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Attorneys for Chaparral City Water Company

BEFORE THE ARIZONA CORPORATION COMMISSION

IN THE MATTER OF THE APPLICATION OF CHAPARRAL CITY WATER COMPANY, INC., AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.	DOCKET NO: W-02113A-07-0551 **NOTICE OF ERRATA**

Chaparral City Water Company, an Arizona corporation, ("Chaparral City" or "Company") hereby gives notice of filing its corrected Final Schedules reflecting its final position in this case. The schedules have been corrected to be consistent with the position taken in the Company's initial closing brief (filed January 28, 2009) on the amount of rate case expense it is seeking. This inconsistency is explained below. No other corrections or changes have been made to the schedules. The Company notes that its revised Final Schedules reflect a lower revenue requirement than its schedules filed on January 16, 2009 as a result of this correction.

In Chaparral City's initial closing brief, the Company stated that it would accept Staff's recommended level of rate case expense of $100,000 with regard to the appeal and remand of Decision No. 68176 (Sept. 30, 2005). Chaparral Br. at 23. Unfortunately, however, the Company's Final Schedules, which were prepared approximately two weeks before the initial closing brief was filed, reflect the Company's previous request for rate case expense equal to $258,511 with regard to the appeal and remand proceedings. The

corrected schedules filed today eliminate this inconsistency, and reflect that the Company has accepted Staff's recommended amount.

Additionally, in its initial closing brief, the Company argued for a surcharge mechanism to recover the rate case expense for the appeal and remand proceedings. The Company is withdrawing its proposed surcharge mechanism to recover rate case expense for the appeal and remand. As reflected in the attached revised Final Schedules, the Company seeks to recover its rate case expense by amortizing that expense over a three year period, in accordance with the Commission's normal practice. Please see the Company's Reply Brief at section I.B. for a detailed discussion of this issue.

DATED this 13th day of February, 2009.

FENNEMORE CRAIG, P.C.

By _____
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ORIGINAL and thirteen (13) copies
of the foregoing were filed
this 13th day of February, 2009, with:

Docket Control
Arizona Corporation Commission
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Phoenix, AZ 85007

Copy of the foregoing was hand delivered
this 13th day of February, 2009, to:

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DOCKET NO. W-02113A-07-0551
CHAPARRAL CITY WATER COMPANY, INC.
FEBRUARY 13, 2009

FINAL SCHEDULES

Chaparral City Water Company
Test Year Ended December 31, 2006
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Amended Final Sched. A-1
Page 1
Witness: Bourassa

Line No.		
1	Fair Value Rate Base	$ 27,751,113
2		
3	Adjusted Operating Income	1,012,634
4		
5	Current Rate of Return	3.65%
6		
7	Required Operating Income	$ 2,764,011
8		
9	Required Rate of Return on Fair Value Rate Base	9.96%
10		
11	Operating Income Deficiency	$ 1,751,377
12		
13	Gross Revenue Conversion Factor	1.6286
14		
15	Increase in Gross Revenue	
16	Requirement	$ 2,852,353
17		
18	Adjusted Test Year Revenues	$ 7,505,010
19	Increase	$ 2,852,353
20	Proposed Revenue Requirement	$ 10,357,363
21	% Increase over adjusted test year revenues	38.01%
22		

23	Customer	Present	Proposed	Dollar	Percent
24	**Classification**	**Rates**	**Rates**	**Increase**	**Increase**
25	**Residential, Commerical, Industrial**				
26	3/4 Inch	$ 3,524,021	$ 4,685,180	$ 1,161,159	32.95%
27	1 Inch	2,441,283	3,241,709	800,426	32.79%
28	1.5 Inch	172,583	228,904	56,321	32.63%
29	2 Inch	345,894	458,139	112,245	32.45%
30	3 Inch	24,229	32,104	7,875	32.50%
31	4 Inch	34,290	45,491	11,201	32.66%
32	**Irrigation**				
33	3/4 Inch	69,200	128,926	59,725	86.31%
34	1 Inch	178,745	345,031	166,286	93.03%
35	1.5 Inch	134,012	256,725	122,713	91.57%
36	2 Inch	161,987	309,336	147,349	90.96%
37	4 Inch	152,769	317,545	164,776	107.86%
38	6 Inch	322,475	676,428	353,954	109.76%
39	**FH/Construction**				
40	3/4 Inch	181	256	75	41.42%
41	1 Inch	1,357	2,298	941	69.35%
42	2 Inch	646	1,084	439	67.93%
43	3 Inch	84,704	122,350	37,646	44.44%
44	4 Inch	11,424	15,868	4,444	38.90%
45	**Fire Sprinkler**	5,770	5,773	3	0.06%
46	**Reconciling Amt H-1 to C-1**	8,050	444	(7,606)	
47	**Subtotal**	$ 7,673,618	$ 10,873,591	$ 3,199,973	41.70%
48	**Revenue Annualization**	(250,897)	(598,517)	(347,620)	138.55%
49	Miscellaneous Revenues	82,289	82,289	-	0.00%
50	**Total of Water Revenues**	$ 7,505,010	$ 10,357,363	$ 2,852,353	38.01%
51					

52 SUPPORTING SCHEDULES:
53 Amended Final B-1
54 Amended Final C-1
55 Amended Final C-3
56 Amended Final H-1
57

Chaparral City Water Company
Test Year Ended December 31, 2006
Summary of Rate Base

Exhibit
Amended Final Sched. B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	RCND Rate base	Fair Value Rate Base (50/50)
1				
2	Gross Utility Plant in Service	$ 50,893,199	$ 78,120,930	$ 64,507,064
3	Less: Accumulated Depreciation	13,696,614	23,733,469	18,715,041
4				
5	Net Utility Plant in Service	$ 37,196,585	$ 54,387,461	$ 45,792,023
6				
7	Less:			
8	Advances in Aid of			
9	Construction	6,557,243	10,225,334	8,391,288
10	Contributions in Aid of			
11	Construction - Net of amortization	6,119,129	9,435,452	7,777,291
12	Customer Meter Deposits	819,845	819,845	819,845
13	Deferred Income Taxes & Credits	925,896	925,896	925,896
14	Investment tax Credits	-	-	-
15	Well Settlement Proceeds	646,000	646,000	646,000
16				
17	Plus:			
18	Unamortized Debt Issuance			
19	Costs	424,010	424,010	424,010
20	Prepayments	192,485	192,485	192,485
21	Materials and Supplies	14,521	14,521	14,521
22	Deferred Regulatory Assets	-	-	-
23	Cash Working Capital	(111,606)	(111,606)	(111,606)
24				
25				
26	Total Rate Base	$ 22,647,882	$ 32,854,345	$ 27,751,113
27				
28				
29				
30	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
31	Amended Final B-2			Amended Final A-1
32	Amended Final B-3			
33	Amended Final B-5			
34				
35				

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments

Exhibit
Amended Final Sched. B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at End of Test Year	Adjustment Amount	Final Adjusted at end of Test Year
1	Gross Utility			
2	Plant in Service	$ 51,771,885	(878,687)	$ 50,893,199
3				
4	**Less:**			
5	Accumulated			
6	Depreciation	15,877,022	(2,180,408)	13,696,614
7				
8				
9	Net Utility Plant			
10	in Service	$ 35,894,864	-	$ 37,196,585
11				
12	**Less:**			
13	Advances in Aid of			
14	Construction	6,557,243	-	6,557,243
15				
16	Contributions in Aid of			
17	Construction - Net	6,119,129	-	6,119,129
18				
19	Customer Meter Deposits	819,845	-	819,845
20	Deferred Income Taxes	925,896	-	925,896
21	Investment Tax Credits	-	-	-
22	Well Settlement Proceeds	646,000	-	646,000
23				
24	**Plus:**			
25	Unamortized Debt Issuance			
26	Costs	424,010	-	424,010
27	Prepayments	192,485	-	192,485
28	Materials and Supplies	14,521	-	14,521
29	Deferred Regulatory Assets	1,280,000	(1,280,000)	-
30	Cash Working Capital	-	(111,606)	(111,606)
31				
32				
33	Total	$ 22,737,766		$ 22,647,882
34				
35				
36				
37	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
38	Amended Final B-2, page 1			Amended Final B-1
39				
40				
41				
42				
43				
44				
45				
46				

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments

Exhibit
Amended Final Sched. B-2
Page 2
Witness: Bourassa

Line No.		Direct Adjusted at End of Test Year	ADJUSTMENT 1 Plant-in-Service Adjustment	2 Accumulated Depreciation Adjustment	3 GO Plant Adjustment	4 GO Plant Accum Depr Adjustment	5 Reclass CAP Allocation	6 Cash Working Capital	Final at end of Test Year
1	Gross Utility								
2	Plant in Service	$ 51,771,885	$ (724,909)		$ (153,778)				$ 50,893,199
3									
4	**Less:**								
5	Accumulated								
6	Depreciation	15,877,022		(2,112,197)		(68,211)			13,696,614
7									
8									
9	Net Utility Plant								
10	in Service	$ 35,894,864							$ 37,196,585
11									
12	**Less:**								
13	Advances in Aid of								
14	Construction	6,557,243							6,557,243
15									
16	Contributions in Aid of								
17	Construction - Net	6,119,129							6,119,129
18									
19	Customer Meter Deposits	819,845							819,845
20	Deferred Income Taxes	925,896							925,896
21	Investment Tax Credits	-							-
22	Well Settlement Proceeds	646,000							646,000
23									
24	**Plus:**								
25	Unamortized Debt Issuance								
26	Costs	424,010							424,010
27	Prepayments	192,485							192,485
28	Materials and Supplies	14,521							14,521
29	Deferred Regulatory Assets	1,280,000					(1,280,000)		-
30	Cash Working Capital	-						(111,606)	(111,606)
31									
32									
33	Total	$ 22,737,766	$ (724,909)	$(2,112,197)	$ (153,778)	$ (68,211)	$(1,280,000)	$ (111,606)	$ 22,647,882
34									
35									
36									
37	SUPPORTING SCHEDULES:								RECAP SCHEDULES:
38	Amended Final B-2, pages 3-6								Amended Final B-1
39	Amended Final B-5								
40									

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1

Exhibit
Amended Final Sched. B-2
Page 3
Witness: Bourassa

Line No.				A	B	C	D	E	
1	Plant-in-Service								
2				Correction to match					
3	Account		Direct	Direct Filing B-2	CAP	Capitalize	Retire Wells 8 & 9	Reclassify	Final
4	No.	Description	Original Cost	Plant Detail[1]	Allocation[2]	Expenses[3]	& Wtr Treatment[4]	Plant[5]	Original Cost
5	301	Organization Cost	-						-
6	302	Franchise Cost	-						-
7	303	Land and Land Rights	271,858		1,280,000				1,551,858
8	304	Structures and Improvements	1,518,648			11,590	(596)		1,529,642
9	305	Collecting and Impounding Res.	6,548					(6,548)	-
10	306	Lake River and Other Intakes	-						-
11	307	Wells and Springs	332,065				(106,816)	(65,622)	159,627
12	308	Infiltration Galleries and Tunnels	-						-
13	309	Supply Mains	-						-
14	310	Power Generation Equipment	-						-
15	311	Electric Pumping Equipment	1,483,614	23,294		26,084		55,253	1,588,246
16	320	Water Treatment Equipment	7,757,814	5,686			(2,010,923)	34,062	5,786,639
17	330	Distribution Reservoirs & Standpipe	8,170,420					(1,658,271)	6,512,148
18	331	Transmission and Distribution Mains	17,450,634					1,502,420	18,953,054
19	333	Services	7,389,930					106,408	7,496,338
20	334	Meters	2,722,117	3,556				11,193	2,736,866
21	335	Hydrants	1,171,633					53,353	1,224,985
22	336	Backflow Prevention Devices	-						-
23	339	Other Plant and Misc Equipment	1,610,687			43,217		106,542	1,760,446
24	340	Office Furniture and Fixtures	270,359					1,814	272,173
25	341	Transportation Equipment	535,315						535,315
26	342	Stores Equipment	-						-
27	343	Tools and Work Equipment	149,365						149,365
28	344	Laboratory Equipment	-						-
29	345	Power Operated Equipment	-						-
30	346	Communications Equipment	39,105						39,105
31	347	Miscellaneous Equipment	106,542					(106,542)	0
32	348	Other Tangible Plant	34,062					(34,062)	-
33		Rounding	(3)						(3)
34		TOTALS	$ 51,020,714	$ 32,536	$ 1,280,000	$ 80,891	$ (2,118,336)	$ (0)	$ 50,295,805
35									
36	Plant-in-Service per Direct Filing								$ 51,020,714
37									
38	Increase (decrease) in Plaint-in-Service								$ (724,909)
39									
40	Adjustment to Plant-in-Service								$ (724,909)
41									
42									

43 [1] Column A - See Staff Schedule MEM-6 and Direct Testimony of Marvin E. Millsap at 6 and 18.
44 2 Column B- Reclass CAP allocation from deferred regulatory assets. See also Amnd Final B-2, page 5
3 Column C - See Amnd Final B-2, page 3.1
4 Column D - See Amnd Final B-2, page 3.2
5 Column D - See Amnd Final B-2, page

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1
Details of Column C - Capitalized Expenses

Exhibit
Amended Final Sched. B-2
Page 3.1
Witness: Bourassa

Line No.	Description	Ref.[1,2]	Expense Account	Original Cost	Plant Account	
1						
2						
3	**Description**	Ref.[1,2]	**Expense Account**	**Original Cost**	**Plant Account**	
4	New irrigation installation	Staff MEM-10	Outside Services	$ 2,500	304	Struct. & Improv.
5	Installation 30' x 6' fencing w/pa	Staff MEM-10	Outside Services	4,375	304	Struct. & Improv.
6	Professional Survey for new fen	Staff MEM-10	Outside Services	4,715	304	Struct. & Improv.
7	Subtotal			$ 11,590		
8						
9	Recondition motor	Staff MEM-10	Outside Services	$ 7,448	311	Elec. Pumping Equip
10	Removal & repeair of pump	Staff MEM-10	Outside Services	5,513	311	Elec. Pumping Equip
11	Removal & repair of motor and	Staff MEM-10	Outside Services	13,123	311	Elec. Pumping Equip
12	Subtotal			$ 26,084		
13						
14	Repairs and maintenance	RUCO TJC-9	Repairs and maintenance	$ 43,217	339	Other Plant & Misc Equip.
15						
16	Total			$ 80,891		
17						
18						
19	Increase (decrease) to Plant-in-Service			$ 80,891		
20						
21						
22						
23	[1] See Staff Schedule MEM-10					
24	[2] See RUCO Schedule TJC-9					
25						
26						
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45	SUPPORTING SCHEDULES					
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Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1
Details of Column D - Plant Retirements

Exhibit
Amended Final Sched. B-2
Page 3.2
Witness: Bourassa

Line No.	Description		Acquistion Date	Direct Filing Original Cost	Plant Account per Direct	Final Adjustment Original Cost[1]
1						
2						
3						
4	Wells 1971 (Well #8)		1/31/1971	$ 49,329	307	$ (49,329)
5	Wells 1972 (Well #9)		1/31/1972	54,139	307	(54,139)
6	ENGINE WELL		12/31/1986	3,348	307	(3,348)
7	Subtotal			$ 106,816		$ (106,816)
8						
9	Install exhaust fans	Well #9	8/31/1999	$ 596	304	$ (596)
10						
11	Plant 1986	WTP #1	12/31/1986	1,320,562	320	(1,320,562)
12	Water treatment equip 1987	WTP #1	12/31/1987	288,612	320	(288,612)
13	Water treatment equip 1989	WTP #1	1/31/1989	397,339	320	(397,339)
14	Water treatment equipment 89	WTP #1	12/31/1989	4,409	320	(4,409)
15	Subtotal			$ 2,010,923		$ (2,010,923)
16						
17	Total			$ 2,118,336		$ (2,118,336)
18						
19						
20						
21	Increase (decrease) to Plant-in-Service					$ (2,118,336)
22						
23						
24						
25						
26	[1] See Staff Schedule MEM-8, page 3 of 3					
27						
28						
29						
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31						
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41						
42						
43						
44						
45	SUPPORTING SCHEDULES					
46	Staff Schedule MEM-8, page 3 of 3					
47						
48						
49						
50						

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2
Details of Column E - Summary of Plant Reclassification

Exhibit
Amended Final Sched. B-2
Page 3.3
Witness: Bourassa

Line No.	(FROM) Plant Account Per Direct	Description	1 Direct Original Cost	2 Final Original Cost Adjustment	(TO) Plant Account Per Rebuttal	Description	3 Direct Original Cost	4 Final Original Cost Adjustment	5 = 2 + 4 Net Final Original Cost Adjustment
6	307	Wells & Springs	$ 65,622	$ (65,622)	307	Wells & Springs	$ -	$ -	$ (65,622)
7	305	Collection and Imp Res	$ 6,548	(6,548)	305	Collection and Imp Res	-	-	(6,548)
8	311	Elec. Pumping Equipment	10,368	(10,368)	311	Elec. Pumping Equipment	65,622	65,622	55,253
9	320	Water Treatment Equipment	-	-	320	Water Treatment Equipment	34,062	34,062	34,062
10	330	Distrib Reservoirs	1,664,819	(1,664,819)	330	Distrib Reservoirs	6,548	6,548	(1,658,271)
11	331	Trans and Dist mains	-	-	331	Trans and Dist mains	1,502,420	1,502,420	1,502,420
12	333	Services	44,798	(44,798)	333	Services	151,207	151,207	106,408
13	334	Meters	12,481	(12,481)	334	Meters	23,674	23,674	11,193
14	335	Hydrants	-	-	335	Hydrants	53,353	53,353	53,353
15	339	Other Misc Plant and Equip	-	-	339	Other Misc Plant and Equip	106,542	106,542	106,542
16	340	Office Furn & Equip	-	-	340	Office Furn & Equip	1,814	1,814	1,814
17	347	Miscellaneous	106,542	(106,542)	347	Miscellaneous	-	-	(106,542)
18	348	Other tangible Plant	34,062	(34,062)	348	Other tangible Plant	-	-	(34,062)
19									-
20			$ 1,945,240	$ (1,945,240)			$ 1,945,240	$ 1,945,240	$ -
21									
22									
23	Increase (decrease) to Plant-in-Service								$ -
24									
25	SUPPORTING SCHEDULES								
26	Amended Final B-2, page 3.3.1								
27									
28									
29									
30									

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1
Details of Column E - Reclassification of Plant

Exhibit
Amended Final Sched. B-2
Page 3.3.1
Witness: Bourassa

Line No.	Description		Acquistion Date	Original Cost	(FROM) Plant Account per Direct[1]	(TO) Plant Account per Final[1]
4	Wells#11 Labor/reinstall	250 HP sumb	9/30/1996	$ 65,622	307	311
6	Water treatment study		2004	$ 34,062	348	320
8	16" Trans Main		9/30/2005	$ 1,381,264	330	331
9	Design Eng / Fountain Hills	Blvd Transmission M	8/14/2006	121,156	330	331
10	Subtotal			$ 1,502,420		
12	Install wtr svc @ 15038 escab.		10/31/1996	$ 1,203	330	333
13	Install wtr svc @ 16637 almont		10/31/1996	1,309	330	333
14	Install wtr svc @ twn ctr	car wash	10/31/1996	1,309	330	333
15	Install wtr svc @ 16353 e.arow		10/31/1996	1,113	330	333
16	Install wtr svc @ 13804 sguaro		10/31/1996	1,264	330	333
17	Install wtr svc @ 13804 sguaro		10/31/1996	1,301	330	333
18	Install wtr svc @16850 Nicklus		10/31/1996	1,353	330	333
19	Install wtr svc @15361 G/eagle		10/31/1996	1,203	330	333
20	rplace wtr svc @14213 anguilar		10/31/1996	1,513	330	333
21	rplace wtr svc @14226 anguilar		10/31/1996	1,407	330	333
22	Install wtr svc @Jiffy lub ctr		10/31/1996	1,407	330	333
23	Install wtr svc @16418 desert		11/30/1996	1,097	330	333
24	rplace wtr svc @13221 wendover		11/30/1996	1,203	330	333
25	rplace wtr svc @11015 inca		11/30/1996	1,293	330	333
26	rplace wtr svc @11449 inca		11/30/1996	1,203	330	333
27	rplace wtr svc @LA Fuenta apts		11/30/1996	1,896	330	333
28	rplace wtr svc @12271 Chama		11/30/1996	1,203	330	333
29	rplace wtr svc @16439 Nicklaus		11/30/1996	1,353	330	333
30	rplace wtr svc @17426 Calico		11/30/1996	1,097	330	333
31	rplace wtr svc @11214 Prtridge		11/30/1996	1,118	330	333
32	rplace wtr svc @14218 Saguaro		11/30/1996	1,248	330	333
33	rplace wtr svc @16932 Parlin		11/30/1996	1,052	330	333
34	rplace wtr svc @ Plat 202		11/30/1996	17,773	330	333
35	rplace wtr svc @16629 Almont		11/30/1996	1,422	330	333
36	rplace wtr svc @ Almont dr (2)		11/30/1996	1,354	330	333
37	rplace wtr svc @ El Pueblo (2)		11/30/1996	1,354	330	333
38	rplace wtr svc@17303 el pueblo		11/30/1996	1,203	330	333
39	rplace wtr svc@17252 el pueblo		11/30/1996	946	330	333
40	water service@ 12031 Lamont		11/30/1996	1,203	330	333
41	rpl wtr svc@ 16069 Glenbrook		11/30/1996	1,602	330	333
42	rpl wtr svc@17005 Enterprise		11/30/1996	1,203	330	333
43	Lab.Mat to install copper serv	line	12/31/1996	39,965	330	333
44	Lab.Mat to install copper serv	lines & upgrades	12/31/1996	42,556	330	333
45	Subtotal			$ 138,726		
47	Service Line 1994	Install Wtr Svc, Gler	10/26/1994	$ 12,481	334	333
49	Meter installation		1/31/1973	$ 23,674	330	334
51	Fire Hydrant & DIP		3/31/2005	$ 10,368	311	335
53	1996 Mat/Lab instl new hydrant		12/31/1996	$ 42,984	333	335
55	Chairs (5) & Conference Room	Table	12/31/1993	$ 1,814	333	340
57	Collection & Impounding Reservoirs		2003	$ 6,548	305	330
59	Reclass Adjustment to match Staff PIS			$ 106,542	347	339

[1] See Staff Schedule MEM-8, page 3 of 3

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2

Exhibit
Amended Final Sched. B-2
Page 4
Witness: Bourassa

Accumulated Depreciation

Account No.	Description	Direct Original Cost Accum. Depr.	A Capitalize Expenses[1]	B Retire Wells 8 & 9 & Wtr Treatment Staff Adj. #7[2]	C Reclass & Wtr Treatment[3]	Final Original Cost Accum. Depr.
301	Organization Cost	-				-
302	Franchise Cost	-				-
303	Land and Land Rights	-				-
304	Structures and Improvements	357,961	193	(596)		357,558
305	Collecting and Impounding Res.	573			(573)	0
306	Lake River and Other Intakes	-				-
307	Wells and Springs	183,252		(106,816)	(17,906)	58,529
308	Infiltration Galleries and Tunnels	-				-
309	Supply Mains	-				-
310	Power Generation Equipment	-				-
311	Electric Pumping Equipment	879,456	1,630		23,873	904,959
320	Water Treatment Equipment	2,304,464		(2,010,923)	2,482	296,023
330	Distribution Reservoirs & Standpipe	1,996,014			(108,395)	1,887,619
331	Transmission and Distribution Mains	7,154,728			45,239	7,199,968
333	Services	1,060,764			29,524	1,090,288
334	Meters	990,763			18,864	1,009,627
335	Hydrants	235,514			12,084	247,598
336	Backflow Prevention Devices	-				-
339	Other Plant and Miscellaneous Equipment	135,962	1,441		28,874	166,278
340	Office Furniture and Fixtures	45,958			707	46,665
341	Transportation Equipment	60,636				60,636
342	Stores Equipment	-				-
343	Tools and Work Equipment	34,980				34,980
344	Laboratory Equipment	25				25
345	Power Operated Equipment	-				-
346	Communications Equipment	883				883
347	Miscellaneous Equipment	31,899			(31,899)	0
348	Other Tangible Plant	-				-
	TOTALS	$ 15,473,834	$ 3,265	$ (2,118,336)	$ 2,875	$ 13,361,637

Accumulated Depreciation per Direct Filing	$ 15,473,834
Increase (Decrease) to Accumulated Depreciation	$ (2,112,197)
Adjustment to Accumulated Depreciation	$ (2,112,197)

1 Column A - See Amended Final B-2, page 4.1
3 Column B - See Amended Final B-2, page 4.2
3 Column C - See Amended Final B-2, page 4.3

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2
Details of Column A - Capitalized Expenses Accum. Depr.

Exhibit
Amended Final Sched. B-2
Page 4.1
Witness: Bourassa

Line No.	Description	Plant Account	Original Cost	Depr. Rate	Depreciation Half-year Convention
1					
2					
3					
4	New irrigation installation	304	$ 2,500	3.33%	$ 42
5	Installation 30' x 6' fencing w/pane	304	4,375	3.33%	73
6	Professional Survey for new fence	304	4,715	3.33%	79
7	Subtotal		$ 11,590		$ 193
8					
9	Recondition motor	311	$ 7,448	12.50%	$ 466
10	Removal & repeair of pump	311	5,513	12.50%	345
11	Removal & repair of motor and pump	311	13,123	12.50%	820
12	Subtotal		$ 26,084		$ 1,630
13					
14	Repairs and Maitenance	339	$ 43,217	6.67%	$ 1,441
15					
16	Total		$ 80,891		$ 3,265
17					
18					
19					
20	Increase (decrease) to Accumulated Depreciation				$ 3,265
21					
22					
23					
24					
25					
26					
27					
28					
29					
30					
31					
32					
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46					
47	SUPPORTING SCHEDULES				
48	Amended Final B-2, page 3.1				
49	See also Staff Schedule MEM-8, page 3 of 3				
50					
51					
52					

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2
Details of Column B - Retirements Adjustment to Accum. Depr.

Exhibit
Amended Final Sched. B-2
Page 4.2
Witness: Bourassa

Line No.	Description		Plant Account	Retirement Original Cost	Final Depreciation Adjustment
4	Wells 1971 (Well #8)		307	$ 49,329	$ (49,329)
5	Wells 1972 (Well #9)		307	54,139	(54,139)
6	ENGINE WELL		307	3,348	(3,348)
7	Subtotal			$ 106,816	$ (106,816)
9	Install exhaust fans	Well #9	307	$ 596	$ (596)
11	Plant 1986	WTP #1	320	$ 1,320,562	$ (1,320,562)
12	Water treatment equip 1987	WTP #1	320	288,612	(288,612)
13	Water treatment equip 1989	WTP #1	320	397,339	(397,339)
14	Water treatment equipment 89	WTP #1	320	4,409	(4,409)
15	Subtotal			$ 2,010,923	$ (2,010,923)
17	Total			$ 2,118,336	$ (2,118,336)
21	Increase (decrease) to Accumulated Depreciation				$ (2,118,336)

45 SUPPORTING SCHEDULES
46 Amended Final B-2, page 3.2
47 See also Staff Schedule MEM-8, page 3 of 3

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2
Details of Column C - Summary of Plant Reclassification

Exhibit
Amended Final Sched. B-2
Page 4.3
Witness: Bourassa

Line No.	(FROM) Plant Account Per Direct	Description	1 Direct Accum. Depr.	2 Final Accum. Depr. Adjustment	(TO) Plant Account Per Rebuttal	Description	3 Direct Accum. Depr.	4 Final Accum. Depr. Adjustment	5 = 2 + 4 Net Accum. Depr. Adjustment
6	307	Wells & Springs	$ 17,906	$ (17,906)	307	Wells & Springs	$ -	$ -	$ (17,906)
7	305	Collection and Imp Res	$ 573	(573)	305	Collection and Imp Res	-	-	(573)
8	311	Elec. Pumping Equipment	1,555	(1,555)	311	Elec. Pumping Equipment	25,428	25,428	23,873
9	320	Water Treatment Equipment	-	-	320	Water Treatment Equipment	2,482	2,482	2,482
10	330	Distrib Reservoirs	108,395	(108,395)	330	Distrib Reservoirs	-	-	(108,395)
11	331	Trans and Dist mains	-	-	331	Trans and Dist mains	45,239	45,239	45,239
12	333	Services	12,360	(12,360)	333	Services	41,885	41,885	29,524
13	334	Meters	4,810	(4,810)	334	Meters	23,674	23,674	18,864
14	335	Hydrants	-	-	335	Hydrants	12,084	12,084	12,084
15	339	Other Misc Plant and Equip	-	-	339	Other Misc Plant and Equip	28,874	28,874	28,874
16	340	Office Furn & Equip	-	-	340	Office Furn & Equip	707	707	707
17	347	Miscellaneous	31,899	(31,899)	347	Miscellaneous	-	-	(31,899)
18	348	Other tangible Plant	-	-	348	Other tangible Plant	-	-	-
19									-
20			$ 177,498	$ (177,498)			$ 180,373	$ 180,373	$ 2,875
21									
22									
23	Increase (decrease) to Accumulated Deprecaition								$ 2,875
24									
25	SUPPORTING SCHEDULES								
26	Amended Final B-2, page 3.3.1								
27									
28									
29									
30									

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2
Details of Column C - Compute Depreciation for Reclassified Amounts and New Plant Acct.

Exhibit
Amended Final Sched. B-2
Page 4.3.1
Witness: Bourassa

Line No.	Description	(TO) Rebuttal Plant Account	Original Cost	Acquistion Year	1991 to 9-2005 Depreciation Rate	10-2005 to 2006 Depreciation Rate	Final Accum. Depr.[1]
5	Wells#11 Labor/reinstall 250 hp sub.	311	$ 65,622	1996	2.50%	12.50%	$ 25,428
7	Water treatment study	320	$ 34,062	2004	2.50%	3.33%	$ 2,482
9	16" Trans Main	331	$ 1,381,264	2005	2.50%	2.00%	$ 44,028
10	Design Eng / Fountain Hills	331	121,156	2006	2.50%	2.00%	$ 1,212
11	Subtotal		$ 1,502,420				$ 45,239
13	Install wtr svc @ 15038 escab.	333	$ 1,203	1996	2.50%	3.33%	$ 328
14	Install wtr svc @ 16637 almont	333	1,309	1996	2.50%	3.33%	357
15	Install wtr svc @ twn ctr	333	1,309	1996	2.50%	3.33%	357
16	Install wtr svc @ 16353 e.arow	333	1,113	1996	2.50%	3.33%	304
17	Install wtr svc @ 13804 sguaro	333	1,264	1996	2.50%	3.33%	345
18	Install wtr svc @ 13804 sguaro	333	1,301	1996	2.50%	3.33%	355
19	Install wtr svc @16850 Nicklus	333	1,353	1996	2.50%	3.33%	369
20	Install wtr svc @15361 G/eagle	333	1,203	1996	2.50%	3.33%	328
21	rplace wtr svc @14213 anguilar	333	1,513	1996	2.50%	3.33%	413
22	rplace wtr svc @14226 anguilar	333	1,407	1996	2.50%	3.33%	384
23	Install wtr svc @Jiffy lub ctr	333	1,407	1996	2.50%	3.33%	384
24	Install wtr svc @16418 desert	333	1,097	1996	2.50%	3.33%	299
25	rplace wtr svc @13221 wendover	333	1,203	1996	2.50%	3.33%	328
26	rplace wtr svc @11015 inca	333	1,293	1996	2.50%	3.33%	353
27	rplace wtr svc @11449 inca	333	1,203	1996	2.50%	3.33%	328
28	rplace wtr svc @LA Fuenta apts	333	1,896	1996	2.50%	3.33%	517
29	rplace wtr svc @12271 Chama	333	1,203	1996	2.50%	3.33%	328
30	rplace wtr svc @16439 Nicklaus	333	1,353	1996	2.50%	3.33%	369
31	rplace wtr svc @17426 Calico	333	1,097	1996	2.50%	3.33%	299
32	rplace wtr svc @11214 Prtridge	333	1,118	1996	2.50%	3.33%	305
33	rplace wtr svc @14218 Saguaro	333	1,248	1996	2.50%	3.33%	341
34	rplace wtr svc @16932 Parlin	333	1,052	1996	2.50%	3.33%	287
35	rplace wtr svc @ Plat 202	333	17,773	1996	2.50%	3.33%	4,850
36	rplace wtr svc @16629 Almont	333	1,422	1996	2.50%	3.33%	388
37	rplace wtr svc @ Almont dr (2)	333	1,354	1996	2.50%	3.33%	369
38	rplace wtr svc @ El Pueblo (2)	333	1,354	1996	2.50%	3.33%	369
39	rplace wtr svc@17303 el pueblo	333	1,203	1996	2.50%	3.33%	328
40	rplace wtr svc@17252 el pueblo	333	946	1996	2.50%	3.33%	258
41	water service@ 12031 Lamont	333	1,203	1996	2.50%	3.33%	328
42	rpl wtr svc@ 16069 Glenbrook	333	1,602	1996	2.50%	3.33%	437
43	rpl wtr svc@17005 Enterprise	333	1,203	1996	2.50%	3.33%	328
44	Lab.Mat to install copper serv	333	39,965	1996	2.50%	3.33%	10,905
45	Lab.Mat to install copper serv	333	42,556	1996	2.50%	3.33%	11,613
46	Subtotal		$ 138,726				$ 37,855
48	Service Line 1994	333	$ 12,481	1994	2.50%	3.33%	$ 4,030
50	Meter installation	334	$ 23,674	1973	FULLY DEPRECIATED		$ 23,674
52	Fire Hydrant & DIP	335	$ 10,368	2005	2.50%	8.33%	$ 1,069
54	1996 Mat/Lab instl new hydrant	335	$ 42,984	1996	2.50%	2.00%	$ 11,015
56	Chairs (5) & Conference Room	340	$ 1,814	1993	2.50%	6.67%	$ 707
58	Collection & Impounding Reservoirs	330	$ 6,548	2003	2.50%	2.22%	$ 550
60	Reclass Adjustment to match Staff PIS						
61	Balance at 12/31/2003	339	$ 67,303	2003	2.50%	6.67%	$ 9,397
62	A/D balance at 12/31/2003						16,832
63	2004 Additions	339	$ 16,445	2004	2.50%	6.67%	1,885
64	2005 Additions	339	$ -	2005	2.50%	6.67%	-
65	2006 Additions	339	$ 22,794	2006	2.50%	6.67%	760
66			$ 106,542				28,874

69 SUPPORTING SCHEDULES
70 Amended Final B-2, page 3.3
71 [1] Half-year convention

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2
Details of Column C - Compute Depreciation for Reclassified Amounts and Old Plant Acct.

Exhibit
Rebuttal Schedule B-2
Page 4.3.2
Witness: Bourassa

Line No.	Description	(FROM) Direct Plant Account	Original Cost	Acquistion Year	1991 to 9/2005 Depreciation Rate	10-2005 to 2006 Depreciation Rate	Direct Accum. Depr.[1]
5	Wells#11 Labor/reinstall 250 hp sub.	307	$ 65,622	1996	2.50%	3.33%	$ 17,906
7	Water treatment study	348	$ 34,062	2004	0.00%	0.00%	$ -
9	16" Trans Main	330	$ 1,381,264	2005	2.50%	2.22%	$ 47,446
10	Design Eng / Fountain Hills	330	121,156	2006	2.50%	2.22%	$ 1,345
11	Subtotal		$ 1,502,420				$ 48,791
13	Install wtr svc @ 15038 escab.	330	$ 1,203	1996	2.50%	2.22%	$ 312
14	Install wtr svc @ 16637 almont	330	1,309	1996	2.50%	2.22%	339
15	Install wtr svc @ twn ctr	330	1,309	1996	2.50%	2.22%	339
16	Install wtr svc @ 16353 e.arow	330	1,113	1996	2.50%	2.22%	288
17	Install wtr svc @ 13804 sguaro	330	1,264	1996	2.50%	2.22%	327
18	Install wtr svc @ 13804 sguaro	330	1,301	1996	2.50%	2.22%	337
19	Install wtr svc @16850 Nicklus	330	1,353	1996	2.50%	2.22%	350
20	Install wtr svc @15361 G/eagle	330	1,203	1996	2.50%	2.22%	312
21	rplace wtr svc @14213 anguilar	330	1,513	1996	2.50%	2.22%	392
22	rplace wtr svc @14226 anguilar	330	1,407	1996	2.50%	2.22%	364
23	Install wtr svc @Jiffy lub ctr	330	1,407	1996	2.50%	2.22%	364
24	Install wtr svc @16418 desert	330	1,097	1996	2.50%	2.22%	284
25	rplace wtr svc @13221 wendover	330	1,203	1996	2.50%	2.22%	312
26	rplace wtr svc @11015 inca	330	1,293	1996	2.50%	2.22%	335
27	rplace wtr svc @11449 inca	330	1,203	1996	2.50%	2.22%	312
28	rplace wtr svc @LA Fuenta apts	330	1,896	1996	2.50%	2.22%	491
29	rplace wtr svc @12271 Chama	330	1,203	1996	2.50%	2.22%	312
30	rplace wtr svc @16439 Nicklaus	330	1,353	1996	2.50%	2.22%	350
31	rplace wtr svc @17426 Calico	330	1,097	1996	2.50%	2.22%	284
32	rplace wtr svc @11214 Prtridge	330	1,118	1996	2.50%	2.22%	290
33	rplace wtr svc @14218 Saguaro	330	1,248	1996	2.50%	2.22%	323
34	rplace wtr svc @16932 Parlin	330	1,052	1996	2.50%	2.22%	272
35	rplace wtr svc @ Plat 202	330	17,773	1996	2.50%	2.22%	4,603
36	rplace wtr svc @16629 Almont	330	1,422	1996	2.50%	2.22%	368
37	rplace wtr svc @ Almont dr (2)	330	1,354	1996	2.50%	2.22%	351
38	rplace wtr svc @ El Pueblo (2)	330	1,354	1996	2.50%	2.22%	351
39	rplace wtr svc@17303 el pueblo	330	1,203	1996	2.50%	2.22%	312
40	rplace wtr svc@17252 el pueblo	330	946	1996	2.50%	2.22%	245
41	water service@ 12031 Lamont	330	1,203	1996	2.50%	2.22%	312
42	rpl wtr svc@ 16069 Glenbrook	330	1,602	1996	2.50%	2.22%	415
43	rpl wtr svc@17005 Enterprise	330	1,203	1996	2.50%	2.22%	312
44	Lab.Mat to install copper serv	330	39,965	1996	2.50%	2.22%	10,351
45	Lab.Mat to install copper serv	330	42,556	1996	2.50%	2.22%	11,022
46	Subtotal		$ 138,726				$ 35,930
48	Service Line 1994	334	$ 12,481	1994	2.50%	8.33%	$ 4,810
50	Meter installation	330	$ 23,674	1973	FULLY DEPRECIATED		$ 23,674
52	Fire Hydrant & DIP	311	$ 10,368	2005	2.50%	12.50%	$ 1,555
54	1996 Mat/Lab instl new hydrant	333	$ 42,984	1996	2.50%	3.33%	$ 11,729
56	Chairs (5) & Conference Room	333	$ 1,814	1993	2.50%	3.33%	$ 631
58	Collection & Impounding Reservoirs	305	$ 6,548	2003	2.50%	2.50%	$ 573
60	Reclass Adjustment to match Staff PIS						
61	Balance at 12/31/2003	347	$ 67,303	2003	2.50%	10.00%	$ 11,357
62	A/D balance at 12/31/2003						16,832
63	2004 Additions	347	$ 16,445	2004	2.50%	10.00%	2,570
64	2005 Additions	347	$ -	2005	2.50%	10.00%	-
65	2006 Additions	347	$ 22,794	2006	2.50%	10.00%	1,140
66			$ 106,542				$ 31,899

68 SUPPORTING SCHEDULES
69 Amended Final B-2, page 3.3
70
71 [1] Half-year convention

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment 3

Exhibit
Amended Final Sched. B-2
Page 5
Witness: Bourassa

Line No.				A	B					
1	General Office Plant Allocation - Plant-in-service									
2			Direct	Remove	Remove GO	Final	Allocation	Final Allocated	Direct Allocated	Final
3	NARUC	NARUC Description	Orig. Cost	GO Plant	PTY Plant	Orig. Cost	Factor	Orig. Cost	Orig. Cost	Adjustment
4	301	Organization Cost	16,452			16,452	2.80%	461	528	(67)
5	302	Franchise Cost and Other Intangible Plant	1,089,237	(420,000)	(159,087)	510,150	2.80%	14,284	34,965	(20,681)
6	303	Land and Land Rights	-			-	2.80%	-	-	-
7	304	Structures and Improvements	5,802,813	(820,254)		4,982,559	2.80%	139,512	186,270	(46,758)
8	305	Collecting and Impounding Res.	-			-	2.80%	-	-	-
9	306	Lake River and Other Intakes	-			-	2.80%	-	-	-
10	307	Wells and Springs	-			-	2.80%	-	-	-
11	308	Infiltration Galleries and Tunnels	-			-	2.80%	-	-	-
12	309	Supply Mains	-			-	2.80%	-	-	-
13	310	Power Generation Equipment	-			-	2.80%	-	-	-
14	311	Electric Pumping Equipment	(916)			(916)	2.80%	(26)	(29)	3
15	320	Water Treatment Equipment	-			-	2.80%	-	-	-
16	330	Distribution Reservoirs & Standpipe	-			-	2.80%	-	-	-
17	331	Transmission and Distribution Mains	-			-	2.80%	-	-	-
18	333	Services	-			-	2.80%	-	-	-
19	334	Meters	-			-	2.80%	-	-	-
20	335	Hydrants	-			-	2.80%	-	-	-
21	336	Backflow Prevention Devices	-			-	2.80%	-	-	-
22	339	Other Plant and Miscellaneous Equipment	847,382			847,382	2.80%	23,727	27,201	(3,474)
23	340	Office Furniture and Fixtures	14,268,765		(392,151)	13,876,614	2.80%	388,545	458,027	(69,482)
24	341	Transportation Equipment	552,719	(274,001)		278,718	2.80%	7,804	17,742	(9,938)
25	342	Stores Equipment	-			-	2.80%	-	-	-
26	343	Tools and Work Equipment	405,643			405,643	2.80%	11,358	13,021	(1,663)
27	344	Laboratory Equipment	4,061			4,061	2.80%	114	130	(16)
28	345	Power Operated Equipment	249,261			249,261	2.80%	6,979	8,001	(1,022)
29	346	Communications Equipment	165,561			165,561	2.80%	4,636	5,315	(679)
30	347	Miscellaneous Equipment	-			-	2.80%	-	-	-
31	348	Other Tangible Plant	-			-	2.80%	-	-	-
32										
33			$23,400,978	$ (1,514,255)	$ (551,238)	$ 21,335,485		$ 597,394	$ 751,171	$ (153,777)
34										
35	General Office Plant Allocation - Plant-in-service per Direct Filing							$ 751,171		
36										
37	Increase (Decrease) to Plant -in-service							$ (153,778)		
38										
39	Adjustment to Plant-in-Service							$ (153,778)		
40										
41										
42										
43	Column A - Staff Adj. # 3 Schedule MEM-7									
44	Column B - RUCO OCRB Adj. #11 - Schedule TJC-11									

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment 4

Exhibit
Amended Final Sched. B-2
Page 6
Witness: Bourassa

General Office Plant Allocation -Accumulated Depreciation

Line No.	NARUC	NARUC Description	Direct Accum. Depr.	A Remove GO Plant	B Remove GO PTY Plant	Final Accum. Depr.	Allocation Factor	Final Allocated Accum. Depr.	Direct Allocated Accum. Depr.	Final Adjustment
5	301	Organization Cost	3,046	(3,046)		-	2.80%	-	98	(98)
6	302	Franchise Cost and Other Intangible Plant	211,596	(153,888)	-	57,708	2.80%	1,616	6,792	(5,176)
7	303	Land and Land Rights	-			-	2.80%	-		-
8	304	Structures and Improvements	2,354,430			2,354,430	2.80%	65,924	75,577	(9,653)
9	305	Collecting and Impounding Res.	-			-	2.80%	-	-	-
10	306	Lake River and Other Intakes	-			-	2.80%	-	-	-
11	307	Wells and Springs	-			-	2.80%	-	-	-
12	308	Infiltration Galleries and Tunnels	-			-	2.80%	-	-	-
13	309	Supply Mains	-			-	2.80%	-	-	-
14	310	Power Generation Equipment	-			-	2.80%	-	-	-
15	311	Electric Pumping Equipment	-			-	2.80%	-	-	-
16	320	Water Treatment Equipment	-			-	2.80%	-	-	-
17	330	Distribution Reservoirs & Standpipe	-			-	2.80%	-	-	-
18	331	Transmission and Distribution Mains	-			-	2.80%	-	-	-
19	333	Services	-			-	2.80%	-	-	-
20	334	Meters	-			-	2.80%	-	-	-
21	335	Hydrants	-			-	2.80%	-	-	-
22	336	Backflow Prevention Devices	-			-	2.80%	-	-	-
23	339	Other Plant and Miscellaneous Equipment	162,569	(166,019)		(3,450)	2.80%	(97)	5,218	(5,315)
24	340	Office Furniture and Fixtures	8,664,647		-	8,664,647	2.80%	242,610	278,135	(35,525)
25	341	Transportation Equipment	552,718	(274,001)		278,717	2.80%	7,804	17,742	(9,938)
26	342	Stores Equipment	-			-	2.80%	-	-	-
27	343	Tools and Work Equipment	192,488			192,488	2.80%	5,390	6,179	(789)
28	344	Laboratory Equipment	4,062			4,062	2.80%	114	130	(16)
29	345	Power Operated Equipment	249,257			249,257	2.80%	6,979	8,001	(1,022)
30	346	Communications Equipment	165,561			165,561	2.80%	4,636	5,315	(679)
31	347	Miscellaneous Equipment	-			-	2.80%	-		-
32	348	Other Tangible Plant	-			-	2.80%	-		-
33			$ 12,560,374	$ (596,954)	$ -	$ 11,963,420		$ 334,976	$ 403,187	$ (68,211)

35	General Office Plant Allocation - Plant-in-service per Direct Filing	$ 403,187
37	Increase (Decrease) to Plant -in-service	$ (68,211)
39	Adjustment to Plant-in-Service	$ (68,211)

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment 5

Exhibit
Amended Final Sched. B-2
Page 7
Witness: Bourassa

Line No.			
1	Remove CAP Allocation from Deferred Regulatory Assets		
2			
3			
4	CAP Allocation Cost Per Direct Filing	$	1,280,000
5			
6			
6			
7			
8			
9			
10			
11			
12			
13			
14	Increase (Decrease) to Deferred Regulatory Assets	$	(1,280,000)
15			
16			
17			
18	Note: CAP Allocation is reclassed to Land and Land Rights. See Final B-2, page 3		
19	Based on Staff proposed adjustment. See Staff Schedule MEM-4 and MEM-6.		
20	See Direct Testimony of Marvin E. Millsap at 15-18.		

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment 6

Exhibit
Amended Final Sched. B-2
Page 8
Witness: Bourassa

Line No.			
1	Cash Working Capital		
2			
3			
4	Adjustment to Cash Working Capital based on RUCO Lead/Lag Study	$	(111,606)
5			
6			
6			
7			
8			
9			
10			
11			
12			
13			
14	Increase (Decrease) to Cash Working Capital	$	(111,606)
15			
16			
17	Based on Lead/lag Study preopared bu RUCO. See Direct testimony of Timothy J. Coley.		
18	See also RUCO Schedule TJC-20, pages 1 to 15.		
19			
20			

Chaparral City Water Company
Test Year Ended December 31, 2006
RCND Rate Base Proforma Adjustments

Exhibit
Amended Final Sched. B-3
Page 1
Witness: Bourassa

Line No.		Direct Adjusted at End of Test Year	Adjustment	Final Adjusted at end of Test Year
1	Gross Utility			
2	Plant in Service	$ 80,783,568	(2,662,638)	$ 78,120,930
3				
4	**Less:**			
5	Accumulated			
6	Depreciation	25,894,686	(2,161,217)	23,733,469
7				
8	Net Utility Plant			
9	in Service	$ 54,888,882	-	$ 54,387,461
10				
11	**Less:**			
12	Advances in Aid of			
13	Construction	10,225,334	-	10,225,334
14				
15	Contributions in Aid of			
16	Construction - Net	9,435,452	-	9,435,452
17				
18	Customer Meter Deposits	819,845	-	819,845
19	Deferred Income Taxes	925,896	-	925,896
20	Investment Tax Credits	-	-	-
21	Well Settlement Proceeds	646,000	-	646,000
22				
23	**Plus:**			
24	Unamortized Debt Issuance			
25	Costs	424,010	-	424,010
26	Prepayments	192,485	-	192,485
27	Materials and Supplies	14,521	-	14,521
28	Deferred Regulatory Assets	1,280,000	(1,280,000)	-
29	Cash Working Capital	-	(111,606)	(111,606)
30				
31				
32	Total	$ 34,747,372		$ 32,854,345
33				
34				
35				
36	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
37	Amended Final B-3, page 2			Amended Final B-1
38				
39				
40				

Chaparral City Water Company
Test Year Ended December 31, 2006
RCND Rate Base Proforma Adjustments

Exhibit
Amended Final Sched. B-3
Page 2
Witness: Bourassa

Line No.		Direct Adjusted at end of Test Year	1 Plant-in-Service Adjustment	2 Accumulated Depreciation Adjustment	3 GO Plant Adjustment	4 GO Plant Accum Depr Adjustment	5 Reclass CAP Allocation	6 Cash Working Capital	Final Adjusted at end of Test Year
1	Gross Utility								
2	Plant in Service	$ 80,783,568	$ (2,472,003)		$ (190,635)				$ 78,120,930
3									
4	**Less:**								
5									
6	Accumulated								
7	Depreciation	25,894,686		(2,094,182)		(67,036)			23,733,469
8									
9	Net Utility Plant								
10	in Service	$ 54,888,882							$ 54,387,461
11									
12	**Less:**								
13	Advances in Aid of								
14	Construction	10,225,334							10,225,334
15									
16	Contributions in Aid of								
17	Construction - Net	9,435,452							9,435,452
18									
19	Customer Meter Deposits	819,845							819,845
20	Deferred Income Taxes	925,896							925,896
21	Investment Tax Credits	-							-
22	Well Settlement Proceeds	646,000							646,000
23									
24	**Plus:**								
25	Unamortized Debt Issuance								
26	Costs	424,010							424,010
27	Prepayments	192,485							192,485
28	Materials and Supplies	14,521							14,521
29	Deferred Regulatory Assets	1,280,000					(1,280,000)		-
30	Cash Working Capital	-						(111,606)	(111,606)
31									
32									
33	Total	$ 34,747,372	$ (2,472,003)	$ (2,094,182)	$ (190,635)	$ (67,036)	$ (1,280,000)	$ (111,606)	$ 32,854,345
34									
35									
36									
37	SUPPORTING SCHEDULES:								
38	Amended Final B-3, pages 3-6								
39	Amended Final B-5								

Chaparral City Water Company
Test Year Ended December 31, 2006
RCND Rate Base Proforma Adjustments
Adjustment Number 1

Exhibit
Amended Final Sched. B-3
Page 3
Witness: Bourassa

Line No.				A	B	C	D	E	
1	Plant-in-Service								
2					RCN		Retire		
3	Account		Direct	CAP	Value	Capitalize	Wells 8 & 9	Plant	Final
4	No.	Description	RCN Cost	Allocation[1]	Correction[2]	Expenses[3]	& Wtr Treatment[4]	Reclassification[5]	RCN Cost
5	301	Organization Cost	-						-
6	302	Franchise Cost	-						-
7	303	Land and Land Rights	271,857	1,280,000					1,551,857
8	304	Structures and Improvements	1,965,394		(17,805)	11,590	(798)		1,958,380
9	305	Collecting and Impounding Res.	9,163					(9,163)	0
10	306	Lake River and Other Intakes	-						-
11	307	Wells and Springs	908,287				(440,672)	(87,572)	380,043
12	308	Infiltration Galleries and Tunnels	-						-
13	309	Supply Mains	-						-
14	310	Power Generation Equipment	-						-
15	311	Electric Pumping Eq ipment	3,160,902			26,084		79,641	3,266,627
16	320	Water Treatment Equipment	9,969,130				(3,262,891)	36,355	6,742,593
17	330	Distribution Reservoirs & Standpipe	12,993,526					(1,940,538)	11,052,988
18	331	Transmission and Distribution Mains	31,920,448					1,601,081	33,521,530
19	333	Services	9,304,078					146,915	9,450,993
20	334	Meters	3,981,833					16,309	3,998,143
21	335	Hydrants	2,192,853					77,763	2,270,616
22	336	Backflow Prevention Devices	-						-
23	339	Other Plant and Miscellaneous Equipment	1,678,949			43,217		135,072	1,857,238
24	340	Office Furniture and Fixtures	349,449					2,543	351,993
25	341	Transportation Equipment	663,541						663,541
26	342	Stores Equipment	-						-
27	343	Tools and Work Equipment	195,755						195,755
28	344	Laboratory Equipment	-						-
29	345	Power Operated Equipment	-						-
30	346	Communications Equipment	57,138						57,138
31	347	Miscellaneous Equipment	135,072					(135,072)	(0)
32	348	Other Tangible Plant	34,062					(34,062)	0
33		TOTALS	$ 79,791,439	$ 1,280,000	$ (17,805)	$ 80,891	$ (3,704,362)	$ (110,727)	$ 77,319,436
34									
35	RCN Plant-in-Service Per Direct Filing								$ 79,791,439
36									
37	Increase (decrease) to Plant-in-Service								$ (2,472,003)
38									
39	Adjustment to Plant-in-Service								$ (2,472,003)
40									

Exhibit
Amended Final Sched. B-3
Page 3.1
Witness: Bourassa

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1
Details of Column B - Correction of RCN Factors for Account 304

Line No.	Description	Year	Direct Original Cost	Plant Account per Direct	Direct HW Base	Direct Year Index	Direct RCN Factor	Direct RCN Value
5	Structures & Improvements	2004	$ 42,575	304	434	276	1.5725	$ 66,948

Line No.	Description	Year	Final Original Cost	Plant Account per Direct	Final HW Base	Final Year Index	RCN Factor	Final RCN Value
11	Structures & Improvements	2004	$ 42,575	304	434	376	1.1543	$ 49,143

Line No.		
14	RCN value Per Rebuttal	$ 49,143
15	RCN value Per Direct	66,948
17	Increase (Decrease) in RCN Value	$ (17,805)

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1
Details of Column C - Capitalized Expenses

Exhibit
Amended Final Sched. B-3
Page 3.2
Witness: Bourassa

Line No.	Description	Final Original Cost	RCN Factor	Final Adjustment RCN Value[1]	Plant Account	
1						
2						
3						
4	New irrigation installation	$ 2,500	1.00	$ 2,500	304	Struct. & Improv.
5	Installation 30' x 6' fencing w/pane	4,375	1.00	4,375	304	Struct. & Improv.
6	Professional Survey for new fence	4,715	1.00	4,715	304	Struct. & Improv.
7	Subtotal	$ 11,590		$ 11,590		
8						
9	Recondition motor	$ 7,448	1.00	$ 7,448	311	Elec. Pumping Equip
10	Removal & repeair of pump	5,513	1.00	5,513	311	Elec. Pumping Equip
11	Removal & repair of motor and pump	13,123	1.00	13,123	311	Elec. Pumping Equip
12	Subtotal	$ 26,084		$ 26,084		
13						
14	Repairs and Maintenance	$ 43,217	1.00	$ 43,217	339	Other Plant & Misc. Equip
15						
16	Total	$ 80,891		$ 80,891		
17						
18						
19						
20						
21						
22	Staff Schedule MEM-10					
23						
24						
25						
26	SUPPORTING SCHEDULES					
27	Amended Final B-2, page 3 and 3.1					
28						
29						
30	[1] Staff Schedule MEM-10					

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1
Details of Column D - Plant Retirements

Exhibit
Amended Final Sched. B-3
Page 3.3
Witness: Bourassa

Line No.	Description		Acquistion Date	Original Cost[1]	Plant Account per Direct	RCN Factor	RCN VALUE	Final Adjustment RCN VALUE
1								
2								
3								
4	Wells 1971 (Well #8)		1/31/1971	$ 49,329	307	4.3523	$ 214,695	$ (214,695)
5	Wells 1972 (Well #9)		1/31/1972	54,139	307	4.0745	220,589	(220,589)
6	ENGINE WELL		12/31/1986	3,348	307	1.6092	5,388	(5,388)
7	Subtotal			$ 106,816			$ 440,672	$ (440,672)
8								
9	Install exhaust fans	Well #9	8/31/1999	$ 596	304	1.3395	$ 798	$ (798)
10								
11	Plant 1986	WTP #1	12/31/1986	1,320,562	320	1.6506	2,179,720	(2,179,720)
12	Water treatment equip 1987	WTP #1	12/31/1987	288,612	320	1.6145	465,965	(465,965)
13	Water treatment equip 1989	WTP #1	1/31/1989	397,339	320	1.5363	610,432	(610,432)
14	Water treatment equipment 89	WTP #1	12/31/1989	4,409	320	1.5363	6,774	(6,774)
15	Subtotal			$ 2,010,923			$ 3,262,891	$ (3,262,891)
16								
17	Total			$ 2,118,336			$ 3,704,362	$ (3,704,362)
18								
19								
20	Increase (decrease) to RCN Plant-in-Service							$ (3,704,362)
21								
22	[1] See Staff MEM-8, page 3 of 3							
23								
24								
25								
26								
27								
28								
29								
30								

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2
Details of Column E - Summary of Plant Reclassification

Exhibit
Amended Final Sched. B-3
Page 3.4
Witness: Bourassa

Line No.	(FROM) Direct Plant Account	Description	1 Direct RCN Value	2 Final RCN Value Adjustment	(TO) Final Plant Account	Description	3 Final RCN Value	4 Final RCN Value Adjustment	5 = 2 + 4 Net Final RCN Value Adjustment
1									
2									
3									
4									
5									
6	307	Wells & Springs	$ 87,572	$ (87,572)	307	Wells & Springs	$ -	$ -	$ (87,572)
7	305	Collection and Impounding Res	$ 9,163	(9,163)	305	Collection and Impounding Res	-	-	(9,163)
8	311	Elec. Pumping Equipment	10,625	(10,625)	311	Elec. Pumping Equipment	90,266	90,266	79,641
9	320	Water Treatment Equipment	-	-	320	Water Treatment Equipment	36,355	36,355	36,355
10	330	Distrib Reservoirs	1,949,701	(1,949,701)	330	Distrib Reservoirs	9,163	9,163	(1,940,538)
11	331	Trans and Dist mains	-	-	331	Trans and Dist mains	1,601,081	1,601,081	1,601,081
12	333	Services	61,749	(61,749)	333	Services	208,664	208,664	146,915
13	334	Meters	17,806	(17,806)	334	Meters	34,115	34,115	16,309
14	335	Hydrants	-	-	335	Hydrants	77,763	77,763	77,763
15	339	Other Misc Plant and Equip	-	-	339	Other Misc Plant and Equip	135,072	135,072	135,072
16	340	Office Furn & Equip	-	-	340	Office Furn & Equip	2,543	2,543	2,543
17	347	Miscellaneous	135,072	(135,072)	347	Miscellaneous	-	-	(135,072)
18	348	Other tangible Plant	34,062	(34,062)	348	Other tangible Plant	-	-	(34,062)
19									-
20			$ 2,305,750	$ (2,305,750)			$ 2,195,023	$ 2,195,023	$ (110,727)
21									
22									
23	Increase (decrease) to RCN Plant-in-Service								$ (110,727)
24									
25									
26									
27									
28	SUPPORTING SCHEDULES								
29	Amended Final B-2, page 3.4.1								
30									

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1
Details of Column E - Reclassification of Plant

Exhibit
Amended Final Sched. B-3
Page 3.4.1
Witness: Bourassa

Line No.	Description	Acquistion Date	Direct Original Cost	(FROM) Direct Plant Account	RCN Factor	Direct RCN Value	(TO) Final Plant Account	Final RCN Factor	Final RCN Value
5	Wells#11 Labor/reinstall 250 hp s	9/30/1996	$ 65,622	307	1.3345	$ 87,572	311	1.3756	$ 90,266
7	Water treatment study	2004	$ 34,062	348	1.0000	$ 34,062	320	1.0673	$ 36,355
9	16" Trans Main	9/30/2005	$1,381,264	330	1.1095	$1,532,512	331	1.0714	$ 1,479,926
10	Design Eng / Fountain Hills	8/14/2006	121,156	330	1.0000	121,156	331	1.0000	121,156
11	Subtotal		$1,502,420			$1,653,668			$ 1,601,081
13	Install wtr svc @ 15038 escab.	10/31/1996	$ 1,203	330	1.4940	$ 1,797	333	1.3764	$ 1,656
14	Install wtr svc @ 16637 almont	10/31/1996	1,309	330	1.4940	1,956	333	1.3764	1,802
15	Install wtr svc @ twn ctr	10/31/1996	1,309	330	1.4940	1,956	333	1.3764	1,802
16	Install wtr svc @ 16353 e.arow	10/31/1996	1,113	330	1.4940	1,663	333	1.3764	1,532
17	Install wtr svc @ 13804 sguaro	10/31/1996	1,264	330	1.4940	1,888	333	1.3764	1,740
18	Install wtr svc @ 13804 sguaro	10/31/1996	1,301	330	1.4940	1,944	333	1.3764	1,791
19	Install wtr svc @16850 Nicklus	10/31/1996	1,353	330	1.4940	2,021	333	1.3764	1,862
20	Install wtr svc @15361 G/eagle	10/31/1996	1,203	330	1.4940	1,797	333	1.3764	1,656
21	rplace wtr svc @14213 anguilar	10/31/1996	1,513	330	1.4940	2,260	333	1.3764	2,083
22	rplace wtr svc @14226 anguilar	10/31/1996	1,407	330	1.4940	2,102	333	1.3764	1,937
23	Install wtr svc @Jiffy lub ctr	10/31/1996	1,407	330	1.4940	2,102	333	1.3764	1,937
24	Install wtr svc @16418 desert	11/30/1996	1,097	330	1.4940	1,639	333	1.3764	1,510
25	rplace wtr svc @13221 wendover	11/30/1996	1,203	330	1.4940	1,797	333	1.3764	1,656
26	rplace wtr svc @11015 inca	11/30/1996	1,293	330	1.4940	1,932	333	1.3764	1,780
27	rplace wtr svc @11449 inca	11/30/1996	1,203	330	1.4940	1,797	333	1.3764	1,656
28	rplace wtr svc @LA Fuenta apts	11/30/1996	1,896	330	1.4940	2,833	333	1.3764	2,610
29	rplace wtr svc @12271 Chama	11/30/1996	1,203	330	1.4940	1,797	333	1.3764	1,656
30	rplace wtr svc @16439 Nicklaus	11/30/1996	1,353	330	1.4940	2,021	333	1.3764	1,862
31	rplace wtr svc @17426 Calico	11/30/1996	1,097	330	1.4940	1,639	333	1.3764	1,510
32	rplace wtr svc @11214 Prtridge	11/30/1996	1,118	330	1.4940	1,670	333	1.3764	1,539
33	rplace wtr svc @14218 Saguaro	11/30/1996	1,248	330	1.4940	1,865	333	1.3764	1,718
34	rplace wtr svc @16932 Parlin	11/30/1996	1,052	330	1.4940	1,572	333	1.3764	1,448
35	rplace wtr svc @ Plat 202	11/30/1996	17,773	330	1.4940	26,553	333	1.3764	24,463
36	rplace wtr svc @16629 Almont	11/30/1996	1,422	330	1.4940	2,124	333	1.3764	1,957
37	rplace wtr svc @ Almont dr (2)	11/30/1996	1,354	330	1.4940	2,023	333	1.3764	1,864
38	rplace wtr svc @ El Pueblo (2)	11/30/1996	1,354	330	1.4940	2,023	333	1.3764	1,864
39	rplace wtr svc@17303 el pueblo	11/30/1996	1,203	330	1.4940	1,797	333	1.3764	1,656
40	rplace wtr svc@17252 el pueblo	11/30/1996	946	330	1.4940	1,413	333	1.3764	1,302
41	water service@ 12031 Lamont	11/30/1996	1,203	330	1.4940	1,797	333	1.3764	1,656
42	rpl wtr svc@ 16069 Glenbrook	11/30/1996	1,602	330	1.4940	2,393	333	1.3764	2,205
43	rpl wtr svc@17005 Enterprise	11/30/1996	1,203	330	1.4940	1,797	333	1.3764	1,656
44	Lab.Mat to install copper serv	12/31/1996	39,965	330	1.4940	59,707	333	1.3764	55,008
45	Lab.Mat to install copper serv	12/31/1996	42,556	330	1.4940	63,579	333	1.3764	58,575
46	Subtotal		$ 138,726			$ 207,256			$ 190,946
48	Service Line 1994	10/26/1994	$ 12,481	334	1.4267	$ 17,806	333	1.4196	$ 17,718
50	Meter installation	1/31/1973	$ 23,674	330	3.7500	$ 88,776	334	1.4411	$ 34,115
52	Fire Hydrant & DIP	3/31/2005	$ 10,368	311	1.0248	$ 10,625	335	1.0816	$ 11,214
54	1996 Mat/Lab instl new hydrant	12/31/1996	$ 42,984	333	1.3764	$ 59,164	335	1.5482	$ 66,549
56	Chairs (5) & Conference Room	12/31/1993	$ 1,814	333	1.4252	$ 2,585	340	1.4021	$ 2,543
58	Collection & Impounding Reservc	2003	$ 6,548	305	1.3993	$ 9,163	330	1.3993	$ 9,163
60	Reclass Adjustment to match Staff PIS								
61	Adds Through 1988		$ 7,075	347	1.7041	12,057	339	1.7041	$ 12,057
62	1990 Additions		33,108	347	1.5425	51,068	339	1.5425	51,068
63	1991 Additions		1,508	347	1.4802	2,232	339	1.4802	2,232
64	1993 Additions		453	347	1.3952	632	339	1.3952	632
65	1994 Additions		210	347	1.3603	286	339	1.3603	286
66	1996 Additions		359	347	1.2849	461	339	1.2849	461
67	2001 Additions		24,590	347	1.1383	27,992	339	1.1383	27,992
68	2004 Additions		16,445	347	1.0672	17,551	339	1.0672	17,551
69	2006 Additions		22,794	347	1.0000	22,794	339	1.0000	22,794
70			$ 106,542			$ 135,072			$ 135,072

71 SUPPORTING SCHEDULES
72 Amended Final B-2, page 3.3.1

Chaparral City Water Company
Test Year Ended December 31, 2006
RCND Rate Base Proforma Adjustments
Adjustment Number 2

Exhibit
Amended Final Sched. B-3
Page 4
Witness: Bourassa

Line No.	Plant-in-Service		1	2	3 = 2/1	4	5 = 4x3		
	Account No.	Description	Final Original Cost	Final RCN Value	Ratio	Final Original Cost Accum Depr	Final RCN Accum. Depr.	Direct RCN Accum. Depr.	Final RCN Adjustment
5	301	Organization Cost	-	-	-	-	-	-	-
6	302	Franchise Cost	-	-	-	-	-		-
7	303	Land and Land Rights	1,551,858	1,551,857	1.0000	-	-		-
8	304	Structures and Improvements	1,529,642	1,958,380	1.2803	357,558	457,776	486,810	(29,033)
9	305	Collecting and Impounding Res.	-	0	-	0	-		-
10	306	Lake River and Other Intakes	-	-	-	-	-		-
11	307	Wells and Springs	159,627	380,043	2.3808	58,529	139,348	150,254	(10,906)
12	308	Infiltration Galleries and Tunnels	-	-	-	-	-		-
13	309	Supply Mains	-	-	-	-	-		-
14	310	Power Generation Equipment	-	-	-	-	-		-
15	311	Electric Pumping Equipment	1,588,246	3,266,627	2.0568	904,959	1,861,276	1,750,363	110,913
16	320	Water Treatment Equipment	5,786,639	6,742,593	1.1652	296,023	344,926	2,695,725	(2,350,799)
17	330	Distribution Reservoirs & Standpipe	6,512,148	11,052,988	1.6973	1,887,619	3,203,832	2,276,817	927,015
18	331	Transmission and Distribution Mains	18,953,054	33,521,530	1.7687	7,199,968	12,734,303	12,993,907	(259,604)
19	333	Services	7,496,338	9,450,993	1.2607	1,090,288	1,374,578	1,547,309	(172,731)
20	334	Meters	2,736,866	3,998,143	1.4608	1,009,627	1,474,911	1,507,882	(32,971)
21	335	Hydrants	1,224,985	2,270,616	1.8536	247,598	458,944	460,745	(1,801)
22	336	Backflow Prevention Devices	-	-	-	-	-		-
23	339	Other Plant and Miscellaneous Equipment	1,760,446	1,857,238	1.0550	166,278	175,420	277,127	(101,707)
24	340	Office Furniture and Fixtures	272,173	351,993	1.2933	46,665	60,350	86,215	(25,865)
25	341	Transportation Equipment	535,315	663,541	1.2395	60,636	75,161	173,753	(98,592)
26	342	Stores Equipment	-	-	-	-	-		-
27	343	Tools and Work Equipment	149,365	195,755	1.3106	34,980	45,845	57,187	(11,343)
28	344	Laboratory Equipment	-	-	-	25	-		-
29	345	Power Operated Equipment	-	-	-	-	-		-
30	346	Communications Equipment	39,105	57,138	1.4611	883	1,291	37,410	(36,119)
31	347	Miscellaneous Equipment	0	(0)	-	0	-		-
32	348	Other Tangible Plant	-	0	-	-	-	639	(639)
33		TOTALS	$ 50,295,808	$ 77,319,436		$ 13,361,637	$ 22,407,961	$ 24,502,143	$ (2,094,182)
34									
35	RCN Accumulated Depreciation Per Direct Filing						$ 24,502,143		
36									
37	Increase (decrease) to Accumulated Depreciation						$ (2,094,182)		
38									
39	Adjustment to Accumulated Depreciation						$ (2,094,182)		
40									
41									
42	SUPPORTING SCHEDULES								
43	Amended Final B-2, page 3								
44	Amended Final B-3, page 3								

Chaparral City Water Company
Test Year Ended December 31, 2006
RCND Rate Base Proforma Adjustments
Adjustment 3

Exhibit
Amended Final Sched. B-3
Page 5
Witness: Bourassa

Line No.				1	2					
1	General Office Plant Allocation - Plant-in-service		Direct		Remove	Final		Final	Direct	
2			RCN	Remove	GO	Trended	Allocation	Allocated	Allocated	Final
3	NARUC	NARUC Description	Value	GO Plant	PTY Plant	RCN Value	Factor	RCN Value	RCN Value	Adjustment
4	301	Organization Cost	16,452			16,452	2.80%	461	528	(68)
5	302	Franchise Cost and Other Intangible Plant	1,089,237	(420,000)	(159,087)	510,150	2.80%	14,284	34,965	(20,681)
6	303	Land and Land Rights	-			-	2.80%	-		-
7	304	Structures and Improvements	9,379,730			9,379,730	2.80%	262,632	301,089	(38,457)
8	305	Collecting and Impounding Res.	-			-	2.80%	-		-
9	306	Lake River and Other Intakes	-			-	2.80%	-		-
10	307	Wells and Springs	-			-	2.80%	-		-
11	308	Infiltration Galleries and Tunnels	-			-	2.80%	-		-
12	309	Supply Mains	-			-	2.80%	-		-
13	310	Power Generation Equipment	-			-	2.80%	-		-
14	311	Electric Pumping Equipment	(1,860)			(1,860)	2.80%	(52)	(60)	8
15	320	Water Treatment Equipment	-			-	2.80%	-		-
16	330	Distribution Reservoirs & Standpipe	-			-	2.80%	-		-
17	331	Transmission and Distribution Mains	-			-	2.80%	-		-
18	333	Services	-			-	2.80%	-		-
19	334	Meters	-			-	2.80%	-		-
20	335	Hydrants	-			-	2.80%	-		-
21	336	Backflow Prevention Devices	-			-	2.80%	-		-
22	339	Other Plant and Miscellaneous Equipment	1,055,403	(1,015,146)		40,256	2.80%	1,127	33,878	(32,751)
23	340	Office Furniture and Fixtures	17,188,237		(392,151)	16,796,086	2.80%	470,290	551,742	(81,452)
24	341	Transportation Equipment	606,575	(296,281)		310,294	2.80%	8,688	19,471	(10,783)
25	342	Stores Equipment	-			-	2.80%	-		-
26	343	Tools and Work Equipment	663,298			663,298	2.80%	18,572	21,292	(2,720)
27	344	Laboratory Equipment	15,358			15,358	2.80%	430	493	(63)
28	345	Power Operated Equipment	634,172			634,172	2.80%	17,757	20,357	(2,600)
29	346	Communications Equipment	260,818			260,818	2.80%	7,303	8,372	(1,069)
30	347	Miscellaneous Equipment	-			-	2.80%	-		-
31	348	Other Tangible Plant	-			-	2.80%	-		-
32										
33			$ 30,907,420	$ (1,731,427)	$ (551,238)	$ 28,624,754		$ 801,493	$ 992,128	$ (190,634)
34										
35	GO RCN Plant-in-Service Per Direct Filing							$ 992,128		
36										
37	Increase (Decrease) in GO RCN Plant-in-Service							$ (190,635)		
38										
39	Adjustment to GO RCN Plant-in-Service							$ (190,635)		
40										
41										
42										
43	Column 1 - Partially based on Staff RCN Adj. #3 Schedule MEM RCN-3									
44	Column 2 - RUCO RCN Adj. #11 Schedule TJC-25									

Chaparral City Water Company
Test Year Ended December 31, 2006
RCND Rate Base Proforma Adjustments
Adjustment 3

Exhibit
Amended Final Sched. B-3
Page 6
Witness: Bourassa

Line No.

1 General Office Plant Allocation - Accumulated Depreciation

	NARUC	NARUC Description	1 Final Original Cost	2 Final RCN Value	3=2/1 Final RCN Ratio	4 Final Original Cost Accum Depr	5=3x4 Final RCN Accum. Depr.	6 Allocation Factor	7=5x6 Allocated RCN Accum. Depr.	Direct Allocated RCN Accum. Depr.	Final RCN Accum. Depr. Adjustment
6	301	Organization Cost	16,452	16,452	1.0000	-	-	2.80%	-	98	(98)
7	302	Franchise Cost and Other Intan. Plant	510,150	510,150	1.0000	57,708	57,708	2.80%	1,616	6,792	(5,176)
8	303	Land and Land Rights	-	-	-	-	-	2.80%	-		-
9	304	Structures and Improvements	4,982,559	9,379,730	1.8825	2,354,430	4,432,244	2.80%	124,103	122,164	1,939
10	305	Collecting and Impounding Res.	-	-	-	-	-	2.80%	-		-
11	306	Lake River and Other Intakes	-	-	-	-	-	2.80%	-		-
12	307	Wells and Springs	-	-	-	-	-	2.80%	-		-
13	308	Infiltration Galleries and Tunnels	-	-	-	-	-	2.80%	-		-
14	309	Supply Mains	-	-	-	-	-	2.80%	-		-
15	310	Power Generation Equipment	-	-	-	-	-	2.80%	-		-
16	311	Electric Pumping Equipment	(916)	(1,860)	2.0302	-	-	2.80%	-		-
17	320	Water Treatment Equipment	-	-	-	-	-	2.80%	-		-
18	330	Distribution Reservoirs & Standpipe	-	-	-	-	-	2.80%	-		-
19	331	Transmission and Distribution Mains	-	-	-	-	-	2.80%	-		-
20	333	Services	-	-	-	-	-	2.80%	-		-
21	334	Meters	-	-	-	-	-	2.80%	-		-
22	335	Hydrants	-	-	-	-	-	2.80%	-		-
23	336	Backflow Prevention Devices	-	-	-	-	-	2.80%	-		-
24	339	Other Plant and Misc Equipment	847,382	40,256	0.0475	(3,450)	(164)	2.80%	(5)	6,500	(6,505)
25	340	Office Furniture and Fixtures	13,876,614	16,796,086	1.2104	8,664,647	10,487,584	2.80%	293,652	335,043	(41,391)
26	341	Transportation Equipment	278,718	310,294	1.1133	278,717	310,293	2.80%	8,688	19,471	(10,783)
27	342	Stores Equipment	-	-	-	-	-	2.80%	-		-
28	343	Tools and Work Equipment	405,643	663,298	1.6352	192,488	314,752	2.80%	8,813	10,104	(1,291)
29	344	Laboratory Equipment	4,061	15,358	3.7818	4,062	15,362	2.80%	430	493	(63)
30	345	Power Operated Equipment	249,261	634,172	2.5442	249,257	634,162	2.80%	17,757	20,357	(2,600)
31	346	Communications Equipment	165,561	260,818	1.5754	165,561	260,818	2.80%	7,303	8,372	(1,069)
32	347	Miscellaneous Equipment	-	-	-	-	-	2.80%	-		-
33	348	Other Tangible Plant	-	-	-	-	-	2.80%	-		-
34			$ 21,335,485	$ 28,624,754		$ 11,963,420	$ 16,512,758		$ 462,357	$ 529,394	$ (67,036)

36	GO RCN Accumulated Depreciation per Final Filing	$ 462,357
38	GO RCN Accumulated Depreciation per Direct Filing	$ 529,393
40	Increase (Decrease) in GO RCN Accumulated Depreciation	$ (67,036)
42	Adjustment to GO RCN Accumulated Depreciation	$ (67,036)

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment 5

Exhibit
Amended Final Sched. B-3
Page 7
Witness: Bourassa

Line No.			
1	Reclass CAP Allocation Costs		
2			
3			
4	CAP Allocation Cost Per Direct Filing	$	1,280,000
5	RCN Factor		1.0000
6	RCN Value CAP Allocation	$	1,280,000
7			
8			
9			
10			
11			
12			
13			
14			
15	Increase (Decrease) to RCN Deferred Regulatory Assets	$	(1,280,000)
16			
17			
18			
19	Note: CAP Allocation is reclassed to RCN Land and Land Rights. See Final B-3, page 3		
20			

Chaparral City Water Company
Test Year Ended December 31, 2006
Original Cost Rate Base Proforma Adjustments
Adjustment 6

Exhibit
Amended Final Sched. B-3
Page 8
Witness: Bourassa

Line No.			
1	Cash Working Capital		
2			
3	Adjustment to Cash Working Capital based on RUCO Lead/Lag Study	$	(111,606)
4	RCN Factor		1.0000
5	RCN Value Cash Working Capital	$	(111,606)
6			
7			
8			
9			
10			
11			
12			
13			
14	Increase (Decrease) to Cash Working Capital	$	(111,606)
15			
16			
17			
18			
19			
20			

Chaparral City Water Company
Test Year Ended December 31, 2006
Computation of Cash Working Capital

Exhibit
Amended Final Sched. B-5
Page 1
Witness: Bourassa

Line No.		
1		
2	Cash Working Capital	$ (111,606)
3		
4		
5		
6		
7		
8		
9	Total Working Capital Allowance	$ (111,606)
10		
11		
12	Working Cash Capital Requested	$ (111,606)
13		
14		
15	SUPPORTING SCHEDULES:	RECAP SCHEDULES:
16	RUCO Lead-Lag Study	Amended Final B-1
17	E-1	Amended Final B-2
18		
19		
20		

Chaparral City Water Company
Test Year Ended December 31, 2006
Income Statement

Exhibit
Amended Final Sched. C-1
Page 1
Witness: Bourassa

Line No.		Direct Test Year Adjusted Results	Adjustment	Test Year Final Adjusted Results	Proposed Rate Increase	Final Adjusted with Rate Increase
1	**Revenues**					
2	Metered Water Revenues	$ 7,364,411	$ 58,310	$ 7,422,721	$ 2,852,353	$ 10,275,074
3	Unmetered Water Revenues	-	-	-		-
4	Other Water Revenues	82,289	-	82,289		82,289
5		$ 7,446,700	$ 58,310	$ 7,505,010	$ 2,852,353	$ 10,357,363
6	**Operating Expenses**					
7	Salaries and Wages	$ 969,244	-	$ 969,244		$ 969,244
8	Purchased Water	831,656	(10,186)	821,470		821,470
9	Purchased Power	602,982	11,619	614,600		614,600
10	Chemicals	127,457	-	127,457		127,457
11	Repairs and Maintenance	104,609	(43,217)	61,392		61,392
12	Office Supplies and Expense	19,800	-	19,800		19,800
13	Outside Services	266,544	(109,049)	157,495		157,495
14	Water Testing	43,458	(17,820)	25,638		25,638
15	Rents	-	-	-		-
16	Transportation Expenses	70,430	-	70,430		70,430
17	Insurance - General Liability	(1,294)	1,294	-		-
18	Insurance - Health and Life	-	-	-		-
19	Reg. Commission Exp. - Rate Case	144,871	(18,204)	126,667		126,667
20	Miscellaneous Expense	1,259,948	37,214	1,297,162		1,297,162
21	Depreciation Expense	1,608,019	(64,807)	1,543,212		1,543,212
22	Amortization of Well Settlement	(76,000)	-	(76,000)		(76,000)
23	Amortization of CAP	64,000	(64,000)	-		-
24	Taxes Other Than Income	47,873	-	47,873		47,873
25	Property Taxes	295,813	(45,726)	250,087		250,087
26	Income Tax	270,020	165,830	435,850	1,100,976	1,536,826
27	**Total Operating Expenses**	$ 6,649,429	$ (157,053)	$ 6,492,376	$ 1,100,976	$ 7,593,352
28	**Operating Income**	$ 797,271	$ 215,363	$ 1,012,634	$ 1,751,377	$ 2,764,011
29	**Other Income (Expense)**					
30	Interest Income	-	-	-		-
31	Other income (loss)	-	-	-		-
32	Interest Expense	(368,024)	48,717	(319,307)		(319,307)
33	Other Expense	-	-	-		-
34		-	-	-		-
35	**Total Other Income (Expense)**	$ (368,024)	$ 48,717	$ (319,307)	$ -	$ (319,307)
36	**Net Profit (Loss)**	$ 429,247	$ 264,081	$ 693,327	$ 1,751,377	$ 2,444,704
37						
38	SUPPORTING SCHEDULES:				RECAP SCHEDULES:	
39	Amended Final C-1, page 2				Amended Final A-1	
40						

Chaparral City Water Company
Test Year Ended December 31, 2006
Income Statement

Exhibit
Amended Final Sched. C-1
Page 2.1
Witness: Bourassa

Line No.		Direct Filing Test Year Adjusted Results	1 Depreciation	2 Property Tax	3 Rate Case Exp.	4 Revenue Annualization	5 CAP Alloc. Amortization	6 Capitalized Expenses	7 Water Testing	(Continued on C-2 Page 2.2)
1	**Revenues**									
2	Metered Water Revenues	$ 7,364,411				$ 58,310				
3	Unmetered Water Revenues	-								
4	Other Water Revenues	82,289								
5		$ 7,446,700	$ -	$ -	$ -	$ 58,310	$ -	$ -	$ -	$ -
6	**Operating Expenses**									
7	Salaries and Wages	$ 969,244								
8	Purchased Water	831,656								
9	Purchased Power	602,982								
10	Chemicals	127,457								
11	Repairs and Maintenance	104,609						(43,217)		
12	Office Supplies and Expense	19,800								
13	Outside Services	266,544						(38,049)		
14	Water Testing	43,458							(17,820)	
15	Rents	-								
16	Transportation Expenses	70,430								
17	Insurance - General Liability	(1,294)								
18	Insurance - Health and Life	-								
19	Reg. Comm. Exp. - Rate Case	144,871			(18,204)					
20	Miscellaneous Expense	1,259,948								
21	Depreciation Expense	1,608,019	(64,807)							
22	Amortization of Well Settlement	(76,000)								
23	Amortization of CAP	64,000					(64,000)			
24	Taxes Other Than Income	47,873								
25	Property Taxes	295,813		(45,726)						
26	Income Tax	270,020								
27	**Total Operating Expenses**	$ 6,649,429	$ (64,807)	$ (45,726)	$ (18,204)	$ -	$ (64,000)	$ (81,266)	$ (17,820)	$ -
28	**Operating Income**	$ 797,271	$ 64,807	$ 45,726	$ 18,204	$ 58,310	$ 64,000	$ 81,266	$ 17,820	$ -
29	**Other Income (Expense)**	-								
30	Interest Income	-								
31	Other income (loss)	-								
32	Interest Expense	(368,024)								
33	Other Expense	-								
34		-								
35	**Total Other Income (Expense)**	$ (368,024)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
36	**Net Profit (Loss)**	$ 429,247	$ 64,807	$ 45,726	$ 18,204	$ 58,310	$ 64,000	$ 81,266	$ 17,820	$ -
37										
38	SUPPORTING SCHEDULES:									
39	Amended Final C-2									
40										

Chaparral City Water Company
Test Year Ended December 31, 2006
Income Statement

Exhibit
Amended Final Sched. C-1
Page 2.2
Witness: Bourassa

Line No.		Direct Filing Test Year Adjusted Results	(Continued From C-2, Page 2.1) 8 Purchased Water	9 Purchased Power	10 GO Expense	11 Outside Services	12 Insurance Expense	13 Misc Expense	14 Interest Synch.	15 Income Taxes	Test Year Final Adjusted Results
1	**Revenues**										
2	Metered Water Revenues	$ 7,364,411									$ 7,422,721
3	Unmetered Water Revenues	-									-
4	Other Water Revenues	82,289									82,289
5		$ 7,446,700	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 7,505,010
6	**Operating Expenses**										
7	Salaries and Wages	$ 969,244									$ 969,244
8	Purchased Water	831,656	(10,186)								821,470
9	Purchased Power	602,982		11,619							614,600
10	Chemicals	127,457									127,457
11	Repairs and Maintenance	104,609									61,392
12	Office Supplies and Expense	19,800									19,800
13	Outside Services	266,544				(71,000)					157,495
14	Water Testing	43,458									25,638
15	Rents	-									-
16	Transportation Expenses	70,430									70,430
17	Insurance - General Liability	(1,294)					1,294				-
18	Insurance - Health and Life	-									-
19	Reg. Comm. Exp. - Rate Case	144,871									126,667
20	Miscellaneous Expense	1,259,948			38,164			(950)			1,297,162
21	Depreciation Expense	1,608,019									1,543,212
22	Amortization of Well Settlement	(76,000)									(76,000)
23	Amortization of CAP	64,000									-
24	Taxes Other Than Income	47,873									47,873
25	Property Taxes	295,813									250,087
26	Income Tax	270,020								165,830	435,850
27	**Total Operating Expenses**	$ 6,649,429	$ (10,186)	$ 11,619	$ 38,164	$ (71,000)	$ 1,294	$ (950)	$ -	$ 165,830	$ 6,492,376
28	**Operating Income**	$ 797,271	$ 10,186	$ (11,619)	$ (38,164)	$ 71,000	$ (1,294)	$ 950	$ -	$ (165,830)	$ 1,012,634
29	**Other Income (Expense)**	-									
30	Interest Income	-									-
31	Other income (loss)	-									-
32	Interest Expense	(368,024)							48,717		(319,307)
33	Other Expense	-									-
34		-									-
35	**Total Other Income (Expense)**	$ (368,024)	$ -	$ -	$ -	$ -	$ -	$ -	$ 48,717	$ -	$ (319,307)
36	**Net Profit (Loss)**	$ 429,247	$ 10,186	$ (11,619)	$ (38,164)	$ 71,000	$ (1,294)	$ 950	$ 48,717	$ (165,830)	$ 693,327
37											
38	SUPPORTING SCHEDULES:										RECAP SCHEDULES:
39	Amended Final C-2										Amended Final A-1
40											

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustments to Revenues and Expenses

Exhibit
Amended Final Sched. C-2
Page 1
Witness: Bourassa

Adjustments to Revenues and Expenses

Line No.		1 Depreciation Expense	2 Property Taxes	3 Rate Case Expense	4 Revenue Annualization	5 CAP Alloc. Amortization	6 Capitalized Expenses	Subtotal
1								
2								
3	Revenues				58,310			58,310
4								
5	Expenses	(64,807)	(45,726)	(18,204)		(64,000)	(81,266)	(274,003)
6								
7	Operating							
8	Income	64,807	45,726	18,204	58,310	64,000	81,266	332,313
9								
10	Interest							
11	Expense							-
12	Other							
13	Income /							-
14	Expense							
15								
16	Net Income	64,807	45,726	18,204	58,310	64,000	81,266	332,313

Adjustments to Revenues and Expenses

		7 Water Testing	8 Purchased Water	9 Purchased Power	10 GO Expense	11 GO Expense	12 Insurance Expense	Subtotal
18								
19								
20								
21								
22	Revenues							58,310
23								
24	Expenses	(17,820)	(10,186)	11,619	38,164	(71,000)	1,294	(321,933)
25								
26	Operating							
27	Income	17,820	10,186	(11,619)	(38,164)	71,000	(1,294)	380,243
28								
29	Interest							
30	Expense							-
31	Other							
32	Income /							-
33	Expense							
34								
35	Net Income	17,820	10,186	(11,619)	(38,164)	71,000	(1,294)	380,243

Adjustments to Revenues and Expenses

		13 Misc Expense	14 Interest Synch.	15 Income Tax	16	17	18	Total
36								
37								
38								
39								
40								
41	Revenues							58,310
42								
43	Expenses	(950)		165,830				(157,053)
44								
45	Operating							
46	Income	950	-	(165,830)	-	-	-	215,363
47								
48	Interest							
49	Expense		48,717					48,717
50	Other							
51	Income /							-
52	Expense							
53								
54	Net Income	950	48,717	(165,830)	-	-	-	264,081

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Amended Final Sched. C-2
Page 2
Witness: Bourassa

Line No.					
1	Depreciation Expense				
2					
3	**Account**		**Final**	**Depr.**	**Final Depreciation**
4	**No.**	**Description**	**Original Cost**	**Rate**	**Expense**
5	301	Organization Cost	-	0.00%	-
6	302	Franchise Cost	-	0.00%	-
7	303	Land and Land Rights	1,551,858	0.00%	-
8	304	Structures and Improvements	1,529,642	3.33%	50,937
9	305	Collecting and Impounding Res.	-	2.50%	-
10	306	Lake River and Other Intakes	-	2.50%	-
11	307	Wells and Springs	159,627	3.33%	5,316
12	308	Infiltration Galleries and Tunnels	-	6.67%	-
13	309	Supply Mains	-	2.00%	-
14	310	Power Generation Equipment	-	5.00%	-
15	311	Electric Pumping Equipment	1,588,246	12.50%	198,531
16	320	Water Treatment Equipment	5,786,639	3.33%	192,695
17	330	Dist Reservoirs & Standpipe	6,512,148	2.22%	144,570
18	331	Trans and Dist Mains	18,953,054	2.00%	379,061
19	333	Services	7,496,338	3.33%	249,628
20	334	Meters	2,736,866	8.33%	227,981
21	335	Hydrants	1,224,985	2.00%	24,500
22	336	Backflow Prevention Devices	-	6.67%	-
23	339	Other Plant and Misc Equipment	1,760,446	6.67%	117,422
24	340	Office Furniture and Fixtures	272,173	6.67%	18,154
25	341	Transportation Equipment	535,315	20.00%	107,063
26	342	Stores Equipment	-	4.00%	-
27	343	Tools and Work Equipment	149,365	5.00%	7,468
28	344	Laboratory Equipment	-	10.00%	-
29	345	Power Operated Equipment	-	5.00%	-
30	346	Communications Equipment	39,105	10.00%	3,911
31	347	Miscellaneous Equipment	0	10.00%	0
32	348	Other Tangible Plant	-	10.00%	-
33		Rounding	(3)	0.00%	-
34		TOTALS	$ 50,295,805		$ 1,727,235
35					
36	**General Office Plant Allocated**				
37	301	Organization	461	0.00%	-
38	302	Franch. and Other Intangibles	14,284	0.00%	-
39	304	Structures and Improvements	139,512	3.33%	4,646
40	311	Electric Pumping Equipment	(26)	12.50%	-
41	339	Other Plant and Equipment	23,727	3.33%	790
42	340	Office Furniture and Equipment	388,545	6.67%	25,904
43	341	Transportation Equipment	7,804	20.00%	- *
44	343	Tools and Work Equipment	11,358	5.00%	568
45	344	Laboratory Equipment	114	10.00%	11
46	346	Communication Equipment	4,636	10.00%	- *
47	345	Power Operated Equipment	6,979	5.00%	- *
48	Totals GO Plant		$ 597,394		$ 31,919
49					
50	Totals Plant-in-Service		$ 50,893,199		
51					
52	Less: Amort. of Contrib. - Bal. End of T.Y.		6,288,097	3.4342%	$ (215,943)
53					
54	Total Depreciation Expense				$ 1,543,212
55					
56	Direct Filing Depreciation Expense				$ 1,608,019
57					
58	Increase (decrease) in Depreciation Expense				(64,807)
59					
60	Adjustment to Revenues and/or Expenses				$ (64,807)
61					
62	* Fully depreciated				
63					

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 2

Exhibit
Amended Final Sched. C-2
Page 3
Witness: Bourassa

Line No.			
1	Property Taxes:		
2			
3	Rebuttal Adjusted Revenues in year ended 12/31/06	$	7,505,010
4	Rebuttal Adjusted Revenues in year ended 12/31/06		7,505,010
5	Proposed Revenues		10,357,363
6	Average of three year's of revenue	$	8,455,794
7	Average of three year's of revenue, times 2	$	16,911,588
8	Add:		
9	Construction Work in Progess at 10%	$	-
10	Deduct:		
11	Book Value of Transportation Equipment		474,679
12			
13	Full Cash Value	$	16,436,910
14	Assessment Ratio		22%
15	Assessed Value		3,616,120
16	Property Tax Rate		6.9159%
17			
18	Property Tax		250,087
19	Tax on Parcels		0
20			
21	Total Property Tax at Proposed Rates	$	250,087
22	Property Taxes in the test year		295,813
23	Change in Property Taxes	$	(45,726)
24			
25			
26	Adjustment to Revenues and/or Expenses	$	(45,726)
27			
28			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 3

Exhibit
Amended Final Sched. C-2
Page 4
Witness: Bourassa

Line No.			
1	Rate Case Expense		
2			
3	Rate case Expense for General Rate Case	$	280,000
4	Rate case expense for Remand	$	100,000
5	Total Rate case expense	$	380,000
6			
7	Estimated Amortization Period (in Years)		3.0
8			
9	Annual Rate Case Expense	$	126,667
10			
11	Test Year Rate Case Expense	$	144,871
12			
13	Increase(decrease) Rate Case Expense	$	(18,204)
14			
15	Adjustment to Revenue and/or Expense	$	(18,204)
16			
17			
18			
19			
20			
21			
22			
23			
24			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 4

Exhibit
Amended Final Sched. C-2
Page 5
Witness: Bourassa

Line No.			
1	Revenue Annualization Adjustment		
2			
3			
4	Revenue Annulization per Final Filing	$	(250,897)
5	Company Revenue Annualization per Direct Filing		(309,207)
6			
7	Increase (Decrease) in Revenues	$	58,310
8			
9			
10	Adjustment to Revenue and/or Expense	$	58,310
11			
12			
13			
14			
15			
16			
17	SUPPORTING SCHEDULES		
18	Rebuttal C-2, page 5.1 to 5.15		
19			
20			
21			
22			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 5

Exhibit
Amended Final Sched. C-2
Page 6
Witness: Bourassa

Line No.			
1	Remove Amortization of CAP Allocation		
2			
3			
4	CAP Amortization Per Direct Filing (See also Staff Adj. 5 on Sch MEM-18)	$	64,000
5			
6			
7			
8			
9			
10			
11	Adjustment to Revenue and/or Expense	$	(64,000)
12			
13			
14			
15			
16			
17			
18			
19			
20			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 6

Exhibit
Amended Final Sched. C-2
Page 7
Witness: Bourassa

Line No.			
1	Capitalized Expenses		
2			
3			
4	Remove Capitalized Expenses in Outside Services Expense (Staff Schedule MEM-10)	$ (37,674)	
5	Disallowed Late Filing Pentalty (per Staff Adj. #10, schedule MEM-23)	(45)	
6	Rate Case Expense for Appellate Court (per Staff Adj. #10, schedule MEM-23)	(330)	
7			
8	Increase(Decrease) in Outside Services Expense		$ (38,049)
9			
10			
11	Remove Capitalized Expenses in Repairs and Maintenance (RUCO Schedule TJC-39)	$ (43,217)	
12			
13	Increase(Decrease) in Repairs and Maintenance		$ (43,217)
14			
15			
16	Adjustment to Revenue and/or Expense		$ (81,266)
17			
18			
19			
20			
21			
22			
23			
24			
25			

Chaparral City Water Company
Test Year Ended December 31, 2001
Adjustment to Revenues and Expenses
Adjustment Number 7

Exhibit
Amended Final Sched. C-2
Page 8
Witness: Bourassa

Line No.			
1	Water Testing Expense		
2			
3			
4	Water Testing Expense per Staff (Staff schedule MEM-24)	$	25,638
5			
6	Water Testing Expense per Direct Filing		43,458
7			
8			
9	Increase (decrease) in Water Testing Expense	$	(17,820)
10			
11			
12			
13			
14	Adjustment to Revenue and/or Expense	$	(17,820)
15			
16			
17			
18			
19			
20			
21			
22			
23			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 8

Exhibit
Amended Final Sched. C-2
Page 9
Witness: Bourassa

Line No.					
1	Purchased Water				
2					
3	Central Arizona Project water allocation 2006 (acre feet)	6,978			
4	Additional CAP allocation (acre feet) - Adjusted by 50%	966			
5	Central Arizona Project water allocation 2006 (acre feet)	7,944			
6	2008 capital cost per acre foot (take or pay)	$ 21			
7	Total Capital Cost		$ 166,814		
8					
9	Central Arizona Project water delivered 2006 (acre feet)	6,978			
10	Excess CAP water delivered 2006 (acre feet)	260			
11	Additional gallons from annualization in acre feet	(596)			
12	Total CAP water (acre feet)	6,642			
13	2008 delivery cost per acre foot	$ 92			
14	Total M&I Cost		$ 611,106		
15					
16	Total CAP purchased water			$	777,920
17					
18	Ground Water pumped 2006 in acre feet	260			
19	Excess Capacity percentage	67%			
20	Total projected gallons pumped		174		
21	Central Arizona Ground Water Replenishment District Assessment Fee per acre foot		$ 250		
22					43,550
23					
24	Total Purchased Water Cost			$	821,470
25	Direct Purchased Water Cost				831,656
26	Increase (decrease)			$	(10,186)
27					
28					
29	Adjustment to Revenue and/or Expense			$	(10,186)
30					
31					
32					

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 9

Exhibit
Amended Final Sched. C-2
Page 10
Witness: Bourassa

Line No.				
1	Annualize power cost for additonal gallons from annualization of revenues			
2				
3				
4	Gallons sold in Test Year (1,000's)	2,084,339		
5	Cost per 1,000 gallons per Direct Filing	0.32514		
6	Additonal gallons from annualization (in 1,000's) in adjustment 6	(194,058)		
7				
8	Final Purchased Power adjustment		$	(63,095)
9				
10	Direct Purchased Power Adjustment		$	(74,714)
11				
12	Adjustment to Revenue and/or Expense		$	11,619
13				
14				
15				
16				
17	SUPPORTING SCHEDULES			
18	Rebuttal H-1			
19	Direct C-2, page 11			
20				
21				

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 10

Exhibit
Amended Final Sched. C-2
Page 11
Witness: Bourassa

Line No.			
1	Miscellaneous Expense		
2			
3			
4	GO Allocation Expense Pool Per Direct Filing	$ 34,557,114	
5	Adjustments:		
6	Memebership dues for California	(251,538)	
7	Investor related expenses	(1,040,585)	
8	Adjusted GO Allocation Expense Pool per Rebuttal		$ 33,264,991
9			
10	Allocation factor		4.00%
11			
12	Revised allocation of GO expenses		$ 1,330,600
13			
14	Allocated GO expenses per Direct Filing		$ 1,292,436
15			
16	Increase (decrease) in Miscellaneous Expense		$ 38,164
17			
18			
19			
20			
21	Adjustment to Revenue and/or Expense		$ 38,164
22			
23			
24			
25			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 11

Exhibit
Amended Final Sched. C-2
Page 12
Witness: Bourassa

Line No.			
1	Remove Outside Services Expense		
2			
3			
4	RUCO Adjustment #6 (Schedule TJC-37)	$	(71,000)
5			
6			
7			
8			
9	Increase (decrease) in Outside Services	$	(71,000)
10			
11			
12			
13			
14	Adjustment to Revenue and/or Expense	$	(71,000)
15			
16			
17			
18			
19			
20			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 12

Exhibit
Amended Final Sched. C-2
Page 13
Witness: Bourassa

Line No.			
1	Insurance		
2			
3	Remove negative expense	$	(1,294)
4			
5			
6			
7			
8	Increase (decrease) in Outside Services	$	1,294
9			
10			
11			
12			
13	Adjustment to Revenue and/or Expense	$	1,294
14			
15			
16			
17			
18			
19			
20			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 13

Exhibit
Amended Final Sched. C-2
Page 14
Witness: Bourassa

Line No.			
1	Miscellaneous Expense		
2			
3			
4	Remove IOWUA lobbying expense (per Staff Adj. #4 Schedule MEM-17)	$	950
5			
6			
7			
8			
9	Increase (decrease) in Outside Services	$	(950)
10			
11			
12			
13			
14	Adjustment to Revenue and/or Expense	$	(950)
15			
16			
17			
18			
19			
20			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and Expenses
Adjustment Number 14

Exhibit
Amended Final Sched. C-2
Page 15
Witness: Bourassa

Line No.			
1	Interest Synchronization		
2			
3	Fari Value Rate Base	$ 27,751,113	
4	Weighted cost of debt (from D-1) (short and long-term)	1.151%	
5	Interest Expense per Rebuttal Filing		$ 319,307
6	Interest Expense per Direct Filing		368,024
7			
8	Increase (decrease) in Interest Expense		(48,717)
9			
10	Adjustment to Revenues and/or Expense		48,717
11			
12			
13			
14			
15			
16			
17			
18			
19			
20			

Chaparral City Water Company
Test Year Ended December 31, 2006
Adjustment to Revenues and/or Expenses
Adjustment Number 15

Exhibit
Amended Final Sched. C-2
Page 16
Witness: Bourassa

Line No.	Income Tax Computation		Final Adjusted		Final Adjusted with Rate Increase	
7	Taxable Income		$ 1,129,177		$ 3,981,529	
9	Arizona Income Before Taxes		$ 1,129,177		$ 3,981,529	
11	Less Arizona Income Tax		$ 78,681		$ 277,433	
12	Rate =	6.97%				
13	Arizona Taxable Income		$ 1,050,496		$ 3,704,096	
15	Arizona Income Taxes		$ 78,681		$ 277,433	
17	Federal Income Before Taxes		$ 1,129,177		$ 3,981,529	
19	Less Arizona Income Taxes		$ 78,681		$ 277,433	
21	Federal Taxable Income		$ 1,050,496		$ 3,704,096	
23	FEDERAL INCOME TAXES:					
24	15% BRACKET		$ 7,500		$ 7,500	
25	25% BRACKET		$ 6,250		$ 6,250	
26	34% BRACKET		$ 8,500	Federal	$ 8,500	Federal
27	39% BRACKET		$ 91,650	Effective	$ 91,650	Effective
28	34% BRACKET		$ 243,269	Tax	$ 1,145,493	Tax
29				Rate		Rate
30	Federal Income Taxes		$ 357,169	31.63%	$ 1,259,393	31.63%
33	Total Income Tax		$ 435,850		$ 1,536,826	
35	Overall tax rate				38.60%	
38	Income taxes per Direct Filing		$ 270,020			
40	Increase (decrease) to Income Taxes		$ 165,830			

Chaparral City Water Company
Test Year Ended December 31, 2006
Computation of Gross Revenue Conversion Factor

Exhibit
Amended Final Sched. C-3
Page 1
Witness: Bourassa

Line No.	Description	Percentage of Incremental Gross Revenues
1	Federal Income Taxes	31.63%
2		
3	State Income Taxes	6.97%
4		
5	Other Taxes and Expenses	0.00%
6		
7		
8	Total Tax Percentage	38.60%
9		
10	Operating Income % = 100% - Tax Percentage	61.40%
11		
12		
13		
14		
15	1 = Gross Revenue Conversion Factor	
16	Operating Income %	1.6286
17		
18	SUPPORTING SCHEDULES:	RECAP SCHEDULES:
19		Amended Final A-1
20		

Chaparral City Water Company
Test Year Ended December 31, 2006
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Amended Final Sched. H-1
Page 1
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	3/4 Inch	Residential	$ 3,455,850	$ 4,594,721	$ 1,138,872	32.95%	45.08%	42.26%
2	1 Inch	Residential	2,342,394	3,110,515	768,120	32.79%	30.56%	28.61%
3	1.5 Inch	Residential	31,414	41,690	10,276	32.71%	0.41%	0.38%
4	2 Inch	Residential	123,686	163,818	40,133	32.45%	1.61%	1.51%
5	3 Inch	Residential	10,012	13,264	3,252	32.48%	0.13%	0.12%
6								
7		Subtotal	5,963,356	7,924,008	1,960,652	32.88%	77.79%	72.88%
8								
9	3/4 Inch	Commercial	$ 67,867	$ 90,054	22,187	32.69%	0.89%	0.83%
10	1 Inch	Commercial	98,616	130,831	32,215	32.67%	1.29%	1.20%
11	1.5 Inch	Commercial	140,840	186,778	45,938	32.62%	1.84%	1.72%
12	2 Inch	Commercial	222,208	294,320	72,112	32.45%	2.90%	2.71%
13	3 Inch	Commercial	14,217	18,840	4,623	32.52%	0.19%	0.17%
14	4 Inch	Commercial	34,290	45,491	11,201	32.66%	0.45%	0.42%
15								
16		Subtotal	$ 578,038	$ 766,314	$ 188,276	32.57%	7.54%	7.05%
17								
18	3/4 Inch	Industrial	$ 304	$ 405	$ 101	33.16%	0.00%	0.00%
19	1 Inch	Industrial	272	363	91	33.26%	0.00%	0.00%
20	1.5 Inch	Industrial	328	436	108		0.00%	0.00%
21								
22		Subtotal	$ 904	$ 1,204	300	33.13%	0.01%	0.01%
23								
24	3/4 Inch	Irrigation	$ 69,200	$ 128,926	59,725	86.31%	0.90%	1.19%
25	1 Inch	Irrigation	178,745	345,031	166,286	93.03%	2.33%	3.17%
26	1.5 Inch	Irrigation	134,012	256,725	122,713		1.75%	2.36%
27	2 Inch	Irrigation	161,987	309,336	147,349	90.96%	2.11%	2.84%
28	4 Inch	Irrigation	152,769	317,545	164,776	107.86%	1.99%	2.92%
29	6 Inch	Irrigation	322,475	676,428	353,954	109.76%	4.21%	6.22%
30								
31		Subtotal	1,019,188	2,033,991	1,014,803	99.57%	13.30%	18.71%
32								
33	3/4 Inch	Construction	$ 181	$ 256	75	41.42%	0.00%	0.00%
34	1 Inch	Construction	1,357	2,298	941	69.35%	0.02%	0.02%
35	2 Inch	Construction	646	1,084	$ 439	67.93%	0.01%	0.01%
36	3 Inch	Construction	18,826	35,040				
37	4 Inch	Construction	2,247	3,707	$ 1,460	64.99%	0.03%	0.03%
38								
39		Subtotal	$ 23,256	$ 42,384	$ 19,128	82.25%	0.30%	0.39%
40								
41	3 Inch	Fire Hydrant Meter (Irrigation)	$ 65,878	$ 87,310	21,432	32.53%	0.86%	0.80%
42	4 Inch	Fire Hydrant Meter (Irrigation)	9,178	12,162	2,984	32.51%	0.12%	0.11%
43								
44		Subtotal	$ 75,055	$ 99,472	24,416	32.53%	0.98%	0.91%
45								
46	34 inch	Fire Sprinkler	$ 5,164	$ 5,165	1	0.02%	0.07%	0.05%
47	1 Inch	Fire Sprinkler	244	245	1	0.50%	0.00%	0.00%
48	1.5 Inch	Fire Sprinkler	363	363	1	0.23%	0.00%	0.00%
49								
50		Subtotal	$ 5,770	$ 5,773	3	0.06%	0.08%	0.05%
51	Total Revenues Before Annualization		$ 7,665,568	$ 10,873,147	$ 3,207,578	41.84%	100.00%	100.00%
52								

Chaparral City Water Company
Test Year Ended December 31, 2006
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Amended Final Sched. H-1
Page 2
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Revenue Annualization: Proposed Revenues	Revenue Annualization: Dollar Change	Revenue Annualization: Percent Change	Additional Bills to be Sold	Additional Gallons to be Pumped (In 1,000's)
1								
2								
3								
4								
5	3/4 Inch	Residential	$ 2,317	$ 3,080	763	32.93%	61	639
6	1 Inch	Residential	65,260	86,674	21,414	32.81%	1,415	13,151
7	1.5 Inch	Residential	860	1,141	281	32.71%	7	215
8	2 Inch	Residential	253	335	82	32.44%	1	72
9	3 Inch	Residential	1,790	2,372	581	32.47%	5	421
10								
11		Subtotal	$ 70,480	$ 93,602	23,122	32.81%	1,489	14,497
12								
13	3/4 Inch	Commercial	$ (50)	$ (67)	(16)	0.00%	(1)	(14)
14	1 Inch	Commercial	2,647	3,511	865	32.67%	38	704
15	1.5 Inch	Commercial	1,934	2,566	631	32.63%	12	551
16	2 Inch	Commercial	(778)	(1,031)	(253)	0.00%	(3)	(222)
17	3 Inch	Commercial	(206)	(273)	(67)	0.00%	(1)	(24)
18	4 Inch	Commercial	-	-	-	0.00%	-	-
19					-			
20		Subtotal	$ 3,547	$ 4,706	47,403	1336.62%	45	996
21								
22	3/4 Inch	Industrial	$ -	$ -	-	0.00%	-	-
23	1 Inch	Industrial	-	-	-	0.00%	-	-
24	1.5 Inch	Industrial	-	-	-	0.00%	-	-
25								
26		Subtotal	$ -	$ -	-	0.00%	-	-
27								
28	3/4 Inch	Irrigation	$ 792	$ 1,463	672	84.84%	21	324
29	1 Inch	Irrigation	6,585	12,654	6,070	92.18%	78	3,086
30	1.5 Inch	Irrigation	1,901	3,626	1,725	90.75%	12	869
31	2 Inch	Irrigation	-	-	-	0.00%	-	-
32	4 Inch	Irrigation	(101,269)	(216,635)	(115,366)	0.00%	(2)	(64,916)
33	6 Inch	Irrigation	(232,932)	(497,934)	(265,001)	0.00%	-	(148,914)
34								
35		Subtotal	$ (324,924)	$ (696,826)	(371,902)	114.46%	109	(209,550)
36								
37	3/4 Inch	Construction	$ -	$ -	-	0.00%	-	-
38	1 Inch	Construction	-	-	-	0.00%	-	-
39	2 Inch	Construction	-	-	-	0.00%	-	-
40	3 Inch	Construction	-	-	-	0.00%	-	-
41	4 Inch	Construction	-	-	-	0.00%	-	-
42								
43		Subtotal	$ -	$ -	-	0.00%	-	-
44								
45	3 Inch	Fire Hydrant Meter (Irrigation)	$ -	$ -	-	0.00%	-	-
46	4 Inch	Fire Hydrant Meter (Irrigation)	-	-	-	0.00%	-	-
47								
48		Subtotal	$ -	$ -	-	0.00%	-	-
49								
50	34 inch	Fire Sprinkler	$ -	$ -	-	0.00%	-	-
51	1 Inch	Fire Sprinkler	-	-	-	0.00%	-	-
52	1.5 Inch	Fire Sprinkler	-	-	-	0.00%	-	-
53								
54		Subtotal	$ -	$ -		0.00%	-	-
55								
56	Total Revenue Annualization		$ (250,897)	$ (598,517)	$ (301,376)	0.00%	1,643	(194,058)
57								

Chaparral City Water Company
Test Year Ended December 31, 2006
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rejoinder Schedule H-1
Page 3
Witness: Bourassa

Line No.		Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1							
2							
3	Subtotal Metered Revenues	$ 7,665,568	$ 10,873,147	$ 3,207,578	41.84%	100.00%	100.00%
4	Subtotal Revenue Annualization	(250,897)	(598,517)	(347,619.94)	138.55%	-3.27%	-5.50%
5	Total Metered Revenues	$ 7,414,671	$ 10,274,630	$ 2,859,959	38.57%		
6							
7	Misc. Revenues	$ 82,289	$ 82,289	-	0.00%	1.07%	0.76%
8	Reconciling Amount to GL	8,050	444	(7,606)	-94.48%	0.11%	0.00%
9	Total Water Revenues	$ 7,505,010	$ 10,357,363	$ 2,852,353	38.01%	0.00%	0.00%
10							
11							
12	Revenue Reconciliation						
13							
14	Revenue per bill count before revenue annualization		$ 7,665,568				
15	Revenue per GL (metered water revenues)		7,673,618				
16	Difference		$ (8,050)				
17	Difference %		-0.10%				
18	Tolerance %		0.50%				
19	Tolerance Amount + or -		$ 38,368				
20							
21	Acceptable?		YES				
22							
23							
24							
25							
26							
27							
28							
29							
30							
31							
32							
33							
34							
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41							
42							
43							
44							
45							
46							
47							
48							
49							
50							

Chaparral City Water Company
Test Year Ended December 31, 2006
Customer Summary

Exhibit
Amended Final Sched. H-2
Page 1
Witness: Bourassa

Line No.		Meter Size, Class	(a) Average Number of Customers at 12/31/2006	Average Consumption	Average Bill Present Rates	Average Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	3/4 Inch	Residential	8,368	8,450	$ 32.38	$ 43.06	10.69	33.02%
2	1 Inch	Residential	4,000	10,095	48.14	63.93	15.79	32.80%
3	1.5 Inch	Residential	21	29,821	120.55	159.98	39.43	32.71%
4	2 Inch	Residential	39	72,924	256.77	340.08	83.31	32.44%
5	3 Inch	Residential	3	70,226	322.97	427.87	104.90	32.48%
6		Subtotal	12,431					
7								
8	3/4 Inch	Commercial	115	12,528	$ 46.97	$ 62.33	15.36	32.70%
9	1 Inch	Commercial	114	17,907	67.83	89.99	22.16	32.68%
10	1.5 Inch	Commercial	66	47,736	165.69	219.75	54.05	32.62%
11	2 Inch	Commercial	71	68,389	245.34	324.95	79.61	32.45%
12	3 Inch	Commercial	5	34,550	233.06	308.86	75.79	32.52%
13	4 Inch	Commercial	4	186,146	696.09	923.48	227.40	32.67%
14		Subtotal	375					
15								
16	3/4 Inch	Industrial	1	5,375	$ 24.63	$ 32.81	8.18	33.22%
17	1 Inch	Industrial	1	-	$ 22.70	$ 30.25	7.55	33.26%
18	1.5 Inch	Industrial	0	8,000	$ 65.56	$ 87.19	21.63	32.99%
19		Subtotal	2					
20								
21	3/4 Inch	Irrigation	145	16,732	$ 39.70	$ 73.97	34.27	86.31%
22	1 Inch	Irrigation	170	41,781	$ 87.88	$ 169.63	81.75	93.03%
23	1.5 Inch	Irrigation	68	76,173	$ 164.23	$ 314.61	150.38	91.57%
24	2 Inch	Irrigation	52	119,346	$ 259.18	$ 494.94	235.76	90.96%
25	4 Inch	Irrigation	4	1,813,070	$ 3,055.39	$ 6,350.90	3,295.51	107.86%
26	6 Inch	Irrigation	3	5,451,042	$ 8,957.63	$ 18,789.68	9,832.05	109.76%
27		Subtotal	442					
28								
29	3/4 Inch	Construction	1	959	$ 15.10	$ 21.35	6.25	41.42%
30	1 Inch	Construction	3	11,803	$ 41.11	$ 69.63	28.51	69.35%
31	2 Inch	Construction	0	36,000	$ 129.16	$ 216.90	87.74	67.93%
32	3 Inch	Construction	4	180,682	$ 427.86	$ 796.36	368.49	86.12%
33	4 Inch	Construction	1	94,500	$ 374.42	$ 617.75	243.33	64.99%
34		Subtotal	8					
35								
36	3 Inch	Fire Hydrant Meter (Irrigation)	26	26,121	$ 211.82	$ 280.74	68.91	32.53%
37	4 Inch	Fire Hydrant Meter (Irrigation)	1	516,917	$ 1,529.63	$ 2,026.93	497.30	32.51%
38		Subtotal	26					
39								
40	34 inch	Fire Sprinkler	43	3	$ 10.01	$ 10.01	0.00	0.02%
41	1 Inch	Fire Sprinkler	2	63	$ 10.16	$ 10.21	0.05	0.50%
42	1.5 Inch	Fire Sprinkler	3	28	$ 10.07	$ 10.09	0.02	0.23%
43		Subtotal	48					
44								
45								
46		Total	13,333					

47 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

Chaparral City Water Company
Test Year Ended December 31, 2006
Customer Summary

Exhibit
Amended Final Sched. H-2
Page 2
Witness: Bourassa

Line No.		Meter Size, Class	(a) Average Number of Customers at 12/31/2006	Median Consumption	Median Bill Present Rates	Median Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	3/4 Inch	Residential	8,368	5,500	$ 24.94	$ 33.22	8.28	33.21%
2	1 Inch	Residential	4,000	7,500	41.60	55.27	13.67	32.86%
3	1.5 Inch	Residential	21	21,500	99.58	132.22	32.64	32.78%
4	2 Inch	Residential	39	51,500	202.78	268.60	65.82	32.46%
5	3 Inch	Residential	3	83,000	355.16	470.49	115.33	32.47%
6		Subtotal	12,431					
7								
8	3/4 Inch	Commercial	115	4,501	$ 24.94	$ 33.16	8.22	32.97%
9	1 Inch	Commercial	114	5,500	36.56	48.60	12.04	32.93%
10	1.5 Inch	Commercial	66	13,500	79.42	105.54	26.12	32.88%
11	2 Inch	Commercial	71	21,500	127.18	168.52	41.34	32.51%
12	3 Inch	Commercial	5	12,500	177.50	235.30	57.80	32.56%
13	4 Inch	Commercial	4	79,500	427.34	567.71	140.37	32.85%
14		Subtotal	375					
15								
16	3/4 Inch	Industrial	1	3,500	$ 19.90	$ 26.55	6.65	33.42%
17	1 Inch	Industrial	1	-	$ 22.70	$ 30.25	7.55	33.26%
18	1.5 Inch	Industrial	0	-	$ 45.40	$ 60.50	15.10	33.26%
19		Subtotal	2					
20								
21	3/4 Inch	Irrigation	145	8,500	$ 26.86	$ 46.51	19.65	73.14%
22	1 Inch	Irrigation	170	15,500	$ 46.88	$ 81.96	35.08	74.83%
23	1.5 Inch	Irrigation	68	24,500	$ 83.62	$ 142.23	58.61	70.09%
24	2 Inch	Irrigation	52	63,000	$ 171.28	$ 306.97	135.69	79.22%
25	4 Inch	Irrigation	4	157,000	$ 471.92	$ 826.25	354.33	75.08%
26	6 Inch	Irrigation	3	1,312,000	$ 2,500.72	$ 4,981.83	2,481.11	99.22%
27		Subtotal	442					
28								
29	3/4 Inch	Construction	1	-	$ 13.60	$ 18.15	4.55	33.46%
30	1 Inch	Construction	3	11,500	$ 40.64	$ 68.61	27.97	68.83%
31	2 Inch	Construction	0	59,000	$ 165.04	$ 293.62	128.58	77.91%
32	3 Inch	Construction	4	19,500	$ 176.42	$ 258.65	82.23	46.61%
33	4 Inch	Construction	1	106,000	$ 392.36	$ 656.12	263.76	67.22%
34		Subtotal	8					
35								
36	3 Inch	Fire Hydrant Meter (Irrigation)	26	9,500	$ 169.94	$ 225.29	55.35	32.57%
37	4 Inch	Fire Hydrant Meter (Irrigation)	1	561,500	$ 1,641.98	$ 2,175.66	533.68	32.50%
38		Subtotal	26					
39								
40	34 inch	Fire Sprinkler	43	-	$ 10.00	$ 10.00	-	0.00%
41	1 Inch	Fire Sprinkler	2	-	$ 10.00	$ 10.00	-	0.00%
42	1.5 Inch	Fire Sprinkler	3	-	$ 10.00	$ 10.00	-	0.00%
43		Subtotal	48					
44								
45								
46		Total	13,333					

47 **(a)** Average number of customers of less than one (1), indicates that less than 12 bills were issued during the year.

Chaparral City Water Company
Test Year Ended December 31, 2006
Present and Proposed Rates

Exhibit
Amended Final Sched. H-3
Page 1
Witness: Bourassa

Line No.	Monthly Usage Charge for:	Present Rates	Proposed Rates	Change	Percent Change
1	Meter Size (All Zones and Classes):				
2	3/4 Inch	$ 13.60	$ 18.15	$ 4.55	33.46%
3	1 Inch	22.70	30.25	7.55	33.26%
4	1 1/2 Inch	45.40	60.50	15.10	33.26%
5	2 Inch	73.00	96.80	23.80	32.60%
6	3 Inch	146.00	193.60	47.60	32.60%
7	4 Inch	227.00	302.50	75.50	33.26%
8	6 Inch	454.00	605.00	151.00	33.26%
9	8 Inch	730.00	1,119.25	389.25	53.32%
10	10 Inch	1,043.00	1,573.00	530.00	50.81%
11	12 Inch	1,980.00	2,783.00	803.00	40.56%
12					
13					
14	Fire Hydrants Basic Service	$ -	$ -	-	0.00%
15					
16	Fire Hydrants Used for Irrigation	$ 146.00	$ 194.88	48.88	33.48%
17					
18	Monthly Service Charge for Fire Sprinkler				
19	4 Inch or smaller	$ 10.00	$ 10.00	-	0.00%
20	6 Inch	10.00	10.00	-	0.00%
21	8 Inch	10.00	10.00	-	0.00%
22	10 Inch	10.00	10.00	-	0.00%
23	Larger than 10 Inch	10.00	10.00	-	0.00%
24					
25					
26	Gallons In Minimum (All Zones and Classes)	-	-		
27					
28			(Per 1,000 gallons)		
29	**Commodity Rates**		**Present**	**Proposed**	**Percent**
30	**(Residential, Commercial, Industrial)**	**Block**	**Rate**	**Rate**	**Change**	**Change**
31						
32	3/4 Inch Meter Residential	0 gallons to 3,000 gallons	$ 1.68	$ 2.244	$ 0.56	33.57%
33		3,001 gallons to 9,000 gallons	$ 2.52	$ 3.336	$ 0.82	32.38%
34		over 9,000 gallons	$ 3.03	$ 4.012	$ 0.98	32.41%

Diablo Village Water Company
Test Year Ended December 31, 2006
Present and Proposed Rates

Exhibit
Amended Final Sched. H-3
Page 2
Witness: Bourassa

Line No.	Commodity Rates (Residential, Commercial, Industrial)	Block	Present Rate (Per 1,000 gallons)	Proposed Rate (Per 1,000 gallons)	Change	Percent Change
1						
2	**Commodity Rates**		**Present**	**Proposed**		**Percent**
3	**(Residential, Commercial, Industrial)**	**Block**	**Rate**	**Rate**	**Change**	**Change**
4						
5	3/4 Inch Meter Commercial and Industrial	0 gallons to 9000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
6		over 9,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
7	1 Inch Meter	0 gallons to 24,000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
8		over 24,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
9	1.5 Inch Meter	0 gallons to 60,000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
10		over 60,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
11	2 Inch Meter	0 gallons to 100,000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
12		over 100,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
13	3 Inch Meter	0 gallons to 225,000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
14		over 225,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
15	4 Inch Meter	0 gallons to 350,000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
16		over 350,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
17	6 Inch Meter	0 gallons to 725,000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
18		over 725,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
19	8 Inch Meter	0 gallons to 1,125,000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
20		over 1,125,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
21	10 Inch Meter	0 gallons to 1,500,000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
22		over 1,500,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
23	12 Inch Meter	0 gallons to 2,250,000 gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
24		over 2,250,000 gallons	$ 3.03	$ 4.012	$ 0.982	32.41%
25						
26	**Irrigation/Bulk**	All gallons	$ 1.56	$ 3.336	$ 1.776	113.85%
27						
28	**Fire Hydrant Irrig./Construction**	All gallons	$ 1.56	$ 3.336	$ 1.776	113.85%
29						
30	**Standpipe (Fire Hydrants)**	All gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
31						
32	**Fire Sprinklers**	All gallons	$ 2.52	$ 3.336	$ 0.816	32.38%
33						

Chaparral City Water Company
Changes in Representative Rate Schedules
Test Year Ended December 31, 2006

Exhibit
Amended Final Sched. H-3
Page 3
Witness: Bourassa

Line No.	Other Service Charges	Present Rates	Proposed Rates
1	Establishment	$ 25.00	$ 25.00
2	Establishment (After Hours)	$ 35.00	$ 35.00
3	Reconnection (Deliquent)	$ 35.00	$ 35.00
4	Reconnection (Deliquent and After Hours)	$ 50.00	$ 50.00
5	Meter Test	$ 35.00	$ 35.00
6	Deposit Requirement (Residential)	(a)	(a)
7	Deposit Requirement (None Residential Meter)	(a)	(a)
8	Hydrant Meter Deposit	$ 50.00	$ 50.00
9	Deposit Interest	(b)	(b)
10	Re-Establishment (With-in 12 Months)	(c)	(c)
11	Re-Establishment (After Hours)	(c)	(c)
12	NSF Check	$ 25.00	$ 25.00
13	Deferred Payment, Per Month	1.50%	1.50%
14	Meter Re-Read	$ 25.00	$ 25.00
15	Charge of Moving Customer Meter -		
16	Customer Requested per Rule R14-2-405B	Cost	Cost
17	After hours service charge, per Rule R14-2-403D	Refer to	Refer to
18		Above	Above
19		Charges	Charges
20	Late Charge per month	1.5%	1.5%
21	Off-site Facilities Hook-up Fee (See H-3, page 5)	(d)	(d)
22			
23			

24 (a) Residential - two times the average bill. Non-residential - two and one-half times the average bill.
25 (b) Interest per Rule R14-2-403(B).
26 (c) Minimum charge times number of full months off the system. per Rule R14-2-403(D).
27 (d) New water installations. May be assessed only once per parcel, service connection, or lot within a sub-
28 division. Purpose is to equitably apportion the costs of constructing additional off-site facilities to provide
29 water production, delivery, storage, and presssure among all new service connections.
30
31
32
33
34 IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM
35 ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE
36 TAX. PER COMMISSION RULE 14-2-409D(5).
37 ALL ADVANCES AND/OR CONTRIBUTIONS ARE TO INCLUDE LABOR, MATERIALS, OVERHEADS,
38 AND ALL APPLICABLE TAXES, INCLUDING ALL GROSS-UP TAXES FOR INCOME TAXES, IF APPLICABLE.
39
40
41

Chaparral City Water Company
Test Year Ended December 31, 2006
Meter and Service Line Charges

Exhibit
Amended Final Sched. H-3
Page 4
Witness: Bourassa

Line No.

Meter and Service Line Charges

	Present Service Line Charge	Present Meter Install-ation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Install-ation Charge	Total Proposed Charge
5/8 x 3/4 Inch	$ 385.00	$ 135.00	$ 520.00	$ 385.00	$ 135.00	$ 520.00
3/4 Inch	385.00	215.00	600.00	385.00	215.00	600.00
1 Inch	435.00	255.00	690.00	435.00	255.00	690.00
1 1/2 Inch	470.00	465.00	935.00	470.00	465.00	935.00
2 Inch / Turbine	630.00	965.00	1,595.00	630.00	965.00	1,595.00
2 Inch / Compound	630.00	1,690.00	2,320.00	630.00	1,690.00	2,320.00
3 Inch / Turbine	805.00	1,470.00	2,275.00	805.00	1,470.00	2,275.00
3 Inch / Compound	845.00	2,265.00	3,110.00	845.00	2,265.00	3,110.00
4 Inch / Turbine	1,170.00	2,350.00	3,520.00	1,170.00	2,350.00	3,520.00
4 Inch / Compound	1,230.00	3,245.00	4,475.00	1,230.00	3,245.00	4,475.00
6 Inch / Turbine	1,730.00	4,545.00	6,275.00	1,730.00	4,545.00	6,275.00
6 Inch / Compound	1,770.00	6,280.00	8,050.00	1,770.00	6,280.00	8,050.00
8 Inch & Larger	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost

N/T = No Tariff

Chaparral City Water Company
Test Year Ended December 31, 2006
Hook-Up Fees

Exhibit
Amended Final Sched. H-3
Page 5
Witness: Bourassa

Line No.			Present Charge		Proposed Charge
1					
2	**Off-site Facilities Hook-up Fee**				
3					
4					
5					
6	5/8 x 3/4 Inch	$	1,000	$	1,000
7	3/4 Inch		1,500		1,500
8	1 Inch		2,500		2,500
9	1 1/2 Inch		5,000		5,000
10	2 Inch		8,000		8,000
11	3 Inch		16,000		16,000
12	4 Inch		25,000		25,000
13	6 Inch or larger		50,000		50,000
14					
15					
16					
17					
18					
19					
20					
21					
22					
23					
24					
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35					
36					

Chaparral City Water Company
Test Year Ended December 31, 2006
Summary of Cost of Capital

Exhibit
Amended Final Sched. D-1
Page 1
Witness: Bourassa

Line No.	Item of Capital	End of Test Year Dollar Amount	End of Test Year Percent of Total	End of Test Year Cost Rate	End of Test Year Weighted Cost	End of Projected Year Dollar Amount	End of Projected Year Percent of Total	End of Projected Year Cost Rate	End of Projected Year Weighted Cost
1	Short-Term Debt[1]	$ 1,400,000	3.97%	2.88%	0.11%	$ 1,400,000	3.88%	2.88%	0.11%
2									
3	Long-Term Debt	$ 6,865,000	19.45%	5.33%	1.04%	$ 6,585,000	18.26%	5.36%	0.98%
4									
5	Stockholder's Equity	$ 27,028,873	76.58%	11.50%	8.81%	$ 29,473,577	81.74%	11.50%	9.40%
6									
7	Totals	$ 35,293,873	100.00%		9.96%	$ 36,058,577	100.00%		10.38%
8									
9									
10	Adjustments to Equity From Direct								
11	Capitalized Expenses	$ 32,536	See B-2, page 3						
12	Accumulated Depreciation	$ (2,875)	See B-2, page 4						
13	A/D for Capitalize Expenses	$ (3,265)	See B-2, page 4						
14									
15									
16	[1] Current one year LIBOR rate (12 month LIBOR as reported on Nov. 21, 2008 by www.economagic.com)								
17									
18									
19									
20									
21									
22									
23									
24	SUPPORTING SCHEDULES:								RECAP SCHEDULES
25	Amended Final D-2								
26	Amended Final D-3								
27	Amended Final D-4								
28									
29									
30									
31									
32									
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41									
42									
43									
44									

Chaparral City Water Company
Test Year Ended December 31, 2006
Cost of Long Term Debt

Exhibit
Amended Final Sched. D-2
Page 1
Witness: Bourassa

Line No.	Description of Debt	End of Test Year Amount Outstanding	End of Test Year Annual Interest	End of Test Year Interest Rate	End of Test Year Weighted Cost	End of Projected Year Amount Outstanding	End of Projected Year Annual Interest	End of Projected Year Interest Rate	End of Projected Year Weighted Cost
1									
2	Series 1997A serial bonds, due 1998 to 2007 (4% to 4.85%)	240,000	11,040	4.60%	0.16%	-	-	4.60%	0.00%
3	Series 1997A term bonds, due Dec. 2011 (5.20%)	1,000,000	52,000	5.20%	0.76%	960,000	49,920	5.20%	0.76%
4	Series 1997A term bonds, due Dec. 2022 (5.40%)	4,610,000	248,940	5.40%	3.63%	4,610,000	248,940	5.40%	3.78%
5	Series 1997B term bonds, due Dec. 2022 (5.30%)	1,015,000	53,795	5.30%	0.78%	1,015,000	53,795	5.30%	0.82%
6									
7									
8									
9									
10									
11									
12									
13	Totals	$ 6,865,000	365,775		5.33%	$ 6,585,000	352,655		5.36%
14									
15	Supporting Schdules:								
16	E-2								
17									
18									
19									
20									
21									

Chaparral City Water Company
Test Year Ended December 31, 2006
Cost of Preferred Stock

Exhibit
Amended Final Sched. D-3
Page 1
Witness: Bourassa

Line No.	Description of Issue	End of Test Year Shares Outstanding	End of Test Year Amount	End of Test Year Dividend Requirement	End of Projected Year Shares Outstanding	End of Projected Year Amount	End of Projected Year Dividend Requirement
1							
2							
3	NOT APPLICABLE, NO PREFERRED STOCK ISSUED OR OUTSTANDING						
4							
5							
6							
7							
8							
9							
10							
11							
12							
13							
14							
15							
16							
17	SUPPORTING SCHEDULES:			RECAP SCHEDULES:			
18	E-1			Final D-1			
19							
20							

Chaparral City Water Company
Test Year Ended December 31, 2006
Cost of Common Equity

Exhibit
Amended Final Sched. D-4
Page 1
Witness: Bourassa

Line No.	
1	
2	The Company is proposing a cost of common equity of 11.5%.
3	
4	
5	
6	
7	
8	
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12	
13	
14	
15	
16	
17	SUPPORTING SCHEDULES:
18	
19	
20	

RECAP SCHEDULES:
Amended Final D-1

Chaparral City Water Company
Summary of Results

Exhibit
Amended Final Sched. D-4.0
Witness: Bourassa

Line No.	Method	Low	High	Midpoint
1				
2				
3				
4	Method	Low	High	Midpoint
5	DCF Constant Growth	10.2%	14.7%	12.4%
6	DCF Sustainable Growth	8.5%	11.7%	10.1%
7	DCF Two-Stage	10.0%	12.7%	11.3%
8				
9	Average DCF Results	9.6%	13.0%	11.3%
10				
11	CAPM	8.6%	19.4%	14.0%
12				
13	Average DCF and CAPM Results	9.1%	16.2%	12.7%
14				
15				
16				
17				
18				
19				
20				
21				
22				
23				
24				
25				
26				
27				
28				

Chaparral City Water Company
Selected Characteristics of Water Utilities

Exhibit
Amended Final Sched. D-4.1
Witness: Bourassa

Line No.	Company	% Water Revenues	Operating Revenues (millions)	Net Plant (millions)	S&P Bond Rating	Moody's Bond Rating
1	1. American States	82%	$ 308.5	$ 714.6	NR	A2
2	2. Aqua America	87%	$ 616.2	$ 2,507.4	AA-	NR
3	3. California Water	97%	$ 396.1	$ 970.2	NR	NR
4	4. Connecticut Water	85%	$ 61.4	$ 243.7	AAA	NR
5	5. Middlesex	90%	$ 90.8	$ 312.4	A	NR
6	6. SJW Corp.	95%	$ 218.4	$ 483.7	NR	NR
7						
8	Average	89%	$ 281.9	$ 872.0		
9						
10	Chaparral City Water Company	100%	$ 7.5	$ 37.2	NR	NR

Source: AUS Utility Reports December 2008)

Chaparral City Water Company
Capital Structures of Water Utilities

Exhibit
Amended Final Sched. D-4.2
Witness: Bourassa

No.	Company	Book Value Long-Term Debt	Book Value Common Equity	Market Value Long-Term Debt	Market Value Common Equity
4	1. American States	47.0%	53.0%	32.9%	67.1%
5	2. Aqua America	55.4%	44.6%	31.5%	68.5%
6	3. California Water	43.0%	57.0%	24.1%	75.9%
7	4. Connecticut Water	56.7%	43.3%	39.3%	60.7%
8	5. Middlesex	49.8%	50.2%	36.7%	63.3%
9	6. SJW Corp.	47.7%	52.3%	30.1%	69.9%
11	Average	49.9%	50.1%	32.4%	67.6%
13	Chaparral City Water Company	23.4%	76.6%	N/A	N/A

17 Source: Value Line Analyzer Data (December 19, 2008)

Chaparral City Water Company
Comparisons of Past and Future Estimates of Growth

Exhibit
Amended Final Sched. D-4.3
Page 1
Witness: Bourassa

Line No.	Company	Five-year historical compound annual changes: Price	Book Value	DPS	EPS	Average Future Growth[1]
7	1. American States	13.68%	4.53%	1.99%	6.53%	8.50%
8	2. Aqua America	13.72%	9.84%	8.45%	5.63%	7.50%
9	3. California Water	12.76%	7.11%	0.70%	3.71%	8.50%
10	4. Connecticut Water	1.91%	3.50%	1.51%	Negative	8.90%
11	5. Middlesex	6.86%	6.34%	1.93%	3.57%	8.00%
12	6. SJW Corp.	24.69%	8.96%	7.24%	5.92%	12.00%
15	GROUP AVERAGE	12.27%	6.71%	3.64%	5.07%	8.90%
16	GROUP MEDIAN	13.22%	6.73%	1.96%	5.63%	8.50%

1 See Amended Final Sched. D-4.5

Sources:
Value Line Data
Yahoo Finance

Chaparral City Water Company
Comparisons of Past and Future Estimates of Growth

Exhibit
Amended Final Sched. D-4.4
Page 1
Witness: Bourassa

Line No.	Company	Ten-year historical compound annual changes: Price	Book Value	DPS	EPS	Average Future Growth[1]
7	1. American States	12.35%	4.54%	1.47%	4.53%	8.50%
8	2. Aqua America	13.87%	9.39%	7.18%	7.64%	7.50%
9	3. California Water	6.33%	3.59%	0.91%	Negative	8.50%
10	4. Connecticut Water	8.84%	3.76%	1.26%	1.08%	8.90%
11	5. Middlesex	9.88%	3.98%	1.98%	2.65%	8.00%
12	6. SJW Corp.	16.43%	4.85%	5.13%	2.66%	12.00%
15	GROUP AVERAGE	11.28%	5.02%	2.99%	3.71%	8.90%
16	GROUP MEDIAN	11.12%	4.26%	1.72%	2.66%	8.50%

1 See Amended Final Sched. D-4.5

Sources:
Value Line Data
Yahoo Finance

Chaparral City Water Company
Analysts Forecasts of Earnings Per Share Growth

Exhibit
Amended Final Sched. D-4.5
Witness: Bourassa

Line No.		(1)	(2)		(3)	(4)
		EPS GROWTH				Average Growth (G)
	Company	Zacks	Morningstar	Yahoo	Value Line	(Cols 1-3)
1	1. American States	12.00%	7.00%	4.00%	11.00%	8.50%
2	2. Aqua America	8.00%	7.50%	7.00%	7.50%	7.50%
3	3. California Water	8.00%	8.00%	8.00%	10.00%	8.50%
4	4. Connecticut Water					8.90%
5	5. Middlesex	8.00%		8.00%	8.00%	8.00%
6	6. SJW Corp.	13.00%	15.00%	10.00%	10.00%	12.00%
7						
8	GROUP AVERAGE	9.80%	9.38%	7.40%	9.30%	8.90%
9	GROUP MEDIAN					8.50%

Sources:
Value Line Investment Analyzer Data December 19, 2008
Zacks Investment Research Site December 19, 2008
Morningstar Website December 19, 2008
Yahoo Finance December 19, 2008

Chaparral City Water Company
Estimates of Sustainable Growth

Exhibit
Amended Final Sched. D-4.6
Witness: Bourassa

Line No.		(1)	(2)	(3)	(4)	(5)
1						
2						
3						Average
4						Sustainable
5		Retention	Rate	br	sv	Growth
6	Company	Ratio	of Return	Growth	Growth	(Cols 3+4)
7	1. American States	0.52	13.50%	7.02%	0.91%	7.93%
8	2. Aqua America	0.43	12.00%	5.20%	0.65%	5.85%
9	3. California Water	0.49	11.00%	5.34%	2.82%	8.16%
10	4. Connecticut Water					
11	5. Middlesex					
12	6. SJW Corp.					
13						
14						
15	GROUP AVERAGE	0.48	12.17%	5.85%	1.46%	7.31%
16	GROUP MEDIAN	0.49	12.00%	5.34%	0.91%	7.93%
17						
18	Sources:					
19	Value Line Data					
20						
21						
22						
23						

Chaparral City Water Company
Estimates of sv Growth

Exhibit
Amended Final Sched. D-4.7
Witness: Bourassa

Line No.		(1)	(2)	(3)	(4)
1					
2					
3					
4		Stock	Current		
5		Financing	Market to Book		sv
6	Company	Rate	Ratio	v	Growth
7	1. American States	2.03%	1.81	0.45	0.91%
8	2. Aqua America	1.03%	2.71	0.63	0.65%
9	3. California Water	4.87%	2.37	0.58	2.82%
10	4. Connecticut Water				na
11	5. Middlesex				na
12	6. SJW Corp.				na
13					
14					
15	GROUP AVERAGE	2.65%	2.30	0.55	1.46%
16	GROUP MEDIAN	2.03%	2.37	0.58	0.91%
17					
18	Sources:				
19	Value Line Data				
20					
21					

Exhibit
Amended Final Sched. D-4.8
Witness: Bourassa

Chaparral City Water Company
Discounted Cash Flow Analysis (Water)
Constant Growth DCF Model
Using Projected EPS Growth

Line No.	Company	(1) Spot Price (Po)	(2) Next Year's Div (D1)	(3) Dividend Yield	(4) Growth (g)[1]	(5) Indicated Cost of Equity k=Div Yld + g (Cols 3+4)
1	1. American States	31.75	1.09	3.42%	8.50%	11.9%
2	2. Aqua America	19.84	0.54	2.71%	7.50%	10.2%
3	3. California Water	43.93	1.27	2.89%	8.50%	11.4%
4	4. Connecticut Water	24.19	0.97	3.99%	8.90%	12.9%
5	5. Middlesex	17.18	0.76	4.44%	8.00%	12.4%
6	6. SJW Corp.	27.28	0.73	2.69%	12.00%	14.7%
7	GROUP AVERAGE			3.36%	8.90%	12.3%
8	GROUP MEDIAN					12.2%

[1] See Schedules D-4.5

Sources:
Value Line Investment Analyzer Data December 19, 2008
Yahoo Finance Spot Prices as of December 18, 2008

Chaparral City Water Company
Discounted Cash Flow Analysis (Water)
Constant Growth DCF Model - Sustainable Growth

Exhibit
Amended Final Sched. D-4.9
Witness: Bourassa

Line No.		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1								Indicated
2								Cost of
3			Next		Sustainable Growth[1]			Equity
4		Spot	Year's	Dividend			br+sv	k=Div Yld + g
5	Company	Price (Po)	Div (D1)	Yield	br	vs	Growth (g)	(Cols 3+6)
6	1. American States	31.75	1.08	3.40%	7.02%	0.91%	7.93%	11.3%
7	2. Aqua America	19.84	0.53	2.67%	5.20%	0.65%	5.85%	8.5%
8	3. California Water	43.93	1.27	2.88%	5.34%	2.82%	8.16%	11.0%
9	4. Connecticut Water	24.19	0.95	3.93%			7.31%	11.2%
10	5. Middlesex	17.18	0.76	4.41%			7.31%	11.7%
11	6. SJW Corp.	27.28	0.70	2.58%			7.31%	9.9%
12								
13								
14	GROUP AVERAGE			3.31%			7.31%	10.6%
15	GROUP MEDIAN							11.1%
16								
17								
18	1 See Amended Final Sched. D-4.6 and D-4.7							
19								
20								
21	Sources:							
22	Value Line Investment Analyzer Data December 19, 2008							
23	Yahoo Finance Spot Prices as of December 18, 2008							
24								

Chaparral City Water Company
Discounted Cash Flow Analysis (Water)
Two-Stage Growth - Projected

Exhibit
Amended Final Sched. D-4.10
Witness: Bourassa

Line No.		(1)	(2)	(3)	(4)	(5)	(6)	(7)
1								
2								
3								
4			Next			Projected Growth Rates		Indicated
5		Spot	Year's	Yield	Near	Long		Cost of
6	Company	Price(P_0)	Div (D_1)	(D_1/P_0)	Term[1]	Term (GDP)	Average[2]	Equity
7	1. American States	31.75	1.08	3.40%	8.50%	6.80%	7.94%	11.3%
8	2. Aqua America	19.84	0.54	2.70%	7.50%	6.80%	7.27%	10.0%
9	3. California Water	43.93	1.26	2.87%	8.50%	6.80%	7.94%	10.8%
10	4. Connecticut Water	24.19	0.96	3.96%	8.90%	6.80%	8.21%	12.2%
11	5. Middlesex	17.18	0.76	4.43%	8.00%	6.80%	7.60%	12.0%
12	6. SJW Corp.	27.28	0.66	2.40%	12.00%	6.80%	10.28%	12.7%
13								
14								
15	GROUP AVERAGE			3.30%			8.21%	11.5%
16	GROUP MEDIAN							11.7%
17								
18	1 See Amended Final Sched. D-4.5							
19	[2] Near term growth given weighting of .67							
20								
21								
22								
23								
24								

Chaparral City Water Company
Market Betas

Exhibit
Amended Final Sched. D-4.11
Witness: Bourassa

Line No.		Company	
1		Company	
2	1.	American States	0.95
3	2.	Aqua America	0.90
4	3.	California Water	1.05
5	4.	Connecticut Water	0.80
6	5.	Middlesex	0.80
7	6.	SJW Corp.	1.05
8		Average	**0.93**
9			
10	Source:		
11	Value Line Investment Analyzer Data December 19, 2008		
12			
13			
14			
15			
16			

Chaparral City Water Company
Computation of Current Market Risk Premium

Exhibit
Amended Final Sched. D-4.12
Witness: Bourassa

Line No.	Month	Dividend Yield	+	Growth	=	Expected Market Return	-	Monthly Average 30 Year Treasury Rate	=	Market Risk Premium
1										
2										
3	**Month**	Yield	+	Growth	=	Return	-	Treasury Rate	=	Premium
10	Dec 2007	2.61%	+	13.51%	=	16.12%	-	4.52%	=	11.60%
11	Jan 2008	2.67%	+	15.19%	=	17.86%	-	4.33%	=	13.53%
12	Feb	2.74%	+	16.47%	=	19.21%	-	4.52%	=	14.69%
13	March	2.85%	+	17.64%	=	20.49%	-	4.39%	=	16.10%
14	April	2.69%	+	15.73%	=	18.42%	-	4.44%	=	13.98%
15	May	2.73%	+	15.51%	=	18.24%	-	4.60%	=	13.64%
16	Jun	3.13%	+	18.51%	=	21.64%	-	4.69%	=	16.95%
17	Jul	3.15%	+	18.61%	=	21.76%	-	4.57%	=	17.19%
18	Aug	3.06%	+	17.08%	=	20.14%	-	4.50%	=	15.64%
19	Sept	3.07%	+	19.30%	=	22.37%	-	4.27%	=	18.10%
20	Oct	4.31%	+	30.53%	=	34.84%	-	4.17%	=	30.67%
21	Nov 2008	4.97%	+	35.02%	=	39.99%	-	4.00%	=	35.99%
22										
23	Recent 12 Mon Avg	3.17%	+	19.43%	=	22.59%	-	4.42%	=	18.17%
27										
28	Short-term Trends									
29	Recent Nine Months Avg	3.33%	+	20.88%	=	24.21%	-	4.40%	=	19.81%
30	Recent Six Months Avg	3.62%	+	23.18%	=	26.79%	-	4.37%	=	22.42%
31	Recent Three Months Avg	4.12%	+	28.28%	=	32.40%	-	4.15%	=	28.25%
32										
33	Sources									
34	Value Line Investment Analyzer Software Data									
35	Federal Reserve									

Chaparral City Water Company
Test Year Ended December 31, 2006
Capital Asset Pricing Model (CAPM)

Exhibit
Amended Final Sched. D-4.13
Witness: Bourassa

Line No.		Rf	+	beta[3]	x	Rp	=	k
1								
2								
3	Historical Market Risk Premium CAPM[1]	1.6%	+	0.93	x	7.5% [4]	=	8.6%
4								
5	Current Market Risk Premium CAPM[2]	2.5%	+	0.93	x	18.2% [5]	=	19.4%
6								
7								
8	Average							14.0%
9								
10								
11								

12 [1] Federal Reserve December 18, 2008 average of 5, 7 and 10 year Treasury rates (Rf)
13 [2] Federal Reserve December 18, 2008 30 year Treasury rate (Rf)
14 3 Value Line Investment Analyzer data. See Amended Final Sched. D-4.11
15 [4] Historical Market Risk Premium from (Rp) MorningStar SBBI 2008 Yearbook Table A-2 Intermediate-Horizon ERP 1926-2007
16 [5] Computed using DCF constant growth method to determine current market return on Value Line 1700 stocks
17 and CAPM with beta of 1.0 to compute Current Market Risk Premium (Rp). See Amended Final Sched. D-4.12.
18
19
20