTO CONTROLS	95,233	35,927	59,306	11,373	0	105,606	2,442	38,369	68,237
40	398.0	GENERAL PLANT: MISC.	8,251	3,113	5,138	0	0	8,251	200	3,312	4,939
41		TOTALS	\$4,423,609	\$1,663,600	\$2,760,009	\$459,636	(\$9,086)	\$4,874,157	\$112,167	\$1,765,679	\$3,107,478

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24

NOTE:  
 \*NON-DEPRECIABLE PLANT

LINE NO.	ACCT NO.	PLANT ACCOUNT NAME	1982 ADDITIONS PER COMPANY	1982 (RETIREMENTS) PER COMPANY	1982 YEAR END PLANT VALUE PER RUO	1982 DEPRECIATION EXPENSE PER RUO	1982 ACCUMULATED DEPRECIATION PER RUO	1982 YEAR END NET PLANT PER RUO	1983 ADDITIONS PER COMPANY	1983 (RETIREMENTS) PER COMPANY	1983 YEAR END PLANT VALUE PER RUO	1983 DEPRECIATION EXPENSE PER RUO	1983 ACCUMULATED DEPRECIATION PER RUO	1983 YEAR END NET PLANT PER RUO
1	301.0	INTANGIBLES: ORGANIZATION*	0	0	0	0	0	0	0	0	0	0	0	0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	0	0	0	0	0	0	0	0	0	0
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.0	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	0	0	36	0	0	1,288	1,252	0	1,288	0	0	1,288
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	2,415	0	0	2,415	0	0	2,415	0	0	2,415
7	314.0	SOURCE OF SUPPLY: LAND - WELLS*	0	0	33,511	811	14,264	19,247	178	0	33,689	870	15,134	18,555
8	320.0	PUMPING PLANT: LAND*	0	0	6,371	0	0	6,371	600	0	26,517	679	11,671	14,846
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	1,868	0	25,917	626	10,992	14,925	600	0	444,472	10,736	182,645	281,827
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	0	0	384,396	9,285	159,526	225,070	67,493	(7,617)	163,548	4,547	60,378	103,170
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	187,548	4,539	79,831	107,717	0	(24,000)	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	0	0	0	0	0	0	0	0	1,476	0	0	0
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	0	36	628	646	0	0	1,476	0	665	810
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	425	0	21,429	516	8,960	12,629	0	0	21,509	557	9,357	11,152
15	340.0	TRANSMISSION & DISTRIBUTION: LAND RIGHTS*	0	0	5,084	0	0	5,084	0	0	0	0	0	5,084
16	341.0	TRANSMISSION & DISTRIBUTION: LAND RIGHTS*	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	0	0	0	0	0	0	0	0	0	0
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	11,472	0	248,529	5,900	101,469	148,060	0	0	249,529	6,463	107,932	141,597
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	73,410	(954)	2,951,617	70,545	1,079,963	1,871,654	78,340	(794)	3,029,163	77,451	1,156,620	1,872,543
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	2,290	(22)	15,906	357	3,285	12,621	2,599	0	18,505	446	3,720	14,775
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	20,475	(1,503)	468,790	11,115	169,000	299,790	43,707	(2,761)	509,736	12,672	178,910	330,826
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	968	(4,535)	207,375	5,062	84,753	122,622	1,222	(1,065)	207,532	5,373	89,061	118,471
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	138,616	3,355	53,977	84,639	5,595	0	144,211	3,663	57,639	86,572
24	385.1	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0	0	0	0	0	0	0
25	388.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0	0	0	0
26	389.3	GENERAL PLANT: LAND - MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	0	0	23,032	557	9,212	13,820	0	0	23,032	597	9,809	13,223
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	5,085	(1,000)	16,023	338	4,131	11,892	0	0	16,023	415	4,546	11,477
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	0	0	0	0	0	0	0	0	0	0	0
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	0	0	12,478	302	5,234	7,244	0	0	12,478	323	5,557	6,921
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	360	0	15,865	379	6,376	9,479	3,392	0	19,287	485	6,830	12,417
32	391.2	GENERAL PLANT: OFFICE FURNITURE	31	0	10,968	266	4,607	6,361	0	0	10,968	285	4,892	6,096
33	393.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	28,330	659	10,706	17,624	0	0	28,330	738	11,445	17,250
34	394.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	2,206	0	0	0	0	0	365	0	28,695	0	0	28,695
35	395.0	GENERAL PLANT: POWER EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	0	13,884	336	5,910	7,974	0	0	13,884	360	6,269	7,615
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	48,810	1,181	20,776	28,034	10,726	(632)	48,178	1,256	21,400	26,778
38	397.1	GENERAL PLANT: MOBILE RADIOS	625	0	1,539	30	158	1,381	0	0	12,265	179	336	11,929
39	397.2	GENERAL PLANT: AUTO CONTROLS	1,798	0	108,404	2,602	40,971	67,433	1,151	0	109,555	2,823	43,794	65,761
40	398.0	GENERAL PLANT: MISC.	484	0	8,735	206	3,518	5,217	0	0	8,735	226	3,744	4,991
41		TOTALS	\$121,591	(\$7,414)	\$4,868,334	\$119,001	\$1,878,286	\$3,110,068	\$216,620	(\$36,865)	\$5,168,085	\$131,150	\$1,972,547	\$3,195,538

REFERENCE:  
 ACC STAFF D.R. NO. REL. 1-24

NOTE:  
 \* - NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1984 ADDITIONS PER COMPANY	1984 (RETIREMENTS) PER COMPANY	1984 YEAR END PLANT VALUE PER RUCCO	1984 DEPRECIATION EXPENSE PER RUCCO	1984 ACCUMULATED DEPRECIATION PER RUCCO	1984 NET PLANT PER RUCCO	1985 ADDITIONS PER COMPANY	1985 (RETIREMENTS) PER COMPANY	1985 YEAR END PLANT VALUE PER RUCCO	1985 DEPRECIATION EXPENSE PER RUCCO	1985 ACCUMULATED DEPRECIATION PER RUCCO	1985 NET PLANT PER RUCCO
1	301.0	INTANGIBLES - ORGANIZATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES - TRADEMARKS	0	0	0	0	0	0	0	0	0	0	0	0
3	303.0	INTANGIBLES - MISCELLANEOUS	0	0	0	0	0	0	0	0	0	0	0	0
4	310.0	SOURCE OF SUPPLY - LAND - WATER RIGHTS*	334	0	1,622	0	0	2,879	1,257	0	2,879	0	0	2,879
5	310.2	SOURCE OF SUPPLY - LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY - LAND - WELLS*	0	0	2,415	0	0	2,415	0	0	2,415	0	0	2,415
7	314.0	SOURCE OF SUPPLY - WELLS	967	0	34,656	865	16,019	46,523	11,967	0	46,523	1,051	17,071	29,452
8	320.0	PUMPING PLANT - LAND*	0	0	6,371	697	14,159	18,377	0	0	18,377	687	13,045	13,472
9	321.0	PUMPING PLANT - STRUCTURES & IMPROVEMENTS	60,562	0	25,277	697	12,388	38,213	14,746	(3,815)	508,183	13,020	176,244	331,939
10	325.0	PUMPING PLANT - ELECTRICAL EQUIPMENT	0	(7,802)	46,352	12,185	167,038	330,213	0	0	163,548	4,236	88,649	94,689
11	328.0	PUMPING PLANT - GAS ENGINE EQUIPMENT	0	0	163,348	4,236	64,613	88,935	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT - LAND*	0	0	0	0	0	0	0	0	0	0	0	0
13	331.0	WATER TREATMENT PLANT - STRUCTURES & IMPROVEMENTS	0	0	1,476	38	705	771	30,479	(1,278)	30,677	416	(157)	30,834
14	332.0	WATER TREATMENT PLANT - EQUIPMENT	2,997	0	24,506	596	10,133	14,373	0	0	24,506	635	10,767	13,739
15	340.0	TRANSMISSION & DISTRIBUTION - LAND, TANKS & MAINS*	0	0	5,044	0	0	5,044	0	0	5,044	0	0	5,044
16	341.0	TRANSMISSION & DISTRIBUTION - LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION - STRUCTURES	0	0	0	0	0	0	0	0	0	0	0	0
18	341.0	TRANSMISSION & DISTRIBUTION - STORAGE TANKS	0	0	249,529	0	114,395	135,134	6,217	0	255,746	6,545	120,630	134,808
19	342.0	TRANSMISSION & DISTRIBUTION - MAINS	127,570	(2,428)	3,154,305	60,076	1,234,268	1,920,037	121,707	(3,577)	3,201,746	83,229	1,313,917	1,888,818
20	344.0	TRANSMISSION & DISTRIBUTION - FIRE SPRINKLERS	0	0	18,505	479	4,210	14,285	0	0	18,505	479	4,689	13,816
21	345.0	TRANSMISSION & DISTRIBUTION - SERVICES	49,457	(764)	539,429	13,858	161,974	481,455	30,990	(1,094)	587,425	14,839	205,724	381,701
22	346.0	TRANSMISSION & DISTRIBUTION - METERS	0	(1,308)	144,110	3,735	81,375	113,113	0	(3,278)	202,946	5,239	85,132	107,814
23	348.0	TRANSMISSION & DISTRIBUTION - HYDRANTS	0	0	0	0	0	0	0	0	144,211	3,735	85,110	79,101
24	389.1	GENERAL PLANT - LAND - OFFICE	0	0	0	0	0	0	0	0	0	0	0	0
25	389.2	GENERAL PLANT - LAND - WAREHOUSE	0	0	0	0	0	0	0	0	0	0	0	0
26	389.3	GENERAL PLANT - LAND - MISCELLANEOUS	0	0	0	0	0	0	0	0	0	0	0	0
27	390.1	GENERAL PLANT - OFFICE - MISCELLANEOUS	0	0	23,032	597	10,405	12,627	262	(22,617)	677	307	(11,905)	12,882
28	390.2	GENERAL PLANT - OFFICE - USE BUILDINGS	0	0	16,023	415	4,961	11,062	0	0	16,023	415	5,376	10,847
29	390.3	GENERAL PLANT - OFFICE - STORAGE	0	0	0	0	0	0	0	0	0	0	0	0
30	391.0	GENERAL PLANT - MISCELLANEOUS BUILDINGS	0	0	0	0	0	0	0	0	0	0	0	0
31	391.1	GENERAL PLANT - OFFICE EQUIPMENT	0	(2,980)	9,498	285	2,862	6,636	17,641	0	9,498	246	3,100	6,398
32	391.2	GENERAL PLANT - ELECTRICAL EQUIPMENT	918	(60)	20,105	510	7,280	12,825	0	0	31,729	246	8,026	29,717
33	391.3	GENERAL PLANT - OFFICE FURNITURE	0	0	10,998	285	5,177	5,811	39	0	11,027	285	5,482	5,545
34	393.0	GENERAL PLANT - WAREHOUSE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
35	395.0	GENERAL PLANT - LAB EQUIPMENT	474	0	29,169	74	12,104	16,975	1,541	0	30,710	775	12,969	17,741
36	396.0	GENERAL PLANT - POWER EQUIPMENT	0	0	13,864	960	6,629	7,255	0	0	13,864	960	6,989	6,885
37	397.0	GENERAL PLANT - POWER EQUIPMENTS	0	0	48,178	1,248	22,648	25,530	0	0	48,178	1,248	23,896	24,282
38	397.1	GENERAL PLANT - COMMUNICATIONS EQUIPMENT	126	0	12,390	319	656	11,734	1,767	0	14,157	344	969	13,156
39	397.2	GENERAL PLANT - MOBILE RADIOS	544	0	110,098	2,845	46,538	63,481	1,195	0	111,284	2,867	49,505	61,789
40	398.0	GENERAL PLANT - AUTO CONTROLS	0	0	8,735	226	3,970	6,341	0	0	8,735	226	4,197	4,538
41		TOTALS	\$243,968	(\$15,342)	\$5,396,711	\$136,418	\$2,033,624	\$3,294,579	\$238,606	(\$35,659)	\$5,690,860	\$141,969	\$2,169,954	\$3,520,906

REFERENCE:  
 ACC STAFF D.R. NO. REL. 1-24  
 NOTE:  
 \* NON-DEPRECIABLE PLANT  
 \* NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1996 ADDITIONS PER COMPANY	1996 DEPRECIATION EXPENSE PER RUCCO	1996 YEAR END NET PLANT VALUE PER RUCCO	1996 DEPRECIATION PER RUCCO	1996 YEAR END NET PLANT VALUE PER RUCCO	1997 DEPRECIATION EXPENSE PER RUCCO	1997 YEAR END NET PLANT VALUE PER RUCCO	1997 ACCUMULATED DEPRECIATION PER RUCCO	1997 YEAR END NET PLANT VALUE PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	0	0	0	0	0	0	0
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	385	0	3,284	0	3,284	0	2,501	(783)	3,264
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	2,415	0	2,415	0	4,905	0	4,905
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	46,887	0	28,607	2,490	46,887	0	27,387
7	314.0	SOURCE OF SUPPLY: WELLS	364	1,210	18,280	1,210	12,785	687	26,517	19,495	6,371
8	320.0	PUMPING PLANT: LAND	0	687	13,731	687	12,785	0	26,517	14,418	12,099
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	5,778	13,227	324,490	188,742	30,468	13,292	513,158	201,960	311,198
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	0	4,236	73,065	73,065	30,468	4,243	164,085	71,993	92,092
11	330.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	805	163,548	163,548	0	0	0	0	0
12	331.0	WATER TREATMENT PLANT: LAND	789	0	31,468	648	30,818	815	31,468	1,463	30,003
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	13,004	780	357,749	9,787	25,982	926	35,749	10,713	25,036
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	0	5,044	5,044	5,044	0	0	5,715	0	5,715
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	0	0	0	0	0	0	0
16	340.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	0	0	0	0	0	0	0
18	341.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	0	6,624	128,184	127,562	128,184	6,624	255,746	134,186	121,560
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	86,000	85,861	3,357,767	1,399,110	1,958,657	86,000	3,467,314	1,482,155	1,985,159
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	3,514	525	22,019	5,214	16,805	571	22,019	5,784	16,235
21	345.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	59,038	15,959	644,520	220,140	424,780	32,178	622,019	236,770	439,842
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	0	5,208	199,243	96,637	102,606	5,169	202,742	89,173	103,569
23	346.0	TRANSMISSION & DISTRIBUTION: METERS	57	3,736	144,268	68,345	75,423	17,171	181,345	72,803	88,542
24	346.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	0	0	0	0	0	0	0
25	389.2	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0	0	0	0
26	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0
27	390.3	GENERAL PLANT: LAND - MISC.*	0	18	677	0	0	0	8,473	(11,769)	20,242
28	390.3	GENERAL PLANT: OFFICE BUILDINGS	0	415	16,023	5,791	12,564	118	16,023	6,206	9,817
29	390.3	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	0	0	0	415	0	0	0
30	391.0	GENERAL PLANT: MISC. BUILDINGS	0	0	0	0	0	0	0	0	0
31	391.0	GENERAL PLANT: OFFICE EQUIPMENT	1,025	248	9,498	3,354	6,144	240	9,019	3,114	5,905
32	391.1	GENERAL PLANT: OFFICE EQUIPMENT	0	991	38,771	9,020	29,751	892	38,763	10,037	28,726
33	391.2	GENERAL PLANT: OFFICE FURNITURE	0	286	11,027	5,747	5,280	3,472	14,469	6,078	8,421
34	394.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	969	808	31,679	13,777	17,902	0	31,944	14,601	17,343
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	0	0	0	265	0	0	0
36	397.0	GENERAL PLANT: LAB EQUIPMENT	0	360	13,884	7,798	6,532	0	13,884	7,708	6,176
37	397.0	GENERAL PLANT: POWER EQUIPMENT	0	1,210	45,248	21,798	23,072	0	45,248	23,348	21,900
38	397.1	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	6,718	2,884	20,875	1,153	19,422	1,490	22,365	2,013	20,352
39	397.2	GENERAL PLANT: MOBILE RADIOS	0	2,884	11,684	52,368	58,906	56,104	150,786	38,170	111,616
40	398.0	GENERAL PLANT: AUTO CONTROLS	4,333	282	13,684	4,479	(4,137)	339	13,065	4,817	8,251
41		TOTALS	\$18,1974	\$146,808	\$5,770,500	\$2,335,428	\$3,422,286	\$249,461	\$5,966,204	\$2,455,472	\$3,532,732

REFERENCE:  
 ACC STAFF DR. NO. REL 1-24  
 NOTE:  
 \*NON-DEPRECIABLE PLANT  
 \*\*NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1998 ADDITIONS PER COMPANY	1998 DEPRECIATION EXPENSE PER RUCCO	1998 ACCUMULATED DEPRECIATION PER RUCCO	1998 YEAR END NET PLANT VALUE PER RUCCO	1998 (RETIREMENTS) PER COMPANY	1998 ADDITIONS PER COMPANY	1998 (RETIREMENTS) PER COMPANY	1998 YEAR END NET PLANT VALUE PER RUCCO	1998 DEPRECIATION EXPENSE PER RUCCO	1998 ACCUMULATED DEPRECIATION PER RUCCO	1998 YEAR END NET PLANT VALUE PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	0	0	0	0	0	0	0	0	0
3	303.0	INTANGIBLES: MISC.*	0	0	(763)	0	0	911	0	3,514	0	(763)	4,277
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	102	2,603	0	2,603	0	0	0	4,905	0	0	4,905
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	47,840	1,227	21,936	25,904
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	4,905	0	4,905	0	863	0	7,054	0	0	7,054
7	314.0	SOURCE OF SUPPLY: LAND - WELLS*	0	46,887	20,709	26,728	0	0	0	26,593	688	15,794	10,789
8	320.0	PUMPING PLANT: LAND*	683	1,214	20,709	26,728	0	0	0	26,593	688	15,794	10,789
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	66	688	15,106	11,477	0	0	(873)	524,150	13,472	227,889	295,261
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	66	13,330	215,290	300,884	0	8,849	0	184,085	4,250	80,493	83,592
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	3,016	4,250	76,243	87,442	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	0	0	0	0	0	0	0	31,466	815	3,093	28,373
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	1,823	915	2,278	29,188	0	0	0	37,572	973	12,636	24,937
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	0	5,715	11,662	25,910	0	0	0	5,715	0	0	5,715
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	0	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0
18	342.0	TRANSMISSION & DISTRIBUTION: STRUCTURES & IMPROVEMENTS	4,930	6,652	138,591	119,239	0	0	0	257,890	6,679	145,271	112,619
19	343.0	TRANSMISSION & DISTRIBUTION: TANKS	102,628	91,109	1,571,482	1,996,677	(2,246)	114,804	(1,098)	3,681,905	93,888	1,684,312	2,017,993
20	344.0	TRANSMISSION & DISTRIBUTION: MAINS	0	5,700	6,354	15,665	0	7,527	(1,629)	29,546	688	7,022	22,564
21	345.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	24,161	17,835	254,439	446,168	(166)	40,182	(4,343)	739,160	18,645	271,465	445,745
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	4,841	5,272	103,138	103,138	(3,254)	7,579	0	207,565	5,334	102,162	105,393
23	349.1	TRANSMISSION & DISTRIBUTION: HYDRANTS	6,973	4,269	77,023	91,246	(49)	2,635	0	170,904	4,332	81,415	89,489
24	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0	0	0	0	0	0
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0	0	0
26	389.3	GENERAL PLANT: LAND - MISC.*	0	219	(11,549)	0	0	0	0	8,473	219	(11,330)	18,803
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	0	415	6,621	20,022	0	0	0	16,023	415	7,036	8,987
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	0	9,402	0	0	0	0	0	0	0
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	234	3,346	5,671	0	0	0	9,019	234	3,582	5,437
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	588	1,038	11,074	23,427	0	10,882	0	51,253	1,186	12,261	38,992
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	1,165	391	6,468	9,116	0	1,888	0	17,552	430	6,899	10,653
32	391.2	GENERAL PLANT: OFFICE FURNITURE	0	0	0	0	0	0	0	0	0	0	0
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	302	83	15,433	16,813	0	3,356	0	35,602	879	16,311	19,281
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	0	0	0	1,141	0	1,141	15	15	1,126
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	360	8,057	5,817	0	0	0	13,884	360	8,427	5,457
37	397.0	GENERAL PLANT: POWER EQUIPMENT	0	1,169	24,320	20,731	0	0	0	45,051	1,167	25,487	19,564
38	397.1	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	1,345	597	2,610	21,100	(197)	11	0	23,721	614	3,224	20,497
39	397.2	GENERAL PLANT: MOBILE RADIOS	3,614	3,952	43,122	111,278	0	2,691	0	157,091	4,034	47,156	109,935
40	398.0	GENERAL PLANT: AUTO CONTROLS	0	0	5,156	(4,817)	0	6,994	0	20,052	429	5,565	14,477
		TOTALS	\$155,707	\$156,496	\$2,604,274	\$3,519,213	(\$7,685)	\$210,413	(\$7,903)	\$8,338,726	\$161,014	\$2,757,384	\$3,581,342

REFERENCE:  
 ACC STAFF'D R. NO. REL 1-24

NOTE:  
 \*NON-DEPRECIABLE PLANT  
 \*\*NON-DEPRECIABLE PLANT

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BILGE SYSTEM - SECOND REVISION  
 BILGE SYSTEM - ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT;  
 BILGE SYSTEM - ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT;  
 PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	2000 ADDITIONS PER COMPANY	2000 DEPRECIATION EXPENSE PER RUCCO	2000 ACCUMULATED DEPRECIATION PER RUCCO	2000 YEAR END NET PLANT PER RUCCO	2001 ADDITIONS PER COMPANY	2001 DEPRECIATION EXPENSE PER RUCCO	2001 ACCUMULATED DEPRECIATION PER RUCCO	2001 YEAR END NET PLANT PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	0	0	0	0	0	0
3	303.0	INTANGIBLES: MISC.	0	0	(763)	4,277	0	0	(763)	4,458
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	0	0	0	726	0	0	0	726
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	726	0	0	4,905	0	0	0	4,905
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	1,239	23,175	24,965	0	0	24,426	24,943
7	314.0	PUMPING PLANT: LAND*	0	688	16,483	17,054	0	0	0	17,054
8	320.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	13,601	241,441	284,714	(23,918)	10,556	203,977	281,816
9	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	(50)	4,250	84,742	79,343	0	0	68,001	75,756
10	326.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0
11	328.0	PUMPING PLANT: WATER TREATMENT PLANT: EQUIPMENT	0	815	3,908	27,558	465	0	14,581	22,991
12	330.0	WATER TREATMENT PLANT: LAND*	0	973	13,908	23,964	0	0	0	23,964
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	0	5,715	0	0	0	5,715
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	0	0	0	0	0	0	0	0
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	102,475	7,912	145,960	207,183	0	0	155,004	198,039
18	341.1	TRANSMISSION & DISTRIBUTION: TANKS	127,183	96,882	1,759,288	2,047,784	(804)	0	1,855,120	2,106,473
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	0	765	7,787	21,759	(5,329)	785	8,553	20,963
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	34,846	19,540	285,685	483,012	(5,434)	20,549	301,905	515,163
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	2,275	5,378	105,448	102,280	(328)	4,885	110,381	101,516
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	12,795	4,591	86,006	97,633	0	0	90,563	102,993
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	0	0	0	0	0	0
24	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0	0	0
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	219	0	19,696	0	0	(10,891)	19,384
26	389.3	GENERAL PLANT: LAND - MISC.*	0	415	7,451	8,572	0	0	7,866	8,157
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	0	0	0	0	0	0	0	0
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	234	9,816	5,204	0	0	4,049	4,970
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	1,342	13,603	38,749	930	0	14,971	39,311
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	1,099	455	7,353	10,199	0	0	7,808	9,744
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	0	0	0	0	0	0	0	0
32	391.2	GENERAL PLANT: OFFICE FURNITURE	0	0	0	0	0	0	0	0
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	0	938	16,949	19,475	1,258	0	17,909	19,773
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	1,117	30	44	1,097	543	0	81	1,603
35	395.0	GENERAL PLANT: LAB EQUIPMENT	558	1,167	8,794	5,648	0	0	916	5,274
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	0	26,654	18,397	(17,142)	0	10,458	17,453
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	655	623	3,847	20,529	4,188	0	4,532	24,012
38	397.1	GENERAL PLANT: MOBILE PHONES	13,593	4,245	51,400	119,284	15,862	0	56,026	130,520
39	397.2	GENERAL PLANT: ALC CONTROLS	0	520	6,105	(5,585)	0	0	6,624	13,458
40	398.0	GENERAL PLANT: MISC.	0	0	0	0	0	0	0	0
TOTALS			\$299,317	\$167,282	\$2,908,553	\$3,650,894	\$282,512	\$6,690,399	\$3,034,226	\$3,802,173
			(\$16,114)				(\$48,042)			

REFERENCE  
 ACC STAFF D. R. NO. REL-124

NOTE:  
 \* NON-DEPRECIABLE PLANT  
 \* NON-DEPRECIABLE PLANT

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT,  
 PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	2002 ADDITIONS PER COMPANY	2002 (RETIREMENTS) PER COMPANY	2002 YEAR END PLANT VALUE PER RUCCO	2002 DEPRECIATION EXPENSE PER RUCCO	2002 ACCUMULATED DEPRECIATION PER RUCCO	2002 YEAR END NET PLANT PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	0	0	0	0
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	3,564	0	7,269	0	(763)	8,022
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	726	0	0	726
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	4,905	0	0	4,905
7	314.0	SOURCE OF SUPPLY: WELLS	486,276	0	535,043	7,560	31,986	503,057
8	320.0	PUMPING PLANT: LAND*	7,028	(10,501)	7,054	780	17,951	15,660
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	131,452	0	33,611	14,846	235,324	398,420
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	0	0	633,744	4,267	93,268	71,489
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	164,757	0	0	0
12	330.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	2,328	0	31,931	827	5,556	26,375
13	331.0	WATER TREATMENT PLANT: EQUIPMENT	0	0	39,900	1,003	15,585	24,315
14	332.0	WATER TREATMENT PLANT: LAND*	0	0	5,715	0	0	5,715
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	1,716	0	354,759	9,166	164,170	190,589
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	124,382	(239)	4,089,736	104,317	1,963,198	2,126,538
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	0	0	29,546	765	9,318	20,228
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	30,657	(3,106)	844,629	21,519	320,318	524,311
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	1,871	(756)	212,990	5,502	115,105	97,885
21	346.0	TRANSMISSION & DISTRIBUTION: METERS	6,640	0	200,196	5,099	95,862	104,334
22	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	399	0	399	0	0	399
23	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0
24	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0
25	389.3	GENERAL PLANT: LAND - MISC.*	382	0	8,855	224	(10,666)	19,521
26	390.1	GENERAL PLANT: OFFICE BUILDINGS	0	0	16,023	415	8,281	7,742
27	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	0	0	0	0
28	390.3	GENERAL PLANT: MISC. BUILDINGS	33,843	(8,487)	34,375	562	(3,876)	38,251
29	391.0	GENERAL PLANT: OFFICE EQUIPMENT	0	0	53,282	1,380	16,351	36,931
30	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	0	0	17,552	455	8,262	9,290
31	391.2	GENERAL PLANT: OFFICE FURNITURE	5,936	0	0	0	0	0
32	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	0	0	43,618	1,053	18,961	24,657
33	394.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	1,584	44	125	1,569
34	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	14,442	374	9,542	4,900
35	397.0	GENERAL PLANT: POWER EQUIPMENT	2,387	(2,965)	27,331	715	8,207	19,124
36	397.1	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	28,544	739	5,271	23,273
37	397.2	GENERAL PLANT: MOBILE RADIOS	0	0	186,546	4,832	60,858	125,688
38	397.2	GENERAL PLANT: AUTO CONTROLS	788	0	20,850	530	7,154	(6,624)
39	398.0	GENERAL PLANT: MISC.	\$839,658	(\$26,056)	\$7,650,001	\$186,975	\$3,195,145	\$4,434,536
40	398.0	TOTALS						
41		BALANCES PER COMPANY			\$ 7,433,939		\$3,099,049	
42		BALANCES PER RUCCO			\$7,650,001		\$3,195,145	
43		LESS: POST-TEST YEAR ALLOCATED PHOENIX OFFICE & METER SHOP ADDITIONS**			\$28,987		\$96,096	
44		TOTAL ADJUSTMENTS			\$187,076		\$96,096	

REFERENCES:  
 ACC STAFF D.R. NO. REL 1-24  
 ACC STAFF D.R. NO. REL 18-1  
 RUCO D.R. NO. 6.2

NOTE:  
 \* - NON-DEPRECIABLE PLANT  
 \*\* - BASED ON AN ALLOCATION FACTOR OF 0.0553 PER RUCCO D.R. NO. 4.2

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 RATE BASE ADJ. #4 - RECONCILE TEST YEAR ALLOCATED PHOENIX OFFICE  
 & METER SHOP AND ACCUMULATED DEPRECIATION BALANCES

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-5

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>TEST YEAR COMPANY</u>
1	GROSS PHOENIX OFFICE PLANT & METER SHOP	\$ 4,002,988
2	ADD: PHOENIX OFFICE CONSTRUCTION WORK IN PROGRESS (CWIP)	126,565
3	GROSS PHOENIX OFFICE PLANT & METER SHOP WITH CWIP	\$ 4,129,553
4	TIMES: ALLOCATION FACTOR	0.0531
5	ALLOCATED GROSS PHOENIX OFFICE PLANT & METER SHOP WITH CWIP	\$ 219,279
6	NET ALLOCATED PHOENIX OFFICE PLANT & METER SHOP WITH CWIP	193,907
7	RUCO ADJUSTMENT TO PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION	\$ 25,372

REFERENCES:

- LINE 1: COMPANY SCHEDULE B-2 PAGES 10 AND 11
- LINE 2: COMPANY SCHEDULE B-2 PAGE 10
- LINE 3: LINE 1 + LINE 2
- LINE 4: COMPANY SCHEDULE B-1 PAGE 1
- LINE 5: LINE 3 x LINE 4
- LINE 6: COMPANY SCHEDULE B-1 PAGE 1 (SUM OF LINES 6 AND 7)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 RATE BASE ADJ. #5 - REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-6

LINE NO.	DESCRIPTION	(A) TEST YEAR COMPANY	(B) TEST YEAR RUCO	
1	GROSS PHOENIX OFFICE PLANT	\$ 3,903,884	\$ 3,903,884	COMPANY SCHEDULE B-2 PAGE 10
2	LESS: ACCUMULATED DEPRECIATION	<u>453,222</u>	<u>453,222</u>	COMPANY SCHEDULE B-2 PAGE 10
3	NET PHOENIX OFFICE PLANT	\$ 3,450,662	\$ 3,450,662	LINE 1 + LINE 2
4	ADD: CWIP	<u>126,565</u>	-	COMPANY SCHEDULE B-2 PAGE 10
5	TOTALS	\$ 3,577,227	\$ 3,450,662	LINE 3 + LINE 4
4	TIMES: ALLOCATION FACTOR	<u>0.0531</u>	<u>0.0531</u>	COMPANY SCHEDULE B-1 PAGE 2
5	ALLOCATED PHOENIX OFFICE PLANT	\$ 189,951	\$ 183,230	COMPANY SCHEDULE B-1 PAGE 2
6	RUCO ADJUSTMENT		<u>\$ (6,721)</u>	LINE 5 COLUMN (B) - LINE 5 COLUMN (A)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 1999  
 BISBEE SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL

DOCKET NO. W-1445A-00-0962  
 SCHEDULE WAR-7  
 PAGE 1 OF 4

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	CASH WORKING CAPITAL PER COMPANY	\$ 28,193	COMPANY SCH. B-5, PG. 1
2	CASH WORKING CAPITAL PER RUCO	(14,947)	SCH. WAR-7, PG. 3
3	DECREASE IN CASH WORKING CAPITAL	(43,140)	LINE 2 - LINE 1
4	MATERIALS & SUPPLIES PER COMPANY	31,166	COMPANY SCH. B-5, PG. 1
5	MATERIALS & SUPPLIES PER RUCO	32,838	DATA REQUEST RUCO 6.4 a)
6	MATERIALS & SUPPLIES ADJUSTMENT	1,672	LINE 5 - LINE 4
7	PREPAYMENTS PER COMPANY AND SPECIAL DEPOSITS	15,161	COMPANY SCH. B-5, PG. 1
8	PREPAYMENTS PER RUCO	14,038	DATA REQUEST RUCO 6.4 b)
9	PREPAYMENTS ADJUSTMENT	(1,123)	LINE 8 - LINE 7
10	REQUIRED BANK BALANCES PER COMPANY	26,465	COMPANY SCH. B-5, PG. 1
11	REQUIRED BANK BALANCES PER RUCO	24,264	DATA REQUEST RUCO 6.4 c)
12	REQUIRED BANK BALANCE ADJUSTMENT	(2,201)	LINE 11 - LINE 10
13	TOTAL WORKING CAPITAL ADJUSTMENT	(44,792)	LINES 3, 6, 9 & 12

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 LEAD/LAG CALCULATION

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 2 OF 4

LINE NO.	DESCRIPTION	EXPENSES PER COMPANY	RUCO ADJUSTMENTS	ADJUSTED EXPENSES	(LEAD)/LAG DAYS	\$ DAYS
1	PURCHASED POWER	\$ 186,397	\$ 2,110	\$ 188,507	34.13	\$ 6,433,744
2	PAYROLL	344,997	3,389	348,386	14.00	4,877,407
3	PURCHASED WATER	-	-	-	N/A	N/A
4	CHEMICALS	37,321	(24,908)	12,413	27.94	346,819
5	PROPERTY & LIABILITY INSURANCE	5,386	(150)	5,236	(45.27)	(237,024)
6	WORKER'S COMPENSATION	4,761	605	5,366	(46.50)	(249,525)
7	HEALTH INSURANCE	69,198	(6,734)	62,464	(8.92)	(557,182)
8	OTHER O&M EXPENSES	183,157	(121,144)	62,013	(9.27)	(574,864)
9	DEPRECIATION & AMORTIZATION	200,874	(7,517)	193,357	N/A	N/A
10	FEDERAL & STATE INCOME TAXES	187,043	(48,256)	138,787	61.95	8,598,481
11	DEFERRED INCOME TAXES	7,138	N/A	N/A	N/A	N/A
12	FICA TAXES	26,530	6,180	32,710	14.00	457,940
13	FUTA & SUTA TAXES	582	186	768	83.10	63,821
14	PROPERTY TAXES	105,773	(18,688)	87,085	212.00	18,462,083
15	REG., CONTRACT, & MISCELLANEOUS FEES	31,809	1,361	33,170	(98.83)	(3,278,157)
16	SALES & OCCUPATION TAXES	104,739	13,398	118,137	37.53	4,433,682
17	PENSION EXPENSE	30,327	8,206	38,533	34.72	1,337,866
18	TOTAL	\$ 1,526,032	\$ (191,961)	\$ 1,326,933 *	30.23	\$ 40,115,090

NOTE

N/A = NON CASH CHARGES EXCLUDED FROM WORKING CAPITAL CALCULATION

\* RUCO RECOMMENDED LEVEL OF OPERATING EXPENSE - SCHEDULE WAR-8, COLUMN (E), LINE 16

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 CALCULATION OF CASH WORKING CAPITAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 3 OF 4

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	AVERAGE EXPENSE LAG	30.23	SCH. WAR-7, PG. 2
2	AVERAGE REVENUE COLLECTION LAG	<u>26.12</u>	CO. SCH. B-5, PG. 2
3	EXCESS EXPENSE OVER REVENUE LAG	(4.11)	LINE 2 - LINE 1
4	TOTAL EXPENSES	\$ 1,326,933	SCH. WAR-7, PG. 2
5	CASH WORKING CAPITAL REQUIREMENT	(14,947)	(LINE 3 X LINE 4)/365 DAYS
6	PER COMPANY	<u>\$ 28,193</u>	CO. SCH. B-5, PG. 2
7	INCREASE (DECREASE) IN WORKING CAPITAL	<u>\$ (43,140)</u>	LINE 5 - LINE 6

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 CALCULATION OF INCOME TAX LAG

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 4 OF 4

<u>LINE NO.</u>	<u>(A) PAYMENT DATE</u>	<u>(B) SERVICE PERIOD MIDPOINT</u>	<u>(C) (LEAD)/LAG DAYS</u>	<u>(D) PAYMENT AMOUNT</u>	<u>(E) DOLLAR DAYS</u>
1	04/12/99	07/01/99	(80.00)	\$ 397,000	(31,760,000)
2	06/11/99	07/01/99	(20.00)	50,000	(1,000,000)
3	09/14/99	07/01/99	75.00	486,000	36,450,000
4	12/14/99	07/01/99	166.00	970,000	161,020,000
5	03/14/00	07/01/99	257.00	<u>(240,000)</u>	<u>(61,680,000)</u>
6	TOTALS			\$ 1,663,000	103,030,000
7	INCOME TAX LAG		61.95		

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 OPERATING INCOME - TEST YEAR AND RUCO PROPOSED

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-8

LINE NO.	DESCRIPTION	(A) COMPANY TEST YEAR AS FILED	(B) RUCO TEST YEAR ADJUSTMENTS	(C) RUCO TEST YEAR AS ADJUSTED	(D) RUCO PROPOSED CHANGES	(E) RUCO RECOMMENDED
<u>REVENUES - WATER:</u>						
1	REVENUE FROM WATER SALES	\$ 1,256,950	\$ 56,203	\$ 1,313,153	\$ 327,912	\$ 1,641,065
2	OTHER REVENUES	0.00	-	0.00		0.00
3	TOTAL OPERATING REVENUES	\$ 1,256,950	\$ 56,203	\$ 1,313,153	\$ 327,912	\$ 1,641,065
<u>OPERATING EXPENSES:</u>						
2	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -	\$ -
3	OTHER	2,275	(141)	2,134		2,134
4	PURCHASED POWER	181,448	3,540	184,988		184,988
5	PURCHASED GAS	401	802	1,203		1,203
6	OTHER	43,218	(5,664)	37,554		37,554
7	WATER TREATMENT	47,494	(5,739)	41,755		41,755
8	TRANSMISSION & DISTRIBUTION	213,823	(17,959)	195,864		195,864
9	CUSTOMER ACCOUNTS	168,474	1,619	170,093		170,093
10	SALES	987	(751)	236		236
11	ADMINISTRATIVE & GENERAL	235,785	4,613	240,398		240,398
12	DEPRECIATION & AMORTIZATION	200,874	(7,517)	193,357		193,357
13	PROPERTY TAXES	106,595	(19,510)	87,085		87,085
14	OTHER TAXES	24,319	9,159	33,478		33,478
15	INCOME TAXES	(452)	12,265	11,813	126,975	138,787
16	TOTAL OPERATING EXPENSES	\$ 1,225,241	\$ (25,283)	\$ 1,199,958	\$ 126,975	\$ 1,326,933
17	NET INCOME	\$ 31,709	\$ 81,486	\$ 113,195	\$ 200,937	\$ 314,133

REFERENCES:

COLUMN (A): CO. SCH. C-1, PG. 2  
 COLUMN (B): SCH. WAR-9  
 COLUMN (C): COLUMN (A) + COLUMN (B)  
 COLUMN (D): SCH. WAR-1  
 COLUMN (E): COLUMN (C) + COLUMN (D)

DOCKET NO. W-1445A-02-0619  
SCHEDULE WAR-9

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
BISBEE SYSTEM - SECOND REVISION  
SUMMARY OF OPERATING ADJUSTMENTS

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) ADJ.#1	(C) ADJ.#2	(D) ADJ.#3	(E) ADJ.#4	(F) ADJ.#5	(G) ADJ.#6	(H) ADJ.#7	(I) ADJ.#8	(J) ADJ.#9	(K) ADJ.#10	(L) ADJ.#11	(M) RUCO ADJUSTED
<u>REVENUES - WATER:</u>														
1	REVENUE FROM WATER SALES	\$ 1,256,950	\$ 165,828	\$ (118,137)	\$ 16,096	\$ 3,212	\$ 2,124		\$ (12,920)					\$ 1,313,153
2	OTHER REVENUES	-	-	-	-	-	-	-	-	-	-	-	-	-
3	TOTAL OPERATING REVENUES	\$ 1,256,950	\$ 165,828	\$ (118,137)	\$ 16,096	\$ 3,212	\$ 2,124	\$ -	\$ (12,920)	\$ -	\$ -	\$ -	\$ -	\$ 1,313,153
<u>OPERATING EXPENSES:</u>														
2	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	OTHER	2,275	(141)											2,134
4	PURCHASED POWER	181,448	5,856			(2,651)	335							184,988
5	PURCHASED GAS	401	802											1,203
6	OTHER	43,218	(5,664)											37,554
7	WATER TREATMENT	47,494	(5,790)				51							41,755
8	TRANSMISSION & DISTRIBUTION	213,823	(16,174)			(1,785)								195,864
9	CUSTOMER ACCOUNTS	168,474	1,619											170,093
10	SALES	987	(751)											236
11	ADMINISTRATIVE & GENERAL	235,785	(2,842)	(2,777)			283	9,949		(7,517)				240,398
12	DEPRECIATION & AMORTIZATION	200,874												193,357
13	PROPERTY TAXES	106,595												87,085
14	OTHER TAXES	24,319	124,519	(115,360)								12,265		33,478
15	INCOME TAXES	(452)												11,812.68
16	TOTAL OPERATING EXPENSES	\$ 1,225,241	\$ 101,434	\$ (118,137)	\$ -	\$ (4,436)	\$ 670	\$ 9,949	\$ -	\$ (7,517)	\$ (19,510)	\$ 12,265	\$ -	\$ 1,199,958
17	NET INCOME	\$ 31,709	\$ 64,394	\$ -	\$ 16,096	\$ 7,648	\$ 1,455	\$ (9,949)	\$ (12,920)	\$ 7,517	\$ 19,510	\$ (12,265)	\$ -	\$ 113,195

ADJUSTMENT #:

1. RECONCILE COMPANY PROPOSED OPERATING INCOME TO 2002 ACTUAL
2. REMOVE 2002 REGULATORY ASSESSMENT & SALES TAXES
3. ELIMINATE PFAM AND PWAM REVENUES
4. ELIMINATE UNBILLED REVENUES & EXPENSES
5. ANNUALIZE ADDITIONAL REVENUES & EXPENSES
6. AMORTIZATION OF RATE CASE EXPENSE

REFERENCE:

RUCO D.R. NO. 1.10  
RUCO D.R. NO. 1.10 & ACC STAFF D.R. NO. REL 19-1  
RUCO D.R. NO. 7.1 & RUCO D.R. NO. 7.2  
RUCO D.R. NO. 7.3  
RUCO D.R. NO. 6.6  
COMPANY SCHEDULE C-2, PAGE 7, TESTIMONY WAR

ADJUSTMENT #:

7. REMOVE MAP SURCHARGE REVENUES
8. DEPRECIATION & AMORTIZATION EXPENSE
9. PROPERTY TAX EXPENSE
10. INCOME TAX EXPENSE
11. NOT USED

REFERENCE:

TESTIMONY WAR  
SCHEDULE WAR-12  
SCHEDULE WAR-13  
SCHEDULE WAR-14  
N/A

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 OPERATING ADJ. #1 - RECONCILE COMPANY  
 PROPOSED OPERATING INCOME TO 2002 ACTUAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-10  
 PAGE 1 OF 2

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) 2002 ACTUAL	(C) DIFFERENCE	(D) RUCO ADJUSTMENT
<u>REVENUES - WATER:</u>					
1	REVENUE FROM WATER SALES	\$ 1,256,950	\$ 1,422,778	\$ 1,256,950	\$ 165,828
2	OTHER REVENUES	0.00	0.00	0.00	0.00
3	TOTAL OPERATING REVENUES	\$ 1,256,950	\$ 1,422,778	\$ 1,256,950	\$ 165,828
<u>OPERATING EXPENSES:</u>					
4	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -
5	OTHER	2,275	2,134	2,275	(141)
6	PURCHASED POWER	181,448	187,304	181,448	5,856
7	PURCHASED GAS	401	1,203	401	802
8	OTHER	43,218	37,554	43,218	(5,664)
9	WATER TREATMENT	47,494	41,704	47,494	(5,790)
10	TRANSMISSION & DISTRIBUTION	213,823	197,649	213,823	(16,174)
11	CUSTOMER ACCOUNTS	168,474	170,093	168,474	1,619
12	SALES	987	236	987	(751)
13	ADMINISTRATIVE & GENERAL	235,785	232,943	235,785	(2,842)
14	DEPRECIATION & AMORTIZATION	200,874	185,093	200,874	- (a)
15	PROPERTY TAXES	106,595	87,465	106,595	- (a)
16	OTHER TAXES	24,319	148,838	24,319	124,519
17	INCOME TAXES	(452)	34,513	(452)	- (a)
18	TOTAL OPERATING EXPENSES	\$ 1,225,241	\$ 1,326,729	\$ 1,225,241	\$ 101,434
19	NET INCOME	\$ 31,709	\$ 96,049	\$ 31,709	\$ 64,394

REFERENCES:

COLUMN (A): COMPANY SCHEDULE C-1 PAGE 2 OF 5  
 COLUMN (B): DATA REQUEST RUCO 1.10  
 COLUMN (C): COLUMN (B) - COLUMN (A)  
 COLUMN (D): COLUMN (C) LINES 1 THRU 13, LINES 16, 18 & 19

NOTE:

(a) SEPARATE PRO FORMA ADJUSTMENTS NOT INCLUDED IN RECONCILIATION

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 OPERATING ADJ. #1 - RECONCILE COMPANY  
 PROPOSED OPERATING INCOME TO 2002 ACTUAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-10  
 PAGE 2 OF 2

LINE NO.	DESCRIPTION	(A) TEST YEAR ACTUAL	(B) 2002 ACTUAL	(C) DIFFERENCE
<u>REVENUES - WATER:</u>				
1	REVENUE FROM WATER SALES	\$ 1,363,532	\$ 1,422,778	\$ 59,246
2	OTHER REVENUES	0.00	0.00	0.00
3	TOTAL OPERATING REVENUES	\$ 1,363,532	\$ 1,422,778	\$ 59,246
<u>OPERATING EXPENSES:</u>				
4	PURCHASED WATER	\$ -	\$ -	\$ -
5	OTHER	2,279	2,134	(145)
6	PURCHASED POWER	180,807	187,304	6,497
7	PURCHASED GAS	401	1,203	802
8	OTHER	43,218	37,554	(5,664)
9	WATER TREATMENT	34,435	41,704	7,269
10	TRANSMISSION & DISTRIBUTION	203,387	197,649	(5,738)
11	CUSTOMER ACCOUNTS	167,213	170,093	2,880
12	SALES	987	236	(751)
13	ADMINISTRATIVE & GENERAL	204,408	232,943	28,535
14	DEPRECIATION & AMORTIZATION	173,245	185,093	11,848
15	PROPERTY TAXES	95,358	87,465	(7,893)
16	OTHER TAXES	128,331	148,838	20,507
17	INCOME TAXES	38,236	34,513	(3,723)
18	TOTAL OPERATING EXPENSES	1,272,305	1,326,729	54,424
19	NET INCOME	\$ 91,227	\$ 96,049	\$ 4,822

REFERENCES:

COLUMN (A): COMPANY SCHEDULE C-1 PAGE 2 OF 5  
 COLUMN (B): DATA REQUEST RUCO 1.10  
 COLUMN (C): COLUMN (B) - COLUMN (A)

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
BISBEE SYSTEM - SECOND REVISION  
OPERATING ADJ. #5 - REVENUE ANNUALIZATION FOR 2002

LINE NO.	DESCRIPTION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
1	YEAR END CUSTOMERS - 2002	3,406	3,406	3,406	3,406	3,406	3,406	3,406	3,406	3,406	3,406	3,406	3,406
2	2002 CUSTOMERS	3,388	3,387	3,397	3,394	3,408	3,405	3,406	3,404	3,403	3,406	3,399	3,406
3	INCREASE IN CUSTOMERS - 2002	18	19	9	12	(2)	1	-	2	3	-	7	0
4	AVERAGE REVENUE FOR THE MONTH	\$ 29.03	\$ 29.75	\$ 30.60	\$ 33.67	\$ 38.10	\$ 44.03	\$ 45.67	\$ 32.32	\$ 35.27	\$ 33.25	\$ 31.30	\$ 28.12
5	INCREASE IN REVENUES	\$ 523	\$ 565	\$ 275	\$ 404	\$ (76)	\$ 44	\$ -	\$ 65	\$ 106	\$ -	\$ 219	\$ 0
6	TOTAL INCREASE IN REVENUE	2,124											
7	INCREASE IN REVENUE PER COMPANY												
8	REVENUE ADJUSTMENT	2,124											
9	GALLONS SOLD PER AVERAGE CUSTOMER	5,803	6,079	6,391	7,572	9,267	11,501	12,206	7,151	8,189	7,392	6,665	5,848
10	INCREASE IN CUSTOMERS	18	19	9	12	(2)	1	-	2	3	-	7	0
11	INCREASE IN GALLONS	104,446	115,507	57,515	90,869	(18,534)	11,501	-	14,303	24,567	-	46,798	0
12	TOTAL INCREASE IN GALLONS	446,971											
13	PUMPING COST PER GALLON	0.00075											
14	INCREASE IN PUMPING COST	335											
15	WATER TREATMENT COSTS PER GALLON	0.000115											
16	INCREASE IN WATER TREATMENT COSTS	51											
17	TOTAL INCREASE IN BILLS	69											
18	MONTHLY ACCOUNTING COST PER BILL	4.10											
19	INCREASE IN ACCOUNTING COST	283											

LINE #10 = LINE #3  
LINE #11 = LINE #9 MULTIPLIED BY LINE #10  
LINE #12 = SUMMATION OF LINE #11  
LINE #13 - CO. WIP C2-5, PAGE 3  
LINE #14 = LINE #12 X LINE #13  
LINE #15 - CO. WIP C2-5, PAGE 3  
LINE #16 = LINE #12 MULTIPLIED BY LINE #15  
LINE #17 = SUMMATION OF LINE #3  
LINE #18 - CO. WIP C2-5, PAGE 4

LINE #19 = LINE #17 X LINE #18

REFERENCES:  
LINE #1 - RUCO DATA REQUEST #6.6  
LINE #2 - RUCO DATA REQUEST #6.6  
LINE #3 = LINE #1 MINUS LINE #2  
LINE #4 - RUCO DR #1.10 = TOTAL MONTH REV. MINUS OTHER REV. / TOTAL MONTHLY CUSTOMERS FOR POST-TEST-YEAR  
LINE #5 = LINE #3 MULTIPLIED BY LINE #4  
LINE #6 = SUMMATION OF LINE #5  
LINE #7 - NO REFERENCE  
LINE #8 - LINE #6 MINUS LINE #7  
LINE #9 - GALLONS SOLD, AWC's ANNUAL REPORT & MONTHLY CUSTOMERS, RUCO DR #6.6

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 OPERATING ADJ. #8 - DEPRECIATION & AMORTIZATION EXPENSE

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-12

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	(A) ACTUAL TEST YEAR BALANCE PER COMPANY	(B) RUCO ADJUSTMENTS	(C) RUCO ADJUSTED BALANCE	(D) COMPOSITE DEPRECIATION RATE	(E) RUCO RECOMMENDED DEPRECIATION EXPENSE
1	301.0	INTANGIBLES: ORGANIZATION*	\$ -	\$ -	\$0	0.00%	\$ -
2	302.0	INTANGIBLES: FRANCHISES*	-	-	-	0.00%	-
3	303.0	INTANGIBLES: MISC.*	-	-	-	0.00%	-
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	4,422	(727)	3,695	0.00%	-
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	-	726	726	0.00%	-
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	4,905	-	4,905	0.00%	-
7	314.0	SOURCE OF SUPPLY: WELLS	48,766	1	48,767	2.59%	1,263
8	320.0	PUMPING PLANT: LAND*	7,054	-	7,054	0.00%	-
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	26,509	74	26,583	2.59%	688
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	513,405	(612)	512,793	2.59%	13,281
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	164,220	537	164,757	2.59%	4,267
12	330.0	WATER TREATMENT PLANT: LAND*	-	-	-	0.00%	-
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	31,930	1	31,931	2.59%	827
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	38,243	(671)	37,572	2.59%	973
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	5,044	671	5,715	0.00%	-
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	-	-	-	0.00%	-
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	-	-	-	2.59%	-
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	353,044	(1)	353,043	2.59%	9,144
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	3,965,590	3	3,965,593	2.59%	102,709
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	29,546	-	29,546	2.59%	765
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	817,067	1	817,068	2.59%	21,162
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	211,876	1	211,877	2.59%	5,488
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	193,556	-	193,556	2.59%	5,013
24	389.1	GENERAL PLANT: LAND - OFFICE*	-	-	-	0.00%	-
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	-	-	-	0.00%	-
26	389.3	GENERAL PLANT: LAND - MISC.*	-	-	-	0.00%	-
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	8,474	(1)	8,473	2.59%	219
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	16,023	-	16,023	2.59%	415
29	390.3	GENERAL PLANT: MISC. BUILDINGS	-	-	-	2.59%	-
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	9,020	(1)	9,019	2.59%	234
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	53,283	(1)	53,282	2.59%	1,380
32	391.2	GENERAL PLANT: OFFICE FURNITURE	17,552	-	17,552	2.59%	455
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	-	1	-	2.59%	-
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	37,681	1	37,682	2.59%	976
35	395.0	GENERAL PLANT: LAB EQUIPMENT	1,684	-	1,684	2.59%	44
36	396.0	GENERAL PLANT: POWER EQUIPMENT	14,442	-	14,442	2.59%	374
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	27,910	(1)	27,909	2.59%	723
38	397.1	GENERAL PLANT: MOBILE RADIOS	28,544	1	28,544	2.59%	739
39	397.2	GENERAL PLANT: AUTO CONTROLS	186,546	1	186,546	2.59%	4,832
40	398.0	GENERAL PLANT: MISC.	20,062	1	20,062	2.59%	520
41							
42		TEST YEAR TOTALS	\$ 6,836,396	\$ 3	\$ 6,836,399		\$ 176,490
43							
44		POST TEST YEAR ADDITIONS	597,543	187,073	\$784,616	2.59%	20,322
45							
46		GROSS DEPRECIABLE PHOENIX OFFICE AND METER SHOP ALLOCATION	212,558	28,588	241,146 **	2.59%	6,246
47							
48		2002 TOTALS	\$ 7,646,498	\$ 215,663	\$ 7,862,161		\$ 203,058
49							
50		LESS:					9,701
51		AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION @ 2.59% COMPOSITE RATE ***					
52							
53		TOTAL PRO FORMA DEPRECIATION & AMORTIZATION EXPENSE					\$ 193,357
54							
55		DEPRECIATION & AMORTIZATION EXPENSE PER COMPANY					200,874
56							
57		DEPRECIATION & AMORTIZATION EXPENSE ADJUSTMENT (LINE 53 - LINE 55)					\$ (7,517)

REFERENCES:  
 COLUMN (A): COMPANY SCHEDULE E-5 PAGE 1 OF 4 AND STAFF DATA REQUEST REL 1-24  
 COLUMN (B): COLUMN (C) - COLUMN (A)  
 COLUMN (C): RUCO SCHEDULE WAR-4 PAGE 7  
 COLUMN (D): COMPOSITE DEPRECIATION RATE OF 2.59%  
 COLUMN (E): COLUMN (C) x COLUMN (D)

NOTES:  
 \* NON-DEPRECIABLE PLANT ASSETS  
 \*\* NET OF \$399 IN NON-DEPRECIABLE LEASEHOLD IMPROVEMENTS (\$7,215 x 0.0553 ALLOCATION FACTOR FOR 2002 = \$399)  
 \*\*\* RUCO ADJUSTED CIAC BALANCE x COMPOSITE RATE = \$374,558 x 2.59% = \$9,701

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 OPERATING ADJ. #9 - PROPERTY TAX EXPENSE

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-13

LINE NO.	DESCRIPTION	AMOUNT	REFERENCE
1	REVENUES - 2000	\$ 1,322,741	COMPANY SCH. C-2, W/P C2-19a
2	REVENUES - 2001	1,258,793	COMPANY SCH. C-2, W/P C2-19a
3	REVENUES - 2002	<u>1,304,641</u>	D. R. NO. REL 19-1
4	TOTAL	\$ 3,886,175	SUM LINES 1, 2, & 3
5	3 YEAR AVERAGE	1,295,392	LINE 4/3 YEARS
6	MULTIPLIER FOR REVENUES (2 X LAST 3 YRS. AVERAGE REVENUE)	<u>x 2</u>	ADOR VALUATION FACTOR
7	REVENUES FOR FULL CASH VALUE	2,590,783	LINE 5 X 2 (MULTIPLIER FOR REVENUES
8	ADD: 10% OF CWIP BALANCE	-	COMPANY SCH. B-2, PG. 3; LINE 4 X 10%
9	LESS: LICENSED VEHICLES	<u>-</u>	STAFF DATA REQUEST REL 23-1
10	FULL CASH VALUE	2,590,783	LINE 7 + LINE 8 MINUS LINE 9
11	ASSESSMENT RATIO	<u>25%</u>	PER ADOR VALUATION METHOD
12	ASSESSED VALUE	647,696	LINE 10 X LINE 11
13	PROPERTY TAX RATE	<u>13.4454%</u>	PER TAX BILLS
14	PROPERTY TAXES PAYABLE PER RUCO	87,085	LINE 12 X LINE 13
15	PROPERTY TAXES PER COMPANY	<u>106,595</u>	COMPANY SCH. C-1, PG. 2
16	ADJUSTMENT	<u>(19,510)</u>	LINE 14 MINUS LINE 15

5)

6

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 OPERATING ADJ. #10 - INCOME TAXES

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-14

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
	<u>FEDERAL INCOME TAXES:</u>		
1	OPERATING INCOME BEFORE INCOME TAXES	\$ 125,008	SCH. WAR-9
	LESS:		
2	ARIZONA STATE TAX	2,134	LINE 11
3	INTEREST EXPENSE	<u>94,388</u>	NOTE (a)
4	FEDERAL TAXABLE INCOME	28,486	LINE 1 - LINES 2 & 3
5	FEDERAL INCOME TAX RATE	<u>33.98%</u>	TAX RATE
6	FEDERAL INCOME TAX EXPENSE	9,679	LINE 4 X LINE 5
	<u>STATE INCOME TAXES:</u>		
7	OPERATING INCOME BEFORE INCOME TAXES	125,008	LINE 1
	LESS:		
8	INTEREST EXPENSE	<u>94,388</u>	NOTE (A)
9	STATE TAXABLE INCOME	30,620	LINE 7 - LINE 8
10	STATE TAX RATE	<u>6.968%</u>	TAX RATE
11	STATE INCOME TAX EXPENSE	2,134	LINE 9 X LINE 10
12	TOTAL INCOME TAXES	11,813	LINE 6 + LINE 11
13	INCOME TAXES PER COMPANY	<u>(452)</u>	COMPANY SCH. C-1, PG. 2
14	ADJUSTMENT	<u>\$ 12,265</u>	LINE 12 - LINE 13

NOTE (a):  
 INTEREST SYNCHRONIZATION

ADJUSTED RATE BASE	\$ 3,617,853
WEIGHTED COST OF DEBT	<u>2.61%</u>
INTEREST EXPENSE	\$ 94,388

**ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
BISBEE SYSTEM - SECOND REVISION  
OPERATING ADJ. #11 - NOT USED FOR THIS SYSTEM**

**DOCKET NO. W-1445A-02-0619  
SCHEDULE WAR-15**

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 BISBEE SYSTEM - SECOND REVISION  
 COST OF CAPITAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-16

LINE NO.	DESCRIPTION	(A) AMOUNT	(B) ADJUSTMENT	(C) ADJUSTED BALANCE	(D) CAPITAL RATIO	(E) COST	(F) WEIGHTED COST
1	SHORT-TERM DEBT	\$ 2,850,000	\$ 1,650,000	\$ 4,500,000	5.62%	4.00%	0.22%
2	LONG-TERM DEBT:	23,000,677	(400,677)	22,600,000	28.24%	8.44%	2.38%
3	COMMON EQUITY	49,442,738	3,473,716	52,916,454	66.13%	9.18%	6.07%
4	TOTAL	\$ 75,293,415	4,723,039	\$ 80,016,454	100.00%		8.68%

REFERENCES:

- COLUMN (A): COMPANY SCH. D - 1
- COLUMN (B): TESTIMONY, WAR
- COLUMN (C): COLUMN (A) + COLUMN (B)
- COLUMN (D): COLUMN (C) ÷ COLUMN (C), LINE 5
- COLUMN (E): TESTIMONY, WAR
- COLUMN (F): COLUMN (D) x COLUMN (E)

**ARIZONA WATER COMPANY  
SUPERIOR SYSTEM - SECOND REVISION  
DOCKET NO. W-1445A-02-0619  
TABLE OF CONTENTS TO SCHEDULES WAR**

SCHEDULE #

WAR - 1	REVENUE REQUIREMENTS
WAR - 2	RATE BASE - ORIGINAL COST
WAR - 3	SUMMARY OF RATE BASE ADJUSTMENTS
WAR - 4	RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT, PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION
WAR - 5	RATE BASE ADJ. #4 - RECONCILE TEST YEAR ALLOCATED PHOENIX OFFICE & METER SHOP AND ACCUMULATED DEPRECIATION BALANCES
WAR - 6	RATE BASE ADJ. #5 - REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION
WAR - 7	RATE BASE ADJUSTMENT #9 - WORKING CAPITAL
WAR - 8	OPERATING INCOME - TEST YEAR AND RUCO PROPOSED
WAR - 9	SUMMARY OF OPERATING ADJUSTMENTS
WAR - 10	OPERATING ADJ. #1 - RECONCILE COMPANY PROPOSED OPERATING INCOME TO 2002 ACTUAL
WAR - 11	OPERATING ADJ. #5 - REVENUE ANNUALIZATION FOR 2002
WAR - 12	OPERATING ADJ. #8 - DEPRECIATION & AMORTIZATION EXPENSE
WAR - 13	OPERATING ADJ. #9 - PROPERTY TAX EXPENSE
WAR - 14	OPERATING ADJ. #10 - INCOME TAXES
WAR - 15	OPERATING ADJ. #11 - NOT USED FOR THIS SYSTEM
WAR - 16	COST OF CAPITAL
WAR - 17	PROPOSED RATES
WAR - 18	MONTHLY MINIMUM CHARGES
WAR - 19	BILLING ANALYSIS
WAR - 20	REVENUE SUMMARY BY METER SIZE AND CUSTOMER CLASS

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 REVENUE REQUIREMENTS

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-1  
 PAGE 1 OF 2

LINE NO.	DESCRIPTION	(A) COMPANY REQUESTED	(B) RUCO RECOMMENDED
1	ADJUSTED RATE BASE	\$ 2,673,576	\$ 2,479,823
2	ADJUSTED OPERATING INCOME	(6,905)	37,816
3	CURRENT RATE OF RETURN (L2 / L1)	-0.26%	1.52%
4	REQUIRED RATE OF RETURN	11.00%	8.68%
5	REQUIRED OPERATING INCOME (L4 * L1)	294,093	215,319
6	OPERATING INCOME DEFICIENCY (L5 - L2)	300,998	177,503
7	GROSS REVENUE CONVERSION FACTOR	1.63241	1.5704
8	GROSS REVENUE INCREASE	<b>\$ 491,353</b>	<b>\$ 278,753</b>
9	CURRENT REVENUES T/Y ADJUSTED	698,968	703,289
10	PROPOSED ANNUAL REVENUE (L8 + L9)	1,190,321	982,042
11	PERCENTAGE AVERAGE INCREASE	70.30%	39.64%

REFERENCES:

COLUMN (A): COMPANY SCHEDULE A-1  
 COLUMN (B): SCHEDULE WAR-1, PG. 2, WAR-2, AND WAR-8

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 GROSS REVENUE CONVERSION FACTOR

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-1  
 PAGE 2 OF 2

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	REVENUE	1.0000	
2	UNCOLLECTIBLES	<u>0.002316</u>	COMPANY SCH. C-3
3	SUB-TOTAL	0.9977	LINE 1 - LINE 2
4	LESS: TAX RATE	36.09%	NOTE (a)
5	TOTAL	0.6368	LINE 3 - LINE 4
6	REVENUE CONVERSION FACTOR	<span style="border: 1px solid black; padding: 2px;">1.57041</span>	LINE 1/LINE 5

NOTE (a):  
 CALCULATION OF EFFECTIVE TAX RATE

OPERATING INCOME BEFORE TAXES	100.00%
ARIZONA STATE TAX	<u>6.97%</u>
TAXABLE INCOME FEDERAL	93.03%
FEDERAL INCOME TAX RATE	<u>31.39%</u>
SUBTOTAL	29.20%
ADD STATE TAX RATE	36.17%
LINE 3 ABOVE	<u>99.77%</u>
EFFECTIVE TAX RATE	36.09%

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 RATE BASE - ORIGINAL COST

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-2

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) RUCO ADJUSTMENTS	(C) RUCO AS ADJUSTED
1	PLANT IN SERVICE/POST-TEST YEAR ADDITIONS	\$ 4,327,525	\$ (55,250)	\$ 4,272,275
2	PHOENIX OFFICE & METER SHOP ALLOCATION	91,658	21,240	112,898
3	ACCUMULATED DEPRECIATION	<u>(986,086)</u>	<u>(63,277)</u>	<u>(1,049,363)</u>
4	NET PLANT IN SERVICE	\$ 3,433,097	\$ (97,287)	\$ 3,335,810
5	CONSTRUCTION WORK IN PROGRESS (CWIP)	<u>-</u>	<u>-</u>	<u>-</u>
6	TOTAL NET PLANT	\$ 3,433,097	\$ (97,287)	\$ 3,335,810
7	ADVANCES IN AID OF CONSTRUCTION (AIAC)	(384,759)	1,718	(383,041)
8	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)	(82,088)	-	(82,088)
9	ACCUMULATED AMORTIZATION OF CIAC	11,961	2,126	14,087
10	DEFERRED INCOME TAXES	(332,521)	(70,880)	(403,401)
11	WORKING CAPITAL	<u>27,886</u>	<u>(29,430)</u>	<u>(1,544)</u>
12	TOTAL RATE BASE	<u>\$ 2,673,576</u>	<u>\$ (193,753)</u>	<u>\$ 2,479,823</u>

REFERENCES:

COLUMN (A): COMPANY SCHEDULE B-1  
 COLUMN (B): SCHEDULE WAR-3  
 COLUMN (C): COLUMN (A) + COLUMN (B)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 SUMMARY OF RATE BASE ADJUSTMENTS

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-3

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) ADJ.#1	(C) ADJ.#2	(D) ADJ.#3	(E) ADJ.#4	(F) ADJ.#5	(G) ADJ.#6	(H) ADJ.#7	(I) ADJ.#8	(J) ADJ.#9	(K) ADJ.#10	(L) ADJ.#11	(M) RUCO ADJUSTED
1	PLANT IN SERVICE/POST-TEST YEAR ADDITIONS	\$ 4,327,525	(\$55,250)	12,423 (b)	51,283 (c)	11,984	(3,177)							\$ 4,272,275
2	PHOENIX OFFICE & METER SHOP ALLOCATION	91,858 (a)												112,898
3	ACCUMULATED DEPRECIATION	(986,086)			(51,283) (c)	(11,984)								(1,049,969)
4	NET PLANT IN SERVICE	\$ 3,433,097	\$ (55,250)	\$ 12,423	\$ (51,283)	\$ -	\$ (3,177)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,335,810
5	CONSTRUCTION WORK IN PROGRESS (CWIP)	-												-
6	TOTAL NET PLANT	\$ 3,433,097	\$ (55,250)	\$ 12,423	\$ (51,283)	\$ -	\$ (3,177)	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,335,810
7	ADVANCES IN AID OF CONSTRUCTION (AIAC)	(384,759)					1,718							(383,041)
8	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)	(62,088)												(62,088)
9	ACCUMULATED AMORTIZATION OF CIAC	11,961							2,126	(70,880)				14,087
10	DEFERRED INCOME TAXES	(332,521)												(403,401)
11	WORKING CAPITAL	27,886												(1,544)
12	TOTAL RATE BASE	\$ 2,673,576	\$ (55,250)	\$ 12,423	\$ (51,283)	\$ -	\$ (3,177)	\$ 1,718	\$ 2,126	\$ (70,880)	\$ (29,450)	\$ -	\$ -	\$ 2,479,853

ADJUSTMENT #:  
 1. PLANT IN SERVICE/POST-TEST YEAR ADDITIONS  
 2. PHOENIX OFFICE & METER SHOP ALLOCATION  
 3. ACCUMULATED DEPRECIATION  
 4. RECONCILE PHX OFFICE & METER SHOP AND ACCLM. DEPR  
 5. REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION  
 6. AIAC - 2002 BALANCE

ADJUSTMENT #:  
 7. CIAC - 2002 BAL & AMORTIZATION  
 8. ACCUMULATED DEFERRED INCOME TAXES  
 9. WORKING CAPITAL  
 10. NOT USED  
 11. NOT USED

REFERENCE:  
 SCHEDULE WAR 4, PAGE 7  
 SCHEDULE WAR 4, PAGE 7  
 SCHEDULE WAR 4, PAGE 7  
 SCHEDULE WAR-5  
 SCHEDULE WAR-6  
 RUCO D.R. NO. 6.3

REFERENCE:  
 RUCO D.R. NO. 6.3, TESTIMONY - WAR  
 RUCO D.R. NO. 6.3  
 SCHEDULE WAR-7, PAGE 3  
 N/A  
 N/A

NOTES:  
 (A) NET OF ACCUMULATED DEPRECIATION  
 (B) GROSS PHOENIX OFFICE AND METER SHOP ADDITIONS ALLOCATED DURING 2002  
 (C) INCLUDES ACCUMULATED DEPRECIATION ON 2002 PHOENIX OFFICE AND METER SHOP ADDITIONS

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM  
 RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT,  
 PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1990 PLANT VALUE PER COMPANY	1990 ACCUM. DEPR. PER COMPANY	1990 NET PLANT PER PRIOR ACC. PER COMPANY	1991 ADDITIONS PER COMPANY	1991 (RETIREMENTS) PER COMPANY	1991 YEAR END PLANT VALUE PER RUCCO	1991 DEPRECIATION EXPENSE PER RUCCO	1991 ACCUMULATED DEPRECIATION PER RUCCO	1991 YEAR END NET PLANT PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	4,209	0	4,209	0	0	4,209	0	0	4,209
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	20,194	0	20,194	0	0	20,194	0	0	20,194
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	13,752	0	13,752	0	0	13,752	0	0	13,752
7	314.0	SOURCE OF SUPPLY: WELLS	74,013	12,214	61,799	0	0	74,013	1,791	14,005	60,008
8	320.0	PUMPING PLANT: LAND*	33,261	5,489	27,772	0	0	33,261	805	6,294	26,967
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	327,070	53,976	273,094	15,785	0	342,855	8,106	62,082	280,773
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	0	0	0	0	0	0	0	0	0
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0
12	330.0	PUMPING PLANT: LAND*	848	140	708	0	0	848	21	160	688
13	331.0	WATER TREATMENT PLANT: EQUIPMENT	38,655	6,379	32,276	618	0	39,273	943	7,322	31,951
14	332.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	1,975	0	1,975	0	0	1,975	0	0	1,975
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	142,702	23,550	119,152	15,654	(471)	157,885	3,637	26,716	131,169
18	342.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	1,022,325	168,712	853,613	46,420	(2,567)	1,066,178	25,271	191,416	874,762
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	970	160	810	0	0	970	23	184	786
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	221,072	36,483	184,589	13,141	(1,785)	232,428	5,487	40,185	192,243
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	87,377	14,420	72,957	182	0	87,559	2,117	16,536	71,023
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	35,764	5,902	29,862	1,964	(1,884)	36,044	869	5,087	30,957
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	0	0	0	0	0	0	0
24	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0	0	0	0
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0
26	389.3	GENERAL PLANT: LAND - MISC.*	23,713	3,913	19,800	0	0	23,713	574	4,487	19,226
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	3,916	646	3,270	0	0	3,916	95	741	3,175
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	1,730	285	1,445	0	0	1,730	42	327	1,403
29	390.3	GENERAL PLANT: MISC. BUILDINGS	6,410	1,088	5,322	0	0	6,410	155	1,213	5,197
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	7,585	1,252	6,333	241	0	7,826	186	1,438	6,388
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	4,600	759	3,841	953	0	5,553	123	882	4,671
32	391.2	GENERAL PLANT: OFFICE FURNITURE	0	0	0	0	0	0	0	0	0
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	28,304	4,671	23,633	0	0	28,304	685	5,356	22,948
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	3,725	615	3,110	0	0	3,725	90	705	3,020
35	385.0	GENERAL PLANT: LAB EQUIPMENT	129	21	108	0	0	129	3	24	105
36	396.0	GENERAL PLANT: POWER EQUIPMENT	15,825	2,612	13,213	1,465	0	17,290	401	3,012	14,278
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	7,178	1,185	5,993	0	0	7,178	174	1,358	5,820
38	397.1	GENERAL PLANT: MOBILE RADIOS	1,556	257	1,299	0	0	1,556	38	294	1,262
39	397.2	GENERAL PLANT: AUTO CONTROLS	2,268	374	1,894	0	0	2,268	55	429	1,839
40	398.0	GENERAL PLANT: MISC.	\$2,131,126	\$345,072	\$1,786,054	\$96,423	(\$6,507)	\$2,221,042	\$51,690	\$390,255	\$1,830,787
41		TOTALS									

REFERENCE:  
 ACC STAFF D.R. NO. REL. 1-24

NOTE:  
 \* NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1982 ADDITIONS PER COMPANY	1982 DEPRECIATION EXPENSE PER RUO	1982 RETIREMENTS PER COMPANY	1982 YEAR END PLANT VALUE PER RUO	1982 ACCUMULATED DEPRECIATION PER RUO	1982 NET PLANT PER RUO	1983 ADDITIONS PER COMPANY	1983 DEPRECIATION EXPENSE PER RUO	1983 RETIREMENTS PER COMPANY	1983 YEAR END PLANT VALUE PER RUO	1983 ACCUMULATED DEPRECIATION PER RUO	1983 NET PLANT PER RUO	1983 YEAR END NET PLANT PER RUO
1	301.0	INTANGIBLES ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES FRANCHISES*	0	0	0	4,209	0	4,209	0	0	0	0	0	0	4,209
3	303.0	INTANGIBLES MISC.*	0	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY - LAND - WATER RIGHTS*	0	0	0	20,194	0	20,194	0	0	0	21,003	0	21,003	21,003
5	310.2	SOURCE OF SUPPLY - LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY - LAND - WELLS*	0	0	0	13,752	0	13,752	0	0	0	13,752	0	13,752	13,752
7	314.0	SOURCE OF SUPPLY - WELLS	0	0	0	58,217	0	58,217	0	0	0	74,219	0	74,219	74,219
8	320.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	0	0	15,798	0	15,798	0	0	0	17,716	0	17,716	17,716
9	321.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	0	0	0	33,261	0	33,261	0	0	0	36,789	0	36,789	36,789
10	325.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	27,790	0	27,790	0	0	0	30,261	0	30,261	30,261
11	328.0	PUMPING PLANT: WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	0	8,449	0	8,449	0	0	0	9,259	0	9,259	9,259
12	330.0	WATER TREATMENT PLANT: EQUIPMENT	0	0	0	181	0	181	0	0	0	203	0	203	203
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	0	53,896	0	53,896	0	0	0	60,666	0	60,666	60,666
14	332.0	WATER TREATMENT PLANT: TANKS & MAINS*	0	0	0	1,975	0	1,975	0	0	0	1,975	0	1,975	1,975
15	340.0	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	1,107,885	0	1,107,885	0	0	0	1,127,617	0	1,127,617	1,127,617
17	341.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	0	0	0	3,821	0	3,821	0	0	0	4,089	0	4,089	4,089
18	342.0	TRANSMISSION & DISTRIBUTION: MAINS	0	0	0	26,300	0	26,300	0	0	0	28,943	0	28,943	28,943
19	343.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	0	0	0	207	0	207	0	0	0	232	0	232	232
20	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	0	0	0	43,341	0	43,341	0	0	0	48,865	0	48,865	48,865
21	346.0	TRANSMISSION & DISTRIBUTION: METERS	0	0	0	2,183	0	2,183	0	0	0	2,396	0	2,396	2,396
22	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	0	5,892	0	5,892	0	0	0	6,614	0	6,614	6,614
23	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0	0	0	0	0	0	0	0
24	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0	0	0	0	0
25	389.3	GENERAL PLANT: OFFICE BUILDINGS	0	0	0	23,713	0	23,713	0	0	0	23,713	0	23,713	23,713
26	390.1	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	0	574	0	574	0	0	0	614	0	614	614
27	390.2	GENERAL PLANT: MISC. BUILDINGS	0	0	0	836	0	836	0	0	0	839	0	839	839
28	390.3	GENERAL PLANT: MISC. BUILDINGS	0	0	0	389	0	389	0	0	0	414	0	414	414
29	391.0	GENERAL PLANT: ELECTRICAL EQUIPMENT	0	0	0	1,368	0	1,368	0	0	0	1,534	0	1,534	1,534
30	391.1	GENERAL PLANT: OFFICE FURNITURE	0	0	0	2,601	0	2,601	0	0	0	2,779	0	2,779	2,779
31	391.2	GENERAL PLANT: WAREHOUSE EQUIPMENT	0	0	0	10,427	0	10,427	0	0	0	11,137	0	11,137	11,137
32	393.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	0	553	0	553	0	0	0	59	0	59	59
33	394.0	GENERAL PLANT: POWER EQUIPMENT	0	0	0	32,212	0	32,212	0	0	0	33,330	0	33,330	33,330
34	395.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	0	795	0	795	0	0	0	849	0	849	849
35	396.0	GENERAL PLANT: POWER EQUIPMENT	0	0	0	5,170	0	5,170	0	0	0	5,260	0	5,260	5,260
36	397.0	GENERAL PLANT: MOBILE PHONES	0	0	0	3,431	0	3,431	0	0	0	3,756	0	3,756	3,756
37	397.1	GENERAL PLANT: MOBILE PHONES	0	0	0	17,290	0	17,290	0	0	0	17,290	0	17,290	17,290
38	397.2	GENERAL PLANT: AUTO CONTROLS	0	0	0	1,533	0	1,533	0	0	0	1,694	0	1,694	1,694
39	398.0	GENERAL PLANT: MISC.	0	0	0	18,065	0	18,065	0	0	0	20,688	0	20,688	20,688
40	398.0	TOTALS	\$134,283	\$54,330	\$5,001	\$1,910,740	\$438,584	\$1,472,156	\$96,559	\$60,323	\$5,493	\$2,439,450	\$490,077	\$1,949,373	\$1,949,373

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24

NOTE:  
 \*NON-DEPRECIABLE PLANT

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT,  
 PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1994 ADDITIONS PER COMPANY	1994 (RETIREMENTS) PER COMPANY	1994 YEAR END PLANT VALUE PER RUCCO	1994 DEPRECIATION EXPENSE PER RUCCO	1994 ACCUMULATED DEPRECIATION PER RUCCO	1994 YEAR END NET PLANT PER RUCCO	1994 ADDITIONS PER COMPANY	1995 (RETIREMENTS) PER COMPANY	1995 YEAR END PLANT VALUE PER RUCCO	1995 DEPRECIATION EXPENSE PER RUCCO	1995 ACCUMULATED DEPRECIATION PER RUCCO	1995 YEAR END NET PLANT PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	4,209	0	0	4,209	0	0	4,209	0	0	4,209
3	303.0	INTANGIBLES: MISC.	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	222	0	21,225	0	0	21,225	878	0	22,101	0	0	22,101
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	13,752	0	0	13,752
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	13,752	0	0	13,752	0	0	13,752	0	0	13,752
7	310.4	SOURCE OF SUPPLY: WELLS	523	0	74,742	1,929	19,645	55,097	0	0	74,742	1,839	21,581	53,161
8	321.0	PUMPING PLANT: LAND*	0	0	33,261	861	8,822	24,439	14,854	(1,116)	46,859	10,228	8,741	37,958
9	321.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	13,822	(6,615)	375,000	9,619	85,128	292,872	41,153	(1,386)	414,787	0	90,990	323,797
10	325.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0
11	325.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
12	330.0	PUMPING PLANT: WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	848	22	625	848	0	0	848	22	247	801
13	331.0	WATER TREATMENT PLANT: LAND*	1,524	0	62,190	1,591	6,175	56,011	81,866	(23,831)	120,225	2,362	(15,290)	135,255
14	332.0	WATER TREATMENT PLANT: STRUCTURES - FEES*	0	0	1,975	0	0	1,975	0	0	1,975	0	0	1,975
15	340.0	TRANSMISSION & DISTRIBUTION: LAND, TANKS & MAINS*	0	0	0	0	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
17	340.2	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	157,885	4,089	38,715	119,170	1,547	(1,197)	158,422	4,109	42,824	116,608
18	340.3	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	79,968	(1,051)	1,206,474	30,226	274,911	931,563	21,456	(1,197)	1,226,733	31,510	305,224	921,509
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	24,395	(1,494)	970	7,611	55,042	250,310	42,654	(1,080)	345,538	2,427	61,033	284,534
20	345.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	0	0	305,552	2,885	19,729	72,382	3,371	(359)	95,338	1,097	21,077	74,261
21	346.0	TRANSMISSION & DISTRIBUTION: METERS	0	0	40,855	1,070	6,785	34,070	0	0	43,857	0	7,523	36,334
22	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	10,560	(574)	9,866	0	(974)	10,560	0	0	9,866	0	(574)	10,560
23	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0	0	0	0	0	0	0
24	389.1	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0	0	0	0
25	389.2	GENERAL PLANT: OFFICE BUILDINGS	0	0	23,713	614	6,289	17,424	1,609	(15,004)	12,318	467	(6,249)	18,568
26	389.3	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	1,735	103	1,044	3,009	0	0	4,053	162	1,149	2,904
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	0	0	1,735	45	459	1,271	0	0	1,730	165	504	1,226
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	6,410	166	1,700	4,710	0	0	6,410	186	1,866	4,544
29	391.0	GENERAL PLANT: MISC. BUILDINGS	0	0	13,478	319	2,257	11,221	21,381	(1,080)	34,859	628	2,883	31,976
30	391.1	GENERAL PLANT: OFFICE EQUIPMENT	2,341	0	6,023	156	1,322	4,701	0	0	6,233	156	1,478	4,545
31	391.2	GENERAL PLANT: OFFICE FURNITURE	0	0	59	2	6,546	26,737	4,733	(4,415)	33,608	866	2,997	30,609
32	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	1,212	(1,254)	33,288	863	6,546	26,737	0	0	33,288	96	1,084	2,961
33	394.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	3,725	96	3,725	3,725	0	0	3,725	96	1,084	2,961
34	394.0	GENERAL PLANT: CAR EQUIPMENT	0	0	5,260	136	4,326	4,888	0	0	5,260	136	498	4,762
35	395.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	17,290	198	4,326	12,964	0	0	17,290	448	2,124	15,614
36	397.0	GENERAL PLANT: MOBILE RADIOS	38	0	33,396	865	2,063	31,325	68	0	7,738	865	2,528	90,450
37	397.1	GENERAL PLANT: AUTO CONTROLS	0	0	0	0	0	0	438	(1,001)	33,396	865	(287)	32,609
38	398.0	GENERAL PLANT: MISC.	0	(820)	1,448	48	(229)	277	0	0	1,448	48	(287)	2,073
39	398.0	GENERAL PLANT: MISC.	0	0	0	0	0	0	0	0	0	0	0	0
40	398.0	TOTALS	\$124,949	(\$12,641)	\$2,559,352	\$83,450	\$540,920	\$2,018,432	\$240,031	(\$63,627)	\$2,749,471	\$67,400	\$559,414	\$2,190,062

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24  
 NOTE:  
 \* NON-DEPRECIABLE PLANT

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
SUPERIOR SYSTEM - SECOND REVISION  
RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT,  
PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1996 ADDITIONS PER COMPANY	1996 (RETIREMENTS) PER COMPANY	1996 YEAR END PLANT VALUE PER RUCCO	1996 DEPRECIATION EXPENSE PER RUCCO	1996 ACCUMULATED DEPRECIATION PER RUCCO	1996 NET PLANT PER RUCCO	1997 ADDITIONS PER COMPANY	1997 (RETIREMENTS) PER COMPANY	1997 YEAR END PLANT VALUE PER RUCCO	1997 DEPRECIATION EXPENSE PER RUCCO	1997 ACCUMULATED DEPRECIATION PER RUCCO	1997 NET PLANT PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES	0	0	4,209	0	0	4,209	0	0	4,209	0	0	4,209
3	303.0	INTANGIBLES: MISC.	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS	299	0	22,400	0	0	22,400	88	0	22,488	0	0	22,488
5	310.2	SOURCE OF SUPPLY: LAND - WATER RIGHTS	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS	0	0	13,752	0	0	13,752	0	0	13,752	0	0	13,752
7	314.0	SOURCE OF SUPPLY: WELLS	78,874	(16,581)	135,055	2,717	5,737	129,318	0	0	135,055	3,498	9,235	125,820
8	321.0	PUMPING PLANT: LAND	0	0	46,899	1,210	9,951	36,748	0	0	46,899	1,210	11,160	35,539
9	321.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	96,473	(9,379)	501,887	11,871	93,488	408,399	12,636	0	514,523	13,163	106,650	407,873
10	325.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	0	0	0	0	0	0	0	0	0	0	0
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
12	330.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	0	848	22	289	579	0	0	848	22	281	557
13	331.0	WATER TREATMENT PLANT: LAND	458	0	120,893	3,120	(12,170)	102,723	153	0	120,836	3,128	(9,042)	129,878
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	0	0	1,975	0	0	1,975	0	0	1,975	0	0	1,975
15	340.0	TRANSMISSION & DISTRIBUTION: TANKS & MAINS	0	0	0	0	0	0	0	0	0	0	0	0
16	341.0	TRANSMISSION & DISTRIBUTION: TANKS & MAINS	0	0	175,892	4,330	47,156	127,526	0	0	175,892	4,535	51,691	123,391
17	341.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	15,650	(24,392)	1,362,741	33,534	314,366	1,048,375	74,880	(2,610)	1,434,991	36,235	347,386	1,087,005
18	343.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	160,400	0	358,976	25	308	662	0	0	358,976	25	308	308,653
19	344.0	TRANSMISSION & DISTRIBUTION: MAINS	13,053	(524)	95,152	9,112	69,621	288,455	28,028	(682)	96,370	9,629	76,587	70,795
20	345.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	0	(188)	45,290	2,467	23,358	38,957	1,481	(411)	48,436	1,188	7,110	39,326
21	346.0	TRANSMISSION & DISTRIBUTION: METERS	3,788	(2,243)	9,886	1,155	(574)	10,560	0	0	9,886	0	(574)	10,560
22	348.0	GENERAL PLANT: LAND - OFFICE	0	0	0	0	0	0	0	0	0	0	0	0
23	389.1	GENERAL PLANT: LAND - WAREHOUSE	0	0	0	0	0	0	0	0	0	0	0	0
24	389.2	GENERAL PLANT: BUILDINGS	0	0	12,318	319	(5,929)	18,247	0	0	12,318	319	(5,610)	17,928
25	390.1	GENERAL PLANT: WAREHOUSE BUILDINGS	412	0	4,465	1,253	1,253	3,206	0	0	4,465	116	1,375	3,091
26	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	1,730	45	1,548	1,182	0	0	1,730	45	1,685	1,637
27	390.2	GENERAL PLANT: MISC. BUILDINGS	0	0	6,750	166	2,032	4,378	0	0	6,410	166	2,188	4,212
28	390.3	GENERAL PLANT: OFFICE EQUIPMENT	0	0	30,459	846	(1,825)	32,084	0	0	30,459	789	(838)	31,295
29	391.0	GENERAL PLANT: ELECTRICAL EQUIPMENT	994	(5,354)	6,234	159	1,637	4,597	0	0	6,444	181	1,788	4,436
30	391.1	GENERAL PLANT: OFFICE FURNITURE	211	0	59	2	57	52	0	0	59	2	8	51
31	391.2	GENERAL PLANT: WAREHOUSE EQUIPMENT	5,169	(37)	38,738	937	3,897	34,841	180	0	38,918	1,006	4,902	34,016
32	393.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	3,725	96	1,181	2,544	0	0	3,725	96	1,277	2,448
33	394.0	GENERAL PLANT: LAG EQUIPMENT	0	0	5,260	136	635	4,625	0	0	5,260	136	771	4,489
34	395.0	GENERAL PLANT: POWER EQUIPMENT	0	0	16,386	436	4,365	12,021	0	0	16,386	424	4,731	11,655
35	396.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	2,859	(904)	10,587	237	3,782	29,386	217	0	10,614	277	2,639	9,975
36	397.0	GENERAL PLANT: AUTO CONTROLS	0	0	33,388	54	(233)	29,596	0	0	33,388	665	4,057	29,331
37	397.1	GENERAL PLANT: AUTO CONTROLS	0	0	0	0	0	0	0	0	0	0	0	0
38	397.2	GENERAL PLANT: MISC.	620	0	\$0,065,360	\$73,972	\$57,110	\$2,452,319	\$119,195	(\$3,917)	\$3,192,259	\$79,571	\$647,384	\$2,544,875
39	398.0	TOTALS	\$79,180	(\$1,676)	\$0,065,360	\$73,972	\$57,110	\$2,452,319	\$119,195	(\$3,917)	\$3,192,259	\$79,571	\$647,384	\$2,544,875

REFERENCE:  
ACC STAFF D.R. NO. REL 1-24

NOTE:  
\* NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1998 ADDITIONS PER COMPANY	1998 (RETIREMENTS) PER COMPANY	1998 YEAR END NET PLANT VALUE PER RUCCO	1998 DEPRECIATION EXPENSE PER RUCCO	1998 ACCUMULATED DEPRECIATION PER RUCCO	1998 YEAR END NET PLANT VALUE PER RUCCO	1999 ADDITIONS PER COMPANY	1999 (RETIREMENTS) PER COMPANY	1999 YEAR END NET PLANT VALUE PER RUCCO	1999 DEPRECIATION EXPENSE PER RUCCO	1999 ACCUMULATED DEPRECIATION PER RUCCO	1999 YEAR END NET PLANT VALUE PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	4,209	0	0	4,209	0	0	0	0	0	4,209
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	81	0	22,567	0	0	23,316	748	0	0	0	0	23,316
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	13,752	0	0	13,752	0	0	0	0	0	13,752
7	314.0	SOURCE OF SUPPLY: WELLS	0	0	135,055	0	0	135,055	0	0	0	0	0	135,055
8	320.0	SOURCE OF SUPPLY: WELLS	0	0	46,689	0	0	46,689	0	0	0	0	0	46,689
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	0	12,370	0	0	12,370	0	0	0	0	0	12,370
10	322.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	0	0	13,405	0	0	13,405	0	0	0	0	0	13,405
11	323.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	6,080	0	520,603	0	0	520,603	1,082	0	0	0	0	521,685
12	330.0	PUMPING PLANT: TANKS & MAINS*	0	0	848	0	0	848	0	0	0	0	0	848
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	133,378	0	0	133,378	0	0	0	0	0	133,378
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	12,542	0	1,975	0	0	1,975	0	0	0	0	0	1,975
15	340.0	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	175,082	0	0	175,082	0	0	0	0	0	175,082
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	35,479	0	1,469,751	0	0	1,469,751	105,395	(2,826)	0	0	0	1,572,220
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	0	0	0	0	0	0	25	0	0	0	0	25
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	26,438	0	411,218	0	0	411,218	22,145	(49)	0	0	0	433,314
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	0	0	95,282	0	0	95,282	1,672	(40)	0	0	0	96,384
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	2,921	0	49,357	0	0	49,357	16,482	0	0	0	0	65,839
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	9,966	0	0	9,966	0	0	0	0	0	9,966
24	385.1	GENERAL PLANT: LAND - OFFICE*	0	0	0	0	0	0	0	0	0	0	0	0
25	385.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0	0	0	0
26	385.3	GENERAL PLANT: OFFICE BUILDINGS	0	0	12,318	0	0	12,318	0	0	0	0	0	12,318
27	390.1	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	4,465	0	0	4,465	0	0	0	0	0	4,465
28	390.2	GENERAL PLANT: MISC. BUILDINGS	0	0	1,730	0	0	1,730	0	0	0	0	0	1,730
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	0	6,410	0	0	6,410	0	0	0	0	0	6,410
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	3,603	0	34,082	0	0	34,082	7,187	0	0	0	0	41,249
31	391.1	GENERAL PLANT: OFFICE FURNITURE	0	0	5,234	0	0	5,234	0	0	0	0	0	5,234
32	391.2	GENERAL PLANT: WAREHOUSE EQUIPMENT	0	0	161	0	0	161	0	0	0	0	0	161
33	391.3	GENERAL PLANT: WAREHOUSE EQUIPMENT	0	0	59	0	0	59	0	0	0	0	0	59
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	313	0	39,271	0	0	39,271	221	0	0	0	0	39,492
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	5,263	0	0	5,263	0	0	0	0	0	5,263
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	0	1,374	0	0	1,374	0	0	0	0	0	1,374
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	5,155	0	0	5,155	0	0	0	0	0	5,155
38	397.1	GENERAL PLANT: MOBILE RADIOS	830	0	11,644	0	0	11,644	0	0	0	0	0	11,644
39	397.2	GENERAL PLANT: AUTO CONTROLS	0	0	33,988	0	0	33,988	0	0	0	0	0	33,988
40	398.0	GENERAL PLANT: MISC.	0	0	2,408	0	0	2,408	62	0	0	0	0	2,470
41		TOTALS	\$59,287	(\$2,516)	\$3,268,030	\$52,173	\$727,021	\$2,538,665	\$154,932	(\$3,015)	\$3,419,947	\$85,240	\$839,245	\$2,010,702

REFERENCE:  
 ACC STAFF DIR. NO. REL 124

NOTE:  
 \*NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	2000 ADDITIONS PER COMPANY	2000 (RETIREMENTS) PER COMPANY	2000 YEAR END PLANT VALUE PER RUCCO	2000 DEPRECIATION EXPENSE PER RUCCO	2000 ACCUMULATED DEPRECIATION PER RUCCO	2000 YEAR END NET PLANT PER RUCCO	2001 ADDITIONS PER COMPANY	2001 (RETIREMENTS) PER COMPANY	2001 YEAR END PLANT VALUE PER RUCCO	2001 DEPRECIATION EXPENSE PER RUCCO	2001 ACCUMULATED DEPRECIATION PER RUCCO	2001 YEAR END NET PLANT PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	4,209	0	0	4,209	0	0	0	0	0	4,209
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	555	0	23,870	0	0	24,010	140	0	24,010	0	0	24,010
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	13,752	0	0	13,752	0	0	13,752	0	0	13,752
7	314.0	SOURCE OF SUPPLY: WELLS	1,903	0	136,558	3,523	19,753	117,205	436	0	137,384	3,553	23,306	114,088
8	320.0	PUMPING PLANT: LAND*	0	0	0	0	0	0	0	0	0	0	0	0
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	0	46,689	1,210	14,789	31,910	1,206	0	47,505	1,225	16,014	31,891
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	67,848	(7,897)	581,536	14,288	139,944	441,692	3,295	(1,068)	583,863	15,093	153,969	429,894
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	0	0	0	0	0	0	0	0	0	0	0	0
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	7,186	0	8,034	115	450	7,584	26	0	8,080	208	658	7,402
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	6,852	(11,007)	129,223	3,401	(9,502)	139,125	0	(1,769)	127,454	3,324	(8,347)	135,601
15	340.0	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	1,975	0	0	1,975	0	0	1,975	0	0	1,975
16	340.1	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	1,865	0	176,947	4,559	65,319	111,628	3,423	0	180,376	4,627	69,946	110,430
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	25,091	(12,846)	1,884,845	44,784	453,269	1,431,176	110,561	(6,209)	1,986,737	50,158	497,219	1,491,578
19	343.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	2,348	0	8,318	0	503	7,815	0	0	8,318	215	719	7,599
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	41,548	(28)	474,840	11,781	110,864	363,976	32,456	(115)	507,181	12,717	123,466	383,715
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	1,335	(381)	97,848	2,522	31,538	66,310	909	(653)	96,104	2,538	33,423	64,681
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	25,741	0	91,881	2,039	11,881	79,699	3,342	(1,075)	93,847	2,401	13,207	80,640
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	9,986	0	(574)	10,560	0	0	9,986	0	(574)	10,560
24	389.1	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0	0	0	0
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0	0	0	0
26	389.3	GENERAL PLANT: LAND - MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	0	0	12,318	319	(4,653)	16,971	0	0	12,318	319	(4,334)	16,652
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	4,465	116	1,722	2,743	407	0	4,872	121	1,843	3,029
29	390.3	GENERAL PLANT: MISC. BUILDINGS	0	0	1,730	45	728	1,002	0	0	1,730	45	772	958
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	75	0	6,410	166	2,686	3,714	0	0	6,410	166	2,862	3,548
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	61	0	41,324	1,069	2,044	39,280	554	0	41,878	1,077	3,121	38,757
32	391.2	GENERAL PLANT: OFFICE FURNITURE	162	0	6,256	2,284	2,884	4,011	1,470	0	7,765	182	2,486	5,299
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	433	0	39,685	2	13	46	0	0	39,685	2	14	39,699
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	3,725	1,027	7,961	31,924	0	0	39,985	1,033	8,994	30,991
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	1,970	96	1,970	2,188	0	0	2,188	96	1,970	2,092
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	0	13,830	134	1,970	13,830	0	0	13,830	134	1,970	11,860
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	10,386	424	6,004	10,386	0	0	10,386	424	6,428	9,958
38	397.1	GENERAL PLANT: MOBILE RADIOS	338	0	11,982	306	3,537	8,445	354	0	12,336	315	3,852	8,484
39	397.2	GENERAL PLANT: VIDEO CONTROLS	0	0	33,988	865	7,251	26,137	0	0	33,988	865	8,116	25,272
40	398.0	GENERAL PLANT: MISC.	0	0	2,406	62	16	46	0	0	2,406	62	79	2,327
41		TOTALS	\$488,165	(\$32,159)	\$3,875,553	\$93,056	\$870,163	\$3,003,426	\$158,565	(\$10,889)	\$4,023,649	\$100,905	\$960,179	\$3,063,450

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24  
 NOTE:  
 \* - NON-DEPRECIABLE PLANT

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT,  
 PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	2002 ADDITIONS PER COMPANY	2002 (RETIREMENTS) PER COMPANY	2002 YEAR END PLANT VALUE PER RUCO	2002 DEPRECIATION EXPENSE PER RUCO	2002 ACCUMULATED DEPRECIATION PER RUCO	2002 YEAR END NET PLANT PER RUCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	4,209	0	0	4,209
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	1,527	0	25,537	0	0	25,537
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	13,752	0	0	13,752
7	314.0	SOURCE OF SUPPLY: WELLS	0	0	137,394	3,559	26,864	110,530
8	320.0	PUMPING PLANT: LAND*	5,276	0	53,181	1,309	17,323	35,858
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	4,197	(2,552)	585,508	15,143	166,560	418,948
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	0	0	0	0	0	0
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND	0	0	8,060	209	867	7,193
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	1,286	0	128,740	3,318	(5,029)	133,769
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	0	0	1,975	0	0	1,975
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0
17	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	145	0	180,521	4,674	74,620	105,901
18	343.0	TRANSMISSION & DISTRIBUTION: MAINS	227,174	(22,170)	2,193,801	54,165	529,213	1,664,588
19	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	0	0	6,318	215	934	7,384
20	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	28,873	(576)	535,478	13,502	136,393	399,085
21	346.0	TRANSMISSION & DISTRIBUTION: METERS	1,976	0	98,104	2,941	35,964	62,140
22	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	171	0	95,823	2,456	15,663	80,160
23	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	10,157	0	(574)	10,731
24	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	0	0	0
25	389.3	GENERAL PLANT: LAND - MISC.*	2,526	0	14,775	351	(4,052)	18,827
26	390.1	GENERAL PLANT: OFFICE BUILDINGS	0	(69)	4,872	126	1,969	2,903
27	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	1,730	45	817	913
28	390.3	GENERAL PLANT: MISC. BUILDINGS	13,650	(3,637)	16,422	296	(479)	16,902
29	391.0	GENERAL PLANT: OFFICE EQUIPMENT	0	0	41,878	1,085	4,206	37,672
30	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	0	0	7,765	201	2,667	5,098
31	391.2	GENERAL PLANT: OFFICE FURNITURE	0	0	59	2	16	43
32	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	3,159	0	43,044	1,074	10,068	32,976
33	394.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	3,725	96	1,760	1,965
34	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	5,260	136	1,452	3,808
35	396.0	GENERAL PLANT: POWER EQUIPMENT	65	0	16,451	435	6,853	9,598
36	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	12,336	320	4,172	8,164
37	397.1	GENERAL PLANT: MOBILE RADIOS	0	0	33,388	865	8,981	24,407
38	397.2	GENERAL PLANT: AUTO CONTROLS	29	0	2,435	63	141	(79)
39	398.0	GENERAL PLANT: MISC.	\$290,653	(\$29,004)	\$4,284,698	\$106,174	\$1,037,369	\$3,244,357
40		TOTALS						
41		BALANCES PER COMPANY	\$ 4,327,525	986,086				
42		BALANCES PER RUCO	\$4,284,698	\$1,037,369				
43		LESS: POST-TEST YEAR ALLOCATED PHOENIX OFFICE & METER SHOP ADDITIONS**	\$12,423					
44		TOTAL ADJUSTMENTS	(\$55,250)					
45								
46								
47								
48								
49								

REFERENCES:  
 ACC STAFF D.R. NO. REL 1-24  
 ACC STAFF D.R. NO. REL 18-1  
 RUCO D.R. NO. 6.2

NOTE:  
 \* NON-DEPRECIABLE PLANT  
 \*\* BASED ON AN ALLOCATION FACTOR OF 0.0237 PER RUCO D.R. NO. 4.2

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-5

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 RATE BASE ADJ. #4 - RECONCILE TEST YEAR ALLOCATED PHOENIX OFFICE  
 & METER SHOP AND ACCUMULATED DEPRECIATION BALANCES

TEST YEAR COMPANY
\$ 4,002,988
<u>126,565</u>
\$ 4,129,553
<u>0.0251</u>
\$ 103,652
<u>91,658</u>
<b>\$ 11,994</b>

LINE NO.	DESCRIPTION
1	GROSS PHOENIX OFFICE PLANT & METER SHOP
2	ADD: PHOENIX OFFICE CONSTRUCTION WORK IN PROGRESS (CWIP)
3	GROSS PHOENIX OFFICE PLANT & METER SHOP WITH CWIP
4	TIMES: ALLOCATION FACTOR
5	ALLOCATED GROSS PHOENIX OFFICE PLANT & METER SHOP WITH CWIP
6	NET ALLOCATED PHOENIX OFFICE PLANT & METER SHOP WITH CWIP
7	INCREASE/DECREASE TO PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

- REFERENCES:**  
 LINE 1: COMPANY SCHEDULE B-2 PAGES 10 AND 11  
 LINE 2: COMPANY SCHEDULE B-2 PAGE 10  
 LINE 3: LINE 1 + LINE 2  
 LINE 4: COMPANY SCHEDULE B-1 PAGE 2  
 LINE 5: LINE 3 x LINE 4  
 LINE 6: COMPANY SCHEDULE B-1 PAGE 2 (SUM OF LINES 6 AND 7)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 RATE BASE ADJ. #5 - REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION

LINE NO.	DESCRIPTION	(A) TEST YEAR COMPANY	(B) TEST YEAR RUCO	
1	GROSS PHOENIX OFFICE PLANT	\$ 3,903,884	\$ 3,903,884	COMPANY SCHEDULE B-2 PAGE 10
2	LESS: ACCUMULATED DEPRECIATION	<u>453,222</u>	<u>453,222</u>	COMPANY SCHEDULE B-2 PAGE 10
3	NET PHOENIX OFFICE PLANT	\$ 3,450,662	\$ 3,450,662	LINE 1 + LINE 2
4	ADD: CWIP	<u>126,565</u>	-	COMPANY SCHEDULE B-2 PAGE 10
5	TOTALS	\$ 3,577,227	\$ 3,450,662	LINE 3 + LINE 4
4	TIMES: ALLOCATION FACTOR	<u>0.0251</u>	<u>0.0251</u>	COMPANY SCHEDULE B-1 PAGE 2
5	ALLOCATED PHOENIX OFFICE PLANT	\$ 89,788	\$ 86,612	COMPANY SCHEDULE B-1 PAGE 2
6	RUCO ADJUSTMENT		<u>\$ (3,177)</u>	LINE 5 COLUMN (B) - LINE 5 COLUMN (A)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 1999  
 SUPERIOR SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL

DOCKET NO. W-1445A-00-0962  
 SCHEDULE WAR-7  
 PAGE 1 OF 4

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	CASH WORKING CAPITAL PER COMPANY	\$ 7,767	COMPANY SCH. B-5, PG. 1
2	CASH WORKING CAPITAL PER RUCO	(18,025)	SCH. WAR-7, PG. 3
3	DECREASE IN CASH WORKING CAPITAL	(25,792)	LINE 2 - LINE 1
4	MATERIALS & SUPPLIES PER COMPANY	443	COMPANY SCH. B-5, PG. 1
5	MATERIALS & SUPPLIES PER RUCO	67	DATA REQUEST RUCO 6.4 a)
6	MATERIALS & SUPPLIES ADJUSTMENT	(376)	LINE 5 - LINE 4
7	PREPAYMENTS PER COMPANY AND SPECIAL DEPOSITS	7,167	COMPANY SCH. B-5, PG. 1
8	PREPAYMENTS PER RUCO	6,016	DATA REQUEST RUCO 6.4 b)
9	PREPAYMENTS ADJUSTMENT	(1,151)	LINE 8 - LINE 7
10	REQUIRED BANK BALANCES PER COMPANY	12,510	COMPANY SCH. B-5, PG. 1
11	REQUIRED BANK BALANCES PER RUCO	10,399	DATA REQUEST RUCO 6.4 c)
12	REQUIRED BANK BALANCE ADJUSTMENT	(2,111)	LINE 11 - LINE 10
13	TOTAL WORKING CAPITAL ADJUSTMENT	(29,430)	LINES 3, 6, 9 & 12

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 LEAD/LAG CALCULATION

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 2 OF 4

LINE NO.	DESCRIPTION	EXPENSES PER COMPANY	RUCO ADJUSTMENTS	ADJUSTED EXPENSES	(LEAD)/LAG DAYS	\$ DAYS
1	PURCHASED POWER	\$ 79,558	\$ (15,686)	\$ 63,872	31.85	\$ 2,034,323
2	PAYROLL	189,736	250	189,986	14.00	2,659,806
3	PURCHASED WATER	-	-	-	N/A	N/A
4	CHEMICALS	17,199	(10,037)	7,162	27.61	197,743
5	PROPERTY & LIABILITY INSURANCE	2,626	(116)	2,510	(45.27)	(113,631)
6	WORKER'S COMPENSATION	2,266	263	2,529	(46.50)	(117,583)
7	HEALTH INSURANCE	32,884	(3,555)	29,329	(8.92)	(261,610)
8	OTHER O&M EXPENSES	184,740	(98,711)	86,029	(9.27)	(797,493)
9	DEPRECIATION & AMORTIZATION	118,817	(8,768)	110,049	N/A	N/A
10	FEDERAL & STATE INCOME TAXES	130,031	(44,016)	86,015	61.95	5,328,980
11	DEFERRED INCOME TAXES	2,400	N/A	N/A	N/A	N/A
12	FICA TAXES	12,623	(165)	12,458	14.00	174,412
13	FUTA & SUTA TAXES	276	18	294	83.10	24,431
14	PROPERTY TAXES	64,817	8,270	73,087	212.00	15,494,365
15	REG., CONTRACT, & MISCELLANEOUS FEES	15,142	499	15,641	(98.83)	(1,545,791)
16	SALES & OCCUPATION TAXES	74,997	(1,910)	73,087	41.30	3,018,478
17	PENSION EXPENSE	14,429	248	14,677	34.72	509,585
18	TOTAL	\$ 942,541	\$ (173,418)	\$ 766,723 *	34.70	\$ 26,606,015

NOTE

N/A = NON CASH CHARGES EXCLUDED FROM WORKING CAPITAL CALCULATION

\* RUCO RECOMMENDED LEVEL OF OPERATING EXPENSE - SCHEDULE WAR-8, COLUMN (E), LINE 16

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 CALCULATION OF CASH WORKING CAPITAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 3 OF 4

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	AVERAGE EXPENSE LAG	34.70	SCH. WAR-7, PG. 2
2	AVERAGE REVENUE COLLECTION LAG	<u>26.12</u>	CO. SCH. B-5, PG. 2
3	EXCESS EXPENSE OVER REVENUE LAG	(8.58)	LINE 2 - LINE 1
4	TOTAL EXPENSES	\$ 766,723	SCH. WAR-7, PG. 2
5	CASH WORKING CAPITAL REQUIREMENT	(18,025)	(LINE 3 X LINE 4)/365 DAYS
6	PER COMPANY	<u>\$ 7,767</u>	CO. SCH. B-5, PG. 2
7	INCREASE (DECREASE) IN WORKING CAPITAL	<u>\$ (25,792)</u>	LINE 5 - LINE 6

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 CALCULATION OF INCOME TAX LAG

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 4 OF 4

<u>LINE NO.</u>	<u>(A) PAYMENT DATE</u>	<u>(B) SERVICE PERIOD MIDPOINT</u>	<u>(C) (LEAD)/LAG DAYS</u>	<u>(D) PAYMENT AMOUNT</u>	<u>(E) DOLLAR DAYS</u>
1	04/12/99	07/01/99	(80.00)	\$ 397,000	(31,760,000)
2	06/11/99	07/01/99	(20.00)	50,000	(1,000,000)
3	09/14/99	07/01/99	75.00	486,000	36,450,000
4	12/14/99	07/01/99	166.00	970,000	161,020,000
5	03/14/00	07/01/99	257.00	<u>(240,000)</u>	<u>(61,680,000)</u>
6	TOTALS			\$ 1,663,000	103,030,000
7	INCOME TAX LAG		61.95		

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 OPERATING INCOME - TEST YEAR AND RUCO PROPOSED

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-8

LINE NO.	DESCRIPTION	(A) COMPANY TEST YEAR AS FILED	(B) RUCO TEST YEAR ADJUSTMENTS	(C) RUCO TEST YEAR AS ADJUSTED	(D) RUCO PROPOSED CHANGES	(E) RUCO RECOMMENDED
<u>REVENUES - WATER:</u>						
1	REVENUE FROM WATER SALES	\$ 698,968	\$ 4,321	\$ 703,289	\$ 278,753	\$ 982,042
2	OTHER REVENUES	-	35	35		35
3	TOTAL OPERATING REVENUES	\$ 698,968	\$ 4,356	\$ 703,324	\$ 278,753	\$ 982,077
<u>OPERATING EXPENSES:</u>						
2	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -	\$ -
3	OTHER	4,729	23	4,752		4,752
4	PURCHASED POWER	76,290	(13,099)	63,191		63,191
5	PURCHASED GAS	-	22	22		22
6	OTHER	54,189	24,376	78,565		78,565
7	WATER TREATMENT	30,792	(7,127)	23,665		23,665
8	TRANSMISSION & DISTRIBUTION	159,574	(51,756)	107,818		107,818
9	CUSTOMER ACCOUNTS	114,326	(5,494)	108,832		108,832
10	SALES	872	(615)	257		257
11	ADMINISTRATIVE & GENERAL	98,965	(1,246)	97,719		97,719
12	DEPRECIATION & AMORTIZATION	118,817	(8,768)	110,049		110,049
13	PROPERTY TAXES	64,071	9,016	73,087		73,087
14	OTHER TAXES	11,348	1,404	12,752		12,752
15	INCOME TAXES	(28,101)	12,866	(15,235)	101,250	86,015
16	TOTAL OPERATING EXPENSES	\$ 705,873	\$ (40,399)	\$ 665,474	\$ 101,250	\$ 766,723
17	NET INCOME	\$ (6,905)	\$ 44,721	\$ 37,816	\$ 177,503	\$ 215,319

REFERENCES:

COLUMN (A): CO. SCH. C-1, PG. 5  
 COLUMN (B): SCH. WAR-9  
 COLUMN (C): COLUMN (A) + COLUMN (B)  
 COLUMN (D): SCH. WAR-1  
 COLUMN (E): COLUMN (C) + COLUMN (D)

DOCKET NO. W-1445A-02-0619  
SCHEDULE WAR-9

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
SUPERIOR SYSTEM - SECOND REVISION  
SUMMARY OF OPERATING ADJUSTMENTS

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) ADJ #1	(C) ADJ #2	(D) ADJ #3	(E) ADJ #4	(F) ADJ #5	(G) ADJ #6	(H) ADJ #7	(I) ADJ #8	(J) ADJ #9	(K) ADJ #10	(L) ADJ #11	(M) RUCO ADJUSTED
<b>REVENUES - WATER:</b>														
1	REVENUE FROM WATER SALES	\$ 698,968	\$ 110,851	\$ (76,119)	\$ 2,193	\$ (27,262)	\$ (838)		\$ (4,504)					\$ 703,289
2	OTHER REVENUES				35									35
3	TOTAL OPERATING REVENUES	\$ 698,968	\$ 110,851	\$ (76,119)	\$ 2,228	\$ (27,262)	\$ (838)	\$ -	\$ (4,504)	\$ -	\$ -	\$ -	\$ -	\$ 703,324
<b>OPERATING EXPENSES:</b>														
2	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	OTHER	4,729	23											4,752
4	PURCHASED POWER	76,290	(12,440)			(506)	(153)							63,191
5	PURCHASED GAS	-	22											22
6	OTHER	54,189	24,376											78,565
7	WATER TREATMENT	30,792	(7,104)				(23)							23,665
8	TRANSMISSION & DISTRIBUTION	159,574	(50,843)			(913)								107,818
9	CUSTOMER ACCOUNTS	114,326	(5,494)											108,832
10	SALES	872	(615)											257
11	ADMINISTRATIVE & GENERAL	98,965	(4,347)	(1,484)			(118)	4,703		(8,768)				97,719
12	DEPRECIATION & AMORTIZATION	118,817									9,016			110,049
13	PROPERTY TAXES	64,071												73,087
14	OTHER TAXES	11,348	76,039	(74,635)										12,752
15	INCOME TAXES	(28,101)										12,866		(15,235)
16	TOTAL OPERATING EXPENSES	\$ 705,873	\$ 19,616	\$ (76,119)	\$ -	\$ (1,419)	\$ (294)	\$ 4,703	\$ -	\$ (8,768)	\$ 9,016	\$ 12,866	\$ -	\$ 665,474
17	NET INCOME	\$ (6,905)	\$ 91,235	\$ -	\$ 2,228	\$ (25,843)	\$ (544)	\$ (4,703)	\$ (4,504)	\$ 8,768	\$ (9,016)	\$ (12,866)	\$ -	\$ 37,851

REFERENCE:

TESTIMONY WAR  
SCHEDULE WAR-12  
SCHEDULE WAR-13  
SCHEDULE WAR-14  
N/A

ADJUSTMENT #:

7. REMOVE MAP SURCHARGE REVENUES  
8. DEPRECIATION & AMORTIZATION EXPENSE  
9. PROPERTY TAX EXPENSE  
10. INCOME TAX EXPENSE  
11. NOT USED

REFERENCE:

RUCO D.R. NO. 1.10  
RUCO D.R. NO. 1.10 & ACC STAFF D.R. NO. REL 19-1  
RUCO D.R. NO. 7.1 & RUCO D.R. NO. 7.2  
RUCO D.R. NO. 7.3  
RUCO D.R. NO. 6.6  
COMPANY SCHEDULE C-2, PAGE 7, TESTIMONY WAR

ADJUSTMENT #:

1. RECONCILE COMPANY PROPOSED OPERATING INCOME TO 2002 ACTUAL  
2. REMOVE 2002 REGULATORY ASSESSMENT & SALES TAXES  
3. ELIMINATE PPAM AND PWAM REVENUES  
4. ELIMINATE UNBILLED REVENUES & EXPENSES  
5. ANNUALIZE ADDITIONAL REVENUES & EXPENSES  
6. AMORTIZATION OF RATE CASE EXPENSE

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 OPERATING ADJ. #1 - RECONCILE COMPANY  
 PROPOSED OPERATING INCOME TO 2002 ACTUAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-10  
 PAGE 1 OF 2

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) 2002 ACTUAL	(C) DIFFERENCE	(D) RUCO ADJUSTMENT
<u>REVENUES - WATER:</u>					
1	REVENUE FROM WATER SALES	\$ 698,968	\$ 809,819	\$ 698,968	\$ 110,851
2	OTHER REVENUES	0.00	0.00	0.00	0.00
3	TOTAL OPERATING REVENUES	\$ 698,968	\$ 809,819	\$ 698,968	\$ 110,851
<u>OPERATING EXPENSES:</u>					
4	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -
5	OTHER	4,729	4,752	4,729	23
6	PURCHASED POWER	76,290	63,850	76,290	(12,440)
7	PURCHASED GAS	-	22	-	22
8	OTHER	54,189	78,565	54,189	24,376
9	WATER TREATMENT	30,792	23,688	30,792	(7,104)
10	TRANSMISSION & DISTRIBUTION	159,574	108,731	159,574	(50,843)
11	CUSTOMER ACCOUNTS	114,326	108,832	114,326	(5,494)
12	SALES	872	257	872	(615)
13	ADMINISTRATIVE & GENERAL	98,965	94,618	98,965	(4,347)
14	DEPRECIATION & AMORTIZATION	118,817	108,088	118,817	- (a)
15	PROPERTY TAXES	64,071	73,380	64,071	- (a)
16	OTHER TAXES	11,348	87,387	11,348	76,039
17	INCOME TAXES	(28,101)	15,030	(28,101)	- (a)
18	TOTAL OPERATING EXPENSES	\$ 705,873	\$ 767,200	\$ 705,873	\$ 19,616
19	NET INCOME	\$ (6,905)	\$ 42,619	\$ (6,905)	\$ 91,235

REFERENCES:

COLUMN (A): COMPANY SCHEDULE C-1 PAGE 5 OF 5  
 COLUMN (B): DATA REQUEST RUCO 1.10  
 COLUMN (C): COLUMN (B) - COLUMN (A)  
 COLUMN (D): COLUMN (C) LINES 1 THRU 13, LINES 16, 18 & 19

NOTE:

(a) SEPARATE PRO FORMA ADJUSTMENTS NOT INCLUDED IN RECONCILIATION

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 OPERATING ADJ. #1 - RECONCILE COMPANY  
 PROPOSED OPERATING INCOME TO 2002 ACTUAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-10  
 PAGE 2 OF 2

LINE NO.	DESCRIPTION	(A) TEST YEAR ACTUAL	(B) 2002 ACTUAL	(C) DIFFERENCE
<u>REVENUES - WATER:</u>				
1	REVENUE FROM WATER SALES	\$ 773,405	\$ 809,819	\$ 36,414
2	OTHER REVENUES	0.00	0.00	0.00
3	TOTAL OPERATING REVENUES	\$ 773,405	\$ 809,819	\$ 36,414
<u>OPERATING EXPENSES:</u>				
4	PURCHASED WATER	\$ -	\$ -	\$ -
5	OTHER	4,755	4,752	(3)
6	PURCHASED POWER	76,492	63,850	(12,642)
7	PURCHASED GAS	-	22	22
8	OTHER	54,189	78,565	24,376
9	WATER TREATMENT	19,636	23,688	4,052
10	TRANSMISSION & DISTRIBUTION	122,942	108,731	(14,211)
11	CUSTOMER ACCOUNTS	114,349	108,832	(5,517)
12	SALES	872	257	(615)
13	ADMINISTRATIVE & GENERAL	83,004	94,618	11,614
14	DEPRECIATION & AMORTIZATION	102,778	108,088	5,310
15	PROPERTY TAXES	65,046	73,380	8,334
16	OTHER TAXES	86,003	87,387	1,384
17	INCOME TAXES	12,662	15,030	2,368
18	TOTAL OPERATING EXPENSES	742,728	767,200	24,472
19	NET INCOME	\$ 30,677	\$ 42,619	\$ 11,942

REFERENCES:

COLUMN (A): COMPANY SCHEDULE C-1 PAGE 5 OF 5  
 COLUMN (B): DATA REQUEST RUCO 1.10  
 COLUMN (C): COLUMN (B) - COLUMN (A)

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
SUPERIOR SYSTEM - SECOND REVISION  
OPERATING ADJ. #5 - REVENUE ANNUALIZATION FOR 2002

LINE NO.	DESCRIPTION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
1	YEAR END CUSTOMERS - 2002	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282	1,282
2	2002 CUSTOMERS	1,278	1,284	1,284	1,284	1,281	1,287	1,286	1,278	1,280	1,288	1,288	1,282
3	INCREASE IN CUSTOMERS - 2002	4	(2)	(2)	(2)	1	(5)	(4)	4	2	(6)	(6)	0
4	AVERAGE REVENUE FOR THE MONTH	\$ 44.40	\$ 40.97	\$ 43.75	\$ 47.60	\$ 51.04	\$ 57.60	\$ 63.28	\$ 51.46	\$ 53.32	\$ 48.79	\$ 46.71	\$ 65.72
5	INCREASE IN REVENUES	\$ 178	\$ (82)	\$ (88)	\$ (95)	\$ 51	\$ (288)	\$ (253)	\$ 206	\$ 107	\$ (293)	\$ (280)	0
6	TOTAL INCREASE IN REVENUE	(838)											
7	INCREASE IN REVENUE PER COMPANY												
8	REVENUE ADJUSTMENT	(638)											
9	GALLONS SOLD PER AVERAGE CUSTOMER	5,968	5,213	5,948	6,729	7,599	9,130	10,319	7,646	7,956	7,035	7,081	6,289
10	INCREASE IN CUSTOMERS	4	(2)	(2)	(2)	1	(5)	(4)	4	2	(6)	(6)	0
11	INCREASE IN GALLONS	23,873	(10,425)	(11,897)	(13,458)	7,599	(45,650)	(41,276)	30,584	15,911	(42,207)	(42,489)	0
12	TOTAL INCREASE IN GALLONS	(129,234)											
13	PUMPING COST PER GALLON	0.001183											
14	INCREASE IN PUMPING COST	(153)											
15	WATER TREATMENT COSTS PER GALLON	0.000178											
16	INCREASE IN WATER TREATMENT COSTS	(23)											
17	TOTAL INCREASE IN BILLS	(16)											
18	MONTHLY ACCOUNTING COST PER BILL	7.36											
19	INCREASE IN ACCOUNTING COST	(118)											

LINE #10 = LINE #3  
LINE #11 = LINE #9 MULTIPLIED BY LINE #10  
LINE #12 = SUMMATION OF LINE #11  
LINE #13 = CO. W/P C2-5, PAGE 3  
LINE #14 = LINE #12 X LINE #13  
LINE #15 = CO. W/P C2-5, PAGE 3  
LINE #16 = LINE #12 MULTIPLIED BY LINE #15  
LINE #17 = SUMMATION OF LINE #3  
LINE #18 = CO. W/P C2-5, PAGE 4

LINE #19 = LINE #17 X LINE #18

REFERENCES:  
LINE #1 - RUCO DATA REQUEST #6.6  
LINE #2 - RUCO DATA REQUEST #6.6  
LINE #3 = LINE #1 MINUS LINE #2  
LINE #4 - RUCO DR #1.10 = TOTAL MONTH REV. MINUS OTHER REV. / TOTAL MONTHLY CUSTOMERS FOR POST-TEST-YEAR  
LINE #5 = LINE #3 MULTIPLIED BY LINE #4  
LINE #6 = SUMMATION OF LINE #5  
LINE #7 - NO REFERENCE  
LINE #8 - LINE #6 MINUS LINE #7  
LINE #9 - GALLONS SOLD, AWC's ANNUAL REPORT & MONTHLY CUSTOMERS, RUCO DR #6.6

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 OPERATING ADJ. #8 - DEPRECIATION & AMORTIZATION EXPENSE

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-12

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	(A) ACTUAL TEST YEAR BALANCE PER COMPANY	(B) RUCO ADJUSTMENTS	(C) RUCO ADJUSTED BALANCE	(D) COMPOSITE DEPRECIATION RATE	(E) RUCO RECOMMENDED DEPRECIATION EXPENSE
1	301.0	INTANGIBLES: ORGANIZATION*	\$ -	\$ -	\$0	0.00%	\$ -
2	302.0	INTANGIBLES: FRANCHISES*	4,209	-	4,209	0.00%	-
3	303.0	INTANGIBLES: MISC.*	-	-	-	0.00%	-
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	24,009	1	24,010	0.00%	-
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	-	-	-	0.00%	-
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	13,752	-	13,752	0.00%	-
7	314.0	SOURCE OF SUPPLY: WELLS	137,392	2	137,394	2.59%	3,559
8	320.0	PUMPING PLANT: LAND*	-	-	-	0.00%	-
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	47,905	-	47,905	2.59%	1,241
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	583,864	(1)	583,863	2.59%	15,122
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	-	-	-	2.59%	-
12	330.0	WATER TREATMENT PLANT: LAND*	-	-	-	0.00%	-
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	8,061	(1)	8,060	2.59%	209
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	127,455	(1)	127,454	2.59%	3,301
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	1,975	-	1,975	0.00%	-
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	-	-	-	0.00%	-
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	-	-	-	2.59%	-
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	180,377	(1)	180,376	2.59%	4,672
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	1,988,797	-	1,988,797	2.59%	51,510
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	8,318	-	8,318	2.59%	215
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	507,180	1	507,181	2.59%	13,136
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	97,206	898	98,104	2.59%	2,541
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	104,732	(10,885)	93,847	2.59%	2,431
24	389.1	GENERAL PLANT: LAND - OFFICE*	-	9,986	9,986	0.00%	-
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	-	-	-	0.00%	-
26	389.3	GENERAL PLANT: LAND - MISC.*	-	-	-	0.00%	-
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	12,318	-	12,318	2.59%	319
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	4,872	-	4,872	2.59%	126
29	390.3	GENERAL PLANT: MISC. BUILDINGS	1,730	-	1,730	2.59%	45
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	6,410	-	6,410	2.59%	166
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	41,876	2	41,878	2.59%	1,085
32	391.2	GENERAL PLANT: OFFICE FURNITURE	7,765	-	7,765	2.59%	201
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	59	-	59	2.59%	2
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	39,885	-	39,885	2.59%	1,033
35	395.0	GENERAL PLANT: LAB EQUIPMENT	3,725	-	3,725	2.59%	96
36	396.0	GENERAL PLANT: POWER EQUIPMENT	5,261	(1)	5,260	2.59%	136
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	14,921	1,465	16,386	2.59%	424
38	397.1	GENERAL PLANT: MOBILE RADIOS	12,336	-	12,336	2.59%	320
39	397.2	GENERAL PLANT: AUTO CONTROLS	34,852	(1,464)	33,388	2.59%	865
40	398.0	GENERAL PLANT: MISC.	2,406	-	2,406	2.59%	62
41							
42		TEST YEAR TOTALS	\$ 4,023,648	\$ 1	\$ 4,023,649		\$ 102,816
43							
44		POST TEST YEAR ADDITIONS	303,877	(55,251)	\$248,626	2.59%	6,439
45							
46		GROSS DEPRECIABLE PHOENIX OFFICE AND METER SHOP ALLOCATION	100,475	12,252	112,727 **	2.59%	2,920
47							
48		2002 TOTALS	\$ 4,428,000	\$ (42,998)	\$ 4,385,002		\$ 112,175
49							
50		LESS:					
51		AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION @ 2.59% COMPOSITE RATE ***					2,126
52							
53		TOTAL PRO FORMA DEPRECIATION & AMORTIZATION EXPENSE					\$ 110,049
54							
55		DEPRECIATION & AMORTIZATION EXPENSE PER COMPANY					118,817
56							
57		DEPRECIATION & AMORTIZATION EXPENSE ADJUSTMENT (LINE 53 - LINE 55)					<u>\$ (8,768)</u>

REFERENCES:

COLUMN (A): COMPANY SCHEDULE E-5 PAGE 3 OF 4 AND STAFF DATA REQUEST REL 1-24  
 COLUMN (B): COLUMN (C) - COLUMN (A)  
 COLUMN (C): RUCO SCHEDULE WAR-4 PAGE 7  
 COLUMN (D): COMPOSITE DEPRECIATION RATE OF 2.59%  
 COLUMN (E): COLUMN (C) x COLUMN (D)

NOTES:

\* NON-DEPRECIABLE PLANT ASSETS  
 \*\* NET OF \$171 IN NON-DEPRECIABLE LEASEHOLD IMPROVEMENTS (\$7,215 x 0.2498 ALLOCATION FACTOR FOR 2002 = \$171)  
 \*\*\* RUCO ADJUSTED CIAC BALANCE x COMPOSITE RATE = \$82,088 x 2.59% = \$2,126

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 OPERATING ADJ. #9 - PROPERTY TAX EXPENSE

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-13

LINE NO.	DESCRIPTION	AMOUNT	REFERENCE
1	REVENUES - 2000	\$ 744,641	COMPANY SCH. C-2, W/P C2-19a
2	REVENUES - 2001	698,408	COMPANY SCH. C-2, W/P C2-19a
3	REVENUES - 2002	733,703	D. R. NO. REL 19-1
4	TOTAL	\$ 2,176,752	SUM LINES 1, 2, & 3
5	3 YEAR AVERAGE	725,584	LINE 4/3 YEARS
6	MULTIPLIER FOR REVENUES (2 X LAST 3 YRS. AVERAGE REVENUE)	x 2	ADOR VALUATION FACTOR
7	REVENUES FOR FULL CASH VALUE	1,451,168	LINE 5 X 2 (MULTIPLIER FOR REVENUES
8	ADD: 10% OF CWIP BALANCE	-	COMPANY SCH. B-2, PG. 9; LINE 4 X 10%
9	LESS: LICENSED VEHICLES	-	STAFF DATA REQUEST REL 23-1
10	FULL CASH VALUE	1,451,168	LINE 7 + LINE 8 MINUS LINE 9
11	ASSESSMENT RATIO	25%	PER ADOR VALUATION METHOD
12	ASSESSED VALUE	362,792	LINE 10 X LINE 11
13	PROPERTY TAX RATE	20.1456%	PER TAX BILLS
14	PROPERTY TAXES PAYABLE PER RUCO	73,087	LINE 12 X LINE 13
15	PROPERTY TAXES PER COMPANY	64,071	COMPANY SCH. C-1, PG. 5
16	ADJUSTMENT	9,016	LINE 14 MINUS LINE 15

3)

6

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 OPERATING ADJ. #10 - INCOME TAXES

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-14

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
	<u>FEDERAL INCOME TAXES:</u>		
1	OPERATING INCOME BEFORE INCOME TAXES	\$ 22,581	SCH. WAR-9
	LESS:		
2	ARIZONA STATE TAX	(2,935)	LINE 11
3	INTEREST EXPENSE	<u>64,698</u>	NOTE (a)
4	FEDERAL TAXABLE INCOME	(39,182)	LINE 1 - LINES 2 & 3
5	FEDERAL INCOME TAX RATE	<u>31.39%</u>	TAX RATE
6	FEDERAL INCOME TAX EXPENSE	(12,300)	LINE 4 X LINE 5
	<u>STATE INCOME TAXES:</u>		
7	OPERATING INCOME BEFORE INCOME TAXES	22,581	LINE 1
	LESS:		
8	INTEREST EXPENSE	<u>64,698</u>	NOTE (A)
9	STATE TAXABLE INCOME	(42,117)	LINE 7 - LINE 8
10	STATE TAX RATE	<u>6.968%</u>	TAX RATE
11	STATE INCOME TAX EXPENSE	(2,935)	LINE 9 X LINE 10
12	TOTAL INCOME TAXES	(15,235)	LINE 6 + LINE 11
13	INCOME TAXES PER COMPANY	<u>(28,101)</u>	COMPANY SCH. C-1, PG. 2
14	ADJUSTMENT	<u>\$ 12,866</u>	LINE 12 - LINE 13

NOTE (a):  
 INTEREST SYNCHRONIZATION

ADJUSTED RATE BASE	\$ 2,479,823
WEIGHTED COST OF DEBT	2.61%
INTEREST EXPENSE	<u>\$ 64,698</u>

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
SUPERIOR SYSTEM - SECOND REVISION  
OPERATING ADJ. #11 - NOT USED FOR THIS SYSTEM

DOCKET NO. W-1445A-02-0619  
SCHEDULE WAR-15

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-16

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 SUPERIOR SYSTEM - SECOND REVISION  
 COST OF CAPITAL

LINE NO.	DESCRIPTION	(A) AMOUNT	(B) ADJUSTMENT	(C) ADJUSTED BALANCE	(D) CAPITAL RATIO	(E) COST	(F) WEIGHTED COST
1	SHORT-TERM DEBT	\$ 2,850,000	\$ 1,650,000	\$ 4,500,000	5.62%	4.00%	0.22%
2	LONG-TERM DEBT:	23,000,677	(400,677)	22,600,000	28.24%	8.44%	2.38%
3	COMMON EQUITY	49,442,738	3,473,716	52,916,454	66.13%	9.18%	6.07%
4	TOTAL	\$ 75,293,415	4,723,039	\$ 80,016,454	100.00%		8.68%

REFERENCES:

- COLUMN (A): COMPANY SCH. D - 1
- COLUMN (B): TESTIMONY, WAR
- COLUMN (C): COLUMN (A) + COLUMN (B)
- COLUMN (D): COLUMN (C) ÷ COLUMN (C), LINE 5
- COLUMN (E): TESTIMONY, WAR
- COLUMN (F): COLUMN (D) x COLUMN (E)

**ARIZONA WATER COMPANY  
MIAMI SYSTEM - SECOND REVISION  
DOCKET NO. W-1445A-02-0619  
TABLE OF CONTENTS TO SCHEDULES WAR**

SCHEDULE #

WAR - 1	REVENUE REQUIREMENTS
WAR - 2	RATE BASE - ORIGINAL COST
WAR - 3	SUMMARY OF RATE BASE ADJUSTMENTS
WAR - 4	RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT, PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION
WAR - 5	RATE BASE ADJ. #4 - RECONCILE TEST YEAR ALLOCATED PHOENIX OFFICE & METER SHOP AND ACCUMULATED DEPRECIATION BALANCES
WAR - 6	RATE BASE ADJ. #5 - REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION
WAR - 7	RATE BASE ADJUSTMENT #9 - WORKING CAPITAL
WAR - 8	OPERATING INCOME - TEST YEAR AND RUCO PROPOSED
WAR - 9	SUMMARY OF OPERATING ADJUSTMENTS
WAR - 10	OPERATING ADJ. #1 - RECONCILE COMPANY PROPOSED OPERATING INCOME TO 2002 ACTUAL
WAR - 11	OPERATING ADJ. #5 - REVENUE ANNUALIZATION FOR 2002
WAR - 12	OPERATING ADJ. #8 - DEPRECIATION & AMORTIZATION EXPENSE
WAR - 13	OPERATING ADJ. #9 - PROPERTY TAX EXPENSE
WAR - 14	OPERATING ADJ. #10 - INCOME TAXES
WAR - 15	OPERATING ADJ. #11 - NOT USED FOR THIS SYSTEM
WAR - 16	COST OF CAPITAL
WAR - 17	PROPOSED RATES
WAR - 18	MONTHLY MINIMUM CHARGES
WAR - 19	BILLING ANALYSIS
WAR - 20	REVENUE SUMMARY BY METER SIZE AND CUSTOMER CLASS

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 REVENUE REQUIREMENTS

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-1  
 PAGE 1 OF 2

LINE NO.	DESCRIPTION	(A) COMPANY REQUESTED	(B) RUCO RECOMMENDED
1	ADJUSTED RATE BASE	\$ 4,570,196	\$ 3,616,870
2	ADJUSTED OPERATING INCOME	59,991	161,293
3	CURRENT RATE OF RETURN (L2 / L1)	1.31%	4.46%
4	REQUIRED RATE OF RETURN	11.00%	8.68%
5	REQUIRED OPERATING INCOME (L4 * L1)	502,722	314,047
6	OPERATING INCOME DEFICIENCY (L5 - L2)	442,731	152,754
7	GROSS REVENUE CONVERSION FACTOR	1.63241	1.63181
8	GROSS REVENUE INCREASE	\$ 722,718	\$ 249,266
9	CURRENT REVENUES T/Y ADJUSTED	1,456,939	1,503,652
10	PROPOSED ANNUAL REVENUE (L8 + L9)	2,179,657	1,752,917
11	PERCENTAGE AVERAGE INCREASE	49.61%	16.58%

REFERENCES:  
 COLUMN (A): COMPANY SCHEDULE A-1  
 COLUMN (B): SCHEDULE WAR-1, PG. 2, WAR-2, AND WAR-8

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 GROSS REVENUE CONVERSION FACTOR

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-1  
 PAGE 2 OF 2

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	REVENUE	1.0000	
2	UNCOLLECTIBLES	<u>0.002316</u>	COMPANY SCH. C-3
3	SUB-TOTAL	0.9977	LINE 1 - LINE 2
4	LESS: TAX RATE	<u>38.49%</u>	NOTE (A)
5	TOTAL	0.6128	LINE 3 - LINE 4
6	REVENUE CONVERSION FACTOR	<span style="border: 1px solid black; padding: 2px;">1.63181</span>	LINE 1/LINE 5

NOTE (a):  
 CALCULATION OF EFFECTIVE TAX RATE

OPERATING INCOME BEFORE TAXES	100.00%
ARIZONA STATE TAX	<u>6.97%</u>
TAXABLE INCOME FEDERAL	93.03%
FEDERAL INCOME TAX RATE	<u>33.97%</u>
SUBTOTAL	31.61%
ADD STATE TAX RATE	38.58%
LINE 3 ABOVE	<u>99.77%</u>
EFFECTIVE TAX RATE	38.49%

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 RATE BASE - ORIGINAL COST

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-2

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) RUCO ADJUSTMENTS	(C) RUCO AS ADJUSTED
1	PLANT IN SERVICE/POST-TEST YEAR ADDITIONS	\$ 6,837,666	\$ (103,965)	\$ 6,733,700
2	PHOENIX OFFICE & METER SHOP ALLOCATION	197,194	45,963	243,157
3	ACCUMULATED DEPRECIATION	<u>(1,713,976)</u>	<u>(13,420)</u>	<u>(1,727,396)</u>
4	NET PLANT IN SERVICE	\$ 5,320,883	\$ (71,423)	\$ 5,249,460
5	CONSTRUCTION WORK IN PROGRESS (CWIP)	<u>-</u>	<u>-</u>	<u>-</u>
6	TOTAL NET PLANT	\$ 5,320,883	\$ (71,423)	\$ 5,249,460
7	ADVANCES IN AID OF CONSTRUCTION (AIAC)	(109,428)	6,180	(103,248)
8	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)	(188,394)	(13,660)	(202,054)
9	ACCUMULATED AMORTIZATION OF CIAC	32,086	5,056	37,142
10	DEFERRED INCOME TAXES	(566,719)	(122,314)	(689,033)
12	50/50 SHARING OF \$1.4 MILLION PCG SETTLEMENT	-	(700,000)	(700,000)
13	AMORTIZATION OF 50/50 SHARING OF PCG SETTLEMENT	-	-	-
14	WORKING CAPITAL	<u>81,768</u>	<u>(57,165)</u>	<u>24,603</u>
15	TOTAL RATE BASE	<u>\$ 4,570,196</u>	<u>\$ (953,326)</u>	<u>\$ 3,616,870</u>

REFERENCES:

COLUMN (A): COMPANY SCHEDULE B-1  
 COLUMN (B): SCHEDULE WAR-3  
 COLUMN (C): COLUMN (A) + COLUMN (B)

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
MIAMI SYSTEM - SECOND REVISION  
SUMMARY OF RATE BASE ADJUSTMENTS

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) ADJ.#1	(C) ADJ.#2	(D) ADJ.#3	(E) ADJ.#4	(F) ADJ.#5	(G) ADJ.#6	(H) ADJ.#7	(I) ADJ.#8	(J) ADJ.#9	(K) ADJ.#10	(L) ADJ.#11	(M) RUCCO ADJUSTED
1	PLANT IN SERVICE/POST-TEST YEAR ADDITIONS	\$ 6,837,666	(\$103,965)	26,995	12,382	25,802	(6,835)							249,157
2	PHOENIX OFFICE & METER SHOP ALLOCATION	197,194	(a)		(c)	(25,802)								(1,727,396)
3	ACCUMULATED DEPRECIATION	\$ 5,320,883	\$ (103,965)	\$ 26,995	\$ 12,382	\$ (25,802)	\$ (6,835)							\$ 5,249,460
4	NET PLANT IN SERVICE													
5	CONSTRUCTION WORK IN PROGRESS (CWIP)	\$ 5,320,883	\$ (103,965)	\$ 26,995	\$ 12,382	\$ (25,802)	\$ (6,835)							\$ 5,249,460
6	TOTAL NET PLANT	(109,428)						6,180						(103,248)
7	ADVANCES IN AID OF CONSTRUCTION (AIAC)	(188,394)						(13,660)						(202,054)
8	CONTRIBUTIONS IN AID OF CONSTRUCTION (CIAC)	32,086						5,056						37,142
9	ACCUMULATED AMORTIZATION OF CIAC	(566,719)							(122,314)					(689,033)
10	DEFERRED INCOME TAXES													(700,000)
12	50/50 SHARING OF \$1.4 MILLION PCG SETTLEMENT													
13	AMORTIZATION OF 50/50 SHARING OF PCG SETTLEMENT													
14	WORKING CAPITAL	81,788												24,603
15	TOTAL RATE BASE	\$ 4,570,196	\$ (103,965)	\$ 26,995	\$ 12,382	\$ (25,802)	\$ (6,835)	\$ 6,180	\$ (8,604)	\$ (122,314)	\$ (57,165)	\$ (700,000)	\$ (700,000)	\$ 3,616,870

ADJUSTMENT #:  
7. CIAC - 2002 BAL. & AMORTIZATION  
8. ACCUMULATED DEFERRED INCOME TAXES  
9. WORKING CAPITAL  
10. NOT USED  
11. 50/50 SHARING OF PCG SETTLEMENT

REFERENCE:  
RUCCO D.R. NO. 6.3, TESTIMONY - WAR  
RUCCO D.R. NO. 6.3  
SCHEDULE WAR-7, PAGE 3  
N/A  
TESTIMONY - WAR

NOTES:  
(B) NET OF ACCUMULATED DEPRECIATION  
(C) GROSS PHOENIX OFFICE AND METER SHOP ADDITIONS ALLOCATED DURING 2002  
(D) INCLUDES ACCUMULATED DEPRECIATION ON 2002 PHOENIX OFFICE AND METER SHOP ADDITIONS

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1990 PLANT VALUE PER COMPANY	1990 ACCUM DEPR PER COMPANY	1990 NET PLANT PER COMPANY	1991 ADDITIONS PER COMPANY	1991 (RETIREMENTS) PER COMPANY	1991 YEAR END PLANT VALUE PER RUCO	1991 DEPRECIATION EXPENSE PER RUCO	1991 ACCUMULATED DEPRECIATION PER RUCO	1991 YEAR END NET PLANT PER RUCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	1,225	0	1,225	0	0	1,225	0	0	1,225
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	15,023	0	15,023	0	0	15,023	0	0	15,023
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	34,237	0	34,237	0	0	34,237	0	0	34,237
7	314.0	SOURCE OF SUPPLY: WELLS	682,912	135,630	547,282	2,573	0	685,485	16,558	152,188	533,297
8	320.0	PUMPING PLANT: LAND*	3,885	0	3,885	0	0	3,885	0	0	3,885
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	19,835	3,939	15,896	0	0	19,835	480	4,419	15,416
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	444,659	88,312	356,347	73,931	(20,522)	498,068	11,407	79,197	418,871
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	550	0	550	0	0	550	0	0	550
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	3,932	781	3,151	0	0	3,932	95	876	3,056
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	14,953	2,970	11,983	0	0	14,953	362	3,332	11,621
15	340.0	TRANSMISSION & DISTRIBUTION: LAND, TANKS & MAINS*	4,353	0	4,353	0	0	4,353	0	0	4,353
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	0	0	0	0	0	0	0
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	208,114	41,333	166,781	5,499	0	213,613	5,103	46,435	167,178
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	1,401,122	278,270	1,122,852	68,364	(6,068)	1,461,418	34,637	304,839	1,156,579
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	17,360	3,448	13,912	2,902	0	20,262	455	16,359	16,359
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	410,100	81,448	328,652	16,158	(4,643)	421,615	10,064	86,869	334,746
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	182,513	36,248	146,265	4,326	(2,495)	184,344	4,439	38,192	146,152
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	85,554	16,991	68,563	2,381	(17)	87,918	2,099	19,074	68,844
24	389.1	GENERAL PLANT: LAND - OFFICE*	424	0	424	0	0	424	0	0	424
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	2,471	0	2,471	0	0	2,471	0	0	2,471
26	389.3	GENERAL PLANT: LAND - MISC.*	0	0	0	0	0	0	0	0	0
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	17,344	3,445	13,899	0	0	17,344	420	3,864	13,480
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	7,361	1,462	5,899	0	0	7,361	178	1,640	5,721
29	390.3	GENERAL PLANT: MISC. BUILDINGS	6,201	1,232	4,969	0	0	6,201	150	1,382	4,819
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	14,685	2,917	11,768	0	0	14,685	355	3,272	11,413
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	15,022	2,983	12,039	459	0	15,481	369	3,353	12,128
32	391.2	GENERAL PLANT: OFFICE FURNITURE	9,603	1,907	7,696	0	0	9,603	232	2,140	7,463
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	713	142	571	0	0	713	17	159	554
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	39,974	7,939	32,035	212	0	40,186	970	8,909	31,277
35	395.0	GENERAL PLANT: LAB EQUIPMENT	1,014	201	813	54	0	1,068	25	227	841
36	396.0	GENERAL PLANT: POWER EQUIPMENT	5,338	1,060	4,278	0	0	5,338	129	1,189	4,149
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	96,434	19,152	77,282	0	0	96,434	2,334	21,486	74,948
38	397.1	GENERAL PLANT: MOBILE RADIOS	424	84	340	191	0	615	13	97	518
39	397.2	GENERAL PLANT: AUTO CONTROLS	0	0	0	449	0	449	5	5	444
40	398.0	GENERAL PLANT: MISC.	3,564	708	2,856	0	0	3,564	86	794	2,770
41		TOTALS	\$3,750,899	\$732,602	\$3,018,297	\$177,499	(\$35,745)	\$3,892,653	\$90,983	\$767,840	\$3,104,813

REFERENCE:  
 ACC STAFF D. R. NO. REL 1-24

NOTE:  
 \*NON-DEPRECIABLE PLANT

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENTS #1, #2 & #3 - PLANT IN SERVICE/POST TEST YEAR PLANT.  
 PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1992 ADDITIONS PER COMPANY	1992 (RETIREMENTS) PER COMPANY	1992 YEAR END PLANT VALUE PER RUCCO	1992 DEPRECIATION EXPENSE PER RUCCO	1992 ACCUMULATED DEPRECIATION PER RUCCO	1992 YEAR END NET PLANT PER RUCCO	1993 ADDITIONS PER COMPANY	1993 (RETIREMENTS) PER COMPANY	1993 YEAR END PLANT VALUE PER RUCCO	1993 DEPRECIATION EXPENSE PER RUCCO	1993 ACCUMULATED DEPRECIATION PER RUCCO	1993 YEAR END NET PLANT PER RUCCO
1	301.0	INTANGIBLES ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES FRANCHISES*	0	0	1,225	0	0	1,225	0	0	0	0	0	1,225
3	303.0	INTANGIBLES MISCS*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY LAND - WATER RIGHTS*	0	0	15,023	0	0	15,023	1,404	0	0	0	0	16,427
5	310.2	SOURCE OF SUPPLY LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0
6	311.0	SOURCE OF SUPPLY LAND - WELLS*	0	0	34,237	0	0	34,237	0	0	0	0	0	34,237
7	311.5	SOURCE OF SUPPLY LAND - WELLS*	45,975	0	731,460	17,145	169,333	562,127	16,100	0	747,660	19,153	188,486	559,074
8	320.0	PUMPING PLANT LAND*	0	0	3,885	0	0	3,885	0	0	0	0	0	3,885
9	321.0	PUMPING PLANT STRUCTURES & IMPROVEMENTS	73,862	(66,842)	19,935	480	4,899	19,935	(29,281)	(29,281)	19,904	511	5,179	14,425
10	325.0	PUMPING PLANT ELECTRICAL EQUIPMENT	0	0	504,488	12,131	24,988	479,802	96,315	0	571,922	13,934	9,339	562,183
11	328.0	PUMPING PLANT GAS ENGINE EQUIPMENT	0	0	0	0	0	0	0	0	550	0	0	550
12	330.0	WATER TREATMENT PLANT LAND*	0	0	550	95	971	2,561	0	0	3,932	102	1,073	2,859
13	331.0	WATER TREATMENT PLANT STRUCTURES & IMPROVEMENTS	0	0	3,932	362	3,653	1,969	19	0	14,972	388	4,081	10,891
14	332.0	WATER TREATMENT PLANT EQUIPMENT	0	0	14,953	0	0	14,953	0	0	0	0	0	14,953
15	340.0	TRANSMISSION & DISTRIBUTION LAND - TANKS & MAINS*	0	0	4,353	0	0	4,353	0	0	0	0	0	4,353
16	340.1	TRANSMISSION & DISTRIBUTION LAND - TANKS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION STRUCTURES	202,658	0	416,471	7,824	54,059	362,412	0	0	416,471	10,787	64,848	351,625
18	342.0	TRANSMISSION & DISTRIBUTION STORAGE TANKS	62,963	(3,194)	1,521,207	36,529	337,735	1,183,472	19,283	(1,654)	1,539,836	39,628	376,908	1,183,128
19	343.0	TRANSMISSION & DISTRIBUTION MAINS	3,184	0	23,446	10,483	4,432	19,014	72	(614)	23,518	608	107,583	349,416
20	344.0	TRANSMISSION & DISTRIBUTION FIRE SPRINKLERS	23,980	(823)	444,762	4,466	96,529	348,243	12,851	(6,175)	457,009	1,956	37,734	151,985
21	345.0	TRANSMISSION & DISTRIBUTION SERVICES	4,021	(3,599)	184,752	2,128	39,059	145,707	11,128	(287)	189,719	2,313	23,227	67,481
22	346.0	TRANSMISSION & DISTRIBUTION METERS	0	0	87,918	0	21,201	66,717	3,077	0	90,706	0	0	424
23	347.0	TRANSMISSION & DISTRIBUTION HYDRANTS	0	0	424	0	0	424	0	0	0	0	0	424
24	348.0	GENERAL PLANT LAND - OFFICE*	0	0	2,471	0	0	2,471	0	0	2,471	0	0	2,471
25	349.0	GENERAL PLANT LAND - WAREHOUSE*	0	0	0	0	0	0	0	0	0	0	0	0
26	389.2	GENERAL PLANT LAND - MISC*	0	0	17,344	420	4,284	13,060	0	0	17,344	449	4,733	12,611
27	390.1	GENERAL PLANT OFFICE BUILDINGS	0	0	7,361	178	1,818	5,543	0	0	7,361	191	2,009	5,352
28	390.2	GENERAL PLANT WAREHOUSE BUILDINGS	0	0	6,201	150	1,532	4,669	0	0	6,201	161	1,632	4,509
29	390.3	GENERAL PLANT MISC BUILDINGS	0	0	14,685	365	3,627	11,058	2,599	(120)	14,565	379	3,886	10,679
30	391.0	GENERAL PLANT ELECTRICAL EQUIPMENT	55	0	15,536	375	3,728	11,608	255	0	18,135	436	4,164	13,971
31	391.1	GENERAL PLANT OFFICE FURNITURE	0	0	9,603	232	2,372	7,231	0	0	9,603	252	2,624	7,244
32	391.2	GENERAL PLANT WAREHOUSE EQUIPMENT	0	0	713	17	176	596	0	0	713	18	195	518
33	393.0	GENERAL PLANT GARAGE EQUIPMENT	2,273	0	42,459	1,000	9,256	32,550	646	0	43,105	1,108	11,017	32,088
34	394.0	GENERAL PLANT POWER EQUIPMENT	195	(1,500)	1,263	28	926	1,008	0	0	1,263	33	287	465
35	395.0	GENERAL PLANT LAB EQUIPMENT	652	(376)	4,490	19	(192)	4,682	0	0	4,490	116	25,327	70,131
36	396.0	GENERAL PLANT COMMUNICATIONS EQUIPMENT	0	0	96,068	2,523	23,439	72,619	721	0	96,068	2,488	25,327	5,801
37	397.0	GENERAL PLANT METER BODIES	4,784	0	5,399	74	170	5,229	0	0	6,120	149	384	9,793
38	397.1	GENERAL PLANT AUTO CONTROLS	2,816	0	5,684	120	80	5,604	4,393	0	10,077	204	1,098	5,913
39	398.0	GENERAL PLANT MISC	0	0	0	0	914	0	621	0	7,001	0	0	7,001
40	398.0	TOTALS	\$432,073	(\$76,134)	\$4,246,932	\$97,005	\$98,710	\$3,439,882	\$189,494	(\$38,362)	\$4,379,724	\$110,108	\$860,456	\$3,499,268

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24

NOTE:  
 \* NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1984 ADDITIONS PER COMPANY	1984 (RETIREMENTS) PER COMPANY	1984 YEAR END PLANT VALUE PER RUO	1984 DEPRECIATION EXPENSE PER RUO	1984 ACCUMULATED DEPRECIATION PER RUO	1984 YEAR END NET PLANT PER RUO	1985 ADDITIONS PER COMPANY	1985 (RETIREMENTS) PER COMPANY	1985 YEAR END PLANT VALUE PER RUO	1985 DEPRECIATION EXPENSE PER RUO	1985 ACCUMULATED DEPRECIATION PER RUO	1985 YEAR END NET PLANT PER RUO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	1,225	0	0	1,225	0	0	1,225	0	0	1,225
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	378	0	18,805	0	0	18,805	0	0	18,256	0	0	18,256
5	310.2	SOURCE OF SUPPLY: LAND - BEEHIVES*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	316	0	34,553	0	0	34,553	0	0	34,553	0	0	34,553
7	311.0	SOURCE OF SUPPLY: WELLS	638	0	748,196	19,370	207,856	540,340	79,177	0	827,373	20,404	228,260	599,113
8	320.0	PUMPING PLANT: LAND*	0	0	3,885	0	0	3,885	0	0	3,885	0	0	3,885
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	0	19,604	508	5,687	13,917	0	0	19,604	508	6,195	13,409
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	0	0	619,251	15,421	(40,344)	659,595	96,147	(40,279)	675,119	16,722	(63,860)	738,979
11	328.0	WATER TREATMENT PLANT: LAND*	0	0	550	0	0	550	0	0	550	0	0	550
12	330.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	3,952	102	1,175	2,777	0	0	3,952	102	1,277	2,675
13	331.0	WATER TREATMENT PLANT: EQUIPMENT	0	0	14,972	388	4,468	10,504	0	0	14,972	388	4,857	10,115
14	332.0	WATER TREATMENT PLANT: MISC. BUILDINGS	0	0	4,352	0	0	4,352	0	0	4,352	0	0	4,352
15	340.0	TRANSMISSION & DISTRIBUTION: RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
16	340.1	TRANSMISSION & DISTRIBUTION: STRUCTURES*	0	0	0	0	0	0	0	0	0	0	0	0
17	340.2	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	0	0	0	0	0	0	0	0	0	0	0	0
18	343.0	TRANSMISSION & DISTRIBUTION: MAINS	2,445	0	418,916	10,818	75,664	343,252	0	0	418,916	10,850	86,514	332,402
19	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	12,606	(3,448)	1,547,994	39,974	412,235	1,135,759	48,917	(4,357)	1,582,554	40,670	448,548	1,144,006
20	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	17,732	(253)	23,518	609	5,649	17,669	609	0	23,518	609	6,258	17,260
21	345.0	TRANSMISSION & DISTRIBUTION: MISC. BUILDINGS	7,014	0	474,488	12,063	119,403	355,085	15,578	(1,451)	489,615	12,472	130,424	356,191
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	0	0	192,842	4,994	38,797	154,045	1	(1,821)	191,022	4,971	41,947	149,075
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	0	90,708	2,349	25,577	65,131	14,446	(979)	104,175	2,524	27,121	77,054
24	388.1	GENERAL PLANT: LAND - OFFICE*	0	0	424	0	0	424	0	0	424	0	0	424
25	388.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	2,471	0	0	2,471	0	0	2,471	0	0	2,471
26	388.3	GENERAL PLANT: LAND - MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
27	388.1	GENERAL PLANT: WAREHOUSE BUILDINGS	257	0	17,601	453	5,186	12,415	0	0	17,601	456	5,642	11,959
28	388.1	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	7,361	181	2,200	5,161	0	0	7,361	181	2,300	4,971
29	388.3	GENERAL PLANT: MISC. BUILDINGS	0	0	6,201	161	1,853	4,348	0	0	6,201	161	2,013	4,188
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	0	0	14,565	377	4,263	10,302	0	0	14,565	377	4,641	9,924
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	534	0	19,669	477	4,840	14,029	19,790	0	38,459	740	5,380	33,079
32	391.2	GENERAL PLANT: OFFICE FURNITURE	110	0	9,978	257	2,881	7,097	0	0	9,978	256	3,140	6,838
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	3,471	0	43,653	63	258	3,228	0	0	43,653	108	368	3,818
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	548	0	12,141	1,124	12,141	31,512	2,667	(266)	46,054	1,162	13,058	33,018
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	1,283	53	150	1,133	0	0	1,283	53	101	1,182
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	0	3,628	150	1,650	1,978	0	0	3,628	150	469	3,159
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	0	96,988	2,488	28,415	67,573	0	0	96,988	2,473	29,774	65,170
38	397.2	GENERAL PLANT: TELEPHONES	46	0	6,189	159	478	5,691	0	(1,114)	6,189	179	657	7,014
39	397.2	GENERAL PLANT: AUTO CONTROLS	3,098	0	13,175	301	595	12,580	2,170	0	15,345	369	864	14,391
40	398.0	GENERAL PLANT: MISC.	914	0	7,915	193	1,281	(1,088)	8,719	(122)	14,512	290	1,449	13,063
41		TOTALS	\$162,940	(\$73,287)	\$4,469,377	\$112,940	\$920,110	\$3,549,267	\$288,585	(\$50,389)	\$4,707,553	\$117,158	\$986,679	\$3,720,874

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24  
 NOTE:  
 \* NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	1996 ADDITIONS PER COMPANY	1996 (RETIREMENTS) PER COMPANY	1996 YEAR END PLANT VALUE PER RUCC	1996 DEPRECIATION EXPENSE PER RUCC	1996 ACCUMULATED DEPRECIATION PER RUCC	1996 NET PLANT VALUE PER RUCC	1997 ADDITIONS PER COMPANY	1997 (RETIREMENTS) PER COMPANY	1997 YEAR END PLANT VALUE PER RUCC	1997 DEPRECIATION EXPENSE PER RUCC	1997 ACCUMULATED DEPRECIATION PER RUCC	1997 NET PLANT VALUE PER RUCC
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	1,225	0	0	1,225	0	0	0	0	0	1,225
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	445	0	18,701	0	0	18,828	127	0	18,828	0	0	18,828
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	0	0	0	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	0	0	34,553	0	0	34,553	0	0	34,553	0	0	34,553
7	314.0	SOURCE OF SUPPLY: WELLS	1,338	0	828,703	21,446	249,708	579,003	3,995	0	832,704	21,515	271,221	561,483
8	320.0	CONDUITS & STRUCTURES & IMPROVEMENTS	0	0	3,885	0	0	3,885	0	0	3,885	0	0	3,885
9	325.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	0	0	19,604	508	6,702	12,902	11,903	(1,197)	29,632	638	5,465	24,167
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	0	0	741,570	18,348	(58,826)	800,996	43,738	(32,443)	752,863	19,353	(71,916)	824,779
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	79,763	0	0	0	0	0	0	0	0	0	0	0
12	330.0	WATER TREATMENT PLANT: LAND*	0	0	550	0	0	550	0	0	550	0	0	550
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	3,832	102	1,379	2,553	0	0	3,832	102	1,480	5,462
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	0	0	14,872	388	5,244	9,728	685	0	15,413	596	5,147	20,766
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	581	0	4,354	0	0	4,354	0	0	4,354	0	0	4,354
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - TANKS & MAINS*	0	0	0	0	0	0	0	0	0	0	0	0
18	342.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	418,918	0	0	418,918	0	0	418,918	0	0	418,918
19	344.0	TRANSMISSION & DISTRIBUTION: TANKS	0	0	1,597,279	41,308	97,364	1,635,221	0	0	1,635,221	0	0	1,635,221
20	344.0	TRANSMISSION & DISTRIBUTION: MAINS	10,001	0	25,644	635	484,580	1,112,699	78,819	(212)	1,181,512	42,362	526,730	1,147,156
21	345.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	1,976	0	528,865	13,191	143,028	388,937	25,570	(173)	555,362	14,055	7,606	547,756
22	346.0	TRANSMISSION & DISTRIBUTION: SERVICES	8,558	0	194,236	4,989	41,582	152,654	5,622	(1,926)	197,732	5,076	44,742	152,990
23	348.0	TRANSMISSION & DISTRIBUTION: METERS	4,516	0	109,412	2,726	27,468	78,844	15,281	(192)	121,401	2,949	30,225	91,176
24	389.1	GENERAL PLANT: LAND - OFFICE*	0	0	424	0	0	424	0	0	424	0	0	424
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	0	0	2,471	0	0	2,471	0	0	2,471	0	0	2,471
26	389.3	GENERAL PLANT: LAND - MISC.*	0	0	17,668	487	6,098	11,569	0	0	11,569	0	0	11,569
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	57	0	7,981	181	2,581	4,780	18,753	(16,881)	977	241	(10,341)	11,318
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	0	0	6,201	0	2,174	4,027	0	0	4,027	0	0	4,027
29	390.3	GENERAL PLANT: OFFICE EQUIPMENT	0	0	14,565	377	5,018	9,547	0	0	9,547	161	2,335	9,708
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	0	0	35,289	955	2,239	33,050	64	0	33,114	377	5,395	33,511
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	926	0	15,331	330	3,470	12,061	378	0	12,439	915	3,154	15,593
32	391.2	GENERAL PLANT: OFFICE FURNITURE	5,553	0	4,184	108	475	3,709	0	0	3,709	407	3,877	4,184
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	1,775	0	47,829	1,216	14,252	33,577	6,562	0	40,139	1,324	15,576	55,715
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	1,853	33	386	1,467	0	0	1,467	0	0	1,467
35	395.0	GENERAL PLANT: LAB EQUIPMENT	0	0	3,948	101	(957)	4,296	0	0	4,296	0	0	4,296
36	396.0	GENERAL PLANT: POWER EQUIPMENT	0	0	92,613	2,068	29,825	62,788	1,132	0	63,920	2,399	32,271	66,191
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	57	0	25,165	208	863	24,299	789	(45)	25,009	228	1,091	26,100
38	397.1	GENERAL PLANT: MOBILE RADIOS	9,820	0	1,479	525	1,479	23,886	0	0	23,886	661	2,095	24,811
39	397.2	GENERAL PLANT: AUTO CONTROLS	1,051	0	15,563	389	1,839	14,724	1,003	0	15,727	416	2,255	17,982
40	398.0	GENERAL PLANT: MISC.	0	0	0	0	0	0	0	0	0	0	0	0
41		TOTALS	\$168,888	(\$53,325)	\$4,843,096	\$121,586	\$1,075,519	\$3,767,403	\$714,275	(\$63,547)	\$5,003,824	\$125,767	\$1,147,760	\$3,856,064

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24

NOTE:  
 \* - NON-DEPRECIABLE PLANT



LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	2000 ADDITIONS PER COMPANY	2000 DEPRECIATION EXPENSE PER RUCCO	2000 ACCUMULATED DEPRECIATION PER RUCCO	2000 YEAR END NET PLANT VALUE PER RUCCO	2000 (RETIREMENTS) PER COMPANY	2000 ADDITIONS PER COMPANY	2001 DEPRECIATION EXPENSE PER RUCCO	2001 ACCUMULATED DEPRECIATION PER RUCCO	2001 YEAR END NET PLANT VALUE PER RUCCO	2001 (RETIREMENTS) PER COMPANY	2001 ADDITIONS PER COMPANY	2001 YEAR END NET PLANT VALUE PER RUCCO
1	301.0	INTANGIBLES: ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES: FRANCHISES*	0	0	0	1,225	0	0	0	0	1,225	0	0	1,225
3	303.0	INTANGIBLES: MISC.*	0	0	0	0	0	0	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	965	0	0	328,288	0	243	0	0	328,531	0	0	328,531
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	0	0	0	62,465	0	0	0	0	62,465	0	0	62,465
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	20,837	28,051	384,157	777,722	1,089	1,089	29,935	383,482	1,133,178	0	0	748,686
7	314.0	SOURCE OF SUPPLY: WELLS	0	0	0	4,723	0	0	0	0	4,723	0	0	4,723
8	320.0	PUMPING PLANT: LAND*	0	0	0	7,141	0	0	0	0	7,141	0	0	7,141
9	320.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	147	836	24,684	24,684	265	265	835	8,277	24,113	0	0	50,483
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	25,558	22,082	92,779	92,779	4,038	4,038	22,319	(41,009)	863,474	0	0	904,883
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	0	4	(632)	1,094	0	0	4	(927)	162	0	0	1,089
12	330.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	0	0	0	550	0	0	0	0	550	0	0	550
13	331.0	WATER TREATMENT PLANT: EQUIPMENT	0	467	2,334	15,693	1,613	1,613	488	2,821	19,640	0	0	18,819
14	332.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	30,632	1,264	6,414	57,723	8,610	8,610	1,629	(3,080)	61,624	0	0	64,704
15	340.0	TRANSMISSION & DISTRIBUTION: LAND RIGHTS*	0	0	0	4,937	0	0	0	0	5,635	0	0	5,635
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS*	0	0	0	0	0	0	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	0	0	0	0	0	0	0	0	0	0	0	0
18	341.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	1,819	10,882	140,801	280,277	3,098	3,098	10,946	151,747	424,176	0	0	272,429
19	341.0	TRANSMISSION & DISTRIBUTION: MANS*	78,912	47,158	654,523	1,203,656	99,647	99,647	49,409	703,276	1,957,170	0	0	1,253,894
20	345.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	30,984	786	9,905	19,675	0	0	766	10,671	29,580	0	0	19,909
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	4,252	15,858	196,233	428,447	39,934	39,934	16,721	213,834	684,495	0	0	450,661
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	5,576	5,192	15,289	201,814	1,839	1,839	5,235	59,316	202,445	0	0	143,129
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	0	3,643	40,604	102,853	0	0	3,715	44,288	143,406	0	0	98,198
24	389.1	GENERAL PLANT: LAND - WAREHOUSE*	0	0	0	424	0	0	0	0	424	0	0	424
25	389.2	GENERAL PLANT: LAND - MISC.*	0	0	0	2,471	0	0	0	0	2,471	0	0	2,471
26	389.3	GENERAL PLANT: OFFICE BUILDINGS	0	0	0	1,626	0	0	0	0	(81)	0	0	1,545
27	390.1	GENERAL PLANT: WAREHOUSE BUILDINGS	405	817	(8,287)	39,826	0	0	817	(7,470)	31,539	0	0	38,069
28	390.2	GENERAL PLANT: MISC. BUILDINGS	1,109	673	4,975	21,210	189	189	673	5,553	26,185	0	0	27,838
29	390.3	GENERAL PLANT: OFFICE EQUIPMENT	0	3,449	3,449	18,286	0	0	3,449	4,033	21,924	0	0	17,891
30	391.0	GENERAL PLANT: ELECTRICAL EQUIPMENT	1,157	377	6,527	8,036	0	0	377	4,504	14,955	0	0	16,459
31	391.1	GENERAL PLANT: OFFICE FURNITURE	971	462	4,519	37,271	952	952	1,094	5,614	48,315	0	0	37,108
32	391.2	GENERAL PLANT: ELECTRICAL EQUIPMENT	0	177	5,207	19,315	0	0	177	5,814	20,412	0	0	12,534
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	7,089	1,526	20,205	46,590	0	0	1,526	17,106	64,296	0	0	34,663
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	0	0	0	46,590	0	0	0	0	46,590	0	0	46,590
35	395.0	GENERAL PLANT: POWER EQUIPMENT	803	101	20,627	69,563	0	0	101	1,828	74,592	0	0	52,562
36	396.0	GENERAL PLANT: POWER EQUIPMENT	405	5,898	47	3,851	0	0	54	980	2,066	0	0	1,486
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	0	2,359	39,467	53,146	0	0	101	148	3,898	0	0	3,750
38	397.1	GENERAL PLANT: MOBILE RADIOS	405	0	2,097	92,613	147	147	2,399	41,868	92,613	0	0	50,747
39	397.2	GENERAL PLANT: AUTO CONTROLS	834	759	4,252	11,881	0	0	364	2,461	14,125	0	0	11,664
40	398.0	GENERAL PLANT: MISC.	0	535	3,808	25,482	0	0	770	5,022	29,734	0	0	24,712
41		TOTALS	\$214,282	\$147,032	\$1,492,001	\$6,180,429	(\$20,844)	\$170,965	\$151,553	\$1,628,881	\$6,336,692	(\$14,705)	\$4,361	\$4,707,803

REFERENCE:  
 ACC STAFF D.R. NO. REL 1-24

NOTE:  
 \*NON-DEPRECIABLE PLANT

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	2002 ADDITIONS PER COMPANY	2002 (RETIREMENTS) PER COMPANY	2002 YEAR END PLANT VALUE PER RUCO	2002 DEPRECIATION EXPENSE PER RUCO	2002 ACCUMULATED DEPRECIATION PER RUCO	2002 YEAR END NET PLANT PER RUCO
1	301.0	INTANGIBLES; ORGANIZATION*	\$0	\$0	\$0	\$0	\$0	\$0
2	302.0	INTANGIBLES; FRANCHISES*	0	0	1,225	0	0	1,225
3	303.0	INTANGIBLES; MISC.*	0	0	0	0	0	0
4	310.1	SOURCE OF SUPPLY; LAND - WATER RIGHTS*	3,238	0	331,769	0	0	331,769
5	310.2	SOURCE OF SUPPLY; LAND - RESERVOIRS*	0	0	0	0	0	0
6	310.3	SOURCE OF SUPPLY; LAND - WELLS*	0	0	62,425	0	0	62,425
7	314.0	SOURCE OF SUPPLY; LAND - WELLS*	3,329	0	1,136,507	29,392	412,884	723,623
8	320.0	PUMPING PLANT; LAND*	0	0	4,723	0	0	4,723
9	321.0	PUMPING PLANT; STRUCTURES & IMPROVEMENTS	3,588	0	35,978	885	9,162	26,816
10	325.0	PUMPING PLANT; ELECTRICAL EQUIPMENT	54,890	(43,728)	874,636	22,509	(62,228)	936,864
11	328.0	PUMPING PLANT; GAS ENGINE EQUIPMENT	0	0	162	4	(923)	1,085
12	330.0	WATER TREATMENT PLANT; LAND*	0	0	550	0	0	550
13	331.0	WATER TREATMENT PLANT; STRUCTURES & IMPROVEMENTS	0	0	19,640	509	3,330	16,310
14	332.0	WATER TREATMENT PLANT; EQUIPMENT	918	0	62,542	1,608	(1,472)	64,014
15	340.0	TRANSMISSION & DISTRIBUTION; LAND - TANKS & MAINS*	0	0	5,835	0	0	5,835
16	340.1	TRANSMISSION & DISTRIBUTION; LAND RIGHTS - FEES*	0	0	0	0	0	0
17	341.0	TRANSMISSION & DISTRIBUTION; STRUCTURES	0	0	0	0	0	0
18	342.0	TRANSMISSION & DISTRIBUTION; STORAGE TANKS	660	0	424,836	10,995	162,742	262,094
19	343.0	TRANSMISSION & DISTRIBUTION; MAINS	263,826	(13,449)	2,207,547	53,933	743,760	1,463,787
20	345.0	TRANSMISSION & DISTRIBUTION; FIRE SPRINKLERS	4,732	0	34,312	827	11,498	22,814
21	345.0	TRANSMISSION & DISTRIBUTION; SERVICES	92,132	(3,787)	752,840	18,354	228,402	524,438
22	346.0	TRANSMISSION & DISTRIBUTION; METERS	11,414	(562)	213,297	5,384	64,138	149,159
23	348.0	TRANSMISSION & DISTRIBUTION; HYDRANTS	2,551	0	145,957	3,747	48,015	97,942
24	389.1	GENERAL PLANT; LAND - OFFICE*	453	0	877	0	0	877
25	389.2	GENERAL PLANT; LAND - WAREHOUSE*	0	0	2,471	0	0	2,471
26	389.3	GENERAL PLANT; LAND - MISC.*	0	0	(81)	0	(1,707)	1,626
27	390.1	GENERAL PLANT; OFFICE BUILDINGS	355	0	31,894	821	(6,648)	38,543
28	390.2	GENERAL PLANT; WAREHOUSE BUILDINGS	0	0	26,185	678	6,332	19,853
29	390.3	GENERAL PLANT; MISC. BUILDINGS	0	0	21,924	568	4,583	17,341
30	391.0	GENERAL PLANT; OFFICE EQUIPMENT	29,334	(7,904)	35,995	655	(345)	36,340
31	391.1	GENERAL PLANT; ELECTRICAL EQUIPMENT	0	0	42,722	1,106	6,720	36,002
32	391.2	GENERAL PLANT; OFFICE FURNITURE	0	0	18,315	474	6,156	12,159
33	393.0	GENERAL PLANT; WAREHOUSE EQUIPMENT	4,771	0	4,509	117	1,163	3,346
34	394.0	GENERAL PLANT; GARAGE EQUIPMENT	519	0	79,363	1,994	24,023	55,340
35	395.0	GENERAL PLANT; LAB EQUIPMENT	0	0	2,585	60	641	1,944
36	396.0	GENERAL PLANT; POWER EQUIPMENT	0	0	3,898	101	249	3,649
37	397.0	GENERAL PLANT; COMMUNICATIONS EQUIPMENT	32,851	(16,910)	108,554	2,605	27,561	80,993
38	397.1	GENERAL PLANT; MOBILE RADIOS	0	0	14,125	366	2,827	11,298
39	397.2	GENERAL PLANT; AUTO CONTROLS	0	0	29,734	770	5,792	23,942
40	398.0	GENERAL PLANT; MISC.	763	0	22,845	582	4,943	(4,361)
41		TOTALS	\$510,343	(\$66,340)	\$6,760,695	\$159,045	\$1,701,594	\$5,036,838
42		BALANCES PER COMPANY			\$ 6,807,666		1,713,976	
43		BALANCES PER RUCO			\$6,760,695		\$1,701,594	
44		LESS: POST-TEST YEAR ALLOCATED PHOENIX OFFICE & METER SHOP ADDITIONS**						
45		TOTAL ADJUSTMENTS						
46								
47								
48								
49								

REFERENCES:  
 ACC STAFF D.R. NO. REL 1-24  
 ACC STAFF D.R. NO. REL 18-1  
 RUO D.R. NO. 6.2

NOTE:  
 \* NON-DEPRECIABLE PLANT  
 \*\* BASED ON AN ALLOCATION FACTOR OF 0.0515 PER RUO D.R. NO. 4.2

\$12,382

(\$103,965)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 RATE BASE ADJ. #4 - RECONCILE TEST YEAR ALLOCATED PHOENIX OFFICE  
 & METER SHOP AND ACCUMULATED DEPRECIATION BALANCES

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-5

LINE NO.	DESCRIPTION	TEST YEAR COMPANY
1	GROSS PHOENIX OFFICE PLANT & METER SHOP	\$ 4,002,988
2	ADD: PHOENIX OFFICE CONSTRUCTION WORK IN PROGRESS (CWIP)	126,565
3	GROSS PHOENIX OFFICE PLANT & METER SHOP WITH CWIP	\$ 4,129,553
4	TIMES: ALLOCATION FACTOR	0.0540
5	ALLOCATED GROSS PHOENIX OFFICE PLANT & METER SHOP WITH CWIP	\$ 222,996
6	NET ALLOCATED PHOENIX OFFICE PLANT & METER SHOP WITH CWIP	197,194
7	RUCO ADJUSTMENT TO PHOENIX OFFICE & METER SHOP ALLOCATION AND ACCUMULATED DEPRECIATION	\$ 25,802

REFERENCES:

- LINE 1: COMPANY SCHEDULE B-2 PAGES 10 AND 11
- LINE 2: COMPANY SCHEDULE B-2 PAGE 10
- LINE 3: LINE 1 + LINE 2
- LINE 4: COMPANY SCHEDULE B-1 PAGE 1
- LINE 5: LINE 3 x LINE 4
- LINE 6: COMPANY SCHEDULE B-1 PAGE 1 (SUM OF LINES 6 AND 7)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 RATE BASE ADJ. #5 - REMOVE CWIP FROM PHOENIX OFFICE ALLOCATION

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-6

LINE NO.	DESCRIPTION	(A) TEST YEAR COMPANY	(B) TEST YEAR RUCO	
1	GROSS PHOENIX OFFICE PLANT	\$ 3,903,884	\$ 3,903,884	COMPANY SCHEDULE B-2 PAGE 10
2	LESS: ACCUMULATED DEPRECIATION	<u>453,222</u>	<u>453,222</u>	COMPANY SCHEDULE B-2 PAGE 10
3	NET PHOENIX OFFICE PLANT	\$ 3,450,662	\$ 3,450,662	LINE 1 + LINE 2
4	ADD: CWIP	<u>126,565</u>	-	COMPANY SCHEDULE B-2 PAGE 10
5	TOTALS	\$ 3,577,227	\$ 3,450,662	LINE 3 + LINE 4
4	TIMES: ALLOCATION FACTOR	<u>0.0540</u>	<u>0.0540</u>	COMPANY SCHEDULE B-1 PAGE 2
5	ALLOCATED PHOENIX OFFICE PLANT	\$ 193,170	\$ 186,336	COMPANY SCHEDULE B-1 PAGE 2
6	RUCO ADJUSTMENT		<u>\$ (6,835)</u>	LINE 5 COLUMN (B) - LINE 5 COLUMN (A)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 1999  
 MIAMI SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL

DOCKET NO. W-1445A-00-0962  
 SCHEDULE WAR-7  
 PAGE 1 OF 4

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	CASH WORKING CAPITAL PER COMPANY	\$ 30,159	COMPANY SCH. B-5, PG. 1
2	CASH WORKING CAPITAL PER RUCO	<u>(21,212)</u>	SCH. WAR-7, PG. 3
3	DECREASE IN CASH WORKING CAPITAL	(51,371)	LINE 2 - LINE 1
4	MATERIALS & SUPPLIES PER COMPANY	9,277	COMPANY SCH. B-5, PG. 1
5	MATERIALS & SUPPLIES PER RUCO	<u>10,143</u>	DATA REQUEST RUCO 6.4 a)
6	MATERIALS & SUPPLIES ADJUSTMENT	866	LINE 5 - LINE 4
7	PREPAYMENTS PER COMPANY AND SPECIAL DEPOSITS	15,418	COMPANY SCH. B-5, PG. 1
8	PREPAYMENTS PER RUCO	<u>13,074</u>	DATA REQUEST RUCO 6.4 b)
9	PREPAYMENTS ADJUSTMENT	(2,344)	LINE 8 - LINE 7
10	REQUIRED BANK BALANCES PER COMPANY	26,913	COMPANY SCH. B-5, PG. 1
11	REQUIRED BANK BALANCES PER RUCO	<u>22,597</u>	DATA REQUEST RUCO 6.4 c)
12	REQUIRED BANK BALANCE ADJUSTMENT	(4,316)	LINE 11 - LINE 10
13	TOTAL WORKING CAPITAL ADJUSTMENT	<b>(57,165)</b>	LINES 3, 6, 9 & 12

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 LEAD/LAG CALCULATION

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 2 OF 4

LINE NO.	DESCRIPTION	EXPENSES PER COMPANY	RUCO ADJUSTMENTS	ADJUSTED EXPENSES	(LEAD)/LAG DAYS	\$ DAYS
1	PURCHASED POWER	\$ 155,214	\$ (8,426)	\$ 146,788	44.35	\$ 6,510,048
2	PAYROLL	394,635	10,553	405,188	14.00	5,672,638
3	PURCHASED WATER	-	-	-	N/A	N/A
4	CHEMICALS	77,706	(64,504)	13,202	169.13	2,232,854
5	PROPERTY & LIABILITY INSURANCE	6,439	(78)	6,361	(45.27)	(287,942)
6	WORKER'S COMPENSATION	5,645	823	6,468	(46.50)	(300,745)
7	HEALTH INSURANCE	81,989	(6,840)	75,149	(8.92)	(670,325)
8	OTHER O&M EXPENSES	261,716	(84,943)	176,773	(9.27)	(1,638,681)
9	DEPRECIATION & AMORTIZATION	204,884	(67,944)	136,940	N/A	N/A
10	FEDERAL & STATE INCOME TAXES	206,404	(67,861)	138,543	61.95	8,583,337
11	DEFERRED INCOME TAXES	13,171	N/A	N/A	N/A	N/A
12	FICA TAXES	31,452	(107)	31,345	14.00	438,830
13	FUTA & SUTA TAXES	690	47	737	83.10	61,245
14	PROPERTY TAXES	122,648	(20,784)	101,864	212.00	21,595,062
15	REG., CONTRACT, & MISCELLANEOUS FEES	32,761	1,974	34,735	(98.83)	(3,432,900)
16	SALES & OCCUPATION TAXES	120,724	7,131	127,855	41.30	5,280,412
17	PENSION EXPENSE	35,951	973	36,924	34.72	1,282,001
18	TOTAL	\$ 1,752,029	\$ (299,988)	\$ 1,438,870 *	31.50	\$ 45,325,834

NOTE

N/A = NON CASH CHARGES EXCLUDED FROM WORKING CAPITAL CALCULATION

\* RUCO RECOMMENDED LEVEL OF OPERATING EXPENSE - SCHEDULE WAR-8, COLUMN (E), LINE 16

**ARIZONA WATER COMPANY**  
**TEST YEAR ENDED DECEMBER 31, 2001**  
**MIAMI SYSTEM - SECOND REVISION**  
**RATE BASE ADJUSTMENT #9 - WORKING CAPITAL**  
**CALCULATION OF CASH WORKING CAPITAL**

**DOCKET NO. W-1445A-02-0619**  
**SCHEDULE WAR-7**  
**PAGE 3 OF 4**

<u>LINE NO.</u>	<u>DESCRIPTION</u>	<u>AMOUNT</u>	<u>REFERENCE</u>
1	AVERAGE EXPENSE LAG	31.50	SCH. WAR-7, PG. 2
2	AVERAGE REVENUE COLLECTION LAG	<u>26.12</u>	CO. SCH. B-5, PG. 2
3	EXCESS EXPENSE OVER REVENUE LAG	(5.38)	LINE 2 - LINE 1
4	TOTAL EXPENSES	\$ 1,438,870	SCH. WAR-7, PG. 2
5	CASH WORKING CAPITAL REQUIREMENT	(21,212)	(LINE 3 X LINE 4)/365 DAYS
6	PER COMPANY	<u>\$ 30,159</u>	CO. SCH. B-5, PG. 2
7	INCREASE (DECREASE) IN WORKING CAPITAL	<u>\$ (51,371)</u>	LINE 5 - LINE 6

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 RATE BASE ADJUSTMENT #9 - WORKING CAPITAL  
 CALCULATION OF INCOME TAX LAG

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-7  
 PAGE 4 OF 4

<u>LINE NO.</u>	<u>(A) PAYMENT DATE</u>	<u>(B) SERVICE PERIOD MIDPOINT</u>	<u>(C) (LEAD)/LAG DAYS</u>	<u>(D) PAYMENT AMOUNT</u>	<u>(E) DOLLAR DAYS</u>
1	04/12/99	07/01/99	(80.00)	\$ 397,000	(31,760,000)
2	06/11/99	07/01/99	(20.00)	50,000	(1,000,000)
3	09/14/99	07/01/99	75.00	486,000	36,450,000
4	12/14/99	07/01/99	166.00	970,000	161,020,000
5	03/14/00	07/01/99	257.00	<u>(240,000)</u>	<u>(61,680,000)</u>
6	TOTALS			\$ 1,663,000	103,030,000
7	INCOME TAX LAG		<span style="border: 1px solid black; padding: 2px;">61.95</span>		

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
MIAMI SYSTEM - SECOND REVISION  
OPERATING INCOME - TEST YEAR AND RUCO PROPOSED

DOCKET NO. W-1445A-02-0619  
SCHEDULE WAR-8

LINE NO.	DESCRIPTION	(A) COMPANY TEST YEAR AS FILED	(B) RUCO TEST YEAR ADJUSTMENTS	(C) RUCO TEST YEAR AS ADJUSTED	(D) RUCO PROPOSED CHANGES	(E) RUCO RECOMMENDED
<u>REVENUES - WATER:</u>						
1	REVENUE FROM WATER SALES	\$ 1,456,939	\$ 46,713	\$ 1,503,652	\$ 249,266	\$ 1,752,917
2	OTHER REVENUES	0.00	-	0.00		0.00
3	TOTAL OPERATING REVENUES	\$ 1,456,939	\$ 46,713	\$ 1,503,652	\$ 249,266	\$ 1,752,917
<u>OPERATING EXPENSES:</u>						
2	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -	\$ -
3	OTHER	8,832	388	9,220		9,220
4	PURCHASED POWER	151,322	(6,363)	144,959		144,959
5	PURCHASED GAS	-	22	22		22
6	OTHER	97,770	29,558	127,328		127,328
7	WATER TREATMENT	95,544	(52,550)	42,994		42,994
8	TRANSMISSION & DISTRIBUTION	263,028	21,449	284,477		284,477
9	CUSTOMER ACCOUNTS	190,636	268	190,904		190,904
10	SALES	1,311	53	1,364		1,364
11	ADMINISTRATIVE & GENERAL	246,728	(18,554)	228,174		228,174
12	DEPRECIATION & AMORTIZATION	204,884	(67,944)	136,940		136,940
13	PROPERTY TAXES	121,044	(19,180)	101,864		101,864
14	OTHER TAXES	28,957	3,125	32,082		32,082
15	INCOME TAXES	(13,108)	55,140	42,032	96,511	138,543
16	TOTAL OPERATING EXPENSES	\$ 1,396,948	\$ (54,589)	\$ 1,342,359	\$ 96,511	\$ 1,438,870
17	NET INCOME	\$ 59,991	\$ 101,302	\$ 161,293	\$ 152,754	\$ 314,047

REFERENCES:

COLUMN (A): CO. SCH. C-1, PG. 3  
COLUMN (B): SCH. WAR-9  
COLUMN (C): COLUMN (A) + COLUMN (B)  
COLUMN (D): SCH. WAR-1  
COLUMN (E): COLUMN (C) + COLUMN (D)

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 SUMMARY OF OPERATING ADJUSTMENTS

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-9

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) ADJ.#1	(C) ADJ.#2	(D) ADJ.#3	(E) ADJ.#4	(F) ADJ.#5	(G) ADJ.#6	(H) ADJ.#7	(I) ADJ.#8	(J) ADJ.#9	(K) ADJ.#10	(L) ADJ.#11	(M) RUCO ADJUSTED
<u>REVENUES - WATER:</u>														
1	REVENUE FROM WATER SALES	\$ 1,456,939	\$ 154,976	\$ (127,855)	\$ 14,067	\$ 24,919	\$ (8,571)		\$ (10,823)					\$ 1,503,652
2	OTHER REVENUES	-	-	-	-	-	-	-	-	-	-	-	-	-
3	TOTAL OPERATING REVENUES	\$ 1,456,939	\$ 154,976	\$ (127,855)	\$ 14,067	\$ 24,919	\$ (8,571)	\$ -	\$ (10,823)	\$ -	\$ -	\$ -	\$ -	\$ 1,503,652
<u>OPERATING EXPENSES:</u>														
2	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
3	OTHER	8,832	388											9,220
4	PURCHASED POWER	151,322	(4,556)			(387)	(1,420)							144,959
5	PURCHASED GAS	-	22											22
6	OTHER	97,770	29,558											127,328
7	WATER TREATMENT	95,544	(52,410)				(140)							42,994
8	TRANSMISSION & DISTRIBUTION	263,028	22,037			(588)								284,477
9	CUSTOMER ACCOUNTS	190,636	268											190,904
10	SALES	1,311	53											1,364
11	ADMINISTRATIVE & GENERAL	246,728	(24,551)	(3,157)			(964)	10,118						228,174
12	DEPRECIATION & AMORTIZATION	204,884							(67,944)					136,940
13	PROPERTY TAXES	121,044								(19,180)				101,864
14	OTHER TAXES	28,957	127,823	(124,698)										32,082
15	INCOME TAXES	(13,108)										55,140		42,032
16	TOTAL OPERATING EXPENSES	\$ 1,396,948	\$ 98,632	\$ (127,855)	\$ -	\$ (975)	\$ (2,524)	\$ 10,118	\$ -	\$ (67,944)	\$ (19,180)	\$ 55,140	\$ -	\$ 1,342,359
17	NET INCOME	\$ 59,991	\$ 56,344	\$ -	\$ 14,067	\$ 25,894	\$ (6,047)	\$ (10,118)	\$ (10,823)	\$ 67,944	\$ 19,180	\$ (55,140)	\$ -	\$ 161,293

ADJUSTMENT #.	REFERENCE	ADJUSTMENT #.	REFERENCE
1. RECONCILE COMPANY PROPOSED OPERATING INCOME TO 2002 ACTUAL	RUCO D.R. NO. 1.10	7. REMOVE MAP SURCHARGE REVENUES	TESTIMONY WAR
2. REMOVE 2002 REGULATORY ASSESSMENT & SALES TAXES	RUCO D.R. NO. 1.10 & ACC STAFF D.R. NO. REL 19-1	8. DEPRECIATION & AMORTIZATION EXPENSE	SCHEDULE WAR-12
3. ELIMINATE PPAM AND PWAM REVENUES	RUCO D.R. NO. 7.1 & RUCO D.R. NO. 7.2	9. PROPERTY TAX EXPENSE	SCHEDULE WAR-13
4. ELIMINATE UNBILLED REVENUES & EXPENSES	RUCO D.R. NO. 7.3	10. INCOME TAX EXPENSE	SCHEDULE WAR-14
5. ANNUALIZE ADDITIONAL REVENUES & EXPENSES	RUCO D.R. NO. 6.6	11. NOT USED	N/A
6. AMORTIZATION OF RATE CASE EXPENSE	COMPANY SCHEDULE C-2, PAGE 7, TESTIMONY WAR		

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 OPERATING ADJ. #1 - RECONCILE COMPANY  
 PROPOSED OPERATING INCOME TO 2002 ACTUAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-10  
 PAGE 1 OF 2

LINE NO.	DESCRIPTION	(A) COMPANY PROPOSED	(B) 2002 ACTUAL	(C) DIFFERENCE	(D) RUCO ADJUSTMENT
<u>REVENUES - WATER:</u>					
1	REVENUE FROM WATER SALES	\$ 1,456,939	\$ 1,611,915	\$ 1,456,939	\$ 154,976
2	OTHER REVENUES	0.00	0.00	0.00	0.00
3	TOTAL OPERATING REVENUES	\$ 1,456,939	\$ 1,611,915	\$ 1,456,939	\$ 154,976
<u>OPERATING EXPENSES:</u>					
4	PURCHASED WATER	\$ -	\$ -	\$ -	\$ -
5	OTHER	8,832	9,220	8,832	388
6	PURCHASED POWER	151,322	146,766	151,322	(4,556)
7	PURCHASED GAS	-	22	-	22
8	OTHER	97,770	127,328	97,770	29,558
9	WATER TREATMENT	95,544	43,134	95,544	(52,410)
10	TRANSMISSION & DISTRIBUTION	263,028	285,065	263,028	22,037
11	CUSTOMER ACCOUNTS	190,636	190,904	190,636	268
12	SALES	1,311	1,364	1,311	53
13	ADMINISTRATIVE & GENERAL	246,728	222,177	246,728	(24,551)
14	DEPRECIATION & AMORTIZATION	204,884	166,150	204,884	- (a)
15	PROPERTY TAXES	121,044	102,755	121,044	- (a)
16	OTHER TAXES	28,957	156,780	28,957	127,823
17	INCOME TAXES	(13,108)	42,585	(13,108)	- (a)
18	TOTAL OPERATING EXPENSES	\$ 1,396,948	\$ 1,494,250	\$ 1,396,948	\$ 98,632
19	NET INCOME	\$ 59,991	\$ 117,665	\$ 59,991	\$ 56,344

REFERENCES:

COLUMN (A): COMPANY SCHEDULE C-1 PAGE 3 OF 5  
 COLUMN (B): DATA REQUEST RUCO 1.10  
 COLUMN (C): COLUMN (B) - COLUMN (A)  
 COLUMN (D): COLUMN (C) LINES 1 THRU 13, LINES 16, 18 & 19

NOTE:

(a) SEPARATE PRO FORMA ADJUSTMENTS NOT INCLUDED IN RECONCILIATION

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 OPERATING ADJ. #1 - RECONCILE COMPANY  
 PROPOSED OPERATING INCOME TO 2002 ACTUAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-10  
 PAGE 2 OF 2

LINE NO.	DESCRIPTION	(A) TEST YEAR ACTUAL	(B) 2002 ACTUAL	(C) DIFFERENCE
<u>REVENUES - WATER:</u>				
1	REVENUE FROM WATER SALES	\$ 1,577,658	\$ 1,611,915	\$ 34,257
2	OTHER REVENUES	0.00	0.00	0.00
3	TOTAL OPERATING REVENUES	\$ 1,577,658	\$ 1,611,915	\$ 34,257
<u>OPERATING EXPENSES:</u>				
4	PURCHASED WATER	\$ -	\$ -	\$ -
5	OTHER	8,838	9,220	382
6	PURCHASED POWER	150,420	146,766	(3,654)
7	PURCHASED GAS	-	22	22
8	OTHER	97,770	127,328	29,558
9	WATER TREATMENT	24,368	43,134	18,766
10	TRANSMISSION & DISTRIBUTION	236,363	285,065	48,702
11	CUSTOMER ACCOUNTS	189,374	190,904	1,530
12	SALES	1,311	1,364	53
13	ADMINISTRATIVE & GENERAL	211,602	222,177	10,575
14	DEPRECIATION & AMORTIZATION	158,782	166,150	7,368
15	PROPERTY TAXES	111,042	102,755	(8,287)
16	OTHER TAXES	148,797	156,780	7,983
17	INCOME TAXES	70,648	42,585	(28,063)
18	TOTAL OPERATING EXPENSES	1,409,315	1,494,250	84,935
19	NET INCOME	\$ 168,343	\$ 117,665	\$ (50,678)

REFERENCES:

COLUMN (A): COMPANY SCHEDULE C-1 PAGE 3 OF 5  
 COLUMN (B): DATA REQUEST RUCO 1.10  
 COLUMN (C): COLUMN (B) - COLUMN (A)

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
MIAMI SYSTEM - SECOND REVISION  
OPERATING ADJ. #5 - REVENUE ANNUALIZATION FOR 2002

LINE NO.	DESCRIPTION	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER
1	YEAR END CUSTOMERS - 2002	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010	3,010
2	2002 CUSTOMERS	3,031	3,018	3,013	3,018	3,021	3,028	3,037	3,025	3,031	3,043	3,030	3,010
3	INCREASE IN CUSTOMERS - 2002	(21)	(8)	(3)	(6)	(11)	(19)	(27)	(15)	(21)	(33)	(20)	-
4	AVERAGE REVENUE FOR THE MONTH	\$ 35.27	\$ 35.96	\$ 37.46	\$ 39.45	\$ 46.21	\$ 52.63	\$ 56.04	\$ 56.92	\$ 52.01	\$ 44.13	\$ 37.19	\$ 27.40
5	INCREASE IN REVENUES	\$ (741)	\$ (288)	\$ (112)	\$ (316)	\$ (508)	\$ (947)	\$ (1,513)	\$ (854)	\$ (1,092)	\$ (1,456)	\$ (744)	\$ -
6	TOTAL INCREASE IN REVENUE	\$ (8,571)											
7	INCREASE IN REVENUE PER COMPANY												
8	REVENUE ADJUSTMENT												
9	GALLONS SOLD PER AVERAGE CUSTOMER	6,325	6,817	7,105	7,614	9,523	11,399	12,486	12,738	11,189	8,854	7,002	6,522
10	INCREASE IN CUSTOMERS	(21)	(8)	(3)	(6)	(11)	(19)	(27)	(15)	(21)	(33)	(20)	0
11	INCREASE IN GALLONS	(132,831)	(54,635)	(21,314)	(60,914)	(104,756)	(205,186)	(337,112)	(191,063)	(234,959)	(292,181)	(140,038)	0
12	TOTAL INCREASE IN GALLONS	(1,774,891)											
13	PUMPING COST PER GALLON	0.0008											
14	INCREASE IN PUMPING COST	(1,420)											
15	WATER TREATMENT COSTS PER GALLON	0.000079											
16	INCREASE IN WATER TREATMENT COSTS	(140)											
17	TOTAL INCREASE IN BILLS	(185)											
18	MONTHLY ACCOUNTING COST PER BILL	5.21											
19	INCREASE IN ACCOUNTING COST	(964)											

REFERENCES:  
 LINE #1 - RUCO DATA REQUEST #6.6  
 LINE #2 - RUCO DATA REQUEST #6.6  
 LINE #3 - LINE #1 MINUS LINE #2  
 LINE #4 - RUCO DR #1.10 = TOTAL MONTH REV. MINUS OTHER REV. / TOTAL MONTHLY CUSTOMERS FOR POST-TEST-YEAR  
 LINE #5 = LINE #3 MULTIPLIED BY LINE #4  
 LINE #6 = SUMMATION OF LINE #5  
 LINE #7 - NO REFERENCE  
 LINE #8 - LINE #6 MINUS LINE #7  
 LINE #9 - GALLONS SOLD, AWC's ANNUAL REPORT & MONTHLY CUSTOMERS, RUCO DR #6.6

LINE #10 = LINE #3  
 LINE #11 = LINE #9 MULTIPLIED BY LINE #10  
 LINE #12 = SUMMATION OF LINE #11  
 LINE #13 - CO. WIP C2-5, PAGE 3  
 LINE #14 = LINE #12 X LINE #13  
 LINE #15 - CO. WIP C2-5, PAGE 3  
 LINE #16 = LINE #12 MULTIPLIED BY LINE #15  
 LINE #17 = SUMMATION OF LINE #3  
 LINE #18 - CO. WIP C2-5, PAGE 4  
 LINE #19 = LINE #17 X LINE #18

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 OPERATING ADJ. #8 - DEPRECIATION & AMORTIZATION EXPENSE

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-12

LINE NO.	ACCT. NO.	PLANT ACCOUNT NAME	(A) ACTUAL TEST YEAR BALANCE PER COMPANY	(B) RUCO ADJUSTMENTS	(C) RUCO ADJUSTED BALANCE	(D) COMPOSITE DEPRECIATION RATE	(E) RUCO RECOMMENDED DEPRECIATION EXPENSE
1	301.0	INTANGIBLES: ORGANIZATION*	\$ -	\$ -	\$0	0.00%	\$ -
2	302.0	INTANGIBLES: FRANCHISES*	1,225	-	1,225	0.00%	-
3	303.0	INTANGIBLES: MISC.*	-	-	-	0.00%	-
4	310.1	SOURCE OF SUPPLY: LAND - WATER RIGHTS*	328,531	-	328,531	0.00%	-
5	310.2	SOURCE OF SUPPLY: LAND - RESERVOIRS*	-	-	-	0.00%	-
6	310.3	SOURCE OF SUPPLY: LAND - WELLS*	62,425	-	62,425	0.00%	-
7	314.0	SOURCE OF SUPPLY: WELLS	1,133,176	2	1,133,178	2.59%	29,349
8	320.0	PUMPING PLANT: LAND*	4,723	-	4,723	0.00%	-
9	321.0	PUMPING PLANT: STRUCTURES & IMPROVEMENTS	32,391	(1)	32,390	2.59%	839
10	325.0	PUMPING PLANT: ELECTRICAL EQUIPMENT	863,472	2	863,474	2.59%	22,364
11	328.0	PUMPING PLANT: GAS ENGINE EQUIPMENT	163	(1)	162	2.59%	4
12	330.0	WATER TREATMENT PLANT: LAND*	550	-	550	0.00%	-
13	331.0	WATER TREATMENT PLANT: STRUCTURES & IMPROVEMENTS	19,640	-	19,640	2.59%	509
14	332.0	WATER TREATMENT PLANT: EQUIPMENT	61,624	-	61,624	2.59%	1,596
15	340.0	TRANSMISSION & DISTRIBUTION: LAND - TANKS & MAINS*	5,835	-	5,835	0.00%	-
16	340.1	TRANSMISSION & DISTRIBUTION: LAND RIGHTS - FEES*	-	-	-	0.00%	-
17	341.0	TRANSMISSION & DISTRIBUTION: STRUCTURES	-	-	-	2.59%	-
18	342.0	TRANSMISSION & DISTRIBUTION: STORAGE TANKS	424,176	-	424,176	2.59%	10,986
19	343.0	TRANSMISSION & DISTRIBUTION: MAINS	1,957,169	1	1,957,170	2.59%	50,691
20	344.0	TRANSMISSION & DISTRIBUTION: FIRE SPRINKLERS	29,580	-	29,580	2.59%	766
21	345.0	TRANSMISSION & DISTRIBUTION: SERVICES	664,496	(1)	664,495	2.59%	17,210
22	346.0	TRANSMISSION & DISTRIBUTION: METERS	202,443	2	202,445	2.59%	5,243
23	348.0	TRANSMISSION & DISTRIBUTION: HYDRANTS	143,406	-	143,406	2.59%	3,714
24	389.1	GENERAL PLANT: LAND - OFFICE*	424	-	424	0.00%	-
25	389.2	GENERAL PLANT: LAND - WAREHOUSE*	2,471	-	2,471	0.00%	-
26	389.3	GENERAL PLANT: LAND - MISC.*	(81)	-	(81)	0.00%	-
27	390.1	GENERAL PLANT: OFFICE BUILDINGS	31,539	-	31,539	2.59%	817
28	390.2	GENERAL PLANT: WAREHOUSE BUILDINGS	26,183	2	26,185	2.59%	678
29	390.3	GENERAL PLANT: MISC. BUILDINGS	21,924	-	21,924	2.59%	568
30	391.0	GENERAL PLANT: OFFICE EQUIPMENT	14,565	-	14,565	2.59%	377
31	391.1	GENERAL PLANT: ELECTRICAL EQUIPMENT	42,719	3	42,722	2.59%	1,106
32	391.2	GENERAL PLANT: OFFICE FURNITURE	18,315	-	18,315	2.59%	474
33	393.0	GENERAL PLANT: WAREHOUSE EQUIPMENT	4,509	-	4,509	2.59%	117
34	394.0	GENERAL PLANT: GARAGE EQUIPMENT	74,593	(1)	74,592	2.59%	1,932
35	395.0	GENERAL PLANT: LAB EQUIPMENT	2,066	-	2,066	2.59%	54
36	396.0	GENERAL PLANT: POWER EQUIPMENT	3,898	-	3,898	2.59%	101
37	397.0	GENERAL PLANT: COMMUNICATIONS EQUIPMENT	92,613	-	92,613	2.59%	2,399
38	397.1	GENERAL PLANT: MOBILE RADIOS	14,126	(1)	14,125	2.59%	366
39	397.2	GENERAL PLANT: AUTO CONTROLS	29,734	-	29,734	2.59%	770
40	398.0	GENERAL PLANT: MISC.	22,062	-	22,062	2.59%	571
41							
42		TEST YEAR TOTALS	\$ 6,336,685	\$ 7	\$ 6,336,692		\$ 153,602
43							
44		POST TEST YEAR ADDITIONS	500,981	(103,972)	\$397,008	2.59%	10,283
45							
46		GROSS DEPRECIABLE PHOENIX OFFICE AND METER SHOP ALLOCATION	216,161	26,624	242,785 **	2.59%	6,288
47							
48		2002 TOTALS	\$ 7,053,827	\$ (77,342)	\$ 6,976,485		\$ 170,173
49							
50		LESS:					
51		AMORTIZATION OF CONTRIBUTIONS IN AID OF CONSTRUCTION @ 2.59% COMPOSITE RATE ***					5,233
52							
53		LESS:					
54		AMORTIZATION OF 50/50 SHARING OF \$1.4 MILLION PCG SETTLEMENT ****					28,000
55							
56		TOTAL PRO FORMA DEPRECIATION & AMORTIZATION EXPENSE					\$ 136,940
57							
58		DEPRECIATION & AMORTIZATION EXPENSE PER COMPANY					204,884
59							
60		DEPRECIATION & AMORTIZATION EXPENSE ADJUSTMENT (LINE 56 - LINE 58)					<u>\$ (67,944)</u>

REFERENCES:

COLUMN (A): COMPANY SCHEDULE E-5 PAGE 2 OF 4 AND STAFF DATA REQUEST REL 1-24  
 COLUMN (B): COLUMN (C) - COLUMN (A)  
 COLUMN (C): RUCO SCHEDULE WAR-4 PAGE 7  
 COLUMN (D): COMPOSITE DEPRECIATION RATE OF 2.59%  
 COLUMN (E): COLUMN (C) x COLUMN (D)

NOTES:

\* NON-DEPRECIABLE PLANT ASSETS  
 \*\* NET OF \$372 IN NON-DEPRECIABLE LEASEHOLD IMPROVEMENTS (\$7,215 x 0.0515 ALLOCATION FACTOR FOR 2002 = \$372)  
 \*\*\* RUCO ADJUSTED CIAC BALANCE x COMPOSITE RATE = \$202,054 x 2.59% = \$5,233  
 \*\*\*\* \$700,000 ÷ 25 YEARS = \$28,000

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 OPERATING ADJ. #9 - PROPERTY TAX EXPENSE

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-13

LINE NO.	DESCRIPTION	AMOUNT	REFERENCE
1	REVENUES - 2000	\$ 1,522,007	COMPANY SCH. C-2, W/P C2-19a
2	REVENUES - 2001	1,456,934	COMPANY SCH. C-2, W/P C2-19a
3	REVENUES - 2002	<u>1,484,061</u>	D. R. NO. REL 19-1
4	TOTAL	\$ 4,463,002	SUM LINES 1, 2, & 3
5	3 YEAR AVERAGE	1,487,667	LINE 4/3 YEARS
6	MULTIPLIER FOR REVENUES (2 X LAST 3 YRS. AVERAGE REVENUE)	<u>x 2</u>	ADOR VALUATION FACTOR
7	REVENUES FOR FULL CASH VALUE	<u>2,975,335</u>	LINE 5 X 2 (MULTIPLIER FOR REVENUES)
8	ADD: 10% OF CWIP BALANCE	(2)	COMPANY SCH. B-2, PG. 5; LINE 4 X 10%
9	LESS: LICENSED VEHICLES	<u>-</u>	STAFF DATA REQUEST REL 23-1
10	FULL CASH VALUE	2,975,333	LINE 7 + LINE 8 MINUS LINE 9
11	ASSESSMENT RATIO	<u>25%</u>	PER ADOR VALUATION METHOD
12	ASSESSED VALUE	743,833	LINE 10 X LINE 11
13	PROPERTY TAX RATE	<u>13.6944%</u>	PER TAX BILLS
14	PROPERTY TAXES PAYABLE PER RUCO	101,864	LINE 12 X LINE 13
15	PROPERTY TAXES PER COMPANY	<u>121,044</u>	COMPANY SCH. C-1, PG. 3
16	ADJUSTMENT	<u>(19,180)</u>	LINE 14 MINUS LINE 15

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 OPERATING ADJ. #10 - INCOME TAXES

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-14

LINE NO.	DESCRIPTION	AMOUNT	REFERENCE
<u>FEDERAL INCOME TAXES:</u>			
1	OPERATING INCOME BEFORE INCOME TAXES	\$ 203,325	SCH. WAR-9
LESS:			
2	ARIZONA STATE TAX	7,592	LINE 11
3	INTEREST EXPENSE	<u>94,363</u>	NOTE (a)
4	FEDERAL TAXABLE INCOME	101,369	LINE 1 - LINES 2 & 3
5	FEDERAL INCOME TAX RATE	<u>33.97%</u>	TAX RATE
6	FEDERAL INCOME TAX EXPENSE	34,439	LINE 4 X LINE 5
<u>STATE INCOME TAXES:</u>			
7	OPERATING INCOME BEFORE INCOME TAXES	203,325	LINE 1
LESS:			
8	INTEREST EXPENSE	<u>94,363</u>	NOTE (A)
9	STATE TAXABLE INCOME	108,962	LINE 7 - LINE 8
10	STATE TAX RATE	<u>6.968%</u>	TAX RATE
11	STATE INCOME TAX EXPENSE	7,592	LINE 9 X LINE 10
12	TOTAL INCOME TAXES	42,032	LINE 6 + LINE 11
13	INCOME TAXES PER COMPANY	<u>(13,108)</u>	COMPANY SCH. C-1, PG. 2
14	ADJUSTMENT	<u>\$ 55,140</u>	LINE 12 - LINE 13

NOTE (a):  
 INTEREST SYNCHRONIZATION

ADJUSTED RATE BASE	\$ 3,616,870
WEIGHTED COST OF DEBT	<u>2.61%</u>
INTEREST EXPENSE	\$ 94,363

ARIZONA WATER COMPANY  
TEST YEAR ENDED DECEMBER 31, 2001  
MIAMI SYSTEM - SECOND REVISION  
OPERATING ADJ. #11 - NOT USED FOR THIS SYSTEM

DOCKET NO. W-1445A-02-0619  
SCHEDULE WAR-15

ARIZONA WATER COMPANY  
 TEST YEAR ENDED DECEMBER 31, 2001  
 MIAMI SYSTEM - SECOND REVISION  
 COST OF CAPITAL

DOCKET NO. W-1445A-02-0619  
 SCHEDULE WAR-16

LINE NO.	DESCRIPTION	(A) AMOUNT	(B) ADJUSTMENT	(C) ADJUSTED BALANCE	(D) CAPITAL RATIO	(E) COST	(F) WEIGHTED COST
1	SHORT-TERM DEBT	\$ 2,850,000	\$ 1,650,000	\$ 4,500,000	5.62%	4.00%	0.22%
2	LONG-TERM DEBT:	23,000,677	(400,677)	22,600,000	28.24%	8.44%	2.38%
3	COMMON EQUITY	49,442,738	3,473,716	52,916,454	66.13%	9.18%	6.07%
4	TOTAL	\$ 75,293,415	4,723,039	\$ 80,016,454	100.00%		8.68%

REFERENCES:

- COLUMN (A): COMPANY SCH. D - 1
- COLUMN (B): TESTIMONY, WAR
- COLUMN (C): COLUMN (A) + COLUMN (B)
- COLUMN (D): COLUMN (C) ÷ COLUMN (C), LINE 5
- COLUMN (E): TESTIMONY, WAR
- COLUMN (F): COLUMN (D) x COLUMN (E)