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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
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KRISTIN K. MAYES
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COMMISSIONER

IN THE MATTER OF THE APPLICATION OF UNS GAS, INC. FOR THE ESTABLISHMENT OF JUST AND REASONABLE RATES AND CHARGES DESIGNED TO REALIZE A REASONABLE RATE OF RETURN ON THE FAIR VALUE OF THE PROPERTIES OF UNS GAS, INC. DEVOTED TO ITS OPERATIONS THROUGHOUT THE STATE OF ARIZONA.	Docket No. G-04204A-06-0463
IN THE MATTER OF THE APPLICATION OF UNS GAS, INC. TO REVIEW AND REVISE ITS PURCHASED GAS ADJUSTOR.	Docket No. G-04204A-06-0013
IN THE MATTER OF THE INQUIRY INTO THE PRUDENCE OF THE GAS PROCUREMENT PRACTICES OF UNS GAS, INC.	Docket No. G-04204A-05-0831

NOTICE OF FILING

The Residential Utility Consumer Office ("RUCO") hereby files final schedules in the above-referenced matter.

Arizona Corporation Commission
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RESPECTFULLY SUBMITTED this 5th day of June 2007.

Scott S. Wakefield
Chief Counsel

AN ORIGINAL AND SEVENTEEN COPIES
of the foregoing filed this 5th day
of June 2007 with:

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

COPIES of the foregoing hand delivered/
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By Ernestine Gamble
Ernestine Gamble
Secretary to Scott Wakefield

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL

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UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL
REVENUE REQUIREMENT

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED ORIGINAL COST	(B) COMPANY AS FILED RCND	(C) COMPANY AS FILED FAIR VALUE	(D) RUCO REVISED SURREBUTTAL ORIGINAL COST	(E) RUCO REVISED SURREBUTTAL RCND	(F) RUCO REVISED SURREBUTTAL FAIR VALUE
1	Adjusted Rate Base	$ 161,661,362	$ 220,694,068	$ 191,177,714	$ 144,646,160	$ 197,732,117	$ 171,189,139
2	Adjusted Operating Income (Loss)	$ 8,428,981	$ 8,428,981	$ 8,428,981	$ 10,219,499	$ 10,219,499	$ 10,219,499
3	Current Rate Of Return (Line 2 / Line 1)	5.21%	3.82%	4.41%	7.07%	5.17%	5.97%
4	Required Operating Income (Line 5 X Line 1)	$ 14,223,179	$ 14,223,179	$ 14,204,479	$ 11,889,914	$ 11,889,914	$ 11,889,914
5	Required Rate Of Return	8.80%	6.44%	7.43%	8.22%	6.01%	6.95%
6	Operating Income Deficiency (Line 4 - Line 2)	$ 5,794,198	$ 5,794,198	$ 5,775,498	$ 1,670,416		$ 1,670,416
7	Gross Revenue Conversion Factor (Schedule RLM-1, Page 3)	1.6649	1.6649	1.6649			1.6370
8	Increase In Gross Revenue Requirement (Line 7 X Line 6)	$ 9,646,901	$ 9,646,901	$ 9,615,767			$ 2,734,443
9	Adjusted Test Year Revenue			$ 47,169,528			$ 47,280,434
10	Proposed Annual Revenue Requirement (Line 8 + Line 9)			$ 56,785,295			$ 50,014,877
11	Required Percentage Increase In Revenue (Line 8 / Line 9)			20.39%			5.78%
12	Rate Of Return On Common Equity			11.39%			9.84%

References:
Columns (A) Thru (C): Company Schedule A-1, C-1 And D-1
Column (D): Schedules RLM-2, RLM-3, RLM-6 And RLM-17
Column (E): Schedule RLM-2
Column (F): Average Of Column (D) + Column (E)

FINAL
GROSS REVENUE CONVERSION FACTOR

LINE NO.	DESCRIPTION	REFERENCE	(A)
	CALCULATION OF GROSS REVENUE CONVERSION FACTOR:		
1	Revenue		1.0000
2	Less: Uncollectibles	Company Schedule C-3, Line 2	0.0051
3	Subtotal	Line 1 - Line 2	0.9949
4	Less: Combined Federal And State Tax Rate	Line 14	0.3840
5	Subtotal	Line 3 - Line 4	0.6109
6	**Revenue Conversion Factor**	Line 1 / Line 5	**1.6370**
	CALCULATION OF EFFECTIVE TAX RATE:		
7	Arizona Taxable Income		1.0000
8	Arizona State Income Tax Rate		0.0697
9	Federal Taxable Income	Line 7 - Line 8	0.9303
10	Applicable Federal Income Tax Rate		0.3400
11	Effective Federal Income Tax Rate	Line 9 X Line 10	0.3163
12	Subtotal	Line 8 + Line 11	0.3860
13	Revenue Less Uncollectibles	Line 3	0.9949
14	Combined Federal And State Income Tax Rate	Line 12 X Line 13	0.3840

UNS Gas Corporation
Docket No. G-04204A-06-0463
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FINAL
FAIR VALUE RATE BASE - OCRB / RCND (50/50 SPLIT)

		(A)	(B)	(C)	(D)	(E)	(F)	(G)
		COMPANY AS FILED			OCRB/RCND	RUCO REVISED SURREBUTTAL		
LINE NO.	DESCRIPTION	OCRB	RCND	FVRB	% DIFF.	OCRB	RCND	FVRB
1	Gross Utility Plant In Service	$ 279,169,694	$ 374,243,421	$ 326,706,558	134.06%	$ 268,847,200	$ 360,405,510	$ 314,626,355
2	Accumulated Depreciation	(72,006,708)	(97,114,865)	(84,560,787)	134.87%	(78,719,575)	(106,168,455)	(92,444,015)
3	Net Utility Plant In Service	$ 207,162,986	$ 277,128,556	$ 242,145,771		$ 190,127,625	$ 254,237,055	$ 222,182,340
4	Citizens Acquisition Discount	$ (30,709,738)	$ (41,822,562)	$ (36,266,150)	136.19%	$ (30,709,738)	$ (41,822,562)	$ (36,266,150)
5	Accumulated Amortization	1,876,981	2,560,308	2,218,645	136.41%	1,628,094	2,220,812	1,924,453
6	Net Citizens Acq. Disc.	$ (28,832,757)	$ (39,262,254)	$ (34,047,506)		$ (29,081,644)	$ (39,601,750)	$ (34,341,697)
7	Total Net Utility Plant	$ 178,330,229	$ 237,866,302	$ 208,098,266		$ 161,045,981	$ 214,635,305	$ 187,840,643
	Deductions:							
8	Cust. Advances For Const.	$ (7,283,595)	$ (7,786,962)	$ (7,535,279)	106.91%	$ (7,283,595)	$ (7,786,962)	$ (7,535,279)
9	Customer Deposits	(3,040,484)	(3,040,484)	(3,040,484)	100.00%	(3,040,484)	(3,040,484)	(3,040,484)
10	Acc. Deferred Income Taxes	(6,484,809)	(6,484,809)	(6,484,809)	100.00%	(6,484,809)	(6,484,809)	(6,484,809)
11	Total Deductions	$ (16,808,888)	$ (17,312,255)	$ (17,060,572)		$ (16,808,888)	$ (17,312,255)	$ (17,060,572)
12	Allowance - Working Capital	$ (1,045,146)	$ (1,045,146)	$ (1,045,146)	100.00%	$ 120,969	$ 120,969	$ 120,969
13	Regulatory Assets	$ 1,204,887	$ 1,204,887	$ 1,204,887	100.00%	$ 307,819	$ 307,819	$ 307,819
14	Regulatory Liability	$ (19,721)	$ (19,721)	$ (19,721)	100.00%	$ (19,721)	$ (19,721)	$ (19,721)
15	**TOTAL TEST YEAR RATE BASE**	$ 161,661,361	$ 220,694,067	$ 191,177,714		$ 144,646,160	$ 197,732,117	$ 171,189,139

References:
- Columns (A) (B) (C): Company Schedule B-1
- Column (D): Column (B) / Column (A)
- Column (E): Schedule RLM-3, Column (H)
- Column (F): Column (D) X Column (E)
- Column (G): Average Of Column (E) + Column (F)

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL
SUMMARY OF ORIGINAL COST RATE BASE

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED OCRB	(B) RUCO ADJUSTMENT NO. 1	(C) RUCO ADJUSTMENT NO. 2	(D) RUCO ADJUSTMENT NO. 3	(E) RUCO ADJUSTMENT NO. 4	(F) RUCO ADJUSTMENT NO. 5	(G) RUCO ADJUSTMENT NO. 6	(H) RUCO ADJUSTED OCRB
1	Gross Utility Plant In Service	$ 279,169,694	$ (3,133,264)	$ -	$ -	$ (7,189,230)	$ -	$ -	$ 268,847,200
2	Accumulated Depreciation	(72,006,708)	(3,857,413)	(2,855,454)	-	-	-	-	(78,719,575)
3	Net Utility Plant In Service	$ 207,162,986	$ (6,990,677)	$ (2,855,454)	$ -	$ (7,189,230)	$ -	$ -	$ 190,127,625
4	Citizens Acquisition Discount	$ (30,709,738)	$ -	$ -	$ -	$ -	$ -	$ -	$ (30,709,738)
5	Accumulated Amortization	1,876,981	-	-	(248,887)	-	-	-	1,628,094
6	Net Citizens Acq. Disc.	$ (28,832,757)	$ -	$ -	$ (248,887)	$ -	$ -	$ -	$ (29,081,644)
7	Total Net Utility Plant	$ 178,330,229	$ (6,990,677)	$ (2,855,454)	$ (248,887)	$ (7,189,230)	$ -	$ -	$ 161,045,981
	Deductions:								
8	Cust. Advances For Const.	$ (7,283,595)	$ -	$ -	$ -	$ -	$ -	$ -	$ (7,283,595)
9	Customer Deposits	(3,040,484)	-	-	-	-	-	-	(3,040,484)
10	Acc. Deferred Income Taxes	(6,484,809)	-	-	-	-	-	-	(6,484,809)
11	Total Deductions	$ (16,808,888)	$ -	$ -	$ -	$ -	$ -	$ -	$ (16,808,888)
12	Allowance - Working Capital	$ (1,045,146)	$ -	$ -	$ -	$ -	$ -	$ 1,166,115	$ 120,969
13	Regulatory Assets	$ 1,204,887	$ -	$ -	$ -	$ -	$ (897,068)	$ -	$ 307,819
14	Regulatory Liability	$ (19,721)	$ -	$ -	$ -	$ -	$ -	$ -	$ (19,721)
15	TOTAL OCRB	$ 161,661,361	$ (6,990,677)	$ (2,855,454)	$ (248,887)	$ (7,189,230)	$ (897,068)	$ 1,166,115	$ 144,646,160

References:

Column (A): - Company Schedule B-2
Column (B): - Adjustment No. 1 RUCO Adjustment To Pre-Acquisition Gross Plant And Accumulated Depreciation (See RLM-4, Page 3, Lines 38 & 39)
Column (C): - Adjustment No. 2 RUCO Adjustment To Test-Year Accumulated Depreciation (See RLM-4, Page 5, Line 40)
Column (D): - Adjustment No. 3 RUCO Adjustment To Restate Accumulated Amortization On Citizens Acquisition. (See MDC-1)
Column (E): - Adjustment No. 4 RUCO Adjustment To Remove CWIP From Test-Year Rate Base (See Testimony, MDC And RLM-5, Line 39)
Column (F): - Adjustment No. 5 RUCO Adjustment To The Geographical Information System (See Testimony, MDC)
Column (G): - Adjustment No. 6 Allowance For Working Capital (See MDC-2)
Column (H): - Sum Of Columns (A) Through (G)

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL
TEST YEAR PLANT SCHEDULES
PRIOR TEST YEAR ENDED OCTOBER 29, 2002

LINE NO.	ACCT NO.	DESCRIPTION	(A) DEP. RATES AS FILING	(B) DEP. RATES PER 58664	(C) PROPOSED DEP. RATES	(D) PRIOR TOTAL PLANT SETTLEMENT	(E) PRIOR ACC. DEP. SETTLEMENT	(F) NET PLANT VALUE	(G) ACC ADJUSTMENT TO PLANT	(H) ACC ADJUSTMENT TO ACC. DEP.	(I) PER BOOKS ADJUSTED PRIOR TY PLT	(J) PER BOOKS ADJUSTED PRIOR ACC. DEP.
		Intangible:										
1	302	Franchises & Consents	3.95%	4.00%	3.95%	$ 371,375	$ (137,681)	$ 233,694	$ -	$ -	$ 371,375	$ (137,681)
2	303	Miscellaneous Intangible	5.84%	4.00%	5.84%	251,616	(151,955)	99,661	-	-	251,616	(151,955)
3		Total Intangible Plant				$ 622,991	$ (289,636)	$ 333,355	$ -	$ -	$ 622,991	$ (289,636)
		Transmission :										
4	365	Land & Rights	-	-	1.38%	$ 105,203	$ 5	$ 105,208	$ (33,897)	$ -	$ 71,306	$ 5
5	366	Structures & Improvements	7.27%	3.10%	1.55%	-	(5)	(5)	1,334	(1,329)	1,334	(1,334)
6	367	Mains	1.57%	2.57%	1.53%	11,080,124	(2,671,397)	8,408,727	2,900,215	84,706	13,980,339	(2,586,691)
7	369	Measuring And Reg. Equipment	1.61%	3.32%	1.54%	856,069	(270,221)	585,848	2,361,825	(88,596)	3,217,894	(358,817)
8	371	Other Equipment	5.00%	3.64%	2.49%	-	(7,910)	(7,910)	183,581	-	183,581	(7,910)
9		Total Transmission Plant				$ 12,041,396	$ (2,949,528)	$ 9,091,868	$ 5,413,058	$ (5,219)	$ 17,454,454	$ (2,954,747)
		Distribution:										
10	374	Land & Rights	-	-	0.93%	$ 134,581	$ -	$ 134,581	$ -	$ -	$ 134,581	$ -
11	375	Structures & Improvements	1.77%	3.35%	1.93%	8,247	(10,949)	(2,702)	1,366	3,123	9,613	(7,826)
12	376	Mains	2.08%	2.92%	2.07%	120,601,071	(21,816,051)	98,785,020	1,531,339	(83,498)	122,132,410	(21,899,549)
13	378	Meas. And Reg. Equip. - General	3.03%	5.73%	2.97%	1,813,831	(639,150)	1,174,681	62,680	(70,876)	1,876,511	(710,026)
14	379	Meas. And Reg. Equip. - City Gate	2.39%	5.52%	2.36%	1,719,751	(524,902)	1,194,849	247,482	(211,561)	1,967,233	(736,463)
15	380	Services	2.85%	4.75%	2.82%	49,751,369	(14,212,476)	35,538,893	830,520	(801,890)	50,581,889	(15,014,366)
16	381	Meters	2.05%	2.86%	2.02%	9,704,378	(3,838,309)	5,866,069	5,168	(50)	9,709,546	(3,838,359)
17	382	Meter Installation	2.42%	2.86%	2.36%	4,516,786	(465,155)	4,051,631	2,716	(234)	4,519,502	(465,389)
18	383	Regulators	2.63%	3.77%	2.56%	1,850,681	(785,543)	1,065,138	589,255	(587,980)	2,439,936	(1,373,523)
19	384	Regulator Installation	2.83%	3.77%	2.80%	284,404	(11,353)	273,051	257	(89)	284,661	(11,442)
20	385	Industrial Measuring Equipment	2.61%	3.82%	2.70%	785,500	(473,598)	311,902	90,723	(76,767)	876,223	(550,365)
21	387	Other Equipment	3.15%	3.64%	3.01%	724,235	(172,911)	551,324	677	(245)	724,912	(173,156)
22		Total Distribution Plant				$ 191,894,834	$ (42,950,397)	$148,944,437	$ 3,362,183	$ (1,830,067)	$ 195,257,017	$ (44,780,464)
		General:										
23	389	Land & Rights	-	-	4.93%	$ 194,035	$ -	$ 194,035	$ 496,357	$ 5,618	$ 690,392	$ 5,618
24	390	Structures & Improvements	3.75%	3.10%	4.89%	813,839	(187,270)	626,569	3,886,835	(545,882)	4,700,674	(733,152)
25	391	Office Furniture & Equipment	4.24%	4.82%	4.24%	8,083,824	(3,734,401)	4,349,423	627,732	(296,743)	8,711,556	(4,031,144)
26	392	Transportation Equipment	25.00%	0.00%	14.71%	2,528,039	(1,177,129)	1,350,910	138,927	(138,927)	2,666,966	(1,316,056)
27	393	Stores Equipment	3.03%	2.27%	3.03%	100,288	(13,725)	86,563	12,745	(12,745)	113,033	(26,470)
28	394	Tools, Shop And Garage Equip.	3.64%	5.76%	3.64%	1,411,184	(242,205)	1,168,979	341,273	(341,273)	1,752,457	(583,478)
29	395	Laboratory Equipment	9.29%	5.76%	9.29%	529,231	(78,858)	450,373	26,957	(26,957)	556,188	(105,815)
30	396	Power Operated Equipment	5.69%	24.60%	10.49%	362,259	(294,956)	67,303	25,601	(25,601)	387,860	(320,557)
31	397	Communication Equipment	6.11%	4.93%	6.11%	540,119	(38,388)	501,731	376,420	(102,703)	916,539	(141,091)
32	398	Miscellaneous Equipment	4.01%	5.43%	4.01%	261,520	(41,165)	220,355	11,374	(11,374)	272,894	(52,539)
33	399	Other Tangible Property	0.00%	3.64%	-	-	(21,313)	(21,313)	100,108	-	100,108	(21,313)
34		Total General Plant				$ 14,824,338	$ (5,829,410)	$ 8,994,928	$ 6,044,329	$ (1,496,587)	$ 20,868,667	$ (7,325,997)
35		TOTAL PLANT				$ 219,383,559	$ (52,018,971)	$167,364,588	$ 14,819,570	$ (3,331,873)	$ 234,203,129	$ (55,350,844)

References:
Columns (A) (B) (C) (D) (E) (F): Prior Rate Case And Company Response To RUCO Data Requests 1.08 & 2.19
Columns (G) (H): Company Response To RUCO Data Requests 1.08 & 2.19
Column (I): Column (D) + Column (G)
Column (J): Column (E) + Column (H)

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL
TEST YEAR PLANT SCHEDULES - CONT'D
YEAR ENDED DECEMBER 31, 2002

LINE NO.	ACCT NO.	ACCOUNT NAME	(A) PLANT ADDITIONS	(B) PLANT ADJM'TS	(C) NET PLANT ADDITIONS	(D) PLANT RETIRM'TS	(E) TOTAL PLANT VALUE	(F) ACCURAL DEPRECIATION	(G) ACCUMULATED DEPRECIATION	(H) NET PLANT VALUE
		Intangible:								
1	302	Franchises & Consents	$ -	$ -	$ 10,422	$ (5,109)	$ 381,797	$ (14,961)	$ (147,533)	$ 234,264
2	303	Miscellaneous Intangible	-	-	7,061	(3,462)	258,677	(10,137)	(158,630)	100,047
3		Total Intangible Plant	$ -	$ -	$ 17,483	$ (8,571)	$ 640,474	$ (25,098)	$ (306,163)	$ 334,312
		Transmission :								
4	365	Land & Rights	$ -	$ -	$ 2,001	$ -	$ 73,307	$ -	$ 5	$ 73,312
5	366	Structures & Improvements	-	-	37	(18)	1,371	(42)	(1,357)	14
6	367	Mains	-	-	392,337	(192,344)	14,372,676	(361,865)	(2,756,212)	11,616,464
7	369	Measuring And Reg. Equipment	-	-	90,305	(44,272)	3,308,199	(107,598)	(422,143)	2,886,056
8	371	Other Equipment	-	-	5,152	(2,526)	188,733	(6,730)	(12,114)	176,619
9		Total Transmission Plant	$ -	$ -	$ 489,833	$ (239,160)	$ 17,944,287	$ (476,235)	$ (3,191,821)	$ 14,752,466
		Distribution:								
10	374	Land & Rights	$ -	$ -	$ 3,777	$ -	$ 138,358	$ -	$ -	$ 138,358
11	375	Structures & Improvements	-	-	270	(132)	9,883	(324)	(8,018)	1,865
12	376	Mains	-	-	3,427,462	(1,680,318)	125,559,872	(3,591,775)	(23,811,005)	101,748,866
13	378	Meas. And Reg. Equip. - General	-	-	52,661	(25,817)	1,929,172	(108,293)	(792,502)	1,136,671
14	379	Meas. And Reg. Equip. - City Gate	-	-	55,207	(27,066)	2,022,440	(109,368)	(818,765)	1,203,675
15	380	Services	-	-	1,419,504	(695,914)	52,001,393	(2,419,825)	(16,738,277)	35,263,116
16	381	Meters	-	-	272,484	(133,586)	9,982,030	(279,679)	(3,984,453)	5,997,577
17	382	Meter Installation	-	-	126,833	(62,180)	4,646,335	(130,182)	(533,391)	4,112,944
18	383	Regulators	-	-	68,473	(33,569)	2,508,409	(92,644)	(1,432,597)	1,075,812
19	384	Regulator Installation	-	-	7,989	(3,916)	292,650	(10,808)	(18,334)	274,316
20	385	Industrial Measuring Equipment	-	-	24,590	(12,055)	900,813	(33,711)	(572,021)	328,792
21	387	Other Equipment	-	-	20,344	(9,973)	745,256	(26,576)	(189,758)	555,497
22		Total Distribution Plant	$ -	$ -	$ 5,479,593	$ (2,684,527)	$ 200,736,610	$ (6,803,185)	$ (48,899,122)	$ 151,837,488
		General:								
23	389	Land & Rights	$ -	$ -	$ 19,375	$ -	$ 709,767	$ -	$ 5,618	$ 715,385
24	390	Structures & Improvements	-	-	131,917	(64,673)	4,832,591	(146,763)	(815,243)	4,017,349
25	391	Office Furniture & Equipment	-	-	244,477	(119,855)	8,956,033	(422,900)	(4,334,189)	4,621,843
26	392	Transportation Equipment	-	-	74,844	(36,693)	2,741,810	-	(1,279,363)	1,462,447
27	393	Stores Equipment	-	-	3,172	(1,555)	116,205	(2,584)	(27,499)	88,706
28	394	Tools, Shop And Garage Equip.	-	-	49,180	(24,111)	1,801,637	(101,664)	(661,031)	1,140,606
29	395	Laboratory Equipment	-	-	15,609	(7,652)	571,797	(32,266)	(130,428)	441,368
30	396	Power Operated Equipment	-	-	10,885	(5,336)	398,745	(96,096)	(411,317)	(12,572)
31	397	Communication Equipment	-	-	25,721	(12,610)	942,260	(45,509)	(173,990)	768,271
32	398	Miscellaneous Equipment	-	-	7,658	(3,755)	280,552	(14,924)	(63,709)	216,844
33	399	Other Tangible Property	-	-	2,809	(1,377)	102,917	(3,670)	(23,606)	79,312
34		Total General Plant	$ -	$ -	$ 585,648	$ (277,616)	$ 21,454,315	$ (866,376)	$ (7,914,756)	$ 13,539,558
35		TOTAL PLANT	$ -	$ -	$ 6,572,557	$ (3,209,875)	$ 240,775,686	$ (8,170,893)	$ (60,311,863)	$ 180,463,823

References:
Columns (A) (B) (C) (D): Company Response To RUCO Data Request 2.19
Column (E): Schedule RLM-4, Page 1, Column (I) + Column (C) + Column (D)

Column (F): [(Cl. (C) + Cl. (D)) X RLM-4, Pg 1, Cl. (B) X 1/2 yr. conv.] + [RLM-4, Pg 1, Cl. (I) + Cl. (D)) X RLM-4, Pg 1, Cl. (B)
Column (G): Schedule RLM-4, Page 1, Column (J) + Column (D) + Column (F)
Column (H): Column (E) + Column (G)

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005
FINAL

SURREBUTTAL

RATE BASE ADJUSTMENT NO. 1 - REMOVE UNSUBSTANTIATED PRE-ACQUISITION PLANT AND ACCUMULATED DEPRECIATION
TEST YEAR PLANT SCHEDULES - CONT'D
YEAR ENDED DECEMBER 31, 2003

LINE NO.	ACCT NO.	ACCOUNT NAME	(A) PLANT ADDITIONS	(B) PLANT ADJM'TS	(C) NET PLANT ADDITIONS	(D) PLANT RETIRM'TS	(E) TOTAL PLANT VALUE	(F) ACCURAL DEPRECIATION	(G) ACCUMULATED DEPRECIATION	(H) NET PLANT VALUE
		Intangible:								
1	302	Franchises & Consents	$ -	$ -	$ 6,539	$ (1,064)	$ 388,336	$ (15,381)	$ (161,850)	$ 226,486
2	303	Miscellaneous Intangible	-	-	4,430	(721)	263,108	(10,421)	(168,330)	94,777
3		Total Intangible Plant	$ -	$ -	$ 10,969	$ (1,785)	$ 651,444	$ (25,803)	$ (330,180)	$ 321,263
		Transmission :								
4	365	Land & Rights	$ -	$ -	$ 1,256	$ -	$ 74,563	$ -	$ 5	$ 74,568
5	366	Structures & Improvements	-	-	23	(4)	1,395	(43)	(1,396)	(1)
6	367	Mains	-	-	246,157	(40,059)	14,618,833	(372,026)	(3,088,179)	11,530,654
7	369	Measuring And Reg. Equipment	-	-	56,659	(9,220)	3,364,858	(110,620)	(523,542)	2,841,316
8	371	Other Equipment	-	-	3,232	(526)	191,965	(6,919)	(18,508)	173,458
9		Total Transmission Plant	$ -	$ -	$ 307,326	$ (49,809)	$ 18,251,613	$ (489,608)	$ (3,631,620)	$ 14,619,994
		Distribution:								
10	374	Land & Rights	$ -	$ -	$ 2,370	$ -	$ 140,727	$ -	$ -	$ 140,727
11	375	Structures & Improvements	-	-	169	(28)	10,052	(333)	(8,324)	1,728
12	376	Mains	-	-	2,150,427	(349,956)	127,710,298	(3,692,635)	(27,153,685)	100,556,614
13	378	Meas. And Reg. Equip. - General	-	-	33,040	(5,377)	1,962,213	(111,334)	(898,459)	1,063,754
14	379	Meas. And Reg. Equip. - City Gate	-	-	34,638	(5,637)	2,057,078	(112,439)	(925,568)	1,131,510
15	380	Services	-	-	890,612	(144,936)	52,892,006	(2,487,776)	(19,081,116)	33,810,889
16	381	Meters	-	-	170,959	(27,822)	10,152,989	(287,533)	(4,244,164)	5,908,825
17	382	Meter Installation	-	-	79,576	(12,950)	4,725,911	(133,838)	(654,279)	4,071,632
18	383	Regulators	-	-	42,961	(6,991)	2,551,370	(95,245)	(1,520,851)	1,030,519
19	384	Regulator Installation	-	-	5,012	(816)	297,662	(11,112)	(28,630)	269,031
20	385	Industrial Measuring Equipment	-	-	15,428	(2,511)	916,241	(34,658)	(604,168)	312,073
21	387	Other Equipment	-	-	12,764	(2,077)	758,019	(27,322)	(215,003)	543,017
22		Total Distribution Plant	$ -	$ -	$ 3,437,957	$ (559,100)	$ 204,174,567	$ (6,994,225)	$ (55,334,247)	$ 148,840,320
		General:								
23	389	Land & Rights	$ -	$ -	$ 12,156	$ -	$ 721,923	$ -	$ 5,618	$ 727,541
24	390	Structures & Improvements	-	-	82,766	(13,469)	4,915,358	(150,884)	(952,658)	3,962,700
25	391	Office Furniture & Equipment	-	-	153,387	(24,962)	9,109,420	(434,776)	(4,744,003)	4,365,417
26	392	Transportation Equipment	-	-	46,958	(7,642)	2,788,769	-	(1,271,722)	1,517,047
27	393	Stores Equipment	-	-	1,990	(324)	118,195	(2,657)	(29,832)	88,363
28	394	Tools, Shop And Garage Equip.	-	-	30,856	(5,021)	1,832,493	(104,518)	(760,528)	1,071,965
29	395	Laboratory Equipment	-	-	9,793	(1,594)	581,590	(33,172)	(162,006)	419,583
30	396	Power Operated Equipment	-	-	6,829	(1,111)	405,574	(98,794)	(509,000)	(103,426)
31	397	Communication Equipment	-	-	16,138	(2,626)	958,398	(46,786)	(218,150)	740,248
32	398	Miscellaneous Equipment	-	-	4,805	(782)	285,357	(15,343)	(78,270)	207,087
33	399	Other Tangible Property	-	-	1,763	(287)	104,680	(3,773)	(27,092)	77,588
34		Total General Plant	$ -	$ -	$ 367,442	$ (57,818)	$ 21,821,756	$ (890,704)	(8,747,642)	$ 13,074,114
35		TOTAL PLANT	$ -	$ -	$ 4,123,694	$ (668,513)	$ 244,899,380	$ (8,400,340)	$ (68,043,689)	$ 176,855,691
36		Total Plant As Per Company					$ 248,032,644		$ (64,186,276)	
37		Difference					$ (3,133,264)		$ (3,857,413)	
38		RUCO Adjustment To Pre-Aquisition Gross Plant In Service (See RLM-3, Column (B))					$ (3,133,264)			
39		RUCO Adjustment To Pre-Aquisition Accumulated Depreciation (See RLM-3, Column (B))							$ (3,857,413)	

References:
Columns (A) (B) (C) (D): Company Response To RUCO Data Request 2.19
Column (E): Schedule RLM-4, Page 2, Column (E) + Column (C) + Column (D)
Column (F): [(Cl. (C) + Cl. (D)) X RLM-4, Pg 1, Cl. (B) X 1/2 yr. conv.] + [RLM-4, Pg 2, Cl. (E) + Cl. (D)) X RLM-4, Pg 1, Cl. (B)
Column (G): Schedule RLM-4, Page 2, Column (G) + Column (D) + Column (F)
Column (H): Column (E) + Column (G)

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL
TEST YEAR PLANT SCHEDULES - CONT'D
YEAR ENDED DECEMBER 31, 2004

LINE NO.	ACCT NO.	ACCOUNT NAME	(A) PLANT ADDITIONS	(B) PLANT ADJM'TS	(C) NET PLANT ADDITIONS	(D) PLANT RETIRM'TS	(E) TOTAL PLANT VALUE	(F) ACCURAL DEPRECIATION	(G) ACCUMULATED DEPRECIATION	(H) NET PLANT VALUE
		Intangible:								
1	302	Franchises & Consents	$ -	$ -	$ -	$ -	$ 388,336	$ (15,533)	$ (177,384)	$ 210,953
2	303	Miscellaneous Intangible	-	-	-	-	263,108	(10,524)	(178,854)	84,253
3		Total Intangible Plant	$ -	$ -	$ -	$ -	$ 651,444	$ (26,058)	$ (356,238)	$ 295,206
		Transmission :								
4	365	Land & Rights	$ -	$ -	$ -	$ -	$ 74,563	$ -	$ 5	$ 74,568
5	366	Structures & Improvements	-	-	-	-	1,395	(43)	(1,440)	(45)
6	367	Mains	3,184,658	-	3,184,658	-	17,803,491	(416,627)	(3,504,806)	14,298,685
7	369	Measuring And Reg. Equipment	159,602	-	159,602	-	3,524,460	(114,363)	(637,905)	2,886,555
8	371	Other Equipment	-	-	-	-	191,965	(6,988)	(25,495)	166,470
9		Total Transmission Plant	$ 3,344,260	$ -	$ 3,344,260	$ -	$ 21,595,873	$ (538,020)	$ (4,169,640)	$ 17,426,233
		Distribution:								
10	374	Land & Rights	$ -	$ -	$ -	$ -	$ 140,727	$ -	$ -	$ 140,727
11	375	Structures & Improvements	-	-	-	-	10,052	(337)	(8,661)	1,391
12	376	Mains	7,429,814	-	7,429,814	-	135,140,112	(3,837,616)	(30,991,301)	104,148,812
13	378	Meas. And Reg. Equip. - General	83,748	-	83,748	-	2,045,961	(114,834)	(1,013,293)	1,032,668
14	379	Meas. And Reg. Equip. - City Gate	4,948	-	4,948	-	2,062,026	(113,687)	(1,039,255)	1,022,771
15	380	Services	6,305,730	-	6,305,730	-	59,197,736	(2,662,131)	(21,743,248)	37,454,488
16	381	Meters	607,242	-	607,242	-	10,760,231	(299,059)	(4,543,223)	6,217,008
17	382	Meter Installation	-	-	-	-	4,725,911	(135,161)	(789,440)	3,936,471
18	383	Regulators	29,280	-	29,280	-	2,580,650	(96,739)	(1,617,590)	963,060
19	384	Regulator Installation	-	-	-	-	297,662	(11,222)	(39,852)	257,809
20	385	Industrial Measuring Equipment	85,105	-	85,105	-	1,001,346	(36,626)	(640,794)	360,552
21	387	Other Equipment	69,771	-	69,771	-	827,790	(28,862)	(243,864)	583,926
22		Total Distribution Plant	$ 14,615,638	$ -	$ 14,615,638	$ -	$ 218,790,205	$ (7,336,274)	$ (62,670,521)	$ 156,119,684
		General:								
23	389	Land & Rights	$ -	$ -	$ -	$ -	$ 721,923	$ -	$ 5,618	$ 727,541
24	390	Structures & Improvements	49,926	-	49,926	-	4,965,284	(153,150)	(1,105,808)	3,859,476
25	391	Office Furniture & Equipment	472,243	-	472,243	-	9,581,663	(450,455)	(5,194,458)	4,387,205
26	392	Transportation Equipment	1,365,147	-	1,365,147	(26,446)	4,127,470	-	(1,245,276)	2,882,194
27	393	Stores Equipment	4,162	-	4,162	-	122,357	(2,730)	(32,562)	89,795
28	394	Tools, Shop And Garage Equip.	72,784	-	72,784	-	1,905,277	(107,648)	(868,176)	1,037,102
29	395	Laboratory Equipment	39,228	-	39,228	-	620,818	(34,629)	(196,636)	424,182
30	396	Power Operated Equipment	-	-	-	-	405,574	(99,771)	(608,771)	(203,197)
31	397	Communication Equipment	80,571	-	80,571	-	1,038,969	(49,235)	(267,385)	771,584
32	398	Miscellaneous Equipment	-	-	-	-	285,357	(15,495)	(93,765)	191,593
33	399	Other Tangible Property	-	-	-	-	104,680	(3,810)	(30,902)	73,778
34		Total General Plant	$ 2,084,061	$ -	$ 2,084,061	$ (26,446)	$ 23,879,371	$ (916,924)	$ (9,638,120)	$ 14,241,251
35		TOTAL PLANT	$ 20,043,959	$ -	$ 20,043,959	$ (26,446)	$ 264,916,893	$ (8,817,276)	$ (76,834,519)	$ 188,082,374
36										
37										

References:
Columns (A) (B) (C) (D): Company Response To RUCO Data Request 1.08
Column (E): Schedule RLM-4, Page 3, Column (E) + Column (C) + Column (D)

Column (F): [(Cl. (C) + Cl. (D)) X RLM-4, Pg 1, Cl. (B) X 1/2 yr. conv.] + [RLM-4, Pg 3, Cl. (E) + Cl. (D)) X RLM-4, Pg 1, Cl. (B)
Column (G): Schedule RLM-4, Page 3, Column (G) + Column (D) + Column (F)
Column (H): Column (E) + Column (G)

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL
TEST YEAR PLANT SCHEDULES - CONT'D
YEAR ENDED DECEMBER 31, 2005

LINE NO.	ACCT NO.	ACCOUNT NAME	(A) PLANT ADDITIONS	(B) PLANT ADJM'TS	(C) NET PLANT ADDITIONS	(D) PLANT RETIRM'TS	(E) TOTAL PLANT VALUE	(F) ACCURAL DEPRECIATION	(G) ACCUMULATED DEPRECIATION	(H) NET PLANT VALUE
		Intangible:								
1	302	Franchises & Consents	$ -	$ -	$ -	$ -	$ 388,336	$ (15,533)	$ (192,917)	$ 195,419
2	303	Miscellaneous Intangible	15,100	-	15,100	-	278,208	(10,826)	(189,681)	88,527
3		Total Intangible Plant	$ 15,100	$ -	$ 15,100	$ -	$ 666,544	$ (26,360)	$ (382,598)	$ 283,946
		Transmission :								
4	365	Land & Rights	$ -	$ -	$ -	$ -	$ 74,563	$ -	$ 5	$ 74,568
5	366	Structures & Improvements	-	-	-	-	1,395	(43)	(1,483)	(88)
6	367	Mains	5,001,194	-	5,001,194	-	22,804,685	(521,815)	(4,026,621)	18,778,064
7	369	Measuring And Reg. Equipment	806	-	806	-	3,525,266	(117,025)	(754,930)	2,770,336
8	371	Other Equipment	-	-	-	-	191,965	(6,988)	(32,483)	159,483
9		Total Transmission Plant	$ 5,002,000	$ -	$ 5,002,000	$ -	$ 26,597,873	$ (645,871)	$ (4,815,511)	$ 21,782,362
		Distribution:								
10	374	Land & Rights	$ -	$ -	$ -	$ -	$ 140,727	$ -	$ -	$ 140,727
11	375	Structures & Improvements	-	-	-	-	10,052	(337)	(8,997)	1,055
12	376	Mains	6,342,549	-	6,342,549	(607,106)	140,875,555	(4,029,829)	(34,414,023)	106,461,532
13	378	Meas. And Reg. Equip. - General	74,523	-	74,523	-	2,120,484	(119,369)	(1,132,662)	987,822
14	379	Meas. And Reg. Equip. - City Gate	303,733	-	303,733	-	2,365,759	(122,207)	(1,161,462)	1,204,297
15	380	Services	6,547,947	-	6,547,947	(22,405)	65,723,278	(2,966,874)	(24,687,717)	41,035,561
16	381	Meters	1,180,280	-	1,180,280	-	11,940,511	(324,621)	(4,867,844)	7,072,667
17	382	Meter Installation	981,154	-	981,154	-	5,707,065	(149,192)	(938,632)	4,768,434
18	383	Regulators	323,346	-	323,346	-	2,903,996	(103,386)	(1,720,975)	1,183,021
19	384	Regulator Installation	552,063	-	552,063	-	849,725	(21,628)	(61,480)	788,244
20	385	Industrial Measuring Equipment	162,566	-	162,566	-	1,163,912	(41,356)	(682,150)	481,762
21	387	Other Equipment	428,608	-	428,608	-	1,256,398	(37,932)	(281,797)	974,602
22		Total Distribution Plant	$ 16,896,769	$ -	$ 16,896,769	$ (629,511)	$ 235,057,463	$ (7,916,730)	$ (69,957,740)	$ 165,099,723
		General:								
23	389	Land & Rights	$ -	$ -	$ -	$ -	$ 721,923	$ -	$ 5,618	$ 727,541
24	390	Structures & Improvements	156,182	-	156,182	-	5,121,466	(156,345)	(1,262,152)	3,859,313
25	391	Office Furniture & Equipment	188,683	-	188,683	-	9,770,346	(466,383)	(5,660,842)	4,109,504
26	392	Transportation Equipment	3,091,785	-	3,091,785	(1,951,895)	5,267,360	-	706,619	5,973,979
27	393	Stores Equipment	-	-	-	(2,576)	119,781	(2,748)	(32,735)	87,047
28	394	Tools, Shop And Garage Equip.	66,811	-	66,811	-	1,972,088	(111,668)	(979,844)	992,244
29	395	Laboratory Equipment	33,550	-	33,550	-	654,368	(36,725)	(233,361)	421,007
30	396	Power Operated Equipment	93,549	-	93,549	-	499,123	(111,278)	(720,049)	(220,926)
31	397	Communication Equipment	-	-	-	(4,649)	1,034,320	(51,107)	(313,843)	720,477
32	398	Miscellaneous Equipment	-	-	-	-	285,357	(15,495)	(109,260)	176,098
33	399	Other Tangible Property	-	-	-	-	104,680	(3,810)	(34,713)	69,967
34		Total General Plant	$ 3,630,560	$ -	$ 3,630,560	$ (1,959,120)	$ 25,550,811	$ (955,559)	$ (8,634,560)	$ 16,916,252
35		TOTAL PLANT	$ 25,544,429	$ -	$ 25,544,429	$ (2,588,631)	$ 287,872,691	$ (9,544,520)	$ (83,790,408)	$ 204,082,283
36		Total Plant As Per Company							$ (77,077,541)	
37		Difference							$ (6,712,867)	
38		RUCO Adjustment To Pre-Aquisition Accumulated Depreciation (See RLM-4, Page 3, Lines 39)							(3,857,413)	
39										
40		RUCO Adjustment To Test-Year Accumulated Depreciation (See RLM-3, Column (C))							$ (2,855,454)	

References:
Columns (A) (B) (C) (D): Company Response To RUCO Data Request 1.08
Column (E): Schedule RLM-4, Page 4, Column (E) + Column (C) + Column (D)
Column (F): [(Cl. (C) + Cl. (D)) X RLM-4, Pg 1, Cl. (B) X 1/2 yr. conv.] + [RLM-4, Pg 4, Cl. (E) + Cl. (D)) X RLM-4, Pg 1, Cl. (B)
Column (G): Schedule RLM-4, Page 4, Column (G) + Column (D) + Column (F)
Column (H): Column (E) + Column (G)

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL
TEST YEAR PLANT SCHEDULES - CONT'D
PRO FORMA ADJUSTMENTS TO TEST YEAR ENDED DECEMBER 31, 2005

LINE NO.	ACCT NO.	ACCOUNT NAME	(A) GRIFFITH POWER PLANT PLANT ADJUSTMENTS	(B) GRIFFITH POWER PLANT ACC. DEP ADJUSTMENTS	(C) BUILD-OUT PLANT PLANT ADJUSTMENTS	(D) BUILD-OUT PLANT ACC. DEP ADJUSTMENTS	(E) RUCO ADJUSTED TOTAL PLANT VALUE	(F) RUCO ADJUSTED ACCUMULATED DEPRECIATION	(G) RUCO ADJUSTED NET PLANT VALUE
		Intangible:							
1	302	Franchises & Consents	$ -	$ -	$ -	$ -	$ 388,336	$ (192,917)	$ 195,419
2	303	Miscellaneous Intangible	-	-	-	-	278,208	(189,681)	88,527
3		Total Intangible Plant	$ -	$ -	$ -	$ -	$ 666,544	$ (382,598)	$ 283,946
		Transmission :							
4	365	Land & Rights	$ (10,075)	$ -	$ (7,441)	$ -	$ 57,047	$ 5	$ 57,052
5	366	Structures & Improvements	-	-	(1,222)	430	173	(1,053)	(880)
6	367	Mains	(3,421,025)	511,821	(1,606,936)	417,127	17,776,724	(3,097,673)	14,679,051
7	369	Measuring And Reg. Equipment	(2,557,112)	372,457	(259,186)	70,426	708,968	(312,047)	396,921
8	371	Other Equipment	(183,581)	44,626	(13,313)	4,641	(4,929)	16,784	11,856
9		Total Transmission Plant	$ (6,171,793)	$ 928,904	$ (1,888,098)	$ 492,624	$ 18,537,982	$ (3,393,983)	$ 15,143,999
		Distribution:							
10	374	Land & Rights	$ -	$ -	$ (18,709)	$ -	$ 122,018	$ -	$ 122,018
11	375	Structures & Improvements	-	-	(794)	1,016	9,258	(7,981)	1,277
12	376	Mains	-	-	(10,506,547)	3,424,497	130,369,008	(30,989,526)	99,379,482
13	378	Meas. And Reg. Equip. - General	-	-	(145,939)	98,248	1,974,545	(1,034,414)	940,131
14	379	Meas. And Reg. Equip. - City Gate	-	-	(169,292)	85,420	2,196,467	(1,076,042)	1,120,425
15	380	Services	-	-	-	-	65,723,278	(24,687,717)	41,035,561
16	381	Meters	-	-	-	-	11,940,511	(4,867,844)	7,072,667
17	382	Meter Installation	-	-	-	-	5,707,065	(938,632)	4,768,434
18	383	Regulators	-	-	-	-	2,903,996	(1,720,975)	1,183,021
19	384	Regulator Installation	-	-	-	-	849,725	(61,480)	788,244
20	385	Industrial Measuring Equipment	(12,609)	1,412	-	-	1,151,303	(680,738)	470,565
21	387	Other Equipment	-	-	(111,710)	38,712	1,144,688	(243,085)	901,604
22		Total Distribution Plant	$ (12,609)	$ 1,412	$ (10,952,991)	$ 3,647,893	$ 224,091,863	$ (66,308,435)	$ 157,783,428
		General:							
23	389	Land & Rights	$ -	$ -	$ -	$ -	$ 721,923	$ 5,618	$ 727,541
24	390	Structures & Improvements	-	-	-	-	5,121,466	(1,262,152)	3,859,313
25	391	Office Furniture & Equipment	-	-	-	-	9,770,346	(5,660,842)	4,109,504
26	392	Transportation Equipment	-	-	-	-	5,267,360	706,619	5,973,979
27	393	Stores Equipment	-	-	-	-	119,781	(32,735)	87,047
28	394	Tools, Shop And Garage Equip.	-	-	-	-	1,972,088	(979,844)	992,244
29	395	Laboratory Equipment	-	-	-	-	654,368	(233,361)	421,007
30	396	Power Operated Equipment	-	-	-	-	499,123	(720,049)	(220,926)
31	397	Communication Equipment	-	-	-	-	1,034,320	(313,843)	720,477
32	398	Miscellaneous Equipment	-	-	-	-	285,357	(109,260)	176,098
33	399	Other Tangible Property	-	-	-	-	104,680	(34,713)	69,967
34		Total General Plant	$ -	$ -	$ -	$ -	$ 25,550,811	$ (8,634,560)	$ 16,916,252
35		TOTAL PLANT	$ (6,184,402)	$ 930,316	$ (12,841,089)	$ 4,140,517	$ 268,847,200	$ (78,719,575)	$ 190,127,625
36		Total Plant As Per Company	$ -	$ (11,836,260)	$ (11,836,260)	$ -	$ 279,169,694	$ (72,006,708)	$ 213,928,413
37		Difference	$ (6,184,402)	$ 12,766,576	$ (1,004,829)	$ 4,140,517	$ (10,322,494)	$ (6,712,867)	$ (23,800,788)
38		RUCO Adjustment To Pre-Aquisition Gross Plant In Service (See RLM-4, Page 3, Lines 38)					(3,133,264)		
39		RUCO Adjustment To Pro-Forma Test-Year Gross Plant In Service (See RLM-3, Column (E))					$ (7,189,230)		

References:

Columns (A) (B) (C) (D): Company Workpapers
Column (E): Schedule RLM-4, Page 5, Column (E) + Column (A) + Column (C)
Column (F): Schedule RLM-4, Page 5, Column (G) + Column (B) + Column (D)
Column (G): Column (E) + Column (F)

UNS GAS CORPORATION
TEST YEAR ENDED DECEMBER 31, 2005
REVISED RATE BASE ADJUSTMENT # 6 - WORKING CAPITAL

DOCKET NO. G-004204A-06-0463
SCHEDULE FINAL MDC-2
PAGE 1 OF 2

FINAL
EXPLANATION OF RATE BASE ADJUSTMENT NO. 6
ALLOWANCE FOR WORKING CAPITAL

LINE NO.	DESCRIPTION	AMOUNT	REFERENCE
1	MATERIALS & SUPPLIES PER UNS	$2,039,798	SCH. B-5, PG. 1
2	MATERIALS & SUPPLIES PER RUCO	2,039,798	SCH. B-5, PG. 1
3	ADJUSTMENT	0	LINE 2 - LINE 1
4	PREPAYMENTS PER UNS	195,942	SCH. B-5, PG. 1
5	PREPAYMENTS PER RUCO	195,942	SCH. B-5, PG. 1
6	ADJUSTMENT	0	LINE 5 - LINE 4
7	CASH WORKING CAPITAL PER UNS	(3,280,886)	SCH. B-5, PG. 2
8	CASH WORKING CAPITAL PER RUCO	(2,114,771)	SCHEDULE MDC-
9	ADJUSTMENT	1,166,115	LINE 8 - LINE 7
10	*TOTAL ADJUSTMENT (See RLM-3, Column (G))*	$1,166,115	*SUM LINES 3, 6 & 9*

UNS GAS CORPORATION
TEST YEAR ENDED DECEMBER 31, 2005
REVISED RATE BASE ADJUSTMENT # 6 - WORKING CAPITAL

DOCKET NO. G-004204A-06-0463
SCHEDULE FINAL MDC-2
PAGE 2 OF 2

FINAL

EXPLANATION OF RATE BASE ADJUSTMENT NO. 6 - CONT'D

LEAD/LAG DAY SUMMARY

LINE NO.	DESCRIPTION	(A) COMPANY EXPENSES AS FILED	(B) RUCO ADJUSTM'TS	(C) RUCO EXPENSES AS ADJUSTED	(D) (LEAD)/LAG DAYS	(E) DOLLAR DAYS
	Operating Expenses:					
	Non-Cash Expenses					
1	Bad Debts Expense	$ 722,634	$ -	$ -	0	$ -
2	Depreciation	7,950,183	-	-	0	-
3	Amortization	(729,791)	-	-	0	-
4	Deferred Income Taxes	3,178,719	-	-	0	-
5	Total Non-Cash Expenses	$ 11,121,745	$ -	$ -		$ -
	Other Operating Expenses:					
6	Salaries & Wages (UNS Dir.Emp's)	$ 7,287,745	$ -	$ 7,287,745	24.50	$ 178,549,753
7	Incentive Pay (UNS Dir. Emp's)	257,895	(257,895)	-	267.00	-
8	Purchased Gas	78,101,248	-	78,101,248	30.97	2,418,795,651
9	Office Supplies and Expenses	1,365,974	(54,434)	1,311,540	20.72	27,175,105
10	Injuries and Damages	574,128	(34,234)	539,894	64.75	34,958,114
11	Pensions and Benefits	2,452,071	(93,075)	2,358,996	54.66	128,942,703
12	Support Services - TEP(Dir. Labor)	4,570,692	-	4,570,692	44.91	205,269,778
13	Property Taxes	4,103,376	(476,193)	3,627,183	213.00	772,590,038
14	Payroll Taxes	537,877	(20,853)	517,024	19.30	9,978,563
15	Current Income Taxes	(1,203,222)	5,690,904	4,487,682	41.42	185,879,804
16	Interest on Customer Deposits	170,459	-	170,459	182.50	31,108,848
17	Other Operations and Maintenance	7,501,807	(1,023,893)	6,477,914	53.10	343,977,225
18	Total Other Operating Expenses	$105,720,050	$ 3,730,327	$109,450,377		$ 4,337,225,581
19	Total Operating Expenses	$116,841,794	$ 3,730,327	$109,450,377		$ 4,337,225,581
	Other Cash Working Capital Elements:					
20	Interest on Long-Term Debt	$ 5,334,825	$ (561,502)	$ 4,773,323	91.62	$ 437,331,879
21	Revenue Taxes and Assessments	18,788,535	(6,822,129)	11,966,406	76.25	912,438,458
22	Total Other Cash Working Capital	$ 24,123,360	$ (7,383,631)	$ 16,739,729		$ 1,349,770,337
23	TOTAL			$126,190,106		$ 5,686,995,918

24	Expense Lag	Line 23, Col. (E) / (D)	45.07
25	Revenue Lag	Company Workpapers	38.95
26	Net Lag	Line 25 - Line 24	(6.12)
27	RUCO Adjusted Expenses	Col. (C), Line 23	$126,190,106
28	Cash Working Capital	Line 26 X Line27 / 365 Days	(2,114,771)
29	Company As Filed	Co. Schedule B-5, Page 1	(3,280,886)
30	ADJUSTMENT (See MDC-2, Pg 1, L 9)	Line 28 - Line 29	1,166,115

References:

Column (A): - Company Schedule B-5, Page 3
Column (B): RUCO Operating Income Adjustments (See Schedule RLM-7)
Column (C): Column (B) - (A)
Column (D): Company Schedule B-5, Page 3
Column (E): Column (C) X Column (D)

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL
OPERATING INCOME

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) RUCO REVISED SURREBUTTAL TEST YEAR ADJ'TMENTS	(C) RUCO REVISED SURREBUTTAL TEST YEAR AS ADJUSTED	(D) RUCO REVISED SURREBUTTAL PROPOSED CHANGES	(E) RUCO REVISED SURREBUTTAL AS RECOMMENDED
	Operating Revenues:					
1	Gas Retail Revenues	$ 45,689,224	$ 110,906	$ 45,800,130	$ 2,734,443	$ 48,534,573
2	Other Operating Revenue	1,480,304	-	1,480,304	-	1,480,304
3	TOTAL OPERATING REVENUES	$ 47,169,528	$ 110,906	$ 47,280,434	$ 2,734,443	$ 50,014,877
	Operating Expenses:					
4	Purchased Gas	$ 355,528	$ (54)	$ 355,474	$ -	$ 355,474
5	Other O & M Expense	24,459,038	(1,955,752)	22,503,286	-	22,503,286
6	Depreciation & Amortization	7,220,391	(646,479)	6,573,912	-	6,573,912
7	Taxes Other Than Income Taxes	4,730,093	(525,485)	4,204,608	-	4,204,608
8	Income Taxes	1,975,497	1,448,158	3,423,655	1,064,027	4,487,682
9	TOTAL OPERATING EXPENSES	$ 38,740,547	$ (1,679,612)	$ 37,060,935	$ 1,064,027	$ 38,124,962
10	OPERATING INCOME (LOSS)	$ 8,428,981		$ 10,219,499		$ 11,889,914

References:
- Column (A): Company Schedule C-1
- Column (B): Testimony, RLM And Schedule RLM-7, Pages 1 Thru 6
- Column (C): Column (A) + Column (B)
- Column (D): Testimony, RLM And Schedule RLM-1
- Column (E): Column (C) + Column (D)

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL
SUMMARY OF OPERATING INCOME ADJUSTMENT
TEST YEAR AS FILED AND ADJUSTED

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) ADJ. NO. 1 WORKERS COMP.	(C) ADJ. NO. 2 INCENTIVE COMP.	(D) ADJ. NO. 3 DEPRECIATION EXPENSE	(E) ADJ. NO. 4 POSTAGE EXPENSE REVISED	(F) ADJ. NO. 5 CUSTOMER SERVICE COSTS	(G) ADJ. NO. 6 UNNECESSARY EXPENSES	(H) ADJ. NO. 7 PROPERTY TAX
	Operating Revenue								
1	Net Sales to Ultimate Customers	$ 42,950,315	$ -	$ -	$ -	$ -	$ -	$ -	$ -
2	Transportation of Gas	2,738,909	-	-	-	-	-	-	-
3	**Gas Retail Revenue**	$ 45,689,224	$ -	$ -	$ -	$ -	$ -	$ -	$ -
4	Forfeited Discounts (Late Fees)	$ 398,966	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5	Miscellaneous Service Revenues	1,046,891	-	-	-	-	-	-	-
6	Other Gas Revenues	34,447	-	-	-	-	-	-	-
7	**Other Operating Revenue**	$ 1,480,304	$ -	$ -	$ -	$ -	$ -	$ -	$ -
8	**Total Operating Revenue**	$ 47,169,528	$ -	$ -	$ -	$ -	$ -	$ -	$ -
	Operating Expense								
9	**Purchased Gas**	$ 355,528	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10	Transmision - Mains Expense	$ 11,280	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11	Transmision - Meas. and Reg. Station	(52,221)	-	-	-	-	-	-	-
12	Transmision - Maint. Compressor Stat. Equip.	19	-	-	-	-	-	-	-
13	Transmision - Oper. Super'n and Eng.	315,983	-	-	-	-	-	-	-
14	Distribution - Load Dispatching	162	-	-	-	-	-	-	-
15	Distribution - Mains and Services	1,337,349	-	(42,144)	-	-	-	(1,592)	-
16	Distribution - Meas. and Reg. Station - Gen.	244,463	-	-	-	-	-	-	-
17	Distribution - Meas. and Reg. Station - Ind.	150,536	-	-	-	-	-	-	-
18	Distribution - Meas. and Reg. Station - City	56,529	-	-	-	-	-	-	-
19	Distribution - Meter and House Regulator	1,349,114	-	(34,242)	-	-	-	-	-
20	Distribution - Customer Installations	539,082	-	-	-	-	-	-	-
21	Distribution - Other Expenses	1,090,666	-	-	-	-	-	(27,217)	-
22	Distribution - Rents	44,510	-	-	-	-	-	-	-
23	Distribution - Maint. Superv'n & Eng.	243,170	-	-	-	-	-	-	-
24	Distribution - Maintenance of Mains	1,084,194	-	(26,340)	-	-	-	-	-
25	Distribution - Maint. M & R Stat. Equip. - Gen.	25,623	-	-	-	-	-	-	-
26	Distribution - Maint. M & R Stat. Equip. - Ind.	2,072	-	-	-	-	-	-	-
27	Distribution - Maint. M & R Equip. - City Gate	850	-	-	-	-	-	-	-
28	Distribution - Maintenance of Services	465,066	-	-	-	-	-	-	-
29	Distribution - Maint. of Meters and Reg.	167,015	-	-	-	-	-	-	-
30	Distribution - Maintenance of Other Equip.	96,826	-	-	-	-	-	-	-
31	Customer Account - Supervision	74,309	-	-	-	-	-	-	-
32	Customer Account - Meter Reading	719,037	-	-	-	-	-	-	-
33	Customer Account - Records and Collection	5,462,173	-	(60,582)	-	(51,851)	(490,413)	-	-
34	Customer Account - Uncollectibles	722,634	-	-	-	-	-	-	-

FINAL
SUMMARY OF OPERATING INCOME ADJUSTMENT - CONT'D
TEST YEAR AS FILED AND ADJUSTED

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) ADJ. NO. 1 WORKERS COMP.	(C) ADJ. NO. 2 INCENTIVE COMP.	(D) ADJ. NO. 3 DEPRECIATION EXPENSE	(E) ADJ. NO. 4 POSTAGE EXPENSE	(F) ADJ. NO. 5 CUSTOMER SERVICE COSTS	(G) ADJ. NO. 6 UNNECESSARY EXPENSES	(H) ADJ. NO. 7 PROPERTY TAX
	Continued								
35	Customer Account - Miscellaneous	$ 34,381	$ -	$ -	$ -	$ -	$ -	$ -	$ -
36	Customer Account - Superv'n - Cust. Service	14,743	-	-	-	-	-	-	-
37	Customer Account - Assistance	(34,228)	-	-	-	-	-	-	-
38	Customer Account - Info and Instruct Advert.	65,794	-	-	-	-	-	-	-
39	Customer Account - Miscellaneous	22,602	-	-	-	-	-	-	-
40	Sales - Demonstrating and Selling	558	-	-	-	-	-	-	-
41	A & G - Salaries	1,529,696	-	(94,587)	-	-	(25,437)	-	-
42	A & G - Office Supplies and Expenses	1,365,974	-	-	-	-	(11,157)	(107,076)	-
43	A & G - Transferred - Credit	(152,817)	-	-	-	-	(133)	-	-
44	A & G - Outside Services Employed	2,696,531	-	-	-	-	(2,559)	(14,738)	-
45	A & G - Property Insurance	7,415	-	-	-	-	(1,329)	-	-
46	A & G - Injuries and Damages	574,128	(34,234)	-	-	-	(293)	-	-
47	A & G - Employee Pension and Benefits	2,452,071	-	-	-	-	(143,577)	(6,230)	-
48	A & G - Miscellaneous General Expenses	1,082,411	-	-	-	-	-	(76,494)	-
49	A & G - Rents	109,053	-	-	-	-	-	-	-
50	A & G - Maintenance of General Plant	169,826	-	-	-	-	-	-	-
51	A & G - Rate Case Expense	200,000	-	-	-	-	-	-	-
52	Interest On Customer Deposits	170,459	-	-	-	-	-	-	-
53	**Other Oper. and Maint. Expense**	**$ 24,459,038**	**$ (34,234)**	**$ (257,895)**	**$ -**	**$ (51,851)**	**$ (674,898)**	**$ (233,347)**	**$ -**
54	Dep. & Amort. - Citizens Acq. Discount	$ (729,791)	$ -	$ -	$ -	$ -	$ -	$ -	$ -
55	Dep. & Amort. - Intangible Plant	929,602	-	-	(57,341)	-	-	-	-
56	Dep. & Amort. - Transmission Plant	285,187	-	-	(1,618)	-	-	-	-
57	Dep. & Amort. - Distribution Plant	5,631,142	-	-	(427,753)	-	-	-	-
58	Dep. & Amort. - General Plant	1,104,251	-	-	162,629	-	(23,373)	-	-
59	**Depreciation and Amortization**	**$ 7,220,391**	**$ -**	**$ -**	**$ (324,083)**	**$ -**	**$ (23,373)**	**$ -**	**$ -**
60	Property Tax	$ 4,103,375	$ -	$ -	$ -	$ -	$ (28,439)	$ -	$ (309,309)
61	Payroll Tax - FUTA, SUTA, FICA & Medicare	537,877	-	(20,853)	-	-	-	-	-
62	Medical and Dental	86,130	-	-	-	-	-	-	-
63	Other	2,711	-	-	-	-	-	-	-
64	**Taxes Other Than Income Taxes**	**$ 4,730,093**	**$ -**	**$ (20,853)**	**$ -**	**$ -**	**$ (28,439)**	**$ -**	**$ (309,309)**
65	**Income Taxes**	**$ 1,975,497**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
66	**Total Operating Expense**	**$ 38,740,547**	**$ (34,234)**	**$ (278,748)**	**$ (324,083)**	**$ (51,851)**	**$ (726,710)**	**$ (233,347)**	**$ (309,309)**
67	**Operating Income**	**$ 8,428,981**	**$ 34,234**	**$ 278,748**	**$ 324,083**	**$ 51,851**	**$ 726,710**	**$ 233,347**	**$ 309,309**

UNS Gas Corporation
Docket No. G-04204A-06-0463
Test Year Ended December 31, 2005

FINAL

SUMMARY OF OPERATING INCOME ADJUSTMENT - CONT'D

TEST YEAR AS FILED AND ADJUSTED

LINE NO.	DESCRIPTION	(I) ADJ. NO. 8 RATE CASE EXPENSE	(J) ADJ. NO. 9 AGA DUES	(K) ADJ. NO. 10 ATYPICAL EXPENSES	(L) ADJ. NO. 11 SERP	(M) ADJ. NO. 12 AMORTIZATION GIS O&M	(N) ADJ. NO. 13 FLEET FUEL EXPENSE	(O) ADJ. NO. 14 CUSTOMER ANNUALIZ'N	(P) ADJ. NO. 15 CUSTOMER WEATHERIZ'N
	Operating Revenue								
1	Net Sales to Ultimate Customers	$ -	$ -	$ -	$ -	$ -	$ -	$ 110,006	$ 900
2	Transportation of Gas	-	-	-	-	-	-	-	-
3	**Gas Retail Revenue**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 110,006**	**$ 900**
4	Forfeited Discounts (Late Fees)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
5	Miscellaneous Service Revenues	-	-	-	-	-	-	-	-
6	Other Gas Revenues	-	-	-	-	-	-	-	-
7	**Other Operating Revenue**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
8	**Total Operating Revenue**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 110,006**	**$ 900**
	Operating Expense								
9	**Purchased Gas**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (54)**	**$ -**	**$ -**
10	Transmision - Mains Expense	$ -	$ -	$ -	$ -	$ -	$ (69)	$ -	$ -
11	Transmision - Meas. and Reg. Station	-	-	-	-	-	(1)	-	-
12	Transmision - Maint. Compressor Stat. Equip.	-	-	-	-	-	-	-	-
13	Transmision - Oper. Super'n and Eng.	-	-	-	-	-	(1,907)	-	-
14	Distribution - Load Dispatching	-	-	-	-	-	-	-	-
15	Distribution - Mains and Services	-	-	-	-	-	(5,801)	-	-
16	Distribution - Meas. and Reg. Station - Gen.	-	-	-	-	-	(1,095)	-	-
17	Distribution - Meas. and Reg. Station - Ind.	-	-	-	-	-	(834)	-	-
18	Distribution - Meas. and Reg. Station - City	-	-	-	-	-	(123)	-	-
19	Distribution - Meter and House Regulator	-	-	-	-	-	(6,218)	-	-
20	Distribution - Customer Installations	-	-	-	-	-	(2,502)	-	-
21	Distribution - Other Expenses	-	-	-	-	-	(1,956)	-	-
22	Distribution - Rents	-	-	-	-	-	-	-	-
23	Distribution - Maint. Superv'n & Eng.	-	-	-	-	-	(1,358)	-	-
24	Distribution - Maintenance of Mains	-	-	-	-	-	(3,330)	-	-
25	Distribution - Maint. M & R Stat. Equip. - Gen.	-	-	-	-	-	(19)	-	-
26	Distribution - Maint. M & R Stat. Equip. - Ind.	-	-	-	-	-	(1)	-	-
27	Distribution - Maint. M & R Equip. - City Gate	-	-	-	-	-	(1)	-	-
28	Distribution - Maintenance of Services	-	-	-	-	-	(2,229)	-	-
29	Distribution - Maint. of Meters and Reg.	-	-	-	-	-	(366)	-	-
30	Distribution - Maintenance of Other Equip.	-	-	-	-	-	(169)	-	-
31	Customer Account - Supervision	-	-	-	-	-	(415)	-	-
32	Customer Account - Meter Reading	-	-	-	-	-	(3,799)	-	-
33	Customer Account - Records and Collection	-	-	-	-	-	(7,985)	-	-
34	Customer Account - Uncollectibles	-	-	-	-	-	-	-	-

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LINE NO.	DESCRIPTION	(I) ADJ. NO. 8 RATE CASE EXPENSE	(J) ADJ. NO. 9 AGA DUES	(K) ADJ. NO. 10 ATYPICAL EXPENSES	(L) ADJ. NO. 11 SERP	(M) ADJ. NO. 12 AMORTIZATION GIS O&M	(N) ADJ. NO. 13 FLEET FUEL EXPENSE	(O) ADJ. NO. 14 CUSTOMER ANNUALIZ'N	(P) ADJ. NO. 15 CUSTOMER WEATHERIZ'N
	Continued								
35	Customer Account - Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ (9)	$ -	$ -
36	Customer Account - Superv'n - Cust. Service	-	-	-	-	-	(66)	-	-
37	Customer Account - Assistance	-	-	-	-	-	(71)	-	-
38	Customer Account - Info and Instruct Advert.	-	-	-	-	-	(3)	-	-
39	Customer Account - Miscellaneous	-	-	-	-	-	-	-	-
40	Sales - Demonstrating and Selling	-	-	-	-	-	-	-	-
41	A & G - Salaries	-	-	-	-	-	-	-	-
42	A & G - Office Supplies and Expenses	-	-	(2,584)	-	-	(8,981)	-	-
43	A & G - Transferred - Credit	-	-	-	-	-	-	-	-
44	A & G - Outside Services Employed	-	-	-	-	-	-	-	-
45	A & G - Property Insurance	-	-	-	-	-	-	-	-
46	A & G - Injuries and Damages	-	-	-	-	-	(3)	-	-
47	A & G - Employee Pension and Benefits	-	-	-	(93,075)	-	-	-	-
48	A & G - Miscellaneous General Expenses	-	(1,523)	-	-	-	(65)	-	-
49	A & G - Rents	-	-	-	-	-	-	-	-
50	A & G - Maintenance of General Plant	-	-	-	-	-	(120)	-	-
51	A & G - Rate Case Expense	(116,333)	-	-	-	-	-	-	-
52	Interest On Customer Deposits	-	-	-	-	-	-	-	-
53	**Other Oper. and Maint. Expense**	**$ (116,333)**	**$ (1,523)**	**$ (2,584)**	**$ (93,075)**	**$ -**	**$ (49,493)**	**$ -**	**$ -**
54	Dep. & Amort. - Citizens Acq. Discount	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
55	Dep. & Amort. - Intangible Plant	-	-	-	-	-	-	-	-
56	Dep. & Amort. - Transmission Plant	-	-	-	-	(299,023)	-	-	-
57	Dep. & Amort. - Distribution Plant	-	-	-	-	-	-	-	-
58	Dep. & Amort. - General Plant	-	-	-	-	-	-	-	-
59	**Depreciation and Amortization**	**$ -**	**$ -**	**$ -**	**$ -**	**$ (299,023)**	**$ -**	**$ -**	**$ -**
60	Property Tax	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
61	Payroll Tax - FUTA, SUTA, FICA & Medicare	-	-	-	-	-	-	-	-
62	Medical and Dental	-	-	-	-	-	-	-	-
63	Other	-	-	-	-	-	-	-	-
64	**Taxes Other Than Income Taxes**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
65	**Income Taxes**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**
66	**Total Operating Expense**	**$ (116,333)**	**$ (1,523)**	**$ (2,584)**	**$ (93,075)**	**$ (299,023)**	**$ (49,547)**	**$ -**	**$ -**
67	**Operating Income**	**$ 116,333**	**$ 1,523**	**$ 2,584**	**$ 93,075**	**$ 299,023**	**$ 49,547**	**$ 110,006**	**$ 900**

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LINE NO.	DESCRIPTION	(Q) ADJ. NO. 16 CORP. COST ALLOCATION	(R) ADJ. NO. 17 UNCOL'TIBLES	(S) ADJ. NO. 18 CWIP PROP. TAXES	(T) ADJ. NO. 19 OUT OF PERIOD EXPENSES	(U) ADJ. NO. 20	(V) ADJ. NO. 21	(W) ADJ. NO. 22 INCOME TAX REVISED	(X) RUCO AS ADJUSTED
	Operating Revenue								
1	Net Sales to Ultimate Customers	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 43,061,221
2	Transportation of Gas	-	-	-	-	-	-	-	2,738,909
3	**Gas Retail Revenue**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 45,800,130
4	Forfeited Discounts (Late Fees)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 398,966
5	Miscellaneous Service Revenues	-	-	-	-	-	-	-	1,046,891
6	Other Gas Revenues	-	-	-	-	-	-	-	34,447
7	**Other Operating Revenue**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,480,304
8	**Total Operating Revenue**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 47,280,434
9	**Purchased Gas**	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 355,474
10	Transmision - Mains Expense	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11,211
11	Transmision - Meas. and Reg. Station	-	-	-	-	-	-	-	(52,222)
12	Transmision - Maint. Compressor Stat. Equip.	-	-	-	-	-	-	-	19
13	Transmision - Oper. Super'n and Eng.	-	-	-	-	-	-	-	314,076
14	Distribution - Load Dispatching	-	-	-	-	-	-	-	162
15	Distribution - Mains and Services	-	-	-	-	-	-	-	1,287,812
16	Distribution - Meas. and Reg. Station - Gen.	-	-	-	-	-	-	-	243,368
17	Distribution - Meas. and Reg. Station - Ind.	-	-	-	-	-	-	-	149,702
18	Distribution - Meas. and Reg. Station - City	-	-	-	-	-	-	-	56,406
19	Distribution - Meter and House Regulator	-	-	-	-	-	-	-	1,308,654
20	Distribution - Customer Installations	-	-	-	-	-	-	-	536,580
21	Distribution - Other Expenses	-	-	-	-	-	-	-	1,061,493
22	Distribution - Rents	-	-	-	-	-	-	-	44,510
23	Distribution - Maint. Superv'n & Eng.	-	-	-	-	-	-	-	241,812
24	Distribution - Maintenance of Mains	-	-	-	-	-	-	-	1,054,524
25	Distribution - Maint. M & R Stat. Equip. - Gen.	-	-	-	-	-	-	-	25,604
26	Distribution - Maint. M & R Stat. Equip. - Ind.	-	-	-	-	-	-	-	2,071
27	Distribution - Maint. M & R Equip. - City Gate	-	-	-	-	-	-	-	849
28	Distribution - Maintenance of Services	-	-	-	-	-	-	-	462,837
29	Distribution - Maint. of Meters and Reg.	-	-	-	-	-	-	-	166,649
30	Distribution - Maintenance of Other Equip.	-	-	-	-	-	-	-	96,657
31	Customer Account - Supervision	-	-	-	-	-	-	-	73,894
32	Customer Account - Meter Reading	-	-	-	-	-	-	-	715,238
33	Customer Account - Records and Collection	-	-	-	-	-	-	-	4,851,342
34	Customer Account - Uncollectibles	-	(95,583)	-	-	-	-	-	627,051

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LINE NO.	DESCRIPTION	(Q) ADJ. NO. 16 CORP. COST ALLOCATION	(R) ADJ. NO. 17 UNCOL'TIBLES	(S) ADJ. NO. 18 CWIP PROP. TAXES	(T) ADJ. NO. 19 OUT OF PERIOD EXPENSES	(U) ADJ. NO. 20 LEGAL EXPENSE	(V) ADJ. NO. 21	(W) ADJ. NO. 22 INCOME TAX	(X) RUCO AS ADJUSTED
	Continued								
35	Customer Account - Miscellaneous	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 34,372
36	Customer Account - Superv'n - Cust. Service	-	-	-	-	-	-	-	14,677
37	Customer Account - Assistance	-	-	-	-	-	-	-	(34,299)
38	Customer Account - Info and Instruct Advert.	-	-	-	-	-	-	-	65,791
39	Customer Account - Miscellaneous	-	-	-	-	-	-	-	22,602
40	Sales - Demonstrating and Selling	-	-	-	-	-	-	-	558
41	A & G - Salaries	-	-	-	-	-	-	-	1,409,672
42	A & G - Office Supplies and Expenses	-	-	-	-	-	-	-	1,236,177
43	A & G - Transferred - Credit	-	-	-	-	-	-	-	(152,950)
44	A & G - Outside Services Employed	-	-	-	-	(311,051)	-	-	2,368,183
45	A & G - Property Insurance	-	-	-	-	-	-	-	6,086
46	A & G - Injuries and Damages	-	-	-	-	-	-	-	539,598
47	A & G - Employee Pension and Benefits	-	-	-	-	-	-	-	2,209,189
48	A & G - Miscellaneous General Expenses	(12,765)	-	-	(21,120)	-	-	-	970,444
49	A & G - Rents	-	-	-	-	-	-	-	109,053
50	A & G - Maintenance of General Plant	-	-	-	-	-	-	-	169,706
51	A & G - Rate Case Expense	-	-	-	-	-	-	-	83,667
52	Interest On Customer Deposits	-	-	-	-	-	-	-	170,459
53	**Other Oper. and Maint. Expense**	**$ (12,765)**	**$ (95,583)**	**$ -**	**$ (21,120)**	**$ (311,051)**	**$ -**	**$ -**	**$ 22,503,286**
54	Dep. & Amort. - Citizens Acq. Discount	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (729,791)
55	Dep. & Amort. - Intangible Plant	-	-	-	-	-	-	-	872,261
56	Dep. & Amort. - Transmission Plant	-	-	-	-	-	-	-	(15,454)
57	Dep. & Amort. - Distribution Plant	-	-	-	-	-	-	-	5,203,389
58	Dep. & Amort. - General Plant	-	-	-	-	-	-	-	1,243,507
59	**Depreciation and Amortization**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 6,573,912**
60	Property Tax	$ -	$ -	$ (166,884)	$ -	$ -	$ -	$ -	$ 3,598,743
61	Payroll Tax - FUTA, SUTA, FICA & Medicare	-	-	-	-	-	-	-	517,024
62	Medical and Dental	-	-	-	-	-	-	-	86,130
63	Other	-	-	-	-	-	-	-	2,711
64	**Taxes Other Than Income Taxes**	**$ -**	**$ -**	**$ (166,884)**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 4,204,608**
65	**Income Taxes**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ -**	**$ 1,448,158**	**$ 3,423,655**
66	**Total Operating Expense**	**$ (12,765)**	**$ (95,583)**	**$ (166,884)**	**$ (21,120)**	**$ (311,051)**	**$ -**	**$ 1,448,158**	**$ 37,060,935**
67	**Operating Income**	**$ 12,765**	**$ 95,583**	**$ 166,884**	**$ 21,120**	**$ 311,051**	**$ -**	**$ (1,448,158)**	**$ 10,219,499**

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FINAL
OPERATING INCOME ADJUSTMENT NO. 3
TEST-YEAR DEPRECIATION EXPENSE ON GROSS PLANT IN SERVICE

LINE NO.	ACCT. NO.		(A) RUCO TOTAL PLANT AS ADJUSTED	(B) CO. PROPOSED DEPRECIATION RATE	(C) TEST YEAR DEPREC'N EXPENSE
		Intangible:			
1	302	Franchises & Consents	$ 388,336	3.95%	$ 15,339
2	303	Miscellaneous Intangible	278,208	5.84%	16,247
3		Total Intangible Plant	$ 666,544		$ 31,587
4		Company As Filed (Company Workpapers)			88,927
5		Difference (Line 4 - Line 3)			$ (57,341)
6		RUCO Adjustment To Depreciation Expense - Intangibles (Line 5) (See RLM-7, Page 2, Column (D))			$ (57,341)
		Transmission :			
7	365	Land & Rights	$ 57,047	1.38%	$ 787
8	366	Structures & Improvements	173	1.55%	3
9	367	Mains	$ 17,776,724	1.53%	271,984
10	369	Measuring And Reg. Equipment	708,968	1.54%	10,918
11	371	Other Equipment	$ (4,929)	2.49%	(123)
12		Total Transmission Plant	$ 18,537,982		$ 283,569
13		Company As Filed (Company Workpapers)			285,187
14		Difference (Line 13 - Line 12)			$ (1,618)
15		RUCO Adjustment To Depreciation Expense - Transmission (Line 14) (See RLM-7, Page 2, Column (D))			$ (1,618)
		Distribution:			
16	374	Land & Rights	$ 122,018	0.93%	$ 1,135
17	375	Structures & Improvements	9,258	1.93%	179
18	376	Mains	130,369,008	2.07%	2,698,638
19	378	Meas. And Reg. Equip. - General	1,974,545	2.97%	58,644
20	379	Meas. And Reg. Equip. - City Gate	2,196,467	2.36%	51,837
21	380	Services	65,723,278	2.82%	1,853,396
22	381	Meters	11,940,511	2.02%	241,198
23	382	Meter Installation	5,707,065	2.36%	134,687
24	383	Regulators	2,903,996	2.56%	74,342
25	384	Regulator Installation	849,725	2.80%	23,792
26	385	Industrial Measuring Equipment	1,151,303	2.70%	31,085
27	387	Other Equipment	1,144,688	3.01%	34,455
28		Total Distribution Plant	$ 224,091,863		$ 5,203,389
29		Company As Filed (Company Workpapers)			5,631,142
30		Difference (Line 29 - Line 28)			$ (427,753)
31		RUCO Adjustment To Depreciation Expense - Distribution (Line 30)(See RLM-7, Page 2, Column (D))			$ (427,753)
		General:			
32	389	Land & Rights	$ 721,923	4.93%	$ 35,591
33	390	Structures & Improvements	5,121,466	4.93%	252,488
34	391	Office Furniture & Equipment	9,770,346	4.89%	477,770
35	392	Transportation Equipment	5,267,360	4.24%	223,336
36	393	Stores Equipment	119,781	14.71%	17,620
37	394	Tools, Shop And Garage Equip.	1,972,088	3.03%	59,754
38	395	Laboratory Equipment	654,368	3.64%	23,819
39	396	Power Operated Equipment	499,123	9.29%	46,369
40	397	Communication Equipment	1,034,320	10.49%	108,500
41	398	Miscellaneous Equipment	285,357	6.11%	17,435
42	399	Other Tangible Property	104,680	4.01%	4,198
43		Total General Plant	$ 25,550,811		$ 1,266,880
44		Company As Filed (Company Workpapers)			1,104,251
45		Difference (Line 44 - Line 43)			$ 162,629
46		RUCO Adjustment To Depreciation Expense - General (Line 45) (See RLM-7, Page 2, Column (D))			$ 162,629
44		TOTAL ADJUSTMENT			$ (324,083)

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FINAL
OPERATING INCOME ADJUSTMENT NO. 4
NORMALIZATION OF POSTAGE EXPENSES

LINE NO.	DESCRIPTION	REFERENCE		(A) POSTAGE
	Postage Associated With Customer Records and Collections			
1	Actual Test-Year Costs	Company Workpapers	$	426,102
2	Actual Number Of Test-Year Customer Bills	Company Schedule H-2		1,632,576
3	Cost Per Customer Bill	Line 1 / Line 2	$	0.2610
4	RUCO Annualized Number Of Test-Year Customer Bills	RLM-15, Column (C)		1,669,426
5	RUCO Adjusted Postage Costs For Annualized Customer Base	Line 3 X Line 4	$	435,720
	Postage Associated With Office Expenses			
6	Actual Test-Year Costs	Company Workpapers	$	19,070
7	Total RUCO Adjusted Test-Year Postage Costs	Line 5 + Line 6	$	454,790
8	January 8, 2006 Postage Increase			5.00%
9	RUCO Total Adjusted Postage Cost	Line 7 + 5.00% Increase	$	477,530
10	May 14, 2007 Postage Increase			5.13%
11	RUCO Total Adjusted Postage Cost	Line 9 + 5.00% Increase		502,018
12	Company As Filed	Company Workpapers		529,380
13	Difference	Line 12 - Line 11	$	(27,362)
14	RUCO Adjustment (See RLM-7, Pages 1 & 2, Column (E))	Line 13	$	(27,362)

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FINAL
OPERATING INCOME ADJUSTMENT NO. 5
CUSTOMER SERVICE COST ALLOCATION

LINE NO.	ACCT NO.	ACCOUNT DESCRIPTION	(A) COMPANY AS FILED	(B) ALLOCATION FACTOR	(C) RUCO AS ADJUSTED	(D) RUCO ADJUSTMENT
1	403	Depreciation Expense	$ 30,202	3.23%	$ 6,830	$ (23,373)
2	408	Taxes Other Than Income Tax	33,577	3.59%	7,593	(25,984)
3	903	Customer Records & Collection Expenses	633,713	67.71%	143,300	(490,413)
4	920	A & G - Salaries	32,869	3.51%	7,433	(25,437)
5	921	Office Supplies & Expenses	14,416	1.54%	3,260	(11,157)
6	922	Administrative Expenses Transferred	172	0.02%	39	(133)
7	923	Outside Services	3,307	0.35%	748	(2,559)
8	924	Property Insurance	1,717	0.18%	388	(1,329)
9	925	Injuries & Damages	379	0.04%	86	(293)
10	926	Pensions & Benefits	185,531	19.82%	41,954	(143,577)
11	408	Co. Wp's "Property Tax" page 2				(2,455)
12		TOTAL	$ 935,884	100.00%	$ 211,629	$ (726,710)
13		RUCO Adjustment (See RLM-7, Pages 1 & 2, Column (F) For Distribution)				$ (726,710)

NOTE:
RUCO Calculated The Annual Customer Service Costs Of $211,629 By Multiplying the Company's Four-Month Test-Year Expenses As Stated In Its Response To RUCO Data Request 6.13 Of $70,543 By 3 To Equal $211,629 Annually (See Column (C), Line 12)

References:
Column (A): Company Workpapers
Column (B): Individual Account Allocation Based On Percentage Of Each Account To Total
Column (C): RUCO Adjusted Customer Service Cost Allocated By Allocation Factors In Column (B)
Column (D): Column (C) - (A)

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FINAL
OPERATING INCOME ADJUSTMENT NO. 6
RUCO ADJUSTMENT TO REMOVE UNECESSARY/INAPPROPRIATE EXPENSES

LINE NO.	DESCRIPTION	REFERENCE	(A) AMOUNT
	Expenses Removed		
1	Account 874 - Distribution Expense - Mains & Services:	Co. Response To STAFF Data Request 5.58	$ (1,592)
2	Account 880 - Distribution Expense - Other:	RUCO Workpapers - "WP RLM-11-880 (1 - 4)"	(27,217)
3	Account 921 - A & G Expense - Office Supplies:	RUCO Workpapers - "WP RLM-11-921 (1 - 16)"	(107,076)
4	Account 923 - A & G Expense - Outside Services Employed:	RUCO Workpapers - "WP RLM-11-923 (1 - 2)"	(14,738)
5	Account 926 - A & G Expense - Pension & Benefits	RUCO Workpapers - "WP RLM-11-926 (1)"	(6,230)
6	Account 930 - A & G Expense - Miscellaneous General Expenses:	RUCO Workpapers - "WP RLM-11-930 (1 - 5)"	(76,494)
7	Total Expenses Removed	Sum Of Lines 1 Thru 6	$ (233,347)
8	RUCO Adjustment (See RLM-7, Pages 1 & 2, Column (G) For Distribution)	Line 7	$ (233,347)

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FINAL
OPERATING INCOME ADJUSTMENT NO. 7
PROPERTY TAX COMPUTATION

LINE NO.	DESCRIPTION	(A)	(B)
	Calculation Of The Company's Full Cash Value:		
1	Net Plant In Service (RLM-3, Column (H), Line 7)		$ 161,045,981
2	Licensed Transportation (Company Workpapers)	$ (3,224,086)	
3	Land Cost And Rights (Company Workpapers)	(414,955)	
4	Environmental Property (Company Workpapers)	(3,766,890)	
5	Land FCV Per ADOR (Company Workpapers)	697,806	
6	Material And Supplies (Company Workpapers)	2,039,798	
7	COMPANY'S FULL CASH VALUE (Sum Of Lines 1 Thru 6)		$ 156,377,654
	Calculation Of The Company's Tax Liability:		
8	Assessment Ratio (Per House Bill 2779)	24.0%	
9	Assessed Value (Line 7 X Line 8)	$ 37,530,637	
10	Average Tax Rate (Company Workpapers)	9.47%	
13	PROPERTY TAX Excluding Environmental Property (Line 9 X Line 10)		$ 3,555,915
14	Environmental Property (Line 4)	$ 3,766,890	
15	Statutory FCV Adjustment (Company Workpapers)	50%	
16	Environmental Property FVC (Line14 X Line 15)	$ 1,883,445	
17	Asessment Ratio Line 8)	24.0%	
18	Taxable Value (Line 16 X Line 17)	$ 452,027	
19	Average Tax Rate (Company Workpapers)	9.47%	
20	PROPERTY TAX On Environmental Property (Line 18 X Line 19)		$ 42,828
21	PROPERTY TAX On Leased Property (Company Workpapers)		
22	COMPANY PROPERTY TAX LIABILITY (Sum Of Lines 13, 20 & 21)		$ 3,598,743
23	Test Year Adjusted Property Tax Expense Per Company's Filing (Co. Workpapers Pg 2, L 2)	$ 3,908,052	
24	Decrease In Property Tax Expense (Line 22 - Line 23)	$ (309,309)	
25	RUCO ADJUSTMENT TO PROPERTY TAX EXPENSE (Line 24) (See RLM-7, Pages 1 & 2, Column (H))		$ (309,309)

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FINAL
ADJUSTMENT TO REMOVE NON-RECURRING/ATYPICAL EXPENSES
EXPENSES REMOVED FROM ACCOUNT 921

LINE NO.	(A) GENERAL LEDGER PERIOD	(B) PA EXPENDITURE COMMENT	(C) NOTES	(D) NET AMOUNT
1	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	$ 270.48
2	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	197.58
3	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	151.50
4	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	151.50
5	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	151.50
6	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	108.68
7	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	225.27
8	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	296.37
9	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	227.25
10	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	303.00
11	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	98.79
12	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	98.79
13	11/14/2005	HOLIDAY INNS EXPRESS	M.A.R.C. Training (Union Training)	303.00
14	TOTAL		Sum Of Lines 1 Thru 13	$ 2,583.71
15	RUCO Adjustment (See RLM-7, Pages 3 & 4, Column (K))		Line 14	$ (2,584)

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FINAL
OPERATING INCOME ADJUSTMENT NO. 22
INCOME TAX EXPENSE

LINE NO.	DESCRIPTION	(A) REFERENCE	(B) AMOUNT
	FEDERAL INCOME TAXES:		
1	Operating Income Before Taxes	Schedule RLM-6, Column (C), Line 10 + Line 8	$ 13,643,154
	LESS:		
2	Arizona State Tax	Line 11	(618,050)
3	Interest Expense	Note (A) Line 22	(4,773,323)
4	Federal Taxable Income	Sum Of Lines 1, 2 & 3	$ 8,251,781
5	Federal Tax Rate	Schedule RLM-2, Column (A), Line 9	34.00%
6	Federal Income Tax Expense	Line 4 X line 5	$ 2,805,605
	STATE INCOME TAXES:		
7	Operating Income Before Taxes	Line 1	$ 13,643,154
	LESS:		
8	Interest Expense	Note (A) Line 22	(4,773,323)
9	State Taxable Income	Line 7 + Line 8	$ 8,869,831
10	State Tax Rate	Tax Rate	6.9680%
11	State Income Tax Expense	Line 9 X Line 10	$ 618,050
	TOTAL INCOME TAX EXPENSE:		
12	Federal Income Tax Expense	Line 6	$ 2,805,605
13	State Income Tax Expense	Line 11	618,050
14	Total Income Tax Expense Per RUCO	Sum Of Lines 12 & 13	$ 3,423,655
15	Total Income Tax Expense Per Company Filing (Schedule C-1)		1,975,497
16	Difference	Line 14 - Line 15	$ 1,448,158
17	RUCO ADJUSTMENT TO INCOME TAX EXPENSE (See RLM 7, Page 6, Column (W))	Line 16	$ 1,448,158

NOTE (A):
Interest Synchronization:

18	Adjusted Rate Base (Schedule RLM-3, Column (H), Line 16)	$	144,646,160
19	Weighted Cost Of Debt (Schedule RLM-16, Column (F), Line 1 + Line 2)		3.30%
20	Interest Expense (Line 20 X Line 21)	$	4,773,323

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FINAL
RATE DESIGN AND PROOF OF RUCO RECOMMENDED REQUIRED REVENUE

LINE NO.	(A) DESCRIPTION	(B) SCH. NO.	(C) RUCO ANNUALIZED/WEATHERIZED ADJUSTED BILL COUNT	(D) RUCO ANNUALIZED/WEATHERIZED SALES (THERMS)	(E) PROPOSED MARGIN RATES BASIC SERVICE CHARGE	(F) PROPOSED MARGIN RATES COM. CHARGE	(G) MARGIN AT PROPOSED RATES BASIC SERVICE CHARGE	(H) MARGIN AT PROPOSED RATES COMMODITY CHARGE	(I) MARGIN AT PROPOSED RATES TOTAL MARGIN	(J) FIXED ALLOCATION FACTORS	(K) VARIABLE ALLOCATION FACTORS	(L) RES/COM ALLOCATION FACTORS
	Residential Service	R-10										
1	Basic Service Charge per Month - Summer		973,181		$ 8.34		$ 8,113,648		$ 8,113,648	64.11%		
2	Basic Service Charge per Month - Winter		495,838		$ 8.34		$ 4,133,925		4,133,925	32.67%		
3	Commodity Charge All Therms		-	69,822,061		$ 0.29668		$ 20,714,528	20,714,528		97.17%	
4	Total Residential Service		1,469,020	69,822,061			$ 12,247,573	$ 20,714,528	$ 32,962,101			
	Residential Service Cares	R-12										
4	Basic Service Charge per Month - Summer		33,439		$ 8.34		$ 278,790		$ 278,790	2.20%		
5	Basic Service Charge per Month - Winter		15,476		$ 8.34		$ 129,027		129,027	1.02%		
6	Commodity Charge All Therms			2,036,847		$ 0.29668		$ 604,283	604,283		2.83%	
7	Total Residential Service Cares		48,915	2,036,847			$ 407,817	$ 604,283	$ 1,012,100			
8	SUB-TOTAL RESIDENTIAL		1,517,935	71,858,907			$ 12,655,390	$ 21,318,811	$ 33,974,201	100.00%	100.00%	70.00%
	Small Volume Commercial Service	C-20										
9	Basic Service Charge per Month		133,275		$ 34.46		$ 4,592,054		$ 4,592,054	84.67%		
10	Commodity Charge per Therm			29,392,577		$ 0.18619		$ 5,472,634	5,472,634		59.90%	
11	Total Small Volume Commercial Service		133,275	29,392,577			$ 4,592,054	$ 5,472,634	$ 10,064,689			
	Large Volume Commercial Service & Trans.	C-22										
12	Basic Service Charge per Month		225		$ 265.03		$ 59,570		$ 59,570	1.10%		
13	Commodity Charge per Therm			4,170,979		$ 0.11919		$ 497,148	497,148		5.44%	
14	Total Large Volume Commercial Service		225	4,170,979			$ 59,570	$ 497,148	$ 556,719			
	Small Volume Industrial Service	I-30										
15	Basic Service Charge		146		$ 34.46		$ 5,048		$ 5,048	0.09%		
16	Commodity Charge per Therm			474,830		$ 0.17508		$ 83,135	83,135		0.91%	
17	Total Small Volume Industrial Service		146	474,830			$ 5,048	$ 83,135	$ 88,182			
	Large Volume Industrial Service	I-32										
18	Basic Service Charge		238		$ 265.03		$ 63,158		$ 63,158	1.16%		
19	Commodity Charge per Therm			22,586,654		$ 0.06680		$ 1,508,698	1,508,698		16.51%	
20	Total Large Volume Industrial Service		238	22,586,654			$ 63,158	$ 1,508,698	$ 1,571,856			
	Small Volume Public Authority	PA-40										
21	Basic Service Charge per Month		12,795		$ 34.46		$ 440,860		$ 440,860	8.13%		
22	Commodity Charge per Therm			5,870,369		$ 0.18259		$ 1,071,854	1,071,854		11.73%	
23	Total Small Volume Public Authority		12,795	5,870,369			$ 440,860	$ 1,071,854	$ 1,512,714			
	Large Volume Public Authority	PA-42										
24	Basic Service Charge per Month		113		$ 265.03		$ 29,835		$ 29,835	0.55%		
25	Commodity Charge per Therm			5,906,070		$ 0.08220		$ 485,508	485,508		5.31%	
26	Total Larege Volume Public Authority		113	5,906,070			$ 29,835	$ 485,508	$ 515,344			
	Special Gas Light Service	PA-44										
27	Customer Charge Lighting Group A		866		$ 42.88		$ 37,157		$ 37,157	0.69%		
28	Customer Charge Lighting Group B		3,767		$ 51.45		$ 193,786		193,786	3.57%		
29	Total Special Gas Light Service		4,633				$ 230,943	$ -	$ 230,943			
	Irrigation Service	IR-60										
30	Basic Service Charge		66		$ 34.46		$ 2,269		$ 2,269	0.04%		
31	Commodity Charge per Therm			79,409		$ 0.22234		$ 17,656	17,656		0.19%	
32	Total Irrigation Service		66	79,409			$ 2,269	$ 17,656	$ 19,925	100.00% #	100.00%	30.00%
33											RES. TO TOTAL 70.00%	RES. REVENUE $ 33,974,201
34	SUB-TOTAL COMMERCIAL		151,491	68,480,887			5,423,739	9,136,633	14,560,372			
35												COM REVENUE
36	TOTAL TARIFF SALES		1,669,426	140,339,795			18,079,128	30,455,444	48,534,573		COM. TO TOTAL 30.00%	$ 14,560,372
37												RES FIX REV
38												$ 12,655,390
39								OTHER REVENUE	1,480,304			COM FIX REV
40								TOTAL REVENUE	50,014,877		FIXED TO TOTAL 37.25%	$ 5,423,739
41												RES VAR REV
42								RUCO PROPOSED REVENUE	$ 50,014,877			$ 21,318,811
43											VAR. TO TOTAL 62.75%	COM VAR REV
44								DIFFERENCE	$ (0)			$ 9,136,633

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FINAL

TYPICAL RESIDENTIAL BILL ANALYSIS

LINE NO.	DESCRIPTION	(A) PRESENT	(B) PRESENT	(C) COMPANY AS FILED PROPOSED	(D) COMPANY AS FILED PROPOSED	(E) RUCO REVISED SURREBUTTAL PROPOSED	(F) RUCO REVISED SURREBUTTAL PROPOSED
	REVENUE ALLOCATION						
1	RESIDENTIAL	$ 31,123,034	70.02%	$ 39,021,053	70.19%	$ 33,974,201	70.00%
2	OTHER	$ 13,323,588	29.98%	$ 16,573,116	29.81%	$ 14,560,372	30.00%
3	TOTAL	$ 44,446,622	100.00%	$ 55,594,169	100.00%	$ 48,534,573	100.00%
	ALLOCATION RATIOS						
4	FIX REVENUE	12,110,551	27.25%	$ 28,769,014	51.70%	$ 18,079,128	37.25%
5	VARIABLE REVENUE	32,336,071	72.75%	$ 26,879,714	48.30%	$ 30,455,444	62.75%
6	TOTAL	44,446,622	100.00%	$ 55,648,727	100.00%	$ 48,534,573	100.00%

	RESIDENTIAL RATE DESIGN	PRESENT	COMPANY PROPOSED	RUCO PROPOSED
	BASIC MONTHLY CHARGE			
7	SUMMER	$ 7.00	MONTHS 8 $ 20.00	$ 8.34
8	WINTER	$ 7.00	MONTHS 4 $ 11.00	$ 8.34
9	COMMODITY CHARGE	$ 0.3004	$ 0.18625	0.2967

	RESIDENTIAL BILL COMPARISONS GAS CHARGE AT MARGIN + PGA COSTS AT DIFFERENT LEVELS OF USAGE WITH PERCENTAGE INCREASE IN BILL	AVERAGE PROPOSED PGA RATES	% OF AVERAGE MONTH USAGE OF 46.59 Therms	PRESENT MONTHLY GAS COST	RUCO PROP'D MONTHLY GAS COST	RUCO PROP'D MONTHLY INCREASE	RUCO PROP'D MONTHLY % INCREASE
10		$ 0.6467	25.00%	$ 18.03	$ 19.33	$ 1.29	7.18%
11			50.00%	$ 29.06	$ 30.31	$ 1.25	4.30%
12			100.00%	$ 51.13	$ 52.29	$ 1.16	2.28%
13			150.00%	$ 73.19	$ 74.27	$ 1.08	1.47%
14			200.00%	$ 95.25	$ 96.24	$ 0.99	1.04%

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FINAL
COST OF CAPITAL

LINE NO.	DESCRIPTION	(A) COMPANY AS FILED	(B) RUCO ADJUSTMENTS	(C) RUCO AS ADJUSTED	(D) PERCENT	(E) COST RATE	(F) WEIGHTED COST RATE
1	Short-term Debt	N/A	$ -	$ -	0.00%	0.00%	0.00%
2	Long-term Debt	$ 98,859,000	$ -	$ 98,859,000	50.00%	6.60%	3.30%
3	Preferred Stock	N/A	$ -	$ -	0.00%	0.00%	0.00%
4	Common Equity	$ 98,859,000	$ -	$ 98,859,000	50.00%	9.84%	4.92%
5	TOTAL CAPITAL	$ 197,718,000	$ -	$ 197,718,000	100.00%		
6	WEIGHTED COST OF CAPITAL						8.22%

References:

Column (A): Company Schedule D-1
Column (B): Surrebuttal Testimony, WAR
Column (C): Column (A) + Column (B)
Column (D): Column (C), Line Item / Total Capital (L5)
Column (E): Surrebuttal Testimony, WAR
Column (F): Column (D) X Column (E)