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BEFORE THE ARIZONA CORPORATION COMMISSION

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KRISTIN K. MAYES - Chairman
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BOB STUMP

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY, AND FOR ADJUSTMENTS TO ITS RATES AND CHARGES FOR UTILITY SERVICE AND FOR CERTAIN RELATED APPROVALS BASED THEREON.	DOCKET NO. W-01445A-08-0440 **STAFF'S NOTICE OF FILING RATE DESIGN DIRECT TESTIMONY**

Staff of the Arizona Corporation Commission ("Staff") hereby files the Rate Design Direct Testimony of Staff Witness Jeffery Michlik in the above-referenced matter.

RESPECTFULLY SUBMITTED this 30th day of June, 2009.

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Legal Division
Arizona Corporation Commission
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Original and thirteen (13) copies of the foregoing were filed this 30th day of June, 2009 with:

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Phoenix, Arizona 85007

Arizona Corporation Commission
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JUN 30 2009
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(RATE DESIGN)

DIRECT

TESTIMONY

OF

JEFFREY M. MICHLIK

DOCKET NO. W-01445A-08-0440

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASE IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICES

JUNE 30, 2009

BEFORE THE ARIZONA CORPORATION COMMISSION

KRISTIN K. MAYES
Chairman
GARY PIERCE
Commissioner
PAUL NEWMAN
Commissioner
SANDRA D. KENNEDY
Commissioner
BOB STUMP
Commissioner

IN THE MATTER OF THE APPLICATION OF ARIZONA WATER COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASE IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICES	DOCKET NO. W-01445A-08-0440

(RATE DESIGN)

DIRECT

TESTIMONY

OF

JEFFREY M. MICHLIK

PUBLIC UTILITIES ANALYST V

UTILITIES DIVISION

ARIZONA CORPORATION COMMISSION

JUNE 30, 2009

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EXECUTIVE SUMMARY
ARIZONA WATER COMPANY
DOCKET NO. W-01445A-08-0440

Arizona Water Company ("Company") is a certificated Arizona public service corporation that provides Water utility service in various communities throughout the state. On August 22, 2008, the Company filed an application for a permanent rate increase. This filing includes all 17 of the Company's Systems. The Company utilized a test year ended December 31, 2007.

Eastern Group

Superstition Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 5,403 gallons living in Apache Junction would experience a $11.25 or a 48.55 percent increase in their monthly bill from $23.18 to $34.43 under the Company's proposed rates and a $6.37 or a 27.49 percent increase in their monthly bill from $23.18 to $29.55 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 5,403 gallons living in Superior would experience a $10.00 or a 40.96 percent increase in their monthly bill from $24.43 to $34.43 under the Company's proposed rates and a $4.93 or a 20.18 percent increase in their monthly bill from $24.43 to $29.35 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Miami Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 4,457 gallons would experience a $1.96 or a 6.65 percent increase in their monthly bill from $29.43 to $31.39 under the Company's proposed rates and a $2.87 or a 9.73 percent decrease in their monthly bill from $29.43 to $26.57 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Bisbee Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 3,638 gallons would experience a $2.60 or a 10.09 percent increase in their monthly bill from $25.76 to $28.36 under the Company's proposed rates and a $0.40 or a 1.57 percent decrease in their monthly bill from $25.76 to $25.35 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Sierra Vista Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,380 gallons would experience a $0.22 or a 0.84 percent increase in their monthly bill from $25.68 to $25.90 under the Company's proposed rates and a $0.41 or a 1.61 percent decrease in their monthly bill from $25.68 to $25.27 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

San Manuel Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,505 gallons would experience a $13.17 or a 42.44 percent increase in their monthly bill from $31.02 to $44.19 under the Company's proposed rates and a $8.17 or a 26.33 percent increase in their monthly bill from $31.02 to $39.19 under Staff's recommended rates.

Oracle Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 4,339 gallons would experience a $2.24 or a 5.47 percent increase in their monthly bill from $40.94 to $43.18 under the Company's proposed rates and a $4.21 or a 10.28 percent decrease in their monthly bill from $40.94 to $36.73 under Staff's recommended rates.

Winkleman Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 7,329 gallons would experience a $9.12 or a 42.86 percent increase in their monthly bill from $21.28 to $30.40 under the Company's proposed rates and a $5.33 or a 25.06 percent increase in their monthly bill from $21.28 to $26.61 under Staff's recommended rates.

Northern Group

Lakeside Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 2,314 gallons would experience a $2.82 or a 10.14 percent decrease in their monthly bill from $27.76 to $24.94 under the Company's proposed rates and a $7.37 or a 26.54 percent decrease in their monthly bill from $27.76 to $20.39 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Overgaard Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 772 gallons would experience a $4.60 or a 21.08 percent decrease in their monthly bill from $21.84 to $17.23 under the Company's proposed rates and a $6.07 or a 27.80 percent decrease in their monthly bill from $21.84 to $15.77 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Sedona Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,910 gallons would experience a $12.66 or a 46.58 percent increase in their monthly bill from $27.17 to $39.83 under the Company's proposed rates and a $6.81 or a 25.08 percent increase in their monthly bill from $27.17 to $33.98 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Pinewood Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 536 gallons would experience a $2.31 or a 10.60 percent increase in their monthly bill from $21.84 to $24.15 under the Company's proposed rates and a $3.95 or a 18.08 percent decrease in their monthly bill from $21.84 to $17.89 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Rimrock Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 4,128 gallons would experience a $11.04 or a 41.80 percent increase in their monthly bill from $26.42 to $37.46 under the Company's proposed rates and a $0.97 or a 3.68 percent decrease in their monthly bill from $26.42 to $25.45 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Western Group

Casa Grande Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,075 gallons would experience a $10.17 or a 56.34 percent increase in their monthly bill from $18.05 to $28.22 under the Company's proposed rates and a $4.67 or a 25.90 percent increase in their monthly bill from $18.05 to $22.73 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Coolidge Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 5,998 gallons would experience a $6.64 or a 31.01 percent increase in their monthly bill from $21.43 to $28.07 under the Company's proposed rates and a $1.15 or a 5.37 percent increase in their monthly bill from $21.43 to $22.58 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

Stanfield Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 7,262 gallons would experience a $3.66 or a 11.08 percent increase in their monthly bill from $33.06 to

$36.72 under the Company's proposed rates and a $3.78 or a 11.45 percent decrease in their monthly bill from $33.06 to $29.27 under Staff's recommended rates. As an alternative, Staff has provided stand-alone rates in lieu of consolidation.

White Tank Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 10,201 gallons would experience a $16.07 or a 43.30 percent increase in their monthly bill from $37.11 to $53.18 under the Company's proposed rates and a $2.32 or a 6.26 percent increase in their monthly bill from $37.11 to $39.44 under Staff's recommended rates.

Ajo Water System:

The typical 5/8 x 3/4-inch meter residential customers with a median usage of 3,754 gallons would experience a $7.89 or a 20.40 percent increase in their monthly bill from $38.69 to $46.58 under the Company's proposed rates and a $3.88 or a 10.03 percent increase in their monthly bill from $38.69 to $42.57 under Staff's recommended rates.

INTRODUCTION

Q. Please state your name, title, and business address.

A. My name is Jeffrey M. Michlik. I am a Public Utilities Analyst V employed by the Arizona Corporation Commission ("ACC" or "Commission") in the Utilities Division ("Staff"). My business address is 1200 West Washington Street, Phoenix, Arizona 85007.

Q. Briefly describe your responsibilities as a Public Utilities Analyst V.

A. In my capacity as a Public Utilities Analyst V, I analyze and examine accounting, financial, statistical and other information and prepare reports based on my analyses that present Staff's recommendations to the Commission on utility revenue requirements, rate design and other matters. I also provide expert testimony on these same issues.

Q. Please describe your educational background and professional experience.

A. In 2000, I graduated from Idaho State University, receiving a Bachelor of Business Administration Degree in Accounting and Finance, and I am a Certified Public Accountant with the Arizona State Board of Accountancy. I have attended the National Association of Regulatory Utility Commissioners' ("NARUC") Utility Rate School, which presents general regulatory and business issues.

I joined the Commission as a Public Utilities Analyst in May of 2006. Prior to employment with the Commission, I worked four years for the Arizona Office of the Auditor General as a Staff Auditor, and one year in public accounting as a Senior Auditor.

Q. What is the scope of your testimony in this case?

A. I am presenting Staff's analysis and recommendations regarding Arizona Water Company's ("Company" or "Arizona Water") application for a permanent increase in its

rates and charges throughout Arizona. I am presenting testimony and schedules addressing rate design.

Q. What is the basis of your testimony in this case?

A. Based on the adjustments and revenue requirement recommended by Staff, I will present Staff's recommended rate design.

BACKGROUND

Q. Please describe the Company.

A. Arizona Water is a certificated Arizona public service corporation with headquarters located in Phoenix, Arizona. The Company supplies Water to nearly 84,000 customers in eight counties throughout Arizona. The Company is composed of 17 separate Water Systems located in Ajo, Bisbee, Casa Grande, Coolidge, Lakeside, Miami, Oracle, Overgaard, Pinewood, Rimrock, San Manuel, Sedona, SierraVista, Stanfield, Superstition, White Tank, and Winkelman.

RATE DESIGN

Q. Have you prepared a schedule summarizing the present, Company proposed, and Staff recommended rates and service charges?

A. Yes. For comparative purposes Staff has presented each System separately, and has also combined several of the Systems, based on the Company's proposed consolidation. A summary of the present, Company proposed, and Staff recommended rates are presented in the attached schedules.

Q. Has the Company proposed consolidation of several of its Systems in this filing?

A. Yes. The Company proposes five separate consolidations.

Q. Did the Company propose consolidation of the Superstition and Miami Systems?

A. Yes. The Company is proposing full consolidation.

Q. Does Staff agree with the Company's consolidation of the Superstition and Miami Systems?

A. Yes.

Q. Did the Company propose consolidation of the Bisbee and Sierra Vista Systems?

A. Yes, but only partially. The Company is proposing the same monthly minimum rate for both systems. The commodity rates proposed are different and would be adjusted in a future rate case.

Q. Does Staff agree with the Company's consolidation plan?

A. Yes.

Q. Did the Company propose consolidation of the Lakeside and Overgaard Systems?

A. Yes. The Company is proposing full consolidation of the Lakeside and Overgaard Systems.

Q. Does Staff agree with the Company's consolidation of the Lakeside and Overgaard Systems?

A. Yes.

Q. Did the Company propose consolidation of the Sedona, Pinewood and Rimrock Systems?

A. Yes. The Company is proposing full consolidation of the Rimrock and Pinewood Systems. The monthly minimum rate for Sedona would be the same as Rimrock and Pinewood with the commodity rates for the Sedona System set at different rates. The Sedona System's commodity rates would then be adjusted in a future rate case to match the Pinewood and Rimorck Systems' commodity rates.

Q. Does Staff agree with the Company's consolidation plan?

A. No. Staff believes all three Systems should have unified monthly minimum and commodity rates charges, instead of waiting until the next rate case to adjust the commodity charges.

Q. Did the Company propose consolidation of the Casa Grande, Coolidge and Stanfield Systems?

A. Yes. The Company is proposing full consolidation of the Casa Grande and Coolidge Systems since they are interconnected. The monthly minimum rate for Stanfield would be the same as Casa Grande and Coolidge with the commodity rates for the Stanfield System set at different rates. The Stanfield System's commodity rates would then be adjusted in a future rate case to match the Casa Grande and Coolidge Systems' commodity rates.

Q. Does Staff agree with the Company's consolidation plan?

A. No. While, Staff concurs with the Company that all three systems should have a unified monthly minimum. Staff also recommends that the first tier be the same for all three systems. Casa Grande and Coolidge will have the same second and third tier commodity rates, but Stanfield will have different second and third tier commodity rates.

SUPERSTITION AND MIAMI WATER SYSTEMS

Q. Would you please summarize the present rate design for the Superstition Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $12.54; 1-inch $34.30; 2-inch $120.20; 3-inch $236.03; 4-inch $480.25; 6-inch $774.01; 8-inch $926.15; and 10-inch 1,157.69. No gallons are included in the monthly minimum charge. The present commodity rate varies depending on whether you live in Apache Junction or Superior, as these two systems were only partially consolidated in the last rate case. The monthly minimums were consolidated but the commodity rates are different. The residential, commercial, industrial, and construction commodity rate for Apache Junction is $1.9688 per thousand gallons for zero to 10,000 gallons, $2.4610 per thousand gallons for 10,001 to 25,000 gallons, and $2.9532 per thousand gallons for any consumption over 25,000 gallons. The residential, commercial, industrial, and construction commodity rate for Superior is $2.2000 per thousand gallons for zero to 10,000 gallons, $2.7500 per thousand gallons for 10,001 to 25,000 gallons, and $3.3000 per thousand gallons for any consumption over 25,000 gallons. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the present rate design for the Miami Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $15.44; 1-inch $38.87; 2-inch $129.86; 3-inch $248.35; 4-inch $497.76; 6-inch $875.26; 8-inch $1,163.12; and 10-inch $1,305.25. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction commodity rate is $3.1400 per thousand gallons for zero to 10,000 gallons, $3.9250 per thousand

gallons for 10,001 to 25,000 gallons, and $4.7100 per thousand gallons for any consumption over 25,000 gallons. The proposed monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Superstition and Miami Water Systems?

A. The Company's proposed monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $19.00; 1-inch $47.50; 2-inch $152.00; 3-inch $304.00; 4-inch $475.00; 6-inch $950.00; 8-inch $1,520; and 10-inch $3,040.00. Zero gallons are included in the monthly minimum charge. The Company proposes the same commodity rates for both the Apache Junction and Superior Systems. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers of only $2.570 per thousand gallons for zero to 3,000 gallons, $3.2130 per thousand gallons for 3,001 to 10,000 gallons, and $4.0160 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential commodity rate tiers vary by meter size, but are $3.2130 per thousand gallons for the first tier and $4.0160 per thousand gallons for any consumption over the first tier. The other proposed commercial and construction commodity rate tiers vary by meter size, but are $3.4410 per thousand gallons for the first tier and $4.3010 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $3.8500 per 1,000 gallons for industrial customers and a flat commodity rate of $3.8500 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the Superstition and Miami Water Systems?

A. Staff's recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $17.00; 1-inch $42.50; 2-inch $136.00; 3-inch $272.00; 4-inch $425.00; 6-inch $850.00; 8-inch $1,360.00; and 10-inch $1,955.00. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.660 per thousand gallons for zero to 3,000 gallons, $3.1500 per thousand gallons for 3,001 to 10,000 gallons, and $4.1650 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $3.1500 per thousand gallons for the first tier and $4.1650 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $4.1650 per 1,000 gallons for resale water customers and a flat commodity rate of $4.1650 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Apache Junction?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 5,403 gallons would experience a $11.25 or a 48.55 percent increase in their monthly bill from $23.18 to $34.43 under the Company's proposed rates and a $6.37 or a 27.49 percent increase in their monthly bill from $23.18 to $29.55 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Superior?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 5,403 gallons would experience a $10.00 or a 40.96 percent increase in their monthly bill from $24.43 to $34.43 under the Company's proposed rates and a $4.93 or a 20.18 percent increase in their monthly bill from $24.43 to $29.35 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Miami?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 4,457 gallons would experience a $1.96 or a 6.65 percent increase in their monthly bill from $29.43 to $31.39 under the Company's proposed rates and a $2.87 or a 9.73 percent decrease in their monthly bill from $29.43 to $26.57 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. Did Staff present an alternative rate design to show the rate impact on the Superstition Water System if the Superstition and Miami Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Superstition stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $16.35; 1-inch $40.88; 2-inch $130.80; 3-inch $261.60; 4-inch $408.75; 6-inch $817.50; 8-inch $1,308.00; and 10-inch $1,880.25. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.9680 per thousand gallons for zero to 3,000 gallons, $2.9590 per thousand gallons for 3,001 to 10,000 gallons, and

$3.5450 per thousand gallons for any consumption over 10,000 gallons. Staff's larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $2.9590 per thousand gallons for the first tier and $3.5450 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $3.5450 per 1,000 gallons for resale water customers and a flat commodity rate of $3.5450 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer, using this alternative rate design for Apache Junction?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 5,403 gallons would experience a $11.25 or a 48.55 percent increase in their monthly bill from $23.18 to $34.43 under the Company's proposed rates and a $6.19 or a 26.69 percent increase in their monthly bill from $23.18 to $29.36 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer, using this alternative rate design for Superior?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 5,403 gallons would experience a $10.00 or a 40.96 percent increase in their monthly bill from $24.43 to $34.43 under the Company's proposed rates and a $4.94 or a 20.22 percent increase in their monthly bill from $24.43 to $29.36 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

Q. Did Staff present an alternative rate design to show the rate impact on the Miami Water System if the Superstition and Miami Water Systems were not consolidated?

A. Yes. As an alternative Staff's Miami stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $22.00; 1-inch $55.00; 2-inch $176.00; 3-inch $352.00; 4-inch $550.00; 6-inch $1,100.00; 8-inch $1,760.00; and 10-inch $2,530.00. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $3.5800 per thousand gallons for zero to 3,000 gallons, $5.3630 per thousand gallons for 3,001 to 10,000 gallons, and $6.4250 per thousand gallons for any consumption over 10,000 gallons. Staff's larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $5.3630 per thousand gallons for the first tier and $6.4250 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $6.4250 per 1,000 gallons for resale water customers and a flat commodity rate of $6.4250 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer, using this alternative rate design for Miami?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 4,457 gallons would experience a $1.96 or a 6.65 percent increase in their monthly bill from $29.43 to $31.39 under the Company's proposed rates and a $11.12 or a 37.77 percent increase in their monthly bill from $29.43 to $40.55 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

BISBEE AND SIERRA VISTA WATER SYSTEMS

Q. Would you please summarize the present rate design for the Bisbee Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $16.32; 1-inch $43.78; 2-inch $141.06; 3-inch $267.25; 4-inch $477.98; 6-inch $662.53; 8-inch $891.27; and 10-inch $1,200.36. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction water commodity rate is $2.5940 per thousand gallons for zero to 10,000 gallons, $3.2420 per thousand gallons for 25,001 to 10,000 gallons, and $3.8900 per thousand gallons for any consumption over 25,000 gallons. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the present rate design for the Sierra Vista Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $15.40; 1-inch $32.71; 2-inch $125.47; 3-inch $284.04; 4-inch $398.10; 6-inch $604.72; 8-inch $725.66; and 10-inch $907.08. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction water commodity rate is $1.6120 per thousand gallons for zero to 10,000 gallons, $2.0150 per thousand gallons for 10,001 to 25,000 gallons, and $2.4180 per thousand gallons for any consumption over 25,000 gallons. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Bisbee and Sierra Vista Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, construction, and resale customers are as follows: 5/8 x 3/4-inch $15.00; 1-inch $37.50; 2-inch $120.00; 3-inch $240.00; 4-inch $375.00; 6-inch $750.00; 8-inch $1,200.00; and 10-inch $2,400.00. The Company's proposed monthly minimum charges by meter size for industrial customers are as follows: 5/8 x 3/4-inch $28.44; 1-inch $71.10; 2-inch $227.52; 3-inch $455.04; 4-inch $711.00; 6-inch $1,422.00; 8-inch $2,275.20; and 10-inch $4,550.40. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $3.5170 per thousand gallons for zero to 3,000 gallons, $4.3960 per thousand gallons for 3,001 to 10,000 gallons, and $5.4950 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rates tiers vary by meter size, but are $4.3960 per thousand gallons for the first tier and $5.4950 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $5.4950 per 1,000 gallons for industrial customers and a flat commodity rate of $5.4950 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Sierra Vista Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, construction, and resale customers are as follows: 5/8 x 3/4-inch $15.00; 1-inch $37.50; 2-inch $120.00; 3-inch $240.00; 4-inch $375.00; 6-inch $750.00; 8-inch

$1,200; and 10-inch $2,400.00. The Company's proposed monthly minimum charges by meter size for industrial customers are as follows: 5/8 x 3/4-inch $28.44; 1-inch $71.10; 2-inch $227.52; 3-inch $455.04; 4-inch $711.00; 6-inch $1,422.00; 8-inch $2,275.20; and 10-inch $4,550.40. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $1.3260 per thousand gallons for zero to 3,000 gallons, $2.0480 per thousand gallons for 3,001 to 10,000 gallons, and $2.5610 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rates tiers vary by meter size, but are $2.0480 per thousand gallons for the first tier and $2.5610 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $5.4950 per 1,000 gallons for industrial customers and a flat commodity rate of $5.4950 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the Bisbee and Sierra Vista Water Systems?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $15.00; 1-inch $37.50; 2-inch $120.00; 3-inch $240.00; 4-inch $375.00; 6-inch $750.00; 8-inch $1,200.00; and 10-inch $1,725.00. Zero gallons are included in the monthly minimum charge. For the Bisbee Water System, Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $2.6000 per thousand gallons for zero to 3,000 gallons, $4.0000 per thousand gallons for 3,001 to 10,000 gallons, and $5.3480 per thousand gallons for any consumption over

10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $4.0000 per thousand gallons for the first tier and $5.3480 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $5.3480 per 1,000 gallons for resale water customers and a flat commodity rate of $5.3480 per 1,000 gallons for construction water users. For the Sierra Vista Water System, Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.1700 per thousand gallons for zero to 3,000 gallons, $2.0000 per thousand gallons for 3,001 to 10,000 gallons, and $2.5000 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $2.0000 per thousand gallons for the first tier and $2.5000 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $2.5000 per 1,000 gallons for resale water customers and a flat commodity rate of $2.5000 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Bisbee?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 3,638 gallons would experience a $2.60 or a 10.09 percent increase in their monthly bill from $25.76 to $28.36 under the Company's proposed rates and a $0.40 or a 1.57 percent decrease in their monthly bill from $25.76 to $25.35 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Sierra Vista?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,380 gallons would experience a $0.22 or a 0.84 percent increase in their monthly bill from $25.68 to $25.90 under the Company's proposed rates and a $0.41 or a 1.61 percent decrease in their monthly bill from $25.68 to $25.27 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. Did Staff present an alternative rate design to show the rate impact on Bisbee if the Bisbee and Sierra Vista Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Bisbee stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $16.00; 1-inch $40.00; 2-inch $128.00; 3-inch $256.00; 4-inch $400.00; 6-inch $800.00; 8-inch $1,280.00; and 10-inch $1,840.00. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $2.9410 per thousand gallons for zero to 3,000 gallons, $4.4260 per thousand gallons for 3,001 to 10,000 gallons, and $5.3140 per thousand gallons for any consumption over 10,000 gallons. Staff's larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $4.4260 per thousand gallons for the first tier and $5.3140 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $5.3140 per 1,000 gallons for resale water customers and a flat commodity rate of $5.3140 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter Bisbee residential customer, using this alternative rate design?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 3,638 gallons would experience a $2.60 or a 10.09 percent increase in their monthly bill from $25.76 to $28.36 under the Company's proposed rates and a $1.89 or a 7.34 percent increase in their monthly bill from $25.76 to $27.65 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

Q. Did Staff present an alternative rate design to show the rate impact on Sierra Vista if the Bisbee and Sierra Vista Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Sierra Vista stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $12.85; 1-inch $32.13; 2-inch $102.80; 3-inch $205.60; 4-inch $321.25; 6-inch $642.50; 8-inch $1,028.00; and 10-inch $1,477.75. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.2720 per thousand gallons for zero to 3,000 gallons, $1.9200 per thousand gallons for 3,001 to 10,000 gallons, and $2.2990 per thousand gallons for any consumption over 10,000 gallons. Staff's larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $1.9200 per thousand gallons for the first tier and $2.2990 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $2.2990 per 1,000 gallons for resale water customers and a flat commodity rate of $2.2990 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter Sierra Vista residential customer, using this alternative rate design?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,380 gallons would experience a $0.22 or a 0.84 percent increase in their monthly bill from $25.68 to $25.90 under the Company's proposed rates and a $2.53 or a 9.85 percent decrease in their monthly bill from $25.68 to $23.16 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

SAN MANUEL WATER SYSTEM

Q. Would you please summarize the present rate design for the San Manuel Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $19.94; 1-inch $42.51; 2-inch $234.67; 3-inch $358.76; 4-inch $453.35; 6-inch $538.19; 8-inch $854.56; and 10-inch $1,228.50. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction water commodity rate is $1.7040 per thousand gallons for zero to 10,000 gallons, $2.1300 per thousand gallons for 10,001 to 25,000 gallons, and $2.5560 per thousand gallons for any consumption over 25,000 gallons. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the San Manuel Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, industrial, construction, and resale customers are as follows: 5/8 x 3/4-inch

$23.40; 1-inch $58.50; 2-inch $187.20; 3-inch $374.40; 4-inch $585.00; 6-inch $1,170.00; 8-inch $1,872.00; and 10-inch $3,744.00. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $2.8170 per thousand gallons for zero to 3,000 gallons, $3.5210 per thousand gallons for 3,001 to 10,000 gallons, and $4.4010 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rate tiers vary by meter size, but are $3.5210 per thousand gallons for the first tier and $4.4010 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $3.5210 per 1,000 gallons for industrial customers and a flat commodity rate of $3.5210 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the San Manuel Water System?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $22.00; 1-inch $55.00; 2-inch $176.00; 3-inch $352.00; 4-inch $550.00; 6-inch $1,100.00; 8-inch $1,760.00; and 10-inch $2,530.00. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.7000 per thousand gallons for zero to 3,000 gallons, $3.4500 per thousand gallons for 3,001 to 10,000 gallons, and $4.8510 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $3.4500 per thousand gallons for the first tier and $4.8510 per thousand

gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $4.8510 per 1,000 gallons for resale water customers and a flat commodity rate of $4.8510 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in San Manuel?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,505 gallons would experience a $13.17 or a 42.44 percent increase in their monthly bill from $31.02 to $44.19 under the Company's proposed rates and a $8.17 or a 26.33 percent increase in their monthly bill from $31.02 to $39.19 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

ORACLE WATER SYSTEM

Q. Would you please summarize the present rate design for the Oracle Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $19.31; 1-inch $40.62; 2-inch $166.69; 3-inch $220.51; 4-inch $286.45; 6-inch $341.11; 8-inch $625.36; and 10-inch $837.19. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction water commodity rate is $4.9850 per thousand gallons for zero to 10,000 gallons, $6.2310 per thousand gallons for 10,001 to 25,000 gallons, and $7.4770 per thousand gallons for any consumption over 25,000 gallons. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Oracle Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, industrial, construction, and resale customers are as follows: 5/8 x 3/4-inch $22.16; 1-inch $55.40; 2-inch $177.28; 3-inch $354.56; 4-inch $554.00; 6-inch $1,108.00; 8-inch $1,772.80; and 10-inch $3,545.60. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $4.4970 per thousand gallons for zero to 3,000 gallons, $5.6210 per thousand gallons for 3,001 to 10,000 gallons, and $7.0260 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rate tiers vary by meter size, but are $5.6210 per thousand gallons for the first tier and $7.0260 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $5.6210 per 1,000 gallons for industrial customers and a flat commodity rate of $5.6210 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the Oracle Water System?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $20.50; 1-inch $51.25; 2-inch $164.00; 3-inch $328.00; 4-inch $512.50; 6-inch $1,025.00; 8-inch $1,640.00; and 10-inch $3,280.00. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $3.0000 per thousand gallons for zero

to 3,000 gallons, $5.4000 per thousand gallons for 3,001 to 10,000 gallons, and $7.3270 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $5.4000 per thousand gallons for the first tier and $7.3270 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $7.3270 per 1,000 gallons for resale water customers and a flat commodity rate of $7.3270 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge per customer meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Oracle?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 4,339 gallons would experience a $2.24 or a 5.47 percent increase in their monthly bill from $40.94 to $43.18 under the Company's proposed rates and a $4.21 or a 10.28 percent decrease in their monthly bill from $40.94 to $36.73 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

WINKELMAN WATER SYSTEM

Q. Would you please summarize the present rate design for the Winkelman Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $12.95; 1-inch $38.15; 2-inch $81.75; 3-inch $241.28; 4-inch $451.22; 6-inch $616.16; 8-inch $764.18; and 10-inch $935.02. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction commodity rate is $1.1360 per thousand gallons for zero to 10,000 gallons, $1.4200 per thousand gallons for

10,001 to 25,000 gallons, and $1.7040 per thousand gallons for any consumption over 25,000 gallons. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Winkelman Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, industrial, construction, and resale customers are as follows: 5/8 x 3/4-inch $16.19; 1-inch $40.48; 2-inch $129.52; 3-inch $259.04; 4-inch $404.75; 6-inch $809.50; 8-inch $1,295.20; and 10-inch $2,590.40. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customer only of $1.6890 per thousand gallons for zero to 3,000 gallons, $2.1110 per thousand gallons for 3,001 to 10,000 gallons, and $2.6390 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rate tiers vary by meter size, but are $2.1110 per thousand gallons for the first tier and $2.6390 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $2.4400 per 1,000 gallons for industrial customers and a flat commodity rate of $2.4400 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the Winkleman Water System?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $14.50; 1-inch $36.25; 2-inch $116.00; 3-inch $232.00; 4-inch $362.50; 6-inch $725.00; 8-inch $1,160.00; and 10-inch $1,667.50. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.15 per thousand gallons for zero to 3,000 gallons, $2.0000 per thousand gallons for 3,001 to 10,000 gallons, and $2.6050 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $2.0000 per thousand gallons for the first tier and $2.6050 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $2.6050 per 1,000 gallons for resale water customers and a flat commodity rate of $2.6050 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge per customer meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Winkleman?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 7,329 gallons would experience a $9.12 or a 42.86 percent increase in their monthly bill from $21.28 to $30.40 under the Company's proposed rates and a $5.33 or a 25.06 percent increase in their monthly bill from $21.28 to $26.61 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

LAKESIDE AND OVERGARD WATER SYSTEMS

Q. Would you please summarize the present rate design for the Lakeside Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $17.81; 1-inch $44.53; 2-inch $131.79; 3-inch $219.60; 4-inch $380.24; 6-inch $789.17; 8-inch $1,056.32; and 10-inch $1,485.54. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction commodity rate is a single tier $4.3000 per 1,000 gallons for all usage. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the present rate design for the Overgaard Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $18.40; 1-inch $46.00; 2-inch $136.16; 3-inch $226.88; 4-inch $392.84; 6-inch $815.30; 8-inch $1,091.31; and 10-inch $1,534.75. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction commodity rate is a single tier $4.4500 per 1,000 gallons for all usage. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Lakeside and Overgaard Water Systems?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, construction, and resale customers are as follows: 5/8 x 3/4-inch $13.37; 1-inch $26.74; 2-inch $93.59; 3-inch $213.92; 4-inch $334.25; 6-inch $668.50; 8-inch $1,069.60; and 10-inch $2,139.20. The Company's proposed monthly minimum charges by meter size for industrial customers are as follows: 5/8 x 3/4-inch $20.00; 1-inch $40.00; 2-inch $140.00; 3-inch $320.00; 4-inch $500.00; 6-inch $1,000.00; 8-inch $1,600.00; and 10-inch $3,200.00. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $5.0020 per thousand gallons for zero to 3,000 gallons, $6.0020 per thousand gallons for 3,001 to 10,000 gallons, and $7.2020 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rate tiers vary by meter size, but are $6.0020 per thousand gallons for the first tier and $7.2020 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $4.3050 per 1,000 gallons for industrial customers and a flat commodity rate of $6.0020 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the Lakeside and Overgaard Water Systems?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $13.45; 1-inch $33.63; 2-inch $107.60; 3-inch $215.20; 4-inch $336.25; 6-inch $672.50;

8-inch $1,076.00; and 10-inch $1,546.75. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $3.00 per thousand gallons for zero to 3,000 gallons, $5.2640 per thousand gallons for 3,001 to 10,000 gallons, and $6.8540 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $5.2640 per thousand gallons for the first tier and $6.8540 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $6.8540 per 1,000 gallons for resale water customers and a flat commodity rate of $6.8540 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge per customer meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Lakeside?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 2,314 gallons would experience a $2.82 or a 10.14 percent decrease in their monthly bill from $27.76 to $24.94 under the Company's proposed rates and a $7.37 or a 26.54 percent decrease in their monthly bill from $27.76 to $20.39 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Overgaard?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 772 gallons would experience a $4.60 or a 21.08 percent decrease in their monthly bill from $21.84 to $17.23 under the Company's proposed rates and a $6.07 or a 27.80 percent decrease in

their monthly bill from $21.84 to $15.77 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. Did Staff present an alternative rate design to show the rate impact on Lakeside if the Lakeside and Overgaard Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Lakeside stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $15.50; 1-inch $38.75; 2-inch $124.00; 3-inch $248.00; 4-inch $387.50; 6-inch $775.00; 8-inch $1,240.00; and 10-inch $1,782.50. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $3.2700 per thousand gallons for zero to 3,000 gallons, $4.8950 per thousand gallons for 3,001 to 10,000 gallons, and $5.8910 per thousand gallons for any consumption over 10,000 gallons. Staff's larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $4.8950 per thousand gallons for the first tier and $5.8910 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $5.8910 per 1,000 gallons for resale water customers and a flat commodity rate of $5.8910 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer, using this alternative rate design in Lakeside?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 2,314 gallons would experience a $2.82 or a 10.14 percent decrease in their monthly bill from $27.76 to $24.94 under the Company's proposed rates and a $4.69 or a 16.91 percent

decrease in their monthly bill from $27.76 to $23.07 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

Q. Did Staff present an alternative rate design to show the rate impact on Overgaard if the Lakeside and Overgaard Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Overgaard stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $11.25; 1-inch $28.13; 2-inch $90.00; 3-inch $180.00; 4-inch $281.25; 6-inch $562.50; 8-inch $900.00; and 10-inch $1,293.75. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $3.9300 per thousand gallons for zero to 3,000 gallons, $5.8770 per thousand gallons for 3,001 to 10,000 gallons, and $7.0560 per thousand gallons for any consumption over 10,000 gallons. Staff's larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $5.8770 per thousand gallons for the first tier and $7.0560 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $7.0560 per 1,000 gallons for resale water customers and a flat commodity rate of $7.0560 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer, using this alternative rate design in Overgaard?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 772 gallons would experience a $4.60 or a 21.08 percent decrease in their monthly bill from $21.84 to $17.23 under the Company's proposed rates and a $7.55 or a 34.58 percent decrease in

their monthly bill from $21.84 to $14.28 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

SEDONA WATER SYSTEM

Q. Would you please summarize the present rate design for the Sedona Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $15.70; 1-inch $33.28; 2-inch $97.18; 3-inch $174.58; 4-inch $309.92; 6-inch $591.42; 8-inch $826.92; and 10-inch $1,350.51. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction commodity rate is a single tier $1.6600 per 1,000 gallons for all usage. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Sedona Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, industrial, construction, and resale customers are as follows: 5/8 x 3/4-inch $22.31; 1-inch $55.78; 2-inch $178.48; 3-inch $356.96; 4-inch $557.75; 6-inch $1,115.50; 8-inch $1,784.80; 10-inch $3,569.60. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $2.2210 per thousand gallons for zero to 3,000 gallons, $2.7760 per thousand gallons for 3,001 to 10,000 gallons, and $3.4700 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rate tiers vary by meter size, but are $2.7760 per thousand gallons for the first tier and $3.4700 per thousand gallons for any consumption

over the first tier. The Company proposes a flat commodity rate of $1.9340 per 1,000 gallons for industrial customers and a flat commodity rate of $2.7760 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the Sedona Water System?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $17.00; 1-inch $42.50; 2-inch $136.00; 3-inch $272.00; 4-inch $425.00; 6-inch $850.00; 8-inch $1,360.00; and 10-inch $1,955.00. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.660 per thousand gallons for zero to 3,000 gallons, $3.0690 per thousand gallons for 3,001 to 10,000 gallons, and $3.8690 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $3.0690 per thousand gallons for the first tier and $3.8690 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $3.8690 per 1,000 gallons for resale water customers and a flat commodity rate of $3.8690 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge per customer meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Sedona?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,910 gallons would experience a $12.66 or a 46.58 percent increase in their monthly bill from $27.17 to $39.83 under the Company's proposed rates and a $6.81 or a 25.08 percent increase in their monthly bill from $27.17 to $33.98 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. Did Staff present an alternative rate design to show the rate impact on Sedona if the Sedona, Pinewood, and Rimrock Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Sedona stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $18.25; 1-inch $45.63; 2-inch $146.00; 3-inch $292.00; 4-inch $456.25; 6-inch $912.50; 8-inch $1,460.00; and 10-inch $2,098.75. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.6550 per thousand gallons for zero to 3,000 gallons, $2.5310 per thousand gallons for 3,001 to 10,000 gallons, and $2.9240 per thousand gallons for any consumption over 10,000 gallons. Staff's larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $2.5310 per thousand gallons for the first tier and $2.9240 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $2.9240 per 1,000 gallons for resale water customers and a flat commodity rate of $2.9240 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer, using this alternative rate design for Sedona?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,910 gallons would experience a $12.66 or a 46.58 percent increase in their monthly bill from $27.17 to $39.83 under the Company's proposed rates and a $5.94 or a 21.86 percent increase in their monthly bill from $27.17 to $33.11 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

PINEWOOD AND RIMROCK WATER SYSTEMS

Q. Would you please summarize the present rate design for the Pinewood Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $19.86; 1-inch $42.10; 2-inch $122.93; 3-inch $220.84; 4-inch $392.03; 6-inch $748.12; 8-inch $1,046.02; and 10-inch $1,708.36. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction commodity rate is a single tier $3.6900 per 1,000 gallons for all usage. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the present rate design for the Rimrock Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $16.10; 1-inch $34.13; 2-inch $99.66; 3-inch $179.03; 4-inch $317.81; 6-inch $606.48; 8-inch $847.98; and 10-inch $1,384.92. No gallons are included in the monthly minimum charge. The residential, commercial, industrial, and construction commodity rate is a

single tier $2.5000 per 1,000 gallons for all usage. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Pinewood Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, industrial, construction, and resale customers are as follows: 5/8 x 3/4-inch $22.31; 1-inch $55.78; 2-inch $178.48; 3-inch $356.96; 4-inch $557.75; 6-inch $1,115.50; 8-inch $1,784.80; and 10-inch $3,569.60. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $3.4360 per thousand gallons for zero to 3,000 gallons, $4.2950 per thousand gallons for 3,001 to 10,000 gallons, and $5.3688 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rate tiers vary by meter size, but are $4.2950 per thousand gallons for the first tier and $5.3688 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $4.2950 per 1,000 gallons for industrial customers and a flat commodity rate of $4.2950 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the Pinewood and Rimrock Water System?

A. It is the same as the Sedona Water System.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Pinewood?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 536 gallons would experience a $2.31 or a 10.60 percent increase in their monthly bill from $21.84 to $24.15 under the Company's proposed rates and a $3.95 or an 18.08 percent decrease in their monthly bill from $21.84 to $17.89 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Rimrock?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 4,128 gallons would experience a $11.04 or a 41.80 percent increase in their monthly bill from $26.42 to $37.46 under the Company's proposed rates and a $0.97 or a 3.68 percent decrease in their monthly bill from $26.42 to $25.45 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. Did Staff present an alternative rate design for the Pinewood System to show the rate impact if the Sedona, Pinewood, and Rimrock Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Pinewood stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $15.50; 1-inch $38.75; 2-inch $124.00; 3-inch $248.00; 4-inch $387.50; 6-inch $775.00; 8-inch $1,240.00; and 10-inch $1,782.50. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $4.3200 per thousand gallons for zero to 3,000 gallons, $6.4700 per thousand gallons for 3,001 to 10,000 gallons, and $7.7910 per thousand gallons for any consumption over 10,000 gallons. Staff's larger

residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $6.4700 per thousand gallons for the first tier and $7.7910 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $7.7910 per 1,000 gallons for resale water customers and a flat commodity rate of $7.7910 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact of the alternative rate design on a typical 5/8 x 3/4-inch meter residential customer in Pinewood?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 536 gallons would experience a $2.31 or a 10.60 percent increase in their monthly bill from $21.84 to $24.15 under the Company's proposed rates and a $4.02 or a 18.42 percent decrease in their monthly bill from $21.84 to $17.82 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

Q. Did Staff present an alternative rate design for the Rimrock System to show the rate impact if the Sedona, Pinewood, and Rimrock Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Rimrock stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $24.20; 1-inch $60.50; 2-inch $193.60; 3-inch $387.20; 4-inch $605.00; 6-inch $1,210.00; 8-inch $1,936.00; and 10-inch $2,783.00. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $3.8400 per thousand gallons for zero to 3,000 gallons, $5.7600 per thousand gallons for 3,001 to 10,000 gallons, and $6.8870 per thousand gallons for any consumption over 10,000 gallons. Staff's larger

residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $5.7600 per thousand gallons for the first tier and $6.8870 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $6.8870 per 1,000 gallons for resale water customers and a flat commodity rate of $6.8870 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact of the alternative rate design on the typical 5/8 x 3/4-inch meter residential customer in Rimrock?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 4,128 gallons would experience a $11.04 or a 41.80 percent increase in their monthly bill from $26.42 to $37.46 under the Company's proposed rates and a $15.80 or a 59.79 percent increase in their monthly bill from $26.42 to $42.22 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-4.

CASA GRANDE AND COOLIDGE WATER SYSTEMS

Q. Would you please summarize the present rate design for the Casa Grande Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $10.48; 1-inch $25.20; 2-inch $63.10; 3-inch $105.15; 4-inch $210.25; 6-inch $367.90; 8-inch $367.90; and 10-inch $1,205.20. No gallons are included in the monthly minimum charge. The residential water commodity rate for the 5/8 x 3/4-inch only is $1.000 per thousand gallons for zero to 3,000 gallons, $1.4869 per thousand gallons for 3,001 to 10,000 gallons, and $1.6500 per thousand gallons for any consumption over 10,000 gallons. The larger residential, commercial, industrial, and construction commodity

break-over points vary by meter size, but are $1.4869 per thousand gallons for the first tier and $1.6500 per thousand gallons for any consumption over the first tier. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the present rate design for the Coolidge Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $10.90; 1-inch $27.25; 2-inch $87.20; 3-inch $174.40; 4-inch $272.50; 6-inch $545.00; 8-inch $872.00; and 10-inch $1,253.50. No gallons are included in the monthly minimum charge. The residential, commercial, and industrial water commodity rate for the 5/8 x 3/4-inch only is $1.5500 per thousand gallons for zero to 3,000 gallons, $1.9600 per thousand gallons for 3,001 to 10,000 gallons, and $2.2400 per thousand gallons for any consumption over 10,000 gallons. The larger residential, commercial, industrial, and construction commodity break-over points vary by meter size, but are $1.9600 per thousand gallons for the first tier and $2.2400 per thousand gallons for any consumption over the first tier. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Casa Grande and Coolidge Water Systems?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, construction, and resale customers are as follows: 5/8 x 3/4-inch $17.34; 1-

inch $43.35; 2-inch $138.72; 3-inch $277.44; 4-inch $433.50; 6-inch $867.00; 8-inch $1,387.20; 10-inch $2,774.40. The Company's proposed monthly minimum charges by meter size for industrial customers in Casa Grande are as follows: 5/8 x 3/4-inch $10.48; 1-inch $26.20; 2-inch $83.84; 3-inch $167.68; 4-inch $262.00; 6-inch $524.00; 8-inch $838.40; 10-inch $1,676.80. The Company's proposed monthly minimum charges by meter size for industrial customers in Coolidge are as follows: 5/8 x 3/4-inch $10.48; 1-inch $26.20; 2-inch $83.84; 3-inch $167.68; 4-inch $262.00; 6-inch $524.00; 8-inch $838.40; 10-inch $1,676.80. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $1.5900 per thousand gallons for zero to 3,000 gallons, $1.9880 per thousand gallons for 3,001 to 10,000 gallons, and $2.4850 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rate tiers vary by meter size, but are $1.9880 per thousand gallons for the first tier and $2.4850 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $1.6430 per 1,000 gallons for industrial customers and a flat commodity rate of $1.6430 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Coolidge Water System?

A. It's the same as the Casa Grande System except the industrial and resale water flat rate is $2.1000.

Q. Would you please summarize Staff's recommended rate design for the Casa Grande and Coolidge Water Systems?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $14.00; 1-inch $35.00; 2-inch $112.00; 3-inch $224.00; 4-inch $350.00; 6-inch $700.00; 8-inch $1,120.00; 10-inch $1,610.00. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $0.9000 per thousand gallons for zero to 3,000 gallons, $1.9600 per thousand gallons for 3,001 to 10,000 gallons, and $2.4320 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $1.9600 per thousand gallons for the first tier and $2.4320 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $2.4320 per 1,000 gallons for resale water customers and a flat commodity rate of $2.4320 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge per customer meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Casa Grande?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,075 gallons would experience a $10.17 or a 56.34 percent increase in their monthly bill from $18.05 to $28.22 under the Company's proposed rates and a $4.67 or a 25.90 percent increase in their monthly bill from $18.05 to $22.73 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Coolidge?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 5,998 gallons would experience a $6.64 or a 31.01 percent increase in their monthly bill from $21.43 to $28.07 under the Company's proposed rates and a $1.15 or a 5.37 percent increase in their monthly bill from $21.43 to $22.58 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. Did Staff present an alternative rate design to show the rate impact on Casa Grande if the Casa Grande, Coolidge, and Stanfield Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Casa Grande stand-alone rates and charges are presented on Schedule JMM-3. Staff's minimum charges by meter size are as follows: 5/8 x 3/4-inch $14.00; 1-inch $35.00; 2-inch $112.00; 3-inch $224.00; 4-inch $350.00; 6-inch $700.00; 8-inch $1,120.00; and 10-inch $1,610.00. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $0.9000 per thousand gallons for zero to 3,000 gallons, $1.7500 per thousand gallons for 3,001 to 10,000 gallons, and $2.5220 per thousand gallons for any consumption over 10,000 gallons. Staff's larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $1.7500 per thousand gallons for the first tier and $2.5220 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $2.520 per 1,000 gallons for resale water customers and a flat commodity rate of $2.520 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact of the alternative rate design on the typical 5/8 x 3/4-inch meter residential customer in Casa Grande?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 6,075 gallons would experience a $10.17 or a 56.34 percent increase in their monthly bill from $18.05 to $28.22 under the Company's proposed rates and a $4.03 or a 22.32 percent increase in their monthly bill from $18.05 to $22.08 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-4.

Q. Did Staff present an alternative rate design to show the rate impact on Coolidge if the Casa Grande, Coolidge, and Stanfield Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Coolidge stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $12.50; 1-inch $31.25; 2-inch $100.00; 3-inch $200.00; 4-inch $312.50; 6-inch $625.00; 8-inch $1,000.00; and 10-inch $1,437.50. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.000 per thousand gallons for zero to 3,000 gallons, $2.000 per thousand gallons for 3,001 to 10,000 gallons, and $2.5080 per thousand gallons for any consumption over 10,000 gallons. Staff's residential, commercial and industrial commodity rates have two tiers and vary by meter size, set at $2.0000 per thousand gallons for the first tier and $2.5080 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $2.5080 per 1,000 gallons for resale water customers and a flat commodity rate of $2.5080 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact of the alternative rate design on the typical 5/8 x 3/4-inch meter residential customer in Coolidge?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 5,998 gallons would experience a $6.64 or a 31.01 percent increase in their monthly bill from $21.43 to $28.07 under the Company's proposed rates and a $0.07 or a 0.33 percent increase in their monthly bill from $21.43 to $21.50 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-4.

STANFIELD WATER SYSTEM

Q. Would you please summarize the present rate design for the Stanfield Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $14.65; 1-inch $36.63; 2-inch $117.20; 3-inch $234.40; 4-inch $366.25; 6-inch $732.50; 8-inch $1,172.00; and 10-inch $1,684.75. No gallons are included in the monthly minimum charge. The residential water commodity rate for the 5/8 x 3/4-inch only rate is $2.0300 per thousand gallons for zero to 3,000 gallons, $2.8900 per thousand gallons for 3,001 to 10,000 gallons, and $3.6000 per thousand gallons for any consumption over 10,000 gallons. The larger residential, commercial, industrial, and construction commodity break-over points vary by meter size, but are $2.8900 per thousand gallons for the first tier and $3.6000 per thousand gallons for any consumption over the first tier. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Stanfield Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, industrial, construction, and resale customers are as follows: 5/8 x 3/4-inch $17.34; 1-inch $43.35; 2-inch $138.72; 3-inch $277.44; 4-inch $433.50; 6-inch $867.00; 8-inch $1,387.20; and 10-inch $2,774.40. The Company's proposed monthly minimum charges by meter size for industrial customers in Stanfield are as follows: 5/8 x 3/4-inch $10.48; 1-inch $26.20; 2-inch $83.84; 3-inch $167.68; 4-inch $262.00; 6-inch $524.00; 8-inch $838.40; 10-inch $1,676.80. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $2.3270 per thousand gallons for zero to 3,000 gallons, $2.9090 per thousand gallons for 3,001 to 10,000 gallons, and $3.6360 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rate tiers vary by meter size, but are $2.9090 per thousand gallons for the first tier and $3.6360 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $2.9090 per 1,000 gallons for industrial customers and a flat commodity rate of $2.9090 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the Stanfield Water System?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $14.00; 1-inch $35.00; 2-inch $112.00; 3-inch $224.00; 4-inch $350.00; 6-inch $700.00;

8-inch $1,120.00; and 10-inch $1,610.00. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $0.9000 per thousand gallons for zero to 3,000 gallons, $2.9500 per thousand gallons for 3,001 to 10,000 gallons, and $3.7000 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $2.9500 per thousand gallons for the first tier and $3.7000 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $3.7000 per 1,000 gallons for resale water customers and a flat commodity rate of $3.7000 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Stanfield?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 7,262 gallons would experience a $3.66 or a 11.08 percent increase in their monthly bill from $33.06 to $36.72 under the Company's proposed rates and a $3.78 or a 11.45 percent decrease in their monthly bill from $33.06 to $29.27 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. Did Staff present an alternative rate design to show the rate impact on Stanfield if the Casa Grande, Coolidge, and Stanfield Water Systems were not consolidated?

A. Yes. As an alternative, Staff's Stanfield stand-alone rates and charges are presented on Schedule JMM-3. Staff's monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $42.00; 1-inch $105.00; 2-inch $336.00; 3-inch $672.00; 4-inch $1,050.00; 6-

inch $2,100.00; 8-inch $3,360.00; and 10-inch $4,830.00. Zero gallons are included in the monthly minimum charge. Staff uses an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $4.1800 per thousand gallons for zero to 3,000 gallons, $6.2800 per thousand gallons for 3,001 to 10,000 gallons, and $7.5190 per thousand gallons for any consumption over 10,000 gallons. Staff's larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $6.2800 per thousand gallons for the first tier and $7.5190 per thousand gallons for any consumption over the first tier. Staff uses a flat commodity rate of $7.5190 per 1,000 gallons for resale water customers and a flat commodity rate of $7.5190 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact of the alternative rate design on the typical 5/8 x 3/4-inch meter Stanfield residential customer?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 7,262 gallons would experience a $3.66 or a 11.08 percent increase in their monthly bill from $33.06 to $36.72 under the Company's proposed rates and a $48.25 or a 145.95 percent increase in their monthly bill from $33.06 to $81.31 under Staff's rates. A typical bill analysis is provided on Schedule JMM-4.

WHITE TANK WATER SYSTEM

Q. Would you please summarize the present rate design for the White Tank Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $16.05; 1-inch $31.10; 2-inch $82.85; 3-inch $155.40; 4-inch $401.25; 6-inch $802.50; 8-

inch $1,284.00; and 10-inch $1,845.75. No gallons are included in the monthly minimum charge. The residential water commodity rate for the 5/8 x 3/4-inch only is $1.600 per thousand gallons for zero to 3,000 gallons, $2.2500 per thousand gallons for 3,001 to 10,000 gallons, and $2.5500 per thousand gallons for any consumption over 10,000 gallons. The larger residential, commercial, industrial, and construction commodity break-over points vary by meter size, but are $2.2500 per thousand gallons for the first tier and $2.5500 per thousand gallons for any consumption over the first tier. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the White Tank Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, construction, and resale customers are as follows: 5/8 x 3/4-inch $29.97; 1-inch $74.93; 2-inch $239.76; 3-inch $479.52; 4-inch $749.25; 6-inch $1,498.50; 8-inch $2,397.60; and 10-inch $4,795.20. The Company's proposed monthly minimum charges by meter size for industrial customers are as follows: 5/8 x 3/4-inch $33.00; 1-inch $82.50; 2-inch $264.00; 3-inch $528.00; 4-inch $825.00; 6-inch $1,650.00; 8-inch $2,640.00; and 10-inch $5,280.00. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customers only of $1.9240 per thousand gallons for zero to 3,000 gallons, $2.4050 per thousand gallons for 3,001 to 10,000 gallons, and $3.0060 per thousand gallons for any consumption over 10,000 gallons. The other residential, commercial, and construction commodity rate tiers vary by meter size, but are $2.4050 per thousand gallons for the first tier and $3.0060 per thousand gallons for any consumption over the first tier.

The Company proposes a flat commodity rate of $3.0690 per 1,000 gallons for industrial customers and a flat commodity rate of $3.0690 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the White Tank Water System?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $20.00; 1-inch $50.00; 2-inch $160.00; 3-inch $320.00; 4-inch $500.00; 6-inch $1,000.00; 8-inch $1,600.00; and 10-inch $2,300.00. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the 5/8 x 3/4-inch residential commodity rate of $1.2500 per thousand gallons for zero to 3,000 gallons, $2.1500 per thousand gallons for 3,001 to 10,000 gallons, and $3.1650 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $2.1500 per thousand gallons for the first tier and $3.1650 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $3.1650 per 1,000 gallons for resale water customers and a flat commodity rate of $3.1650 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in White Tank?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 10,201 gallons would experience a $16.07 or a 43.30 percent increase in their monthly bill from $37.11 to $53.18 under the Company's proposed rates and a $2.32 or a 6.26 percent increase in their monthly bill from $37.11 to $39.44 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

AJO WATER SYSTEM

Q. Would you please summarize the present rate design for the Ajo Water System?

A. The present monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $21.04; 1-inch $52.10; 2-inch $170.00; 3-inch $336.34; 4-inch $526.00; 6-inch $1,052.00; 8-inch $1,683.20; and 10-inch $2,419.60. No gallons are included in the monthly minimum charge. The residential water commodity rate for the 5/8 x 3/4-inch only is $4.500 per thousand gallons for zero to 3,000 gallons, $5.500 per thousand gallons for 3,001 to 10,000 gallons, and $6.500 per thousand gallons for any consumption over 10,000 gallons. The larger residential, commercial, industrial, and construction commodity break-over points vary by meter size, but are $5.500 per thousand gallons for the first tier and $6.500 per thousand gallons for any consumption over the first tier. The monthly charge for fire sprinkler service varies by meter size, but is the greater of $5.00 or 1 percent of the monthly minimum charge per meter size. The present rate design also has a monthly minimum charge for construction water based on meter size.

Q. Would you please summarize the Company's proposed rate design for the Ajo Water System?

A. The Company's proposed monthly minimum charges by meter size for residential, commercial, industrial, construction, and resale customers are as follows: 5/8 x 3/4-inch $26.24; 1-inch $65.60; 2-inch $209.92; 3-inch $419.84; 4-inch $656.00; 6-inch $1,312.00; 8-inch $2,099.20; and 10-inch $4,198.40. Zero gallons are included in the monthly minimum charge. The Company proposes a 3-tier inverted residential commodity rate for the 5/8 x 3/4-inch customer only of $5.1590 per thousand gallons for zero to 3,000 gallons, $6.4490 per thousand gallons for 3,001 to 10,000 gallons, and $8.0610 per thousand gallons for any consumption over 10,000 gallons. The other proposed residential, commercial, and construction commodity rate tiers vary by meter size, but are $6.4490 per thousand gallons for the first tier and $8.0610 per thousand gallons for any consumption over the first tier. The Company proposes a flat commodity rate of $6.4490 per 1,000 gallons for industrial customers and a flat commodity rate of $6.4490 per 1,000 gallons for resale water customers. The proposed monthly charge for fire sprinkler service is $25.00 for all meter sizes. The Company's proposed rate design has a monthly minimum charge for construction water and resale water based on meter size.

Q. Would you please summarize Staff's recommended rate design for the Ajo Water System?

A. Staff recommended rates and charges are presented on Schedule JMM-1. Staff's recommended monthly minimum charges by meter size are as follows: 5/8 x 3/4-inch $24.00; 1-inch $60.00; 2-inch $192.00; 3-inch $384.00; 4-inch $600.00; 6-inch $1,200.00; 8-inch $1,920.00; and 10-inch $2,760.00. Zero gallons are included in the monthly minimum charge. Staff recommends an inverted tier rate design that consists of three tiers for the residential commodity rate of $4.5000 per thousand gallons for zero to 3,000

gallons, $6.7200 per thousand gallons for 3,001 to 10,000 gallons, and $8.0800 per thousand gallons for any consumption over 10,000 gallons. Staff's recommended larger residential, commercial, and industrial commodity rates have two tiers and vary by meter size, set at $6.7200 per thousand gallons for the first tier and $8.0800 per thousand gallons for any consumption over the first tier. Staff recommends a flat commodity rate of $8.0800 per 1,000 gallons for resale water customers and a flat commodity rate of $8.0800 per 1,000 gallons for construction water users. Staff recommends increasing the monthly charge for fire sprinkler service to the greater of $10.00 or 2 percent of the monthly minimum charge for that meter size.

Q. What is the rate impact on a typical 5/8 x 3/4-inch meter residential customer in Ajo?

A. The typical 5/8 x 3/4-inch meter residential customers with a median usage of 3,754 gallons would experience a $7.89 or a 20.40 percent increase in their monthly bill from $38.69 to $46.58 under the Company's proposed rates and a $3.88 or a 10.03 percent increase in their monthly bill from $38.69 to $42.57 under Staff's recommended rates. A typical bill analysis is provided on Schedule JMM-2.

Q. What Water System service lines, meter installation charges, and service charges does Staff recommend?

A. A comparison of the current charges for water system service lines, metered installation charges, and service charges; the Company's proposed changes, and Staff's recommended changes are presented on Schedule JMM-5. Staff's recommended charges are within Staff's experience of what are reasonable and customary charges.

Q. Does this conclude your direct testimony?

A. Yes, it does.

ARIZONA WATER COMPANY
EASTERN GROUP:
SUPERSTITION

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Superstition - Consolidated										
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 12.54	$ 20.00	$ 17.00		Tier One Breakover (M Gal):	10	999999	10	varies	$ 3.8500	$ 3.1500
2						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	4.1650
3						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
4	Industrial 1-inch	34.30	40.00	42.50		Tier One Breakover (M Gal):	10	999999	30	varies	3.8500	3.1500
5						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	4.1650
6						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
7	Industrial 2-inch	120.20	200.00	136.00		Tier One Breakover (M Gal):	10	999999	115	varies	3.8500	3.1500
8						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	4.1650
9						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
10	Industrial 3-inch	236.03	320.00	272.00		Tier One Breakover (M Gal):	10	999999	230	varies	3.8500	3.1500
11						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	4.1650
12						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
13	Industrial 4-inch	480.25	500.00	425.00		Tier One Breakover (M Gal):	10	999999	350	varies	3.8500	3.1500
14						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	4.1650
15						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
16	Industrial 6-inch	774.01	1,000.00	850.00		Tier One Breakover (M Gal):	10	999999	750	varies	3.8500	3.1500
17						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	4.1650
18						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
19	Industrial 8-inch	926.15	1,600.00	1,360.00		Tier One Breakover (M Gal):	10	999999	1,000	varies	3.8500	3.1500
20						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	4.1650
21						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
22	Industrial 10-inch	1,157.69	3,200.00	1,955.00		Tier One Breakover (M Gal):	10	999999	1,500	varies	3.8500	3.1500
23						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	4.1650
24						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	7.74	25.00	17.00						n/a	n/a	n/a
31	8-inch service	9.26	25.00	27.20						n/a	n/a	n/a
32	10-inch service	11.58	25.00	39.10						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				89.00	70.8752	72.29
36	Construction Water (2-Inch)	120.20	160.00	-		Tier One Breakover (M Gal):	25	100	999.999	varies	3.4410	4.1650
37						Tier Two Breakover (M Gal):	999999	999999	999999	varies	4.3010	4.1650
38						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
39	Construction Water (3-Inch)	236.03	320.00	-		Tier One Breakover (M Gal):	165	200	999.999	varies	3.4410	4.1650
40						Tier Two Breakover (M Gal):	999999	999999	999999	varies	4.3010	4.1650
41						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
42	Construction Water (4-Inch)	480.25	500.00	-		Tier One Breakover (M Gal):	325	325	999.999	varies	3.4410	4.1650
43						Tier Two Breakover (M Gal):	999999	999999	999999	varies	4.3010	4.1650
44						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	160.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	4.1650
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	4.1650
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	320.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	4.1650
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	4.1650
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,000.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	4.1650
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	4.1650
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Superstition - Consolidated										
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge				Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 12.54	$ 19.00	$ 17.00		Tier One Breakover (M Gal):	10	3	3	varies	$ 2.5700	$ 1.6600
2						Tier Two Breakover (M Gal):	25	10	10	varies	3.2130	3.1500
3						Tier Three Breakover (M Gal):	999999	999999	999999	varies	4.0160	4.1650
4	Residential 1-inch	34.30	47.50	42.50		Tier One Breakover (M Gal):	10	10	30	varies	3.2130	3.1500
5						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.0160	4.1650
6						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
7	Residential 2-inch	120.20	152.00	136.00		Tier One Breakover (M Gal):	10	125	115	varies	3.2130	3.1500
8						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.0160	4.1650
9						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
10	Residential 3-inch	236.03	304.00	272.00		Tier One Breakover (M Gal):	10	300	230	varies	3.2130	3.1500
11						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.0160	4.1650
12						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
13	Residential 4-inch	480.25	475.00	425.00		Tier One Breakover (M Gal):	10	490	350	varies	3.2130	3.1500
14						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.0160	4.1650
15						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
16	Residential 6-inch	774.01	950.00	850.00		Tier One Breakover (M Gal):	10	925	750	varies	3.2130	3.1500
17						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.0160	4.1650
18						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
19	Residential 8-inch	926.15	1,520.00	1,360.00		Tier One Breakover (M Gal):	10	1500	1,000	varies	3.2130	3.1500
20						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.0160	4.1650
21						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
22	Residential 10-inch	1,157.69	3,040.00	1,955.00		Tier One Breakover (M Gal):	10	3000	1,500	varies	3.2130	3.1500
23						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.0160	4.1650
24						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	12.54	20.00	17.00		Tier One Breakover (M Gal):	10	10	10	varies	3.4410	3.1500
26						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.3010	4.1650
27						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
28	Commercial 1-inch	34.30	50.00	42.50		Tier One Breakover (M Gal):	10	40	30	varies	3.4410	3.1500
29						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.3010	4.1650
30						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
31	Commercial 2-inch	120.20	160.00	136.00		Tier One Breakover (M Gal):	10	125	115	varies	3.4410	3.1500
32						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.3010	4.1650
33						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
34	Commercial 3-inch	236.03	320.00	272.00		Tier One Breakover (M Gal):	10	300	230	varies	3.4410	3.1500
35						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.3010	4.1650
36						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
37	Commercial 4-inch	480.25	500.00	425.00		Tier One Breakover (M Gal):	10	490	350	varies	3.4410	3.1500
38						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.3010	4.1650
39						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
40	Commercial 6-inch	774.01	1,000.00	850.00		Tier One Breakover (M Gal):	10	925	750	varies	3.4410	3.1500
41						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.3010	4.1650
42						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
43	Commercial 8-inch	926.15	1,600.00	1,360.00		Tier One Breakover (M Gal):	10	1500	1,000	varies	3.4410	3.1500
44						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.3010	4.1650
45						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
46	Commercial 10-inch	1,157.69	3,200.00	1,955.00		Tier One Breakover (M Gal):	10	3000	1,500	varies	3.4410	3.1500
47						Tier Two Breakover (M Gal):	25	999999	999999	varies	4.3010	4.1650
48						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a

Superstition - Consolidated - Apache Junction
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,358	$ 27.03	$ 40.71	$ 13.69	50.64%
Median Usage	5,403	$ 23.18	$ 34.43	$ 11.25	48.55%
Staff Recommended					
Average Usage	7,358	$ 27.03	$ 35.71	$ 8.68	32.12%
Median Usage	5,403	$ 23.18	$ 29.55	$ 6.37	27.49%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 12.54	$ 19.00	51.52%	$ 17.00	35.57%
1,000	14.51	21.57	48.67%	18.66	28.61%
2,000	16.48	24.14	46.50%	20.32	23.32%
3,000	18.45	26.71	44.80%	21.98	19.16%
4,000	20.42	29.92	46.57%	25.13	23.09%
5,000	22.38	33.14	48.03%	28.28	26.34%
6,000	24.35	36.35	49.26%	31.43	29.06%
7,000	26.32	39.56	50.30%	34.58	31.37%
8,000	28.29	42.78	51.20%	37.73	33.37%
9,000	30.26	45.99	51.98%	40.88	35.10%
10,000	32.23	49.20	52.67%	44.03	36.62%
11,000	34.69	53.22	53.41%	48.20	38.93%
12,000	37.15	57.23	54.06%	52.36	40.94%
13,000	39.61	61.25	54.63%	56.53	42.70%
14,000	42.07	65.27	55.13%	60.69	44.25%
15,000	44.53	69.28	55.57%	64.86	45.63%
16,000	46.99	73.30	55.97%	69.02	46.87%
17,000	49.46	77.31	56.33%	73.19	47.98%
18,000	51.92	81.33	56.65%	77.35	48.99%
19,000	54.38	85.35	56.95%	81.52	49.91%
20,000	56.84	89.36	57.22%	85.68	50.74%
25,000	69.14	109.44	58.28%	106.51	54.04%
30,000	83.91	129.52	54.36%	127.33	51.75%
35,000	98.68	149.60	51.61%	148.16	50.14%
40,000	113.44	169.68	49.58%	168.98	48.96%
45,000	128.21	189.76	48.01%	189.81	48.05%
50,000	142.97	209.84	46.77%	210.63	47.32%
75,000	216.80	310.24	43.10%	314.76	45.18%
100,000	290.63	410.64	41.29%	418.88	44.13%

Superstition - Consolidated -Superior
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,358	$ 28.73	$ 40.71	$ 11.98	41.72%
Median Usage	5,403	$ 24.43	$ 34.43	$ 10.00	40.96%
Staff Recommended					
Average Usage	7,358	$ 28.73	$ 35.35	$ 6.63	23.07%
Median Usage	5,403	$ 24.43	$ 29.35	$ 4.93	20.18%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 12.54	$ 19.00	51.52%	$ 17.00	35.57%
1,000	14.74	21.57	46.34%	18.66	26.59%
2,000	16.94	24.14	42.50%	20.32	19.95%
3,000	19.14	26.71	39.55%	21.98	14.84%
4,000	21.34	29.92	40.22%	25.05	17.38%
5,000	23.54	33.14	40.76%	28.12	19.45%
6,000	25.74	36.35	41.22%	31.19	21.16%
7,000	27.94	39.56	41.60%	34.26	22.61%
8,000	30.14	42.78	41.92%	37.33	23.84%
9,000	32.34	45.99	42.20%	40.39	24.90%
10,000	34.54	49.20	42.45%	43.46	25.83%
11,000	37.29	53.22	42.71%	47.63	27.74%
12,000	40.04	57.23	42.94%	51.80	29.38%
13,000	42.79	61.25	43.14%	55.97	30.81%
14,000	45.54	65.27	43.31%	60.14	32.07%
15,000	48.29	69.28	43.47%	64.31	33.18%
16,000	51.04	73.30	43.61%	68.48	34.18%
17,000	53.79	77.31	43.73%	72.65	35.07%
18,000	56.54	81.33	43.84%	76.82	35.87%
19,000	59.29	85.35	43.95%	80.99	36.60%
20,000	62.04	89.36	44.04%	85.16	37.27%
25,000	75.79	109.44	44.40%	106.01	39.88%
30,000	92.29	129.52	40.34%	126.86	37.46%
35,000	108.79	149.60	37.51%	147.71	35.78%
40,000	125.29	169.68	35.43%	168.56	34.54%
45,000	141.79	189.76	33.83%	189.41	33.59%
50,000	158.29	209.84	32.57%	210.26	32.83%
75,000	240.79	310.24	28.84%	314.51	30.62%
100,000	323.29	410.64	27.02%	418.76	29.53%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Superstition											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended		Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 12.54	$ 19.00	$ 16.35		Tier One Breakover (M Gal):	10	3	3		varies	$ 2.5700	$ 1.9680
2						Tier Two Breakover (M Gal):	25	10	10		varies	3.2130	2.9590
3						Tier Three Breakover (M Gal):	999999	999999	999999		varies	4.0160	3.5450
4	Residential 1-inch	34.30	47.50	40.88		Tier One Breakover (M Gal):	10	10	35		varies	3.2130	2.9590
5						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.0160	3.5450
6						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
7	Residential 2-inch	120.20	152.00	130.80		Tier One Breakover (M Gal):	10	125	125		varies	3.2130	2.9590
8						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.0160	3.5450
9						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
10	Residential 3-inch	236.03	304.00	261.60		Tier One Breakover (M Gal):	10	300	280		varies	3.2130	2.9590
11						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.0160	3.5450
12						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
13	Residential 4-inch	480.25	475.00	408.75		Tier One Breakover (M Gal):	10	490	450		varies	3.2130	2.9590
14						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.0160	3.5450
15						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
16	Residential 6-inch	774.01	950.00	817.50		Tier One Breakover (M Gal):	10	925	925		varies	3.2130	2.9590
17						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.0160	3.5450
18						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
19	Residential 8-inch	926.15	1,520.00	1,308.00		Tier One Breakover (M Gal):	10	1500	1,500		varies	3.2130	2.9590
20						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.0160	3.5450
21						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
22	Residential 10-inch	1,157.69	3,040.00	1,880.25		Tier One Breakover (M Gal):	10	3000	2,100		varies	3.2130	2.9590
23						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.0160	3.5450
24						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	12.54	20.00	16.35		Tier One Breakover (M Gal):	10	10	10		varies	3.4410	2.9590
26						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.3010	3.5450
27						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
28	Commercial 1-inch	34.30	50.00	40.88		Tier One Breakover (M Gal):	10	40	35		varies	3.4410	2.9590
29						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.3010	3.5450
30						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
31	Commercial 2-inch	120.20	160.00	130.80		Tier One Breakover (M Gal):	10	125	125		varies	3.4410	2.9590
32						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.3010	3.5450
33						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
34	Commercial 3-inch	236.03	320.00	261.60		Tier One Breakover (M Gal):	10	300	280		varies	3.4410	2.9590
35						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.3010	3.5450
36						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
37	Commercial 4-inch	480.25	500.00	408.75		Tier One Breakover (M Gal):	10	490	450		varies	3.4410	2.9590
38						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.3010	3.5450
39						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
40	Commercial 6-inch	774.01	1,000.00	817.50		Tier One Breakover (M Gal):	10	925	925		varies	3.4410	2.9590
41						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.3010	3.5450
42						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
43	Commercial 8-inch	926.15	1,600.00	1,308.00		Tier One Breakover (M Gal):	10	1500	1,500		varies	3.4410	2.9590
44						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.3010	3.5450
45						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a
46	Commercial 10-inch	1,157.69	3,200.00	1,880.25		Tier One Breakover (M Gal):	10	3000	2,100		varies	3.4410	2.9590
47						Tier Two Breakover (M Gal):	25	999999	999999		varies	4.3010	3.5450
48						Tier Three Breakover (M Gal):	999999	999999	999999		varies	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Superstition											
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge				Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 12.54	$ 20.00	$ 16.35		Tier One Breakover (M Gal):	10	999999	10	varies	$ 3.8500	$ 2.9590
2						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	3.5450
3						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
4	Industrial 1-inch	34.30	40.00	40.88		Tier One Breakover (M Gal):	10	999999	35	varies	3.8500	2.9590
5						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	3.5450
6						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
7	Industrial 2-inch	120.20	200.00	130.80		Tier One Breakover (M Gal):	10	999999	125	varies	3.8500	2.9590
8						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	3.5450
9						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
10	Industrial 3-inch	236.03	320.00	261.60		Tier One Breakover (M Gal):	10	999999	280	varies	3.8500	2.9590
11						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	3.5450
12						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
13	Industrial 4-inch	480.25	500.00	408.75		Tier One Breakover (M Gal):	10	999999	450	varies	3.8500	2.9590
14						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	3.5450
15						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
16	Industrial 6-inch	774.01	1,000.00	817.50		Tier One Breakover (M Gal):	10	999999	925	varies	3.8500	2.9590
17						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	3.5450
18						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
19	Industrial 8-inch	926.15	1,600.00	1,308.00		Tier One Breakover (M Gal):	10	999999	1,500	varies	3.8500	2.9590
20						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	3.5450
21						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
22	Industrial 10-inch	1,157.69	3,200.00	1,880.25		Tier One Breakover (M Gal):	10	999999	2,100	varies	3.8500	2.9590
23						Tier Two Breakover (M Gal):	25	999999	999999	varies	3.8500	3.5450
24						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	7.74	25.00	16.35						n/a	n/a	n/a
31	8-inch service	9.26	25.00	26.16						n/a	n/a	n/a
32	10-inch service	11.58	25.00	37.61						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				89.00	70.8752	76.96
36	Construction Water (2-Inch)	120.20	160.00	-		Tier One Breakover (M Gal):	25	999999	999.999	varies	3.4410	3.5450
37						Tier Two Breakover (M Gal):	999999	999999	999999	varies	4.3010	3.5450
38						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
39	Construction Water (3-Inch)	236.03	320.00	-		Tier One Breakover (M Gal):	165	999999	999.999	varies	3.4410	3.5450
40						Tier Two Breakover (M Gal):	999999	999999	999999	varies	4.3010	3.5450
41						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
42	Construction Water (4-Inch)	480.25	500.00	-		Tier One Breakover (M Gal):	325	999999	999.999	varies	3.4410	3.5450
43						Tier Two Breakover (M Gal):	999999	999999	999999	varies	4.3010	3.5450
44						Tier Three Breakover (M Gal):	999999	999999	999999	varies	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	160.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	3.5450
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	3.5450
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	320.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	3.5450
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	3.5450
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,000.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	3.5450
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	3.5450
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Superstition - Apache Junction
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,358	$ 27.03	$ 40.71	$ 13.69	50.64%
Median Usage	5,403	$ 23.18	$ 34.43	$ 11.25	48.55%
Staff Recommended					
Average Usage	7,358	$ 27.03	$ 35.15	$ 8.12	30.06%
Median Usage	5,403	$ 23.18	$ 29.36	$ 6.19	26.69%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 12.54	$ 19.00	51.52%	$ 16.35	30.38%
1,000	14.51	21.57	48.67%	18.32	26.25%
2,000	16.48	24.14	46.50%	20.29	23.11%
3,000	18.45	26.71	44.80%	22.25	20.64%
4,000	20.42	29.92	46.57%	25.21	23.50%
5,000	22.38	33.14	48.03%	28.17	25.86%
6,000	24.35	36.35	49.26%	31.13	27.83%
7,000	26.32	39.56	50.30%	34.09	29.51%
8,000	28.29	42.78	51.20%	37.05	30.96%
9,000	30.26	45.99	51.98%	40.01	32.22%
10,000	32.23	49.20	52.67%	42.97	33.32%
11,000	34.69	53.22	53.41%	46.51	34.08%
12,000	37.15	57.23	54.06%	50.06	34.74%
13,000	39.61	61.25	54.63%	53.60	35.32%
14,000	42.07	65.27	55.13%	57.15	35.83%
15,000	44.53	69.28	55.57%	60.69	36.29%
16,000	46.99	73.30	55.97%	64.24	36.69%
17,000	49.46	77.31	56.33%	67.78	37.06%
18,000	51.92	81.33	56.65%	71.33	37.39%
19,000	54.38	85.35	56.95%	74.87	37.69%
20,000	56.84	89.36	57.22%	78.42	37.97%
25,000	69.14	109.44	58.28%	96.14	39.05%
30,000	83.91	129.52	54.36%	113.87	35.70%
35,000	98.68	149.60	51.61%	131.59	33.36%
40,000	113.44	169.68	49.58%	149.32	31.63%
45,000	128.21	189.76	48.01%	167.04	30.29%
50,000	142.97	209.84	46.77%	184.77	29.23%
75,000	216.80	310.24	43.10%	273.39	26.10%
100,000	290.63	410.64	41.29%	362.02	24.56%

Superstition - Superior
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	7,358	$ 28.73	$ 40.71	$ 11.98	41.72%
Median Usage	5,403	$ 24.43	$ 34.43	$ 10.00	40.96%
Staff Recommended					
Average Usage	7,358	$ 28.73	$ 35.15	$ 6.42	22.35%
Median Usage	5,403	$ 24.43	$ 29.36	$ 4.94	20.22%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 12.54	$ 19.00	51.52%	$ 16.35	30.38%
1,000	14.74	21.57	46.34%	$ 18.32	24.27%
2,000	16.94	24.14	42.50%	$ 20.29	19.75%
3,000	19.14	26.71	39.55%	$ 22.25	16.27%
4,000	21.34	29.92	40.22%	$ 25.21	18.15%
5,000	23.54	33.14	40.76%	$ 28.17	19.68%
6,000	25.74	36.35	41.22%	$ 31.13	20.94%
7,000	27.94	39.56	41.60%	$ 34.09	22.01%
8,000	30.14	42.78	41.92%	$ 37.05	22.92%
9,000	32.34	45.99	42.20%	$ 40.01	23.71%
10,000	34.54	49.20	42.45%	$ 42.97	24.40%
11,000	37.29	53.22	42.71%	$ 46.51	24.73%
12,000	40.04	57.23	42.94%	$ 50.06	25.02%
13,000	42.79	61.25	43.14%	$ 53.60	25.27%
14,000	45.54	65.27	43.31%	$ 57.15	25.49%
15,000	48.29	69.28	43.47%	$ 60.69	25.68%
16,000	51.04	73.30	43.61%	$ 64.24	25.86%
17,000	53.79	77.31	43.73%	$ 67.78	26.01%
18,000	56.54	81.33	43.84%	$ 71.33	26.15%
19,000	59.29	85.35	43.95%	$ 74.87	26.28%
20,000	62.04	89.36	44.04%	$ 78.42	26.40%
25,000	75.79	109.44	44.40%	$ 96.14	26.85%
30,000	92.29	129.52	40.34%	$ 113.87	23.38%
35,000	108.79	149.60	37.51%	$ 131.59	20.96%
40,000	125.29	169.68	35.43%	$ 149.32	19.18%
45,000	141.79	189.76	33.83%	$ 167.04	17.81%
50,000	158.29	209.84	32.57%	$ 184.77	16.73%
75,000	240.79	310.24	28.84%	$ 273.39	13.54%
100,000	323.29	410.64	27.02%	$ 362.02	11.98%

ARIZONA WATER COMPANY
EASTERN GROUP:
MIAMI

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Miami - Consolidated										
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge				Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 15.44	$ 19.00	$ 17.00		Tier One Breakover (M Gal):	10	3	3	$ 3.1400	$ 2.5700	$ 1.6600
2						Tier Two Breakover (M Gal):	25	10	10	3.9250	3.2130	3.1500
3						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	4.0160	4.1650
4	Residential 1-inch	38.87	47.50	42.50		Tier One Breakover (M Gal):	10	10	30	3.1400	3.2130	3.1500
5						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	4.1650
6						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
7	Residential 2-inch	129.86	152.00	136.00		Tier One Breakover (M Gal):	10	125	115	3.1400	3.2130	3.1500
8						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	4.1650
9						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
10	Residential 3-inch	248.35	304.00	272.00		Tier One Breakover (M Gal):	10	300	230	3.1400	3.2130	3.1500
11						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	4.1650
12						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
13	Residential 4-inch	497.76	475.00	425.00		Tier One Breakover (M Gal):	10	490	350	3.1400	3.2130	3.1500
14						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	4.1650
15						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
16	Residential 6-inch	875.26	950.00	850.00		Tier One Breakover (M Gal):	10	925	750	3.1400	3.2130	3.1500
17						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	4.1650
18						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
19	Residential 8-inch	1,163.12	1,520.00	1,360.00		Tier One Breakover (M Gal):	10	1500	1,000	3.1400	3.2130	3.1500
20						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	4.1650
21						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
22	Residential 10-inch	1,305.25	3,040.00	1,955.00		Tier One Breakover (M Gal):	10	3000	1,500	3.1400	3.2130	3.1500
23						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	4.1650
24						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	15.44	20.00	17.00		Tier One Breakover (M Gal):	10	10	10	3.1400	3.4410	3.1500
26						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
27						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
28	Commercial 1-inch	38.87	50.00	42.50		Tier One Breakover (M Gal):	10	40	30	3.1400	3.4410	3.1500
29						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
30						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
31	Commercial 2-inch	129.86	160.00	136.00		Tier One Breakover (M Gal):	10	125	115	3.1400	3.4410	3.1500
32						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
33						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
34	Commercial 3-inch	248.35	320.00	272.00		Tier One Breakover (M Gal):	10	300	230	3.1400	3.4410	3.1500
35						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
36						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
37	Commercial 4-inch	497.76	500.00	425.00		Tier One Breakover (M Gal):	10	490	350	3.1400	3.4410	3.1500
38						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
39						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
40	Commercial 6-inch	875.26	1,000.00	850.00		Tier One Breakover (M Gal):	10	925	750	3.1400	3.4410	3.1500
41						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
42						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
43	Commercial 8-inch	1,163.12	1,600.00	1,360.00		Tier One Breakover (M Gal):	10	1500	1,000	3.1400	3.4410	3.1500
44						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
45						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
46	Commercial 10-inch	1,305.25	3,200.00	1,955.00		Tier One Breakover (M Gal):	10	3000	1,500	3.1400	3.4410	3.1500
47						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
48						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Miami - Consolidated											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 15.44	$ 20.00	$ 17.00		Tier One Breakover (M Gal):	10	999999	10	$ 3.1400	$ 3.8500	$ 3.1500
2						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	4.1650
3						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
4	Industrial 1-inch	38.87	40.00	42.50		Tier One Breakover (M Gal):	10	999999	30	3.1400	3.8500	3.1500
5						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	4.1650
6						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
7	Industrial 2-inch	129.86	200.00	136.00		Tier One Breakover (M Gal):	10	999999	115	3.1400	3.8500	3.1500
8						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	4.1650
9						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
10	Industrial 3-inch	248.35	320.00	272.00		Tier One Breakover (M Gal):	10	999999	230	3.1400	3.8500	3.1500
11						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	4.1650
12						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
13	Industrial 4-inch	497.76	500.00	425.00		Tier One Breakover (M Gal):	10	999999	350	3.1400	3.8500	3.1500
14						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	4.1650
15						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
16	Industrial 6-inch	875.26	1,000.00	850.00		Tier One Breakover (M Gal):	10	999999	750	3.1400	3.8500	3.1500
17						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	4.1650
18						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
19	Industrial 8-inch	1,163.12	1,600.00	1,360.00		Tier One Breakover (M Gal):	10	999999	1,000	3.1400	3.8500	3.1500
20						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	4.1650
21						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
22	Industrial 10-inch	1,305.25	3,200.00	1,955.00		Tier One Breakover (M Gal):	10	999999	1,500	3.1400	3.8500	3.1500
23						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	4.1650
24						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	8.75	25.00	17.00						n/a	n/a	n/a
31	8-inch service	11.63	25.00	27.20						n/a	n/a	n/a
32	10-inch service	13.05	25.00	39.10						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	129.86	160.00	-		Tier One Breakover (M Gal):	10	125	999.999	3.1400	3.4410	4.1650
37						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
38						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
39	Construction Water (3-Inch)	248.35	320.00	-		Tier One Breakover (M Gal):	10	300	999.999	3.1400	3.4410	4.1650
40						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
41						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
42	Construction Water (4-Inch)	497.76	500.00	-		Tier One Breakover (M Gal):	10	490	999.999	3.1400	3.4410	4.1650
43						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	4.1650
44						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	160.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	4.1650
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	4.1650
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	320.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	4.1650
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	4.1650
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,000.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	4.1650
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	4.1650
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Miami - Consolidated
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	5,995	$ 34.26	$ 36.33	$ 2.07	6.04%
Median Usage	4,457	$ 29.43	$ 31.39	$ 1.96	6.65%
Staff Recommended					
Average Usage	5,995	$ 34.26	$ 31.41	$ (2.85)	-8.32%
Median Usage	4,457	$ 29.43	$ 26.57	$ (2.87)	-9.73%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 15.44	$ 19.00	23.06%	$ 17.00	10.10%
1,000	18.58	21.57	16.09%	18.66	0.43%
2,000	21.72	24.14	11.14%	20.32	-6.45%
3,000	24.86	26.71	7.44%	21.98	-11.58%
4,000	28.00	29.92	6.87%	25.13	-10.25%
5,000	31.14	33.14	6.41%	28.28	-9.18%
6,000	34.28	36.35	6.04%	31.43	-8.31%
7,000	37.42	39.56	5.72%	34.58	-7.59%
8,000	40.56	42.78	5.46%	37.73	-6.98%
9,000	43.70	45.99	5.24%	40.88	-6.45%
10,000	46.84	49.20	5.04%	44.03	-6.00%
11,000	50.77	53.22	4.83%	48.20	-5.06%
12,000	54.69	57.23	4.65%	52.36	-4.26%
13,000	58.62	61.25	4.49%	56.53	-3.57%
14,000	62.54	65.27	4.36%	60.69	-2.96%
15,000	66.47	69.28	4.24%	64.86	-2.42%
16,000	70.39	73.30	4.13%	69.02	-1.95%
17,000	74.32	77.31	4.03%	73.19	-1.52%
18,000	78.24	81.33	3.95%	77.35	-1.14%
19,000	82.17	85.35	3.87%	81.52	-0.79%
20,000	86.09	89.36	3.80%	85.68	-0.48%
25,000	105.72	109.44	3.52%	106.51	0.75%
30,000	129.27	129.52	0.20%	127.33	-1.50%
35,000	152.82	149.60	-2.10%	148.16	-3.05%
40,000	176.37	169.68	-3.79%	168.98	-4.19%
45,000	199.92	189.76	-5.08%	189.81	-5.06%
50,000	223.47	209.84	-6.10%	210.63	-5.74%
75,000	341.22	310.24	-9.08%	314.76	-7.75%
100,000	458.97	410.64	-10.53%	418.88	-8.73%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Miami											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 15.44	$ 19.00	$ 22.00		Tier One Breakover (M Gal):	10	3	3	$ 3.1400	$ 2.5700	$ 3.5800
2						Tier Two Breakover (M Gal):	25	10	10	3.9250	3.2130	5.3630
3						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	4.0160	6.4250
4	Residential 1-inch	38.87	47.50	55.00		Tier One Breakover (M Gal):	10	10	35	3.1400	3.2130	5.3630
5						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	6.4250
6						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
7	Residential 2-inch	129.86	152.00	176.00		Tier One Breakover (M Gal):	10	125	125	3.1400	3.2130	5.3630
8						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	6.4250
9						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
10	Residential 3-inch	248.35	304.00	352.00		Tier One Breakover (M Gal):	10	300	275	3.1400	3.2130	5.3630
11						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	6.4250
12						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
13	Residential 4-inch	497.76	475.00	550.00		Tier One Breakover (M Gal):	10	490	450	3.1400	3.2130	5.3630
14						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	6.4250
15						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
16	Residential 6-inch	875.26	950.00	1,100.00		Tier One Breakover (M Gal):	10	925	900	3.1400	3.2130	5.3630
17						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	6.4250
18						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
19	Residential 8-inch	1,163.12	1,520.00	1,760.00		Tier One Breakover (M Gal):	10	1500	1,400	3.1400	3.2130	5.3630
20						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	6.4250
21						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
22	Residential 10-inch	1,305.25	3,040.00	2,530.00		Tier One Breakover (M Gal):	10	3000	2,000	3.1400	3.2130	5.3630
23						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.0160	6.4250
24						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	15.44	20.00	22.00		Tier One Breakover (M Gal):	10	10	10	3.1400	3.4410	5.3630
26						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
27						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
28	Commercial 1-inch	38.87	50.00	55.00		Tier One Breakover (M Gal):	10	40	35	3.1400	3.4410	5.3630
29						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
30						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
31	Commercial 2-inch	129.86	160.00	176.00		Tier One Breakover (M Gal):	10	125	125	3.1400	3.4410	5.3630
32						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
33						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
34	Commercial 3-inch	248.35	320.00	352.00		Tier One Breakover (M Gal):	10	300	275	3.1400	3.4410	5.3630
35						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
36						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
37	Commercial 4-inch	497.76	500.00	550.00		Tier One Breakover (M Gal):	10	490	450	3.1400	3.4410	5.3630
38						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
39						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
40	Commercial 6-inch	875.26	1,000.00	1,100.00		Tier One Breakover (M Gal):	10	925	900	3.1400	3.4410	5.3630
41						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
42						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
43	Commercial 8-inch	1,163.12	1,600.00	1,760.00		Tier One Breakover (M Gal):	10	1500	1,400	3.1400	3.4410	5.3630
44						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
45						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
46	Commercial 10-inch	1,305.25	3,200.00	2,530.00		Tier One Breakover (M Gal):	10	3000	2,000	3.1400	3.4410	5.3630
47						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
48						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Miami											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 15.44	$ 20.00	$ 22.00		Tier One Breakover (M Gal):	10	999999	10	$ 3.1400	$ 3.8500	$ 5.3630
2						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	6.4250
3						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
4	Industrial 1-inch	38.87	40.00	55.00		Tier One Breakover (M Gal):	10	999999	35	3.1400	3.8500	5.3630
5						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	6.4250
6						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
7	Industrial 2-inch	129.86	200.00	176.00		Tier One Breakover (M Gal):	10	999999	125	3.1400	3.8500	5.3630
8						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	6.4250
9						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
10	Industrial 3-inch	248.35	320.00	352.00		Tier One Breakover (M Gal):	10	999999	275	3.1400	3.8500	5.3630
11						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	6.4250
12						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
13	Industrial 4-inch	497.76	500.00	550.00		Tier One Breakover (M Gal):	10	999999	450	3.1400	3.8500	5.3630
14						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	6.4250
15						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
16	Industrial 6-inch	875.26	1,000.00	1,100.00		Tier One Breakover (M Gal):	10	999999	900	3.1400	3.8500	5.3630
17						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	6.4250
18						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
19	Industrial 8-inch	1,163.12	1,600.00	1,760.00		Tier One Breakover (M Gal):	10	999999	1,400	3.1400	3.8500	5.3630
20						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	6.4250
21						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
22	Industrial 10-inch	1,305.25	3,200.00	2,530.00		Tier One Breakover (M Gal):	10	999999	2,000	3.1400	3.8500	5.3630
23						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	3.8500	6.4250
24						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	8.75	25.00	22.00						n/a	n/a	n/a
31	8-inch service	11.63	25.00	35.20						n/a	n/a	n/a
32	10-inch service	13.05	25.00	50.60						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	129.86	160.00	-		Tier One Breakover (M Gal):	10	125	999.999	3.1400	3.4410	6.4250
37						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
38						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
39	Construction Water (3-Inch)	248.35	320.00	-		Tier One Breakover (M Gal):	10	300	999.999	3.1400	3.4410	6.4250
40						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
41						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
42	Construction Water (4-Inch)	497.76	500.00	-		Tier One Breakover (M Gal):	10	490	999.999	3.1400	3.4410	6.4250
43						Tier Two Breakover (M Gal):	25	999999	999999	3.9250	4.3010	6.4250
44						Tier Three Breakover (M Gal):	999999	999999	999999	4.7100	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	160.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	6.4250
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	6.4250
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	320.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	6.4250
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	6.4250
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,000.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.8500	6.4250
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.8500	6.4250
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Miami
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	5,995	$ 34.26	$ 36.33	$ 2.07	6.04%
Median Usage	4,457	$ 29.43	$ 31.39	$ 1.96	6.65%
Staff Recommended					
Average Usage	5,995	$ 34.26	$ 48.80	$ 14.54	42.43%
Median Usage	4,457	$ 29.43	$ 40.55	$ 11.12	37.77%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 15.44	$ 19.00	23.06%	$ 22.00	42.49%
1,000	18.58	21.57	16.09%	25.58	37.67%
2,000	21.72	24.14	11.14%	29.16	34.25%
3,000	24.86	26.71	7.44%	32.74	31.70%
4,000	28.00	29.92	6.87%	38.10	36.08%
5,000	31.14	33.14	6.41%	43.47	39.58%
6,000	34.28	36.35	6.04%	48.83	42.44%
7,000	37.42	39.56	5.72%	54.19	44.82%
8,000	40.56	42.78	5.46%	59.56	46.83%
9,000	43.70	45.99	5.24%	64.92	48.55%
10,000	46.84	49.20	5.04%	70.28	50.04%
11,000	50.77	53.22	4.83%	76.71	51.10%
12,000	54.69	57.23	4.65%	83.13	52.00%
13,000	58.62	61.25	4.49%	89.56	52.79%
14,000	62.54	65.27	4.36%	95.98	53.47%
15,000	66.47	69.28	4.24%	102.41	54.08%
16,000	70.39	73.30	4.13%	108.83	54.61%
17,000	74.32	77.31	4.03%	115.26	55.09%
18,000	78.24	81.33	3.95%	121.68	55.52%
19,000	82.17	85.35	3.87%	128.11	55.91%
20,000	86.09	89.36	3.80%	134.53	56.27%
25,000	105.72	109.44	3.52%	166.66	57.65%
30,000	129.27	129.52	0.20%	198.78	53.78%
35,000	152.82	149.60	-2.10%	230.91	51.10%
40,000	176.37	169.68	-3.79%	263.03	49.14%
45,000	199.92	189.76	-5.08%	295.16	47.64%
50,000	223.47	209.84	-6.10%	327.28	46.46%
75,000	341.22	310.24	-9.08%	487.91	42.99%
100,000	458.97	410.64	-10.53%	648.53	41.30%

ARIZONA WATER COMPANY
EASTERN GROUP:
BISBEE

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Bisbee - Partial Consolidation

Line No.	Customer Class	Basic Service Charge: Company Present Rate [A]	Basic Service Charge: Company Proposed Rate [B]	Basic Service Charge: Staff Recommended Rate [C]	Break-Over Points	Break-Over Points: Company Present [D]	Break-Over Points: Company Proposed [E]	Break-Over Points: Staff Recommended [F]	Commodity Charge: Company Present Rate [G]	Commodity Charge: Company Proposed Rate [H]	Commodity Charge: Staff Recommended Rate [I]
1	Residential 5/8 x 3/4 -inch	$ 16.32	$ 15.00	$ 15.00	Tier One Breakover (M Gal):	10	3	3	$ 2.5940	$ 3.5170	$ 2.6000
2					Tier Two Breakover (M Gal):	25	10	10	3.2420	4.3960	4.0000
3					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	5.4950	5.3480
4	Residential 1-inch	43.78	37.50	37.50	Tier One Breakover (M Gal):	10	10	25	2.5940	4.3960	4.0000
5					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
6					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
7	Residential 2-inch	141.06	120.00	120.00	Tier One Breakover (M Gal):	10	80	80	2.5940	4.3960	4.0000
8					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
9					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
10	Residential 3-inch	267.25	240.00	240.00	Tier One Breakover (M Gal):	10	175	160	2.5940	4.3960	4.0000
11					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
12					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
13	Residential 4-inch	477.98	375.00	375.00	Tier One Breakover (M Gal):	10	290	250	2.5940	4.3960	4.0000
14					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
15					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
16	Residential 6-inch	662.53	750.00	750.00	Tier One Breakover (M Gal):	10	625	500	2.5940	4.3960	4.0000
17					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
18					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
19	Residential 8-inch	891.27	1,200.00	1,200.00	Tier One Breakover (M Gal):	10	1000	750	2.5940	4.3960	4.0000
20					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
21					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
22	Residential 10-inch	1,200.36	2,400.00	1,725.00	Tier One Breakover (M Gal):	10	1200	1,000	2.5940	4.3960	4.0000
23					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
24					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	16.32	15.00	15.00	Tier One Breakover (M Gal):	10	10	10	2.5940	4.3960	4.0000
26					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
27					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
28	Commercial 1-inch	43.78	37.50	37.50	Tier One Breakover (M Gal):	10	25	25	2.5940	4.3960	4.0000
29					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
30					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
31	Commercial 2-inch	141.06	120.00	120.00	Tier One Breakover (M Gal):	10	85	80	2.5940	4.3960	4.0000
32					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
33					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
34	Commercial 3-inch	267.25	240.00	240.00	Tier One Breakover (M Gal):	10	175	160	2.5940	4.3960	4.0000
35					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
36					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
37	Commercial 4-inch	477.98	375.00	375.00	Tier One Breakover (M Gal):	10	290	250	2.5940	4.3960	4.0000
38					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
39					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
40	Commercial 6-inch	662.53	750.00	750.00	Tier One Breakover (M Gal):	10	625	500	2.5940	4.3960	4.0000
41					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
42					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
43	Commercial 8-inch	891.27	1,200.00	1,200.00	Tier One Breakover (M Gal):	10	1000	750	2.5940	4.3960	4.0000
44					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
45					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
46	Commercial 10-inch	1,200.36	2,400.00	1,725.00	Tier One Breakover (M Gal):	10	1200	1,000	2.5940	4.3960	4.0000
47					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
48					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Bisbee - Partial Consolidation

Line No.	Customer Class	Basic Service Charge: Company Present Rate [A]	Basic Service Charge: Company Proposed Rate [B]	Basic Service Charge: Staff Recommended Rate [C]	Break-Over Points	Break-Over Points: Company Present [D]	Break-Over Points: Company Proposed [E]	Break-Over Points: Staff Recommended [F]	Commodity Charge: Company Present Rate [G]	Commodity Charge: Company Proposed Rate [H]	Commodity Charge: Staff Recommended Rate [I]
1	Industrial 5/8 x 3/4 -inch	$ 16.32	$ 28.44	$ 15.00	Tier One Breakover (M Gal):	10	999999	10	$ 2.5940	$ 5.4950	$ 4.0000
2					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
3					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
4	Industrial 1-inch	43.78	71.10	37.50	Tier One Breakover (M Gal):	10	999999	25	2.5940	5.4950	4.0000
5					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
6					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
7	Industrial 2-inch	141.06	227.52	120.00	Tier One Breakover (M Gal):	10	999999	80	2.5940	5.4950	4.0000
8					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
9					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
10	Industrial 3-inch	267.25	455.04	240.00	Tier One Breakover (M Gal):	10	999999	160	2.5940	5.4950	4.0000
11					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
12					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
13	Industrial 4-inch	477.98	711.00	375.00	Tier One Breakover (M Gal):	10	999999	250	2.5940	5.4950	4.0000
14					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
15					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
16	Industrial 6-inch	662.53	1,422.00	750.00	Tier One Breakover (M Gal):	10	999999	500	2.5940	5.4950	4.0000
17					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
18					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
19	Industrial 8-inch	891.27	2,275.20	1,200.00	Tier One Breakover (M Gal):	10	999999	750	2.5940	5.4950	4.0000
20					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
21					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
22	Industrial 10-inch	1,200.36	4,550.40	1,725.00	Tier One Breakover (M Gal):	10	999999	1,000	2.5940	5.4950	4.0000
23					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
24					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	6.63	25.00	15.00					n/a	n/a	n/a
31	8-inch service	8.91	25.00	24.00					n/a	n/a	n/a
32	10-inch service	12.00	25.00	34.50					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	*Coin Machine*	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	141.06	120.00	-	Tier One Breakover (M Gal):	10	85	999.999	2.5940	4.3960	5.3480
37					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
38					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
39	Construction Water (3-Inch)	267.25	240.00	-	Tier One Breakover (M Gal):	10	175	999.999	2.5940	4.3960	5.3480
40					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
41					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
42	Construction Water (4-Inch)	477.98	375.00	-	Tier One Breakover (M Gal):	10	290	999.999	2.5940	4.3960	5.3480
43					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3480
44					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	120.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	5.3480
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	5.3480
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	240.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	5.3480
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	5.3480
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	750.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	5.3480
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	5.3480
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Schedule JMM-2

Bisbee - Partial Consolidation
Typical Bill Analysis
Residential 5/8 & 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	5,215	$ 29.85	$ 35.29	$ 5.44	18.23%
Median Usage	3,638	$ 25.76	$ 28.36	$ 2.60	10.09%
Staff Recommended					
Average Usage	5,215	$ 29.85	$ 31.66	$ 1.81	6.07%
Median Usage	3,638	$ 25.76	$ 25.35	$ (0.40)	-1.57%

Present & Proposed Rates (Without Taxes)
Residential 5/8 & 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 16.32	$ 15.00	-8.09%	$ 15.00	-8.09%
1,000	18.91	18.52	-2.10%	17.60	-6.95%
2,000	21.51	22.03	2.45%	20.20	-6.08%
3,000	24.10	25.55	6.01%	22.80	-5.40%
4,000	26.70	29.95	12.18%	26.80	0.39%
5,000	29.29	34.34	17.25%	30.80	5.16%
6,000	31.88	38.74	21.50%	34.80	9.15%
7,000	34.48	43.14	25.11%	38.80	12.54%
8,000	37.07	47.53	28.21%	42.80	15.45%
9,000	39.67	51.93	30.91%	46.80	17.99%
10,000	42.26	56.32	33.28%	50.80	20.21%
11,000	45.50	61.82	35.86%	56.15	23.40%
12,000	48.74	67.31	38.09%	61.50	26.16%
13,000	51.99	72.81	40.05%	66.84	28.58%
14,000	55.23	78.30	41.78%	72.19	30.72%
15,000	58.47	83.80	43.32%	77.54	32.62%
16,000	61.71	89.29	44.69%	82.89	34.31%
17,000	64.95	94.79	45.93%	88.24	35.84%
18,000	68.20	100.28	47.05%	93.58	37.23%
19,000	71.44	105.78	48.07%	98.93	38.49%
20,000	74.68	111.27	49.00%	104.28	39.64%
25,000	90.89	138.75	52.65%	131.02	44.15%
30,000	110.34	166.22	50.65%	157.76	42.98%
35,000	129.79	193.70	49.24%	184.50	42.15%
40,000	149.24	221.17	48.20%	211.24	41.54%
45,000	168.69	248.65	47.40%	237.98	41.08%
50,000	188.14	276.12	46.76%	264.72	40.70%
75,000	285.39	413.50	44.89%	398.42	39.61%
100,000	382.64	550.87	43.97%	532.12	39.07%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Bisbee											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 16.32	$ 15.00	$ 16.00		Tier One Breakover (M Gal):	10	3	3	$ 2.5940	$ 3.5170	$ 2.9410
2						Tier Two Breakover (M Gal):	25	10	10	3.2420	4.3960	4.4260
3						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	5.4950	5.3140
4	Residential 1-inch	43.78	37.50	40.00		Tier One Breakover (M Gal):	10	10	15	2.5940	4.3960	4.4260
5						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
6						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
7	Residential 2-inch	141.06	120.00	128.00		Tier One Breakover (M Gal):	10	80	45	2.5940	4.3960	4.4260
8						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
9						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
10	Residential 3-inch	267.25	240.00	256.00		Tier One Breakover (M Gal):	10	175	90	2.5940	4.3960	4.4260
11						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
12						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
13	Residential 4-inch	477.98	375.00	400.00		Tier One Breakover (M Gal):	10	290	140	2.5940	4.3960	4.4260
14						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
15						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
16	Residential 6-inch	662.53	750.00	800.00		Tier One Breakover (M Gal):	10	625	285	2.5940	4.3960	4.4260
17						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
18						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
19	Residential 8-inch	891.27	1,200.00	1,280.00		Tier One Breakover (M Gal):	10	1000	450	2.5940	4.3960	4.4260
20						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
21						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
22	Residential 10-inch	1,200.36	2,400.00	1,840.00		Tier One Breakover (M Gal):	10	1200	650	2.5940	4.3960	4.4260
23						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
24						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	16.32	15.00	16.00		Tier One Breakover (M Gal):	10	10	10	2.5940	4.3960	4.4260
26						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
27						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
28	Commercial 1-inch	43.78	37.50	40.00		Tier One Breakover (M Gal):	10	25	15	2.5940	4.3960	4.4260
29						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
30						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
31	Commercial 2-inch	141.06	120.00	128.00		Tier One Breakover (M Gal):	10	85	45	2.5940	4.3960	4.4260
32						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
33						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
34	Commercial 3-inch	267.25	240.00	256.00		Tier One Breakover (M Gal):	10	175	90	2.5940	4.3960	4.4260
35						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
36						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
37	Commercial 4-inch	477.98	375.00	400.00		Tier One Breakover (M Gal):	10	290	140	2.5940	4.3960	4.4260
38						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
39						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
40	Commercial 6-inch	662.53	750.00	800.00		Tier One Breakover (M Gal):	10	625	285	2.5940	4.3960	4.4260
41						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
42						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
43	Commercial 8-inch	891.27	1,200.00	1,280.00		Tier One Breakover (M Gal):	10	1000	450	2.5940	4.3960	4.4260
44						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
45						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
46	Commercial 10-inch	1,200.36	2,400.00	1,840.00		Tier One Breakover (M Gal):	10	1200	650	2.5940	4.3960	4.4260
47						Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
48						Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Bisbee									
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]	
		Basic Service Charge			Break-Over Points			Commodity Charge			
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 16.32	$ 28.44	$ 16.00	Tier One Breakover (M Gal):	10	999999	10	$ 2.5940	$ 5.4950	$ 4.4260
2					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
3					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
4	Industrial 1-inch	43.78	71.10	40.00	Tier One Breakover (M Gal):	10	999999	15	2.5940	5.4950	4.4260
5					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
6					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
7	Industrial 2-inch	141.06	227.52	128.00	Tier One Breakover (M Gal):	10	999999	45	2.5940	5.4950	4.4260
8					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
9					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
10	Industrial 3-inch	267.25	455.04	256.00	Tier One Breakover (M Gal):	10	999999	90	2.5940	5.4950	4.4260
11					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
12					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
13	Industrial 4-inch	477.98	711.00	400.00	Tier One Breakover (M Gal):	10	999999	140	2.5940	5.4950	4.4260
14					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
15					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
16	Industrial 6-inch	662.53	1,422.00	800.00	Tier One Breakover (M Gal):	10	999999	285	2.5940	5.4950	4.4260
17					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
18					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
19	Industrial 8-inch	891.27	2,275.20	1,280.00	Tier One Breakover (M Gal):	10	999999	450	2.5940	5.4950	4.4260
20					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
21					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
22	Industrial 10-inch	1,200.36	4,550.40	1,840.00	Tier One Breakover (M Gal):	10	999999	650	2.5940	5.4950	4.4260
23					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
24					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	6.63	25.00	16.00					n/a	n/a	n/a
31	8-inch service	8.91	25.00	25.60					n/a	n/a	n/a
32	10-inch service	12.00	25.00	36.80					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	141.06	120.00	-	Tier One Breakover (M Gal):	10	85	999.999	2.5940	4.3960	5.3140
37					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
38					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
39	Construction Water (3-Inch)	267.25	240.00	-	Tier One Breakover (M Gal):	10	175	999.999	2.5940	4.3960	5.3140
40					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
41					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
42	Construction Water (4-Inch)	477.98	375.00	-	Tier One Breakover (M Gal):	10	290	999.999	2.5940	4.3960	5.3140
43					Tier Two Breakover (M Gal):	25	999999	999999	3.2420	5.4950	5.3140
44					Tier Three Breakover (M Gal):	999999	999999	999999	3.8900	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	120.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	5.3140
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	5.3140
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	240.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	5.3140
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	5.3140
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	750.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	5.3140
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	5.3140
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Bisbee
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	5,215	$ 29.85	$ 35.29	$ 5.44	18.23%
Median Usage	3,638	$ 25.76	$ 28.36	$ 2.60	10.09%
Staff Recommended					
Average Usage	5,215	$ 29.85	$ 34.63	$ 4.78	16.01%
Median Usage	3,638	$ 25.76	$ 27.65	$ 1.89	7.34%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 16.32	$ 15.00	-8.09%	$ 16.00	-1.96%
1,000	18.91	18.52	-2.10%	18.94	0.14%
2,000	21.51	22.03	2.45%	21.88	1.74%
3,000	24.10	25.55	6.01%	24.82	2.99%
4,000	26.70	29.95	12.18%	29.25	9.56%
5,000	29.29	34.34	17.25%	33.68	14.97%
6,000	31.88	38.74	21.50%	38.10	19.50%
7,000	34.48	43.14	25.11%	42.53	23.35%
8,000	37.07	47.53	28.21%	46.95	26.65%
9,000	39.67	51.93	30.91%	51.38	29.53%
10,000	42.26	56.32	33.28%	55.81	32.05%
11,000	45.50	61.82	35.86%	61.12	34.32%
12,000	48.74	67.31	38.09%	66.43	36.29%
13,000	51.99	72.81	40.05%	71.75	38.01%
14,000	55.23	78.30	41.78%	77.06	39.53%
15,000	58.47	83.80	43.32%	82.38	40.88%
16,000	61.71	89.29	44.69%	87.69	42.09%
17,000	64.95	94.79	45.93%	93.00	43.18%
18,000	68.20	100.28	47.05%	98.32	44.17%
19,000	71.44	105.78	48.07%	103.63	45.06%
20,000	74.68	111.27	49.00%	108.95	45.88%
25,000	90.89	138.75	52.65%	135.52	49.10%
30,000	110.34	166.22	50.65%	162.09	46.90%
35,000	129.79	193.70	49.24%	188.66	45.35%
40,000	149.24	221.17	48.20%	215.23	44.21%
45,000	168.69	248.65	47.40%	241.80	43.34%
50,000	188.14	276.12	46.76%	268.37	42.64%
75,000	285.39	413.50	44.89%	401.22	40.58%
100,000	382.64	550.87	43.97%	534.07	39.57%

ARIZONA WATER COMPANY
EASTERN GROUP:
SIERRA VISTA

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Sierra Vista - Partial Consolidation

Line No.	Customer Class	Basic Service Charge: Company Present Rate [A]	Basic Service Charge: Company Proposed Rate [B]	Basic Service Charge: Staff Recommended Rate [C]	Break-Over Points	Break-Over Points: Company Present [D]	Break-Over Points: Company Proposed [E]	Break-Over Points: Staff Recommended [F]	Commodity Charge: Company Present Rate [G]	Commodity Charge: Company Proposed Rate [H]	Commodity Charge: Staff Recommended Rate [I]
1	Residential 5/8 x 3/4 -inch	$ 15.40	$ 15.00	$ 15.00	Tier One Breakover (M Gal):	10	3	3	$ 1.6120	$ 1.3260	$ 1.1700
2					Tier Two Breakover (M Gal):	25	10	10	2.0150	2.0480	2.0000
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	2.5610	2.5000
4	Residential 1-inch	32.71	37.50	37.50	Tier One Breakover (M Gal):	10	10	25	1.6120	2.0480	2.0000
5					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5610	2.5000
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
7	Residential 2-inch	125.47	120.00	120.00	Tier One Breakover (M Gal):	10	80	80	1.6120	2.0480	2.0000
8					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5610	2.5000
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
10	Residential 3-inch	284.04	240.00	240.00	Tier One Breakover (M Gal):	10	175	160	1.6120	2.0480	2.0000
11					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5610	2.5000
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
13	Residential 4-inch	398.10	375.00	375.00	Tier One Breakover (M Gal):	10	290	250	1.6120	2.0480	2.0000
14					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5610	2.5000
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
16	Residential 6-inch	604.72	750.00	750.00	Tier One Breakover (M Gal):	10	625	500	1.6120	2.0480	2.0000
17					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5610	2.5000
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
19	Residential 8-inch	725.66	1,200.00	1,200.00	Tier One Breakover (M Gal):	10	1000	750	1.6120	2.0480	2.0000
20					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5610	2.5000
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
22	Residential 10-inch	907.08	2,400.00	1,725.00	Tier One Breakover (M Gal):	10	1200	1,000	1.6120	2.0480	2.0000
23					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5610	2.5000
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	15.40	15.00	15.00	Tier One Breakover (M Gal):	10	10	10	1.6120	2.0480	2.0000
26					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
27					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
28	Commercial 1-inch	32.71	37.50	37.50	Tier One Breakover (M Gal):	10	25	25	1.6120	2.0480	2.0000
29					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
30					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
31	Commercial 2-inch	125.47	120.00	120.00	Tier One Breakover (M Gal):	10	85	80	1.6120	2.0480	2.0000
32					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
33					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
34	Commercial 3-inch	284.04	240.00	240.00	Tier One Breakover (M Gal):	10	175	160	1.6120	2.0480	2.0000
35					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
36					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
37	Commercial 4-inch	398.10	375.00	375.00	Tier One Breakover (M Gal):	10	290	250	1.6120	2.0480	2.0000
38					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
39					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
40	Commercial 6-inch	604.72	750.00	750.00	Tier One Breakover (M Gal):	10	625	500	1.6120	2.0480	2.0000
41					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
42					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
43	Commercial 8-inch	725.66	1,200.00	1,200.00	Tier One Breakover (M Gal):	10	1000	750	1.6120	2.0480	2.0000
44					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
45					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
46	Commercial 10-inch	907.08	2,400.00	1,725.00	Tier One Breakover (M Gal):	10	1200	1,000	1.6120	2.0480	2.0000
47					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
48					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Sierra Vista - Consolidated

Line No.	Customer Class	[A] Basic Service Charge: Company Present Rate	[B] Basic Service Charge: Company Proposed Rate	[C] Basic Service Charge: Staff Recommended Rate	Break-Over Points	[D] Company Present	[E] Company Proposed	[F] Staff Recommended	[G] Commodity Charge: Company Present Rate	[H] Commodity Charge: Company Proposed Rate	[I] Commodity Charge: Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 15.40	$ 28.44	$ 15.00	Tier One Breakover (M Gal):	10	999999	10	$ 1.6120	$ 5.4950	$ 2.0000
2					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.5000
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
4	Industrial 1-inch	32.71	71.10	37.50	Tier One Breakover (M Gal):	10	999999	25	1.6120	5.4950	2.0000
5					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.5000
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
7	Industrial 2-inch	125.47	227.52	120.00	Tier One Breakover (M Gal):	10	999999	80	1.6120	5.4950	2.0000
8					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.5000
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
10	Industrial 3-inch	284.04	455.04	240.00	Tier One Breakover (M Gal):	10	999999	160	1.6120	5.4950	2.0000
11					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.5000
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
13	Industrial 4-inch	398.10	711.00	375.00	Tier One Breakover (M Gal):	10	999999	250	1.6120	5.4950	2.0000
14					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.5000
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
16	Industrial 6-inch	604.72	1,422.00	750.00	Tier One Breakover (M Gal):	10	999999	500	1.6120	5.4950	2.0000
17					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.5000
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
19	Industrial 8-inch	725.66	2,275.20	1,200.00	Tier One Breakover (M Gal):	10	999999	750	1.6120	5.4950	2.0000
20					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.5000
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
22	Industrial 10-inch	907.08	4,550.40	1,725.00	Tier One Breakover (M Gal):	10	999999	1,000	1.6120	5.4950	2.0000
23					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.5000
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	6.05	25.00	15.00					n/a	n/a	n/a
31	8-inch service	7.26	25.00	24.00					n/a	n/a	n/a
32	10-inch service	9.07	25.00	34.50					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	125.47	120.00	-	Tier One Breakover (M Gal):	10	85	999.999	1.6120	2.0480	2.5000
37					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
38					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
39	Construction Water (3-Inch)	284.04	240.00	-	Tier One Breakover (M Gal):	10	175	999.999	1.6120	2.0480	2.5000
40					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
41					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
42	Construction Water (4-Inch)	398.10	375.00	-	Tier One Breakover (M Gal):	10	290	999.999	1.6120	2.0480	2.5000
43					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.5000
44					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	120.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	2.5000
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	2.5000
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	240.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	2.5000
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	2.5000
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	750.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	2.5000
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	2.5000
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Sierra Vista - Parital Consolidation
Typical Bill Analysis
Residential 5/8 & 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,924	$ 29.79	$ 31.11	$ 1.32	4.45%
Median Usage	6,380	$ 25.68	$ 25.90	$ 0.22	0.84%
Staff Recommended					
Average Usage	8,924	$ 29.79	$ 30.36	$ 0.57	1.92%
Median Usage	6,380	$ 25.68	$ 25.27	$ (0.41)	-1.61%

Present & Proposed Rates (Without Taxes)
Residential 5/8 & 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 15.40	$ 15.00	-2.60%	$ 15.00	-2.60%
1,000	17.01	16.33	-4.03%	16.17	-4.95%
2,000	18.62	17.65	-5.22%	17.34	-6.89%
3,000	20.24	18.98	-6.22%	18.51	-8.53%
4,000	21.85	21.03	-3.76%	20.51	-6.12%
5,000	23.46	23.07	-1.65%	22.51	-4.05%
6,000	25.07	25.12	0.20%	24.51	-2.24%
7,000	26.68	27.17	1.82%	26.51	-0.65%
8,000	28.30	29.22	3.26%	28.51	0.76%
9,000	29.91	31.27	4.54%	30.51	2.01%
10,000	31.52	33.31	5.69%	32.51	3.14%
11,000	33.54	35.88	6.98%	35.01	4.40%
12,000	35.55	38.44	8.12%	37.51	5.51%
13,000	37.57	41.00	9.14%	40.01	6.51%
14,000	39.58	43.56	10.05%	42.51	7.40%
15,000	41.60	46.12	10.88%	45.01	8.21%
16,000	43.61	48.68	11.63%	47.51	8.94%
17,000	45.63	51.24	12.31%	50.01	9.61%
18,000	47.64	53.80	12.93%	52.51	10.22%
19,000	49.66	56.36	13.51%	55.01	10.78%
20,000	51.67	58.92	14.04%	57.51	11.30%
25,000	61.75	71.73	16.17%	70.01	13.39%
30,000	73.84	84.53	14.49%	82.51	11.75%
35,000	85.93	97.34	13.28%	95.01	10.57%
40,000	98.02	110.14	12.37%	107.51	9.69%
45,000	110.11	122.95	11.67%	120.01	9.00%
50,000	122.20	135.75	11.10%	132.51	8.44%
75,000	182.65	199.78	9.38%	195.01	6.77%
100,000	243.10	263.80	8.52%	257.51	5.93%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Sierra Vista											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 15.40	$ 15.00	$ 12.85		Tier One Breakover (M Gal):	10	3	3	$ 1.6120	$ 1.3260	$ 1.2720
2						Tier Two Breakover (M Gal):	25	10	10	2.0150	2.048	1.9200
3						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	2.561	2.2990
4	Residential 1-inch	32.71	37.50	32.13		Tier One Breakover (M Gal):	10	10	50	1.6120	2.048	1.9200
5						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.561	2.2990
6						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
7	Residential 2-inch	125.47	120.00	102.80		Tier One Breakover (M Gal):	10	80	200	1.6120	2.048	1.9200
8						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.561	2.2990
9						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
10	Residential 3-inch	284.04	240.00	205.60		Tier One Breakover (M Gal):	10	175	450	1.6120	2.048	1.9200
11						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.561	2.2990
12						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
13	Residential 4-inch	398.10	375.00	321.25		Tier One Breakover (M Gal):	10	290	725	1.6120	2.048	1.9200
14						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.561	2.2990
15						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
16	Residential 6-inch	604.72	750.00	642.50		Tier One Breakover (M Gal):	10	625	1,500	1.6120	2.048	1.9200
17						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.561	2.2990
18						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
19	Residential 8-inch	725.66	1,200.00	1,028.00		Tier One Breakover (M Gal):	10	1000	2,400	1.6120	2.048	1.9200
20						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.561	2.2990
21						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
22	Residential 10-inch	907.08	2,400.00	1,477.75		Tier One Breakover (M Gal):	10	1200	3,500	1.6120	2.048	1.9200
23						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.561	2.2990
24						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	15.40	15.00	12.85		Tier One Breakover (M Gal):	10	10	10	1.6120	2.048	1.9200
26						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.56	2.2990
27						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
28	Commercial 1-inch	32.71	37.50	32.13		Tier One Breakover (M Gal):	10	25	50	1.6120	2.048	1.9200
29						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.56	2.2990
30						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
31	Commercial 2-inch	125.47	120.00	102.80		Tier One Breakover (M Gal):	10	85	200	1.6120	2.048	1.9200
32						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.56	2.2990
33						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
34	Commercial 3-inch	284.04	240.00	205.60		Tier One Breakover (M Gal):	10	175	450	1.6120	2.048	1.9200
35						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.56	2.2990
36						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
37	Commercial 4-inch	398.10	375.00	321.25		Tier One Breakover (M Gal):	10	290	725	1.6120	2.048	1.9200
38						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.56	2.2990
39						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
40	Commercial 6-inch	604.72	750.00	642.50		Tier One Breakover (M Gal):	10	625	1,500	1.6120	2.048	1.9200
41						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.56	2.2990
42						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
43	Commercial 8-inch	725.66	1,200.00	1,028.00		Tier One Breakover (M Gal):	10	1000	2,400	1.6120	2.048	1.9200
44						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.56	2.2990
45						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
46	Commercial 10-inch	907.08	2,400.00	1,477.75		Tier One Breakover (M Gal):	10	1200	3,500	1.6120	2.048	1.9200
47						Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.56	2.2990
48						Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a

		Sierra Vista									
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 15.40	$ 28.44	$ 12.85	Tier One Breakover (M Gal):	10	999999	10	$ 1.6120	$ 5.4950	$ 1.9200
2					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.2990
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
4	Industrial 1-inch	32.71	71.10	32.13	Tier One Breakover (M Gal):	10	999999	50	1.6120	5.4950	1.9200
5					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.2990
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
7	Industrial 2-inch	125.47	227.52	102.80	Tier One Breakover (M Gal):	10	999999	200	1.6120	5.4950	1.9200
8					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.2990
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
10	Industrial 3-inch	284.04	455.04	205.60	Tier One Breakover (M Gal):	10	999999	450	1.6120	5.4950	1.9200
11					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.2990
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
13	Industrial 4-inch	398.10	711.00	321.25	Tier One Breakover (M Gal):	10	999999	725	1.6120	5.4950	1.9200
14					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.2990
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
16	Industrial 6-inch	604.72	1,422.00	642.50	Tier One Breakover (M Gal):	10	999999	1,500	1.6120	5.4950	1.9200
17					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.2990
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
19	Industrial 8-inch	725.66	2,275.20	1,028.00	Tier One Breakover (M Gal):	10	999999	2,400	1.6120	5.4950	1.9200
20					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.2990
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
22	Industrial 10-inch	907.08	4,550.40	1,477.75	Tier One Breakover (M Gal):	10	999999	3,500	1.6120	5.4950	1.9200
23					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	5.4950	2.2990
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	6.05	25.00	12.85					n/a	n/a	n/a
31	8-inch service	7.26	25.00	20.56					n/a	n/a	n/a
32	10-inch service	9.07	25.00	29.56					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	125.47	120.00	-	Tier One Breakover (M Gal):	10	85	999.999	1.6120	2.0480	2.2990
37					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.2990
38					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
39	Construction Water (3-Inch)	284.04	240.00	-	Tier One Breakover (M Gal):	10	175	999.999	1.6120	2.0480	2.2990
40					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.2990
41					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
42	Construction Water (4-Inch)	398.10	375.00	-	Tier One Breakover (M Gal):	10	290	999.999	1.6120	2.0480	2.2990
43					Tier Two Breakover (M Gal):	25	999999	999999	2.0150	2.5600	2.2990
44					Tier Three Breakover (M Gal):	999999	999999	999999	2.4180	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	120.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	2.2990
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	2.2990
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	240.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	2.2990
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	2.2990
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	750.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.4950	2.2990
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.4950	2.2990
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Sierra Vista
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,924	$ 29.79	$ 31.11	$ 1.32	4.45%
Median Usage	6,380	$ 25.68	$ 25.90	$ 0.22	0.84%
Staff Recommended					
Average Usage	8,924	$ 29.79	$ 28.04	$ (1.75)	-5.86%
Median Usage	6,380	$ 25.68	$ 23.16	$ (2.53)	-9.85%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 15.40	$ 15.00	-2.60%	$ 12.85	-16.56%
1,000	17.01	16.33	-4.03%	14.12	-16.99%
2,000	18.62	17.65	-5.22%	15.39	-17.34%
3,000	20.24	18.98	-6.22%	16.67	-17.64%
4,000	21.85	21.03	-3.76%	18.59	-14.93%
5,000	23.46	23.07	-1.65%	20.51	-12.59%
6,000	25.07	25.12	0.20%	22.43	-10.55%
7,000	26.68	27.17	1.82%	24.35	-8.76%
8,000	28.30	29.22	3.26%	26.27	-7.17%
9,000	29.91	31.27	4.54%	28.19	-5.76%
10,000	31.52	33.31	5.69%	30.11	-4.49%
11,000	33.54	35.88	6.98%	32.41	-3.37%
12,000	35.55	38.44	8.12%	34.70	-2.38%
13,000	37.57	41.00	9.14%	37.00	-1.50%
14,000	39.58	43.56	10.05%	39.30	-0.70%
15,000	41.60	46.12	10.88%	41.60	0.01%
16,000	43.61	48.68	11.63%	43.90	0.66%
17,000	45.63	51.24	12.31%	46.20	1.26%
18,000	47.64	53.80	12.93%	48.50	1.80%
19,000	49.66	56.36	13.51%	50.80	2.30%
20,000	51.67	58.92	14.04%	53.10	2.76%
25,000	61.75	71.73	16.17%	64.59	4.61%
30,000	73.84	84.53	14.49%	76.09	3.05%
35,000	85.93	97.34	13.28%	87.58	1.93%
40,000	98.02	110.14	12.37%	99.08	1.08%
45,000	110.11	122.95	11.67%	110.57	0.42%
50,000	122.20	135.75	11.10%	122.07	-0.11%
75,000	182.65	199.78	9.38%	179.54	-1.70%
100,000	243.10	263.80	8.52%	237.02	-2.50%

ARIZONA WATER COMPANY
EASTERN GROUP:
SAN MANUEL

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		San Manuel											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended		Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 19.94	$ 23.40	$ 22.00		Tier One Breakover (M Gal):	10	3	3		$ 1.7040	$ 2.8170	$ 1.7000
2						Tier Two Breakover (M Gal):	25	10	10		2.1300	3.521	3.4500
3						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	4.401	4.8510
4	Residential 1-inch	42.51	58.50	55.00		Tier One Breakover (M Gal):	10	10	30		1.7040	3.521	3.4500
5						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
6						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
7	Residential 2-inch	234.67	187.20	176.00		Tier One Breakover (M Gal):	10	80	100		1.7040	3.521	3.4500
8						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
9						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
10	Residential 3-inch	358.76	374.40	352.00		Tier One Breakover (M Gal):	10	175	200		1.7040	3.521	3.4500
11						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
12						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
13	Residential 4-inch	453.35	585.00	550.00		Tier One Breakover (M Gal):	10	290	340		1.7040	3.521	3.4500
14						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
15						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
16	Residential 6-inch	538.19	1,170.00	1,100.00		Tier One Breakover (M Gal):	10	625	730		1.7040	3.521	3.4500
17						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
18						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
19	Residential 8-inch	854.56	1,872.00	1,760.00		Tier One Breakover (M Gal):	10	1000	1,200		1.7040	3.521	3.4500
20						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
21						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
22	Residential 10-inch	1,228.50	3,744.00	2,530.00		Tier One Breakover (M Gal):	10	1200	1,740		1.7040	3.521	3.4500
23						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
24						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	19.94	23.40	22.00		Tier One Breakover (M Gal):	10	10	10		1.7040	3.521	3.4500
26						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
27						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
28	Commercial 1-inch	42.51	58.50	55.00		Tier One Breakover (M Gal):	10	25	30		1.7040	3.521	3.4500
29						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
30						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
31	Commercial 2-inch	234.67	187.20	176.00		Tier One Breakover (M Gal):	10	85	100		1.7040	3.521	3.4500
32						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
33						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
34	Commercial 3-inch	358.76	374.40	352.00		Tier One Breakover (M Gal):	10	175	200		1.7040	3.521	3.4500
35						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
36						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
37	Commercial 4-inch	453.35	585.00	550.00		Tier One Breakover (M Gal):	10	290	340		1.7040	3.521	3.4500
38						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
39						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
40	Commercial 6-inch	538.19	1,170.00	1,100.00		Tier One Breakover (M Gal):	10	625	730		1.7040	3.521	3.4500
41						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
42						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
43	Commercial 8-inch	854.56	1,872.00	1,760.00		Tier One Breakover (M Gal):	10	1000	1,200		1.7040	3.521	3.4500
44						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
45						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a
46	Commercial 10-inch	1,228.50	3,744.00	2,530.00		Tier One Breakover (M Gal):	10	1200	1,740		1.7040	3.521	3.4500
47						Tier Two Breakover (M Gal):	25	999999	999999		2.1300	4.401	4.8510
48						Tier Three Breakover (M Gal):	999999	999999	999999		2.5560	n/a	n/a

		San Manuel											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 19.94	$ 23.40	$ 22.00		Tier One Breakover (M Gal):	10	999999	10	$ 1.7040	$ 3.5210	$ 3.4500
2						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	3.5210	4.8510
3						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
4	Industrial 1-inch	42.51	58.50	55.00		Tier One Breakover (M Gal):	10	999999	30	1.7040	3.5210	3.4500
5						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	3.5210	4.8510
6						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
7	Industrial 2-inch	234.67	187.20	176.00		Tier One Breakover (M Gal):	10	999999	100	1.7040	3.5210	3.4500
8						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	3.5210	4.8510
9						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
10	Industrial 3-inch	358.76	374.40	352.00		Tier One Breakover (M Gal):	10	999999	200	1.7040	3.5210	3.4500
11						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	3.5210	4.8510
12						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
13	Industrial 4-inch	453.35	585.00	550.00		Tier One Breakover (M Gal):	10	999999	340	1.7040	3.5210	3.4500
14						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	3.5210	4.8510
15						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
16	Industrial 6-inch	538.19	1,170.00	1,100.00		Tier One Breakover (M Gal):	10	999999	730	1.7040	3.5210	3.4500
17						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	3.5210	4.8510
18						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
19	Industrial 8-inch	854.56	1,872.00	1,760.00		Tier One Breakover (M Gal):	10	999999	1,200	1.7040	3.5210	3.4500
20						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	3.5210	4.8510
21						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
22	Industrial 10-inch	1,228.50	3,744.00	2,530.00		Tier One Breakover (M Gal):	10	999999	1,740	1.7040	3.5210	3.4500
23						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	3.5210	4.8510
24						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	5.38	25.00	22.00						n/a	n/a	n/a
31	8-inch service	8.55	25.00	35.20						n/a	n/a	n/a
32	10-inch service	12.29	25.00	50.60						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	234.67	187.20	-		Tier One Breakover (M Gal):	10	85	999.999	1.7040	3.5210	4.8510
37						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	4.4010	4.8510
38						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
39	Construction Water (3-Inch)	358.76	374.40	-		Tier One Breakover (M Gal):	10	175	999.999	1.7040	3.5210	4.8510
40						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	4.4010	4.8510
41						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
42	Construction Water (4-Inch)	453.35	585.00	-		Tier One Breakover (M Gal):	10	290	999.999	1.7040	3.5210	4.8510
43						Tier Two Breakover (M Gal):	25	999999	999999	2.1300	4.4010	4.8510
44						Tier Three Breakover (M Gal):	999999	999999	999999	2.5560	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	187.20	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.5210	4.8510
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.5210	4.8510
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	374.40	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.5210	4.8510
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.5210	4.8510
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,170.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.5210	4.8510
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.5210	4.8510
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

San Manuel
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,744	$ 34.84	$ 52.08	$ 17.24	49.47%
Median Usage	6,505	$ 31.02	$ 44.19	$ 13.17	42.44%
Staff Recommended					
Average Usage	8,744	$ 34.84	$ 46.92	$ 12.08	34.66%
Median Usage	6,505	$ 31.02	$ 39.19	$ 8.17	26.33%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 19.94	$ 23.40	17.35%	$ 22.00	10.33%
1,000	21.64	26.22	21.13%	23.70	9.50%
2,000	23.35	29.03	24.35%	25.40	8.79%
3,000	25.05	31.85	27.14%	27.10	8.17%
4,000	26.76	35.37	32.20%	30.55	14.18%
5,000	28.46	38.89	36.66%	34.00	19.47%
6,000	30.16	42.41	40.61%	37.45	24.15%
7,000	31.87	45.94	44.14%	40.90	28.34%
8,000	33.57	49.46	47.31%	44.35	32.10%
9,000	35.28	52.98	50.18%	47.80	35.50%
10,000	36.98	56.50	52.78%	51.25	38.59%
11,000	39.11	60.90	55.71%	56.10	43.44%
12,000	41.24	65.30	58.34%	60.95	47.80%
13,000	43.37	69.70	60.71%	65.80	51.72%
14,000	45.50	74.10	62.86%	70.65	55.28%
15,000	47.63	78.50	64.82%	75.51	58.52%
16,000	49.76	82.90	66.61%	80.36	61.49%
17,000	51.89	87.31	68.25%	85.21	64.21%
18,000	54.02	91.71	69.76%	90.06	66.71%
19,000	56.15	96.11	71.16%	94.91	69.03%
20,000	58.28	100.51	72.46%	99.76	71.17%
25,000	68.93	122.51	77.74%	124.02	79.91%
30,000	81.71	144.52	76.87%	148.27	81.46%
35,000	94.49	166.52	76.23%	172.53	82.59%
40,000	107.27	188.53	75.75%	196.78	83.44%
45,000	120.05	210.53	75.37%	221.04	84.12%
50,000	132.83	232.54	75.06%	245.29	84.66%
75,000	196.73	342.56	74.13%	366.57	86.33%
100,000	260.63	452.59	73.65%	487.84	87.18%

ARIZONA WATER COMPANY
EASTERN GROUP:
ORACLE

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Oracle											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 19.31	$ 22.16	$ 20.50		Tier One Breakover (M Gal):	10	3	3	$ 4.9850	$ 4.4970	$ 3.0000
2						Tier Two Breakover (M Gal):	25	10	10	6.2310	5.621	5.4000
3						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	7.026	7.3270
4	Residential 1-inch	40.62	55.40	51.25		Tier One Breakover (M Gal):	10	10	22	4.9850	5.621	5.4000
5						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
6						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
7	Residential 2-inch	166.69	177.28	164.00		Tier One Breakover (M Gal):	10	90	75	4.9850	5.621	5.4000
8						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
9						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
10	Residential 3-inch	220.51	354.56	328.00		Tier One Breakover (M Gal):	10	200	150	4.9850	5.621	5.4000
11						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
12						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
13	Residential 4-inch	286.45	554.00	512.50		Tier One Breakover (M Gal):	10	325	225	4.9850	5.621	5.4000
14						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
15						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
16	Residential 6-inch	341.11	1,108.00	1,025.00		Tier One Breakover (M Gal):	10	675	475	4.9850	5.621	5.4000
17						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
18						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
19	Residential 8-inch	625.36	1,772.80	1,640.00		Tier One Breakover (M Gal):	10	1000	750	4.9850	5.621	5.4000
20						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
21						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
22	Residential 10-inch	837.19	3,545.60	3,280.00		Tier One Breakover (M Gal):	10	2000	1,100	4.9850	5.621	5.4000
23						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
24						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	19.31	22.16	20.50		Tier One Breakover (M Gal):	10	10	10	4.9850	5.621	5.4000
26						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
27						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
28	Commercial 1-inch	40.62	55.40	51.25		Tier One Breakover (M Gal):	10	30	22	4.9850	5.621	5.4000
29						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
30						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
31	Commercial 2-inch	166.69	177.28	164.00		Tier One Breakover (M Gal):	10	90	75	4.9850	5.621	5.4000
32						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
33						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
34	Commercial 3-inch	220.51	354.56	328.00		Tier One Breakover (M Gal):	10	210	150	4.9850	5.621	5.4000
35						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
36						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
37	Commercial 4-inch	286.45	554.00	512.50		Tier One Breakover (M Gal):	10	340	225	4.9850	5.621	5.4000
38						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
39						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
40	Commercial 6-inch	341.11	1,108.00	1,025.00		Tier One Breakover (M Gal):	10	725	475	4.9850	5.621	5.4000
41						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
42						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
43	Commercial 8-inch	625.36	1,772.80	1,640.00		Tier One Breakover (M Gal):	10	1100	750	4.9850	5.621	5.4000
44						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
45						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
46	Commercial 10-inch	837.19	3,545.60	2,357.50		Tier One Breakover (M Gal):	10	2300	1,100	4.9850	5.621	5.4000
47						Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.026	7.3270
48						Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Oracle										
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge				Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 19.31	$ 22.16	$ 20.50	Tier One Breakover (M Gal):	10	999999	10	$ 4.9850	$ 5.6210	$ 5.4000
2					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	5.6210	7.3270
3					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
4	Industrial 1-inch	40.62	55.40	51.25	Tier One Breakover (M Gal):	10	999999	22	4.9850	5.6210	5.4000
5					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	5.6210	7.3270
6					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
7	Industrial 2-inch	166.69	177.28	164.00	Tier One Breakover (M Gal):	10	999999	75	4.9850	5.6210	5.4000
8					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	5.6210	7.3270
9					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
10	Industrial 3-inch	220.51	354.56	328.00	Tier One Breakover (M Gal):	10	999999	150	4.9850	5.6210	5.4000
11					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	5.6210	7.3270
12					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
13	Industrial 4-inch	286.45	554.00	512.50	Tier One Breakover (M Gal):	10	999999	225	4.9850	5.6210	5.4000
14					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	5.6210	7.3270
15					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
16	Industrial 6-inch	341.11	1,108.00	1,025.00	Tier One Breakover (M Gal):	10	999999	475	4.9850	5.6210	5.4000
17					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	5.6210	7.3270
18					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
19	Industrial 8-inch	625.36	1,772.80	1,640.00	Tier One Breakover (M Gal):	10	999999	750	4.9850	5.6210	5.4000
20					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	5.6210	7.3270
21					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
22	Industrial 10-inch	837.19	3,545.60	2,357.50	Tier One Breakover (M Gal):	10	999999	1,100	4.9850	5.6210	5.4000
23					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	5.6210	7.3270
24					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	5.00	25.00	20.50					n/a	n/a	n/a
31	8-inch service	6.25	25.00	32.80					n/a	n/a	n/a
32	10-inch service	8.37	25.00	47.15					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	166.69	177.28	-	Tier One Breakover (M Gal):	10	90	999.999	4.9850	5.6210	7.3270
37					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.0260	7.3270
38					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
39	Construction Water (3-Inch)	220.51	354.56	-	Tier One Breakover (M Gal):	10	210	999.999	4.9850	5.6210	7.3270
40					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.0260	7.3270
41					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
42	Construction Water (4-Inch)	286.45	554.00	-	Tier One Breakover (M Gal):	10	340	999.999	4.9850	5.6210	7.3270
43					Tier Two Breakover (M Gal):	25	999999	999999	6.2310	7.0260	7.3270
44					Tier Three Breakover (M Gal):	999999	999999	999999	7.4770	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	177.28	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.6210	7.3270
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.6210	7.3270
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	354.56	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.6210	7.3270
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.6210	7.3270
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,108.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	5.6210	7.3270
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	5.6210	7.3270
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Schedule JMM-2

Oracle
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	5,605	$ 47.25	$ 50.29	$ 3.04	6.44%
Median Usage	4,339	$ 40.94	$ 43.18	$ 2.24	5.47%
Staff Recommended					
Average Usage	5,605	$ 47.25	$ 43.57	$ (3.68)	-7.80%
Median Usage	4,339	$ 40.94	$ 36.73	$ (4.21)	-10.28%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 19.31	$ 22.16	14.76%	$ 20.50	6.16%
1,000	24.30	26.66	9.72%	23.50	-3.27%
2,000	29.28	31.15	6.40%	26.50	-9.49%
3,000	34.27	35.65	4.04%	29.50	-13.91%
4,000	39.25	41.27	5.15%	34.90	-11.08%
5,000	44.24	46.89	6.01%	40.30	-8.90%
6,000	49.22	52.51	6.69%	45.70	-7.15%
7,000	54.21	58.14	7.25%	51.10	-5.73%
8,000	59.19	63.76	7.71%	56.50	-4.54%
9,000	64.18	69.38	8.11%	61.90	-3.54%
10,000	69.16	75.00	8.44%	67.30	-2.69%
11,000	75.39	82.02	8.80%	74.63	-1.01%
12,000	81.62	89.05	9.10%	81.95	0.41%
13,000	87.85	96.08	9.36%	89.28	1.63%
14,000	94.08	103.10	9.59%	96.61	2.68%
15,000	100.32	110.13	9.78%	103.94	3.61%
16,000	106.55	117.15	9.96%	111.26	4.43%
17,000	112.78	124.18	10.11%	118.59	5.15%
18,000	119.01	131.21	10.25%	125.92	5.80%
19,000	125.24	138.23	10.37%	133.24	6.39%
20,000	131.47	145.26	10.49%	140.57	6.92%
25,000	162.63	180.39	10.92%	177.21	8.97%
30,000	200.01	215.52	7.75%	213.84	6.91%
35,000	237.40	250.65	5.58%	250.48	5.51%
40,000	274.78	285.78	4.00%	287.11	4.49%
45,000	312.17	320.91	2.80%	323.75	3.71%
50,000	349.55	356.04	1.86%	360.38	3.10%
75,000	536.48	531.69	-0.89%	543.56	1.32%
100,000	723.40	707.34	-2.22%	726.73	0.46%

ARIZONA WATER COMPANY
EASTERN GROUP:
WINKLEMAN

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Winkleman										
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge				Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 12.95	$ 16.19	$ 14.50		Tier One Breakover (M Gal):	10	3	3	$ 1.1360	$ 1.6890	$ 1.1500
2						Tier Two Breakover (M Gal):	25	10	10	1.4200	2.111	2.0000
3						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	2.639	2.6050
4	Residential 1-inch	38.15	40.48	36.25		Tier One Breakover (M Gal):	10	10	40	1.1360	2.111	2.0000
5						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
6						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
7	Residential 2-inch	81.75	129.52	116.00		Tier One Breakover (M Gal):	10	125	170	1.1360	2.111	2.0000
8						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
9						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
10	Residential 3-inch	241.28	259.04	232.00		Tier One Breakover (M Gal):	10	325	350	1.1360	2.111	2.0000
11						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
12						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
13	Residential 4-inch	451.22	404.75	362.50		Tier One Breakover (M Gal):	10	500	550	1.1360	2.111	2.0000
14						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
15						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
16	Residential 6-inch	616.16	809.50	725.00		Tier One Breakover (M Gal):	10	925	1,100	1.1360	2.111	2.0000
17						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
18						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
19	Residential 8-inch	764.18	1,295.20	1,160.00		Tier One Breakover (M Gal):	10	1500	1,800	1.1360	2.111	2.0000
20						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
21						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
22	Residential 10-inch	935.02	2,590.40	1,667.50		Tier One Breakover (M Gal):	10	3000	2,500	1.1360	2.111	2.0000
23						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
24						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	12.95	16.19	14.50		Tier One Breakover (M Gal):	10	10	10	1.1360	2.111	2.0000
26						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
27						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
28	Commercial 1-inch	38.15	40.48	36.25		Tier One Breakover (M Gal):	10	40	40	1.1360	2.111	2.0000
29						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
30						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
31	Commercial 2-inch	81.75	129.52	116.00		Tier One Breakover (M Gal):	10	125	170	1.1360	2.111	2.0000
32						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
33						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
34	Commercial 3-inch	241.28	259.04	232.00		Tier One Breakover (M Gal):	10	325	350	1.1360	2.111	2.0000
35						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
36						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
37	Commercial 4-inch	451.22	404.75	362.50		Tier One Breakover (M Gal):	10	500	550	1.1360	2.111	2.0000
38						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
39						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
40	Commercial 6-inch	616.16	809.50	725.00		Tier One Breakover (M Gal):	10	925	1,100	1.1360	2.111	2.0000
41						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
42						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
43	Commercial 8-inch	764.18	1,295.20	1,160.00		Tier One Breakover (M Gal):	10	1500	1,800	1.1360	2.111	2.0000
44						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
45						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
46	Commercial 10-inch	935.02	2,590.40	1,667.50		Tier One Breakover (M Gal):	10	3000	2,500	1.1360	2.111	2.0000
47						Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.639	2.6050
48						Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Winkelman

Line No.	Customer Class	[A] Basic Service Charge: Company Present Rate	[B] Basic Service Charge: Company Proposed Rate	[C] Basic Service Charge: Staff Recommended Rate	[D] Break-Over Points	[E] Break-Over Points: Company Present	[F] Break-Over Points: Company Proposed	[F] Break-Over Points: Staff Recommended	[G] Commodity Charge: Company Present Rate	[H] Commodity Charge: Company Proposed Rate	[I] Commodity Charge: Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 12.95	$ 16.19	$ 14.50	Tier One Breakover (M Gal):	10	999999	10	$ 1.1360	$ 2.4400	$ 2.0000
2					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.4400	2.6050
3					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
4	Industrial 1-inch	38.15	40.48	36.25	Tier One Breakover (M Gal):	10	999999	40	1.1360	2.4400	2.0000
5					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.4400	2.6050
6					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
7	Industrial 2-inch	81.75	129.52	116.00	Tier One Breakover (M Gal):	10	999999	170	1.1360	2.4400	2.0000
8					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.4400	2.6050
9					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
10	Industrial 3-inch	241.28	259.04	232.00	Tier One Breakover (M Gal):	10	999999	350	1.1360	2.4400	2.0000
11					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.4400	2.6050
12					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
13	Industrial 4-inch	451.22	404.75	362.50	Tier One Breakover (M Gal):	10	999999	550	1.1360	2.4400	2.0000
14					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.4400	2.6050
15					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
16	Industrial 6-inch	616.16	809.50	725.00	Tier One Breakover (M Gal):	10	999999	1,100	1.1360	2.4400	2.0000
17					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.4400	2.6050
18					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
19	Industrial 8-inch	764.18	1,295.20	1,160.00	Tier One Breakover (M Gal):	10	999999	1,600	1.1360	2.4400	2.0000
20					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.4400	2.6050
21					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
22	Industrial 10-inch	935.02	2,590.40	1,667.50	Tier One Breakover (M Gal):	10	999999	2,500	1.1360	2.4400	2.0000
23					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.4400	2.6050
24					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	6.16	25.00	14.50					n/a	n/a	n/a
31	8-inch service	7.64	25.00	23.20					n/a	n/a	n/a
32	10-inch service	9.35	25.00	33.35					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-inch)	81.75	129.52	-	Tier One Breakover (M Gal):	10	125	999.999	1.1360	2.1110	2.6050
37					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.6390	2.6050
38					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
39	Construction Water (3-inch)	241.28	259.04	-	Tier One Breakover (M Gal):	10	325	999.999	1.1360	2.1110	2.6050
40					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.6390	2.6050
41					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
42	Construction Water (4-inch)	451.22	404.75	-	Tier One Breakover (M Gal):	10	500	999.999	1.1360	2.1110	2.6050
43					Tier Two Breakover (M Gal):	25	999999	999999	1.4200	2.6390	2.6050
44					Tier Three Breakover (M Gal):	999999	999999	999999	1.7040	n/a	n/a
45	Sales for Resale (2-inch)	n/a	129.52	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.4400	2.6050
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.4400	2.6050
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-inch)	n/a	259.04	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.4400	2.6050
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.4400	2.6050
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-inch)	n/a	809.50	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.4400	2.6050
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.4400	2.6050
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Schedule JMM-2

Winkleman
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,549	$ 23.80	$ 35.08	$ 11.28	47.42%
Median Usage	7,329	$ 21.28	$ 30.40	$ 9.12	42.86%
Staff Recommended					
Average Usage	9,549	$ 23.80	$ 31.05	$ 7.25	30.47%
Median Usage	7,329	$ 21.28	$ 26.61	$ 5.33	25.06%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 12.95	$ 16.19	25.02%	$ 14.50	11.97%
1,000	14.09	17.88	26.93%	15.65	11.10%
2,000	15.22	19.57	28.55%	16.80	10.37%
3,000	16.36	21.26	29.95%	17.95	9.73%
4,000	17.49	23.37	33.58%	19.95	14.04%
5,000	18.63	25.48	36.76%	21.95	17.82%
6,000	19.77	27.59	39.58%	23.95	21.17%
7,000	20.90	29.70	42.10%	25.95	24.15%
8,000	22.04	31.81	44.35%	27.95	26.83%
9,000	23.17	33.92	46.38%	29.95	29.24%
10,000	24.31	36.03	48.23%	31.95	31.43%
11,000	25.73	38.67	50.30%	34.56	34.30%
12,000	27.15	41.31	52.16%	37.16	36.87%
13,000	28.57	43.95	53.84%	39.77	39.18%
14,000	29.99	46.59	55.35%	42.37	41.28%
15,000	31.41	49.23	56.73%	44.98	43.19%
16,000	32.83	51.87	57.99%	47.58	44.93%
17,000	34.25	54.51	59.14%	50.19	46.53%
18,000	35.67	57.15	60.21%	52.79	48.00%
19,000	37.09	59.79	61.19%	55.40	49.35%
20,000	38.51	62.42	62.10%	58.00	50.61%
25,000	45.61	75.62	65.79%	71.03	55.72%
30,000	54.13	88.81	64.08%	84.05	55.27%
35,000	62.65	102.01	62.82%	97.08	54.95%
40,000	71.17	115.20	61.87%	110.10	54.70%
45,000	79.69	128.40	61.12%	123.13	54.50%
50,000	88.21	141.59	60.52%	136.15	54.35%
75,000	130.81	207.57	58.68%	201.28	53.87%
100,000	173.41	273.54	57.74%	266.40	53.62%

ARIZONA WATER COMPANY
NORTHERN GROUP:
LAKESIDE

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Lakeside - Consolidated											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 17.81	$ 13.37	$ 13.45		Tier One Breakover (M Gal):	999999	3	3	$ 4.3000	$ 5.0020	$ 3.0000
2						Tier Two Breakover (M Gal):	999999	10	10	4.3000	6.002	5.2640
3						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
4	Residential 1-inch	44.53	26.74	33.63		Tier One Breakover (M Gal):	999999	10	20	4.3000	6.002	5.2640
5						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
6						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
7	Residential 2-inch	131.79	93.59	107.60		Tier One Breakover (M Gal):	999999	50	65	4.3000	6.002	5.2640
8						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
9						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
10	Residential 3-inch	219.60	213.92	215.20		Tier One Breakover (M Gal):	999999	125	130	4.3000	6.002	5.2640
11						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
12						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
13	Residential 4-inch	380.24	334.25	336.25		Tier One Breakover (M Gal):	999999	200	200	4.3000	6.002	5.2640
14						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
15						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
16	Residential 6-inch	789.17	668.50	672.50		Tier One Breakover (M Gal):	999999	350	400	4.3000	6.002	5.2640
17						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
18						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
19	Residential 8-inch	1,056.32	1,069.60	1,076.00		Tier One Breakover (M Gal):	999999	650	650	4.3000	6.002	5.2640
20						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
21						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
22	Residential 10-inch	1,485.54	2,139.20	1,546.75		Tier One Breakover (M Gal):	999999	1400	900	4.3000	6.002	5.2640
23						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
24						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	17.81	13.37	13.45		Tier One Breakover (M Gal):	999999	10	10	4.3000	6.002	5.2640
26						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
27						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
28	Commercial 1-inch	44.53	26.74	33.63		Tier One Breakover (M Gal):	999999	15	20	4.3000	6.002	5.2640
29						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
30						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
31	Commercial 2-inch	131.79	93.59	107.60		Tier One Breakover (M Gal):	999999	65	65	4.3000	6.002	5.2640
32						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
33						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
34	Commercial 3-inch	219.60	213.92	215.20		Tier One Breakover (M Gal):	999999	125	130	4.3000	6.002	5.2640
35						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
36						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
37	Commercial 4-inch	380.24	334.25	336.25		Tier One Breakover (M Gal):	999999	200	200	4.3000	6.002	5.2640
38						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
39						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
40	Commercial 6-inch	789.17	668.50	672.50		Tier One Breakover (M Gal):	999999	400	400	4.3000	6.002	5.2640
41						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
42						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
43	Commercial 8-inch	1,056.32	1,069.60	1,076.00		Tier One Breakover (M Gal):	999999	675	650	4.3000	6.002	5.2640
44						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
45						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
46	Commercial 10-inch	1,485.54	2,139.20	1,546.75		Tier One Breakover (M Gal):	999999	1400	900	4.3000	6.002	5.2640
47						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.202	6.8540
48						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Lakeside - Consolidated											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 17.81	$ 20.00	$ 13.45		Tier One Breakover (M Gal):	999999	999999	10	$ 4.3000	$ 4.3050	$ 5.2640
2						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	6.8540
3						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
4	Industrial 1-inch	44.53	40.00	33.63		Tier One Breakover (M Gal):	999999	999999	20	4.3000	4.3050	5.2640
5						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	6.8540
6						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
7	Industrial 2-inch	131.79	140.00	107.60		Tier One Breakover (M Gal):	999999	999999	65	4.3000	4.3050	5.2640
8						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	6.8540
9						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
10	Industrial 3-inch	219.60	320.00	215.20		Tier One Breakover (M Gal):	999999	999999	130	4.3000	4.3050	5.2640
11						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	6.8540
12						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
13	Industrial 4-inch	380.24	500.00	336.25		Tier One Breakover (M Gal):	999999	999999	200	4.3000	4.3050	5.2640
14						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	6.8540
15						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
16	Industrial 6-inch	789.17	1,000.00	672.50		Tier One Breakover (M Gal):	999999	999999	400	4.3000	4.3050	5.2640
17						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	6.8540
18						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
19	Industrial 8-inch	1,056.32	1,600.00	1,076.00		Tier One Breakover (M Gal):	999999	999999	650	4.3000	4.3050	5.2640
20						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	6.8540
21						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
22	Industrial 10-inch	1,485.54	3,200.00	1,546.75		Tier One Breakover (M Gal):	999999	999999	900	4.3000	4.3050	5.2640
23						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	6.8540
24						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	7.89	25.00	13.45						n/a	n/a	n/a
31	8-inch service	10.56	25.00	21.52						n/a	n/a	n/a
32	10-inch service	14.86	25.00	30.94						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	131.79	93.59	-		Tier One Breakover (M Gal):	999999	65	999999	4.3000	6.0020	6.8540
37						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.2020	6.8540
38						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
39	Construction Water (3-Inch)	219.60	213.92	-		Tier One Breakover (M Gal):	999999	125	999999	4.3000	6.0020	6.8540
40						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.2020	6.8540
41						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
42	Construction Water (4-Inch)	380.24	334.25	-		Tier One Breakover (M Gal):	999999	200	999999	4.3000	6.0020	6.8540
43						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.2020	6.8540
44						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	140.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	6.8540
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	6.8540
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	320.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	6.8540
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	6.8540
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,000.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	6.8540
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	6.8540
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Lakeside - Consolidated
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	4,312	$ 36.35	$ 36.25	$ (0.10)	-0.28%
Median Usage	2,314	$ 27.76	$ 24.94	$ (2.82)	-10.14%
Staff Recommended					
Average Usage	4,312	$ 36.35	$ 29.36	$ (7.00)	-19.24%
Median Usage	2,314	$ 27.76	$ 20.39	$ (7.37)	-26.54%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 17.81	$ 13.37	-24.93%	$ 13.45	-24.48%
1,000	22.11	18.37	-16.91%	16.45	-25.60%
2,000	26.41	23.37	-11.50%	19.45	-26.35%
3,000	30.71	28.38	-7.60%	22.45	-26.90%
4,000	35.01	34.38	-1.81%	27.71	-20.84%
5,000	39.31	40.38	2.72%	32.98	-16.11%
6,000	43.61	46.38	6.36%	38.24	-12.31%
7,000	47.91	52.38	9.34%	43.51	-9.19%
8,000	52.21	58.39	11.83%	48.77	-6.59%
9,000	56.51	64.39	13.94%	54.03	-4.38%
10,000	60.81	70.39	15.75%	59.30	-2.49%
11,000	65.11	77.59	19.17%	66.15	1.60%
12,000	69.41	84.79	22.16%	73.01	5.18%
13,000	73.71	92.00	24.81%	79.86	8.34%
14,000	78.01	99.20	27.16%	86.71	11.16%
15,000	82.31	106.40	29.27%	93.57	13.68%
16,000	86.61	113.60	31.16%	100.42	15.95%
17,000	90.91	120.80	32.88%	107.28	18.00%
18,000	95.21	128.01	34.45%	114.13	19.87%
19,000	99.51	135.21	35.87%	120.98	21.58%
20,000	103.81	142.41	37.18%	127.84	23.15%
25,000	125.31	178.42	42.38%	162.11	29.37%
30,000	146.81	214.43	46.06%	196.38	33.76%
35,000	168.31	250.44	48.80%	230.65	37.04%
40,000	189.81	286.45	50.91%	264.92	39.57%
45,000	211.31	322.46	52.60%	299.19	41.59%
50,000	232.81	358.47	53.98%	333.46	43.23%
75,000	340.31	538.52	58.24%	504.81	48.34%
100,000	447.81	718.57	60.46%	676.16	50.99%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Lakeside											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]	
		Basic Service Charge				Break-Over Points				Commodity Charge			
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended		Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 17.81	$ 13.37	$ 15.50		Tier One Breakover (M Gal):	999999	3	3		$ 4.3000	$ 5.0020	$ 3.2700
2						Tier Two Breakover (M Gal):	999999	10	10		4.3000	6.002	4.8950
3						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
4	Residential 1-inch	44.53	26.74	38.75		Tier One Breakover (M Gal):	999999	10	20		4.3000	6.002	4.8950
5						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
6						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
7	Residential 2-inch	131.79	93.59	124.00		Tier One Breakover (M Gal):	999999	50	65		4.3000	6.002	4.8950
8						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
9						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
10	Residential 3-inch	219.60	213.92	248.00		Tier One Breakover (M Gal):	999999	125	175		4.3000	6.002	4.8950
11						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
12						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
13	Residential 4-inch	380.24	334.25	387.50		Tier One Breakover (M Gal):	999999	200	300		4.3000	6.002	4.8950
14						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
15						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
16	Residential 6-inch	789.17	668.50	775.00		Tier One Breakover (M Gal):	999999	350	580		4.3000	6.002	4.8950
17						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
18						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
19	Residential 8-inch	1,056.32	1,069.60	1,240.00		Tier One Breakover (M Gal):	999999	650	950		4.3000	6.002	4.8950
20						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
21						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
22	Residential 10-inch	1,485.54	2,139.20	1,782.50		Tier One Breakover (M Gal):	999999	1400	1,300		4.3000	6.002	4.8950
23						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
24						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	17.81	13.37	15.50		Tier One Breakover (M Gal):	999999	10	10		4.3000	6.002	4.8950
26						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
27						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
28	Commercial 1-inch	44.53	26.74	38.75		Tier One Breakover (M Gal):	999999	15	20		4.3000	6.002	4.8950
29						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
30						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
31	Commercial 2-inch	131.79	93.59	124.00		Tier One Breakover (M Gal):	999999	65	65		4.3000	6.002	4.8950
32						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
33						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
34	Commercial 3-inch	219.60	213.92	248.00		Tier One Breakover (M Gal):	999999	125	175		4.3000	6.002	4.8950
35						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
36						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
37	Commercial 4-inch	380.24	334.25	387.50		Tier One Breakover (M Gal):	999999	200	300		4.3000	6.002	4.8950
38						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
39						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
40	Commercial 6-inch	789.17	668.50	775.00		Tier One Breakover (M Gal):	999999	400	580		4.3000	6.002	4.8950
41						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
42						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
43	Commercial 8-inch	1,056.32	1,069.60	1,240.00		Tier One Breakover (M Gal):	999999	675	950		4.3000	6.002	4.8950
44						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
45						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a
46	Commercial 10-inch	1,485.54	2,139.20	1,782.50		Tier One Breakover (M Gal):	999999	1400	1,300		4.3000	6.002	4.8950
47						Tier Two Breakover (M Gal):	999999	999999	999999		4.3000	7.202	5.8910
48						Tier Three Breakover (M Gal):	999999	999999	999999		4.3000	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Lakeside											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 17.81	$ 20.00	$ 15.50		Tier One Breakover (M Gal):	999999	999999	10	$ 4.3000	$ 4.3050	$ 4.8950
2						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	5.8910
3						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
4	Industrial 1-inch	44.53	40.00	38.75		Tier One Breakover (M Gal):	999999	999999	20	4.3000	4.3050	4.8950
5						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	5.8910
6						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
7	Industrial 2-inch	131.79	140.00	124.00		Tier One Breakover (M Gal):	999999	999999	65	4.3000	4.3050	4.8950
8						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	5.8910
9						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
10	Industrial 3-inch	219.60	320.00	248.00		Tier One Breakover (M Gal):	999999	999999	175	4.3000	4.3050	4.8950
11						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	5.8910
12						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
13	Industrial 4-inch	380.24	500.00	387.50		Tier One Breakover (M Gal):	999999	999999	300	4.3000	4.3050	4.8950
14						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	5.8910
15						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
16	Industrial 6-inch	789.17	1,000.00	775.00		Tier One Breakover (M Gal):	999999	999999	580	4.3000	4.3050	4.8950
17						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	5.8910
18						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
19	Industrial 8-inch	1,056.32	1,600.00	1,240.00		Tier One Breakover (M Gal):	999999	999999	950	4.3000	4.3050	4.8950
20						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	5.8910
21						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
22	Industrial 10-inch	1,485.54	3,200.00	1,782.50		Tier One Breakover (M Gal):	999999	999999	1,300	4.3000	4.3050	4.8950
23						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	4.3050	5.8910
24						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	7.89	25.00	15.50						n/a	n/a	n/a
31	8-inch service	10.56	25.00	24.80						n/a	n/a	n/a
32	10-inch service	14.86	25.00	35.65						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				-	n/a	46.5213
36	Construction Water (2-Inch)	131.79	93.59	-		Tier One Breakover (M Gal):	999999	65	999.999	4.3000	6.0020	4.8950
37						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.2020	5.8910
38						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
39	Construction Water (3-Inch)	219.60	213.92	-		Tier One Breakover (M Gal):	999999	125	999.999	4.3000	6.0020	4.8950
40						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.2020	5.8910
41						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
42	Construction Water (4-Inch)	380.24	334.25	-		Tier One Breakover (M Gal):	999999	200	999.999	4.3000	6.0020	4.8950
43						Tier Two Breakover (M Gal):	999999	999999	999999	4.3000	7.2020	5.8910
44						Tier Three Breakover (M Gal):	999999	999999	999999	4.3000	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	140.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	4.8950
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	4.8950
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	320.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	4.8950
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	4.8950
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,000.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	4.8950
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	4.8950
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Lakeside
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	4,312	$ 36.35	$ 36.25	$ (0.10)	-0.28%
Median Usage	2,314	$ 27.76	$ 24.94	$ (2.82)	-10.14%
Staff Recommended					
Average Usage	4,312	$ 36.35	$ 31.73	$ (4.62)	-12.71%
Median Usage	2,314	$ 27.76	$ 23.07	$ (4.69)	-16.91%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 17.81	$ 13.37	-24.93%	$ 15.50	-12.97%
1,000	22.11	18.37	-16.91%	18.77	-15.11%
2,000	26.41	23.37	-11.50%	22.04	-16.55%
3,000	30.71	28.38	-7.60%	25.31	-17.58%
4,000	35.01	34.38	-1.81%	30.21	-13.72%
5,000	39.31	40.38	2.72%	35.10	-10.71%
6,000	43.61	46.38	6.36%	40.00	-8.29%
7,000	47.91	52.38	9.34%	44.89	-6.30%
8,000	52.21	58.39	11.83%	49.79	-4.64%
9,000	56.51	64.39	13.94%	54.68	-3.24%
10,000	60.81	70.39	15.75%	59.58	-2.03%
11,000	65.11	77.59	19.17%	65.47	0.55%
12,000	69.41	84.79	22.16%	71.36	2.81%
13,000	73.71	92.00	24.81%	77.25	4.80%
14,000	78.01	99.20	27.16%	83.14	6.57%
15,000	82.31	106.40	29.27%	89.03	8.16%
16,000	86.61	113.60	31.16%	94.92	9.60%
17,000	90.91	120.80	32.88%	100.81	10.89%
18,000	95.21	128.01	34.45%	106.70	12.07%
19,000	99.51	135.21	35.87%	112.59	13.15%
20,000	103.81	142.41	37.18%	118.49	14.14%
25,000	125.31	178.42	42.38%	147.94	18.06%
30,000	146.81	214.43	46.06%	177.40	20.83%
35,000	168.31	250.44	48.80%	206.85	22.90%
40,000	189.81	286.45	50.91%	236.31	24.50%
45,000	211.31	322.46	52.60%	265.76	25.77%
50,000	232.81	358.47	53.98%	295.22	26.81%
75,000	340.31	538.52	58.24%	442.49	30.03%
100,000	447.81	718.57	60.46%	589.77	31.70%

ARIZONA WATER COMPANY
NORTHERN GROUP:
OVERGAARD

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Overgaard - Consolidation

Line No.	Customer Class	[A] Basic Service Charge: Company Present Rate	[B] Basic Service Charge: Company Proposed Rate	[C] Basic Service Charge: Staff Recommended Rate	Break-Over Points	[D] Company Present	[E] Company Proposed	[F] Staff Recommended	[G] Commodity Charge: Company Present Rate	[H] Commodity Charge: Company Proposed Rate	[I] Commodity Charge: Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 18.40	$ 13.37	$ 13.45	Tier One Breakover (M Gal):	999999	3	3	$ 4.4500	$ 5.0020	$ 3.0000
2					Tier Two Breakover (M Gal):	999999	10	10	4.4500	6.002	5.2640
3					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
4	Residential 1-inch	46.00	26.74	33.63	Tier One Breakover (M Gal):	999999	10	20	4.4500	6.002	5.2640
5					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
6					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
7	Residential 2-inch	136.16	93.59	107.60	Tier One Breakover (M Gal):	999999	50	65	4.4500	6.002	5.2640
8					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
9					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
10	Residential 3-inch	226.88	213.92	215.20	Tier One Breakover (M Gal):	999999	125	130	4.4500	6.002	5.2640
11					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
12					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
13	Residential 4-inch	392.84	334.25	336.25	Tier One Breakover (M Gal):	999999	200	200	4.4500	6.002	5.2640
14					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
15					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
16	Residential 6-inch	815.30	668.50	672.50	Tier One Breakover (M Gal):	999999	350	400	4.4500	6.002	5.2640
17					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
18					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
19	Residential 8-inch	1,091.31	1,069.60	1,076.00	Tier One Breakover (M Gal):	999999	650	650	4.4500	6.002	5.2640
20					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
21					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
22	Residential 10-inch	1,534.75	2,139.20	1,546.75	Tier One Breakover (M Gal):	999999	1400	900	4.4500	6.002	5.2640
23					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
24					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	18.40	13.37	13.45	Tier One Breakover (M Gal):	999999	10	10	4.4500	6.002	5.2640
26					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
27					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
28	Commercial 1-inch	46.00	26.74	33.63	Tier One Breakover (M Gal):	999999	15	20	4.4500	6.002	5.2640
29					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
30					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
31	Commercial 2-inch	136.16	93.59	107.60	Tier One Breakover (M Gal):	999999	65	65	4.4500	6.002	5.2640
32					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
33					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
34	Commercial 3-inch	226.88	213.92	215.20	Tier One Breakover (M Gal):	999999	125	130	4.4500	6.002	5.2640
35					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
36					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
37	Commercial 4-inch	392.84	334.25	336.25	Tier One Breakover (M Gal):	999999	200	200	4.4500	6.002	5.2640
38					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
39					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
40	Commercial 6-inch	815.30	668.50	672.50	Tier One Breakover (M Gal):	999999	400	400	4.4500	6.002	5.2640
41					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
42					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
43	Commercial 8-inch	1,091.31	1,069.60	1,076.00	Tier One Breakover (M Gal):	999999	675	650	4.4500	6.002	5.2640
44					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
45					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
46	Commercial 10-inch	1,534.75	2,139.20	1,546.75	Tier One Breakover (M Gal):	999999	1400	900	4.4500	6.002	5.2640
47					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	6.8540
48					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a

Overgaard - Consolidation

Line No.	Customer Class	[A] Basic Service Charge: Company Present Rate	[B] Basic Service Charge: Company Proposed Rate	[C] Basic Service Charge: Staff Recommended Rate	[D] Break-Over Points	[E] Company Present	[F] Company Proposed	[F] Staff Recommended	[G] Commodity Charge: Company Present Rate	[H] Commodity Charge: Company Proposed Rate	[I] Commodity Charge: Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 18.40	$ 20.00	$ 13.45	Tier One Breakover (M Gal):	999999	999999	10	$ 4.4500	$ 4.3050	$ 5.2640
2					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	6.8540
3					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
4	Industrial 1-inch	46.00	40.00	33.63	Tier One Breakover (M Gal):	999999	999999	20	4.4500	4.3050	5.2640
5					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	6.8540
6					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
7	Industrial 2-inch	136.16	140.00	107.60	Tier One Breakover (M Gal):	999999	999999	65	4.4500	4.3050	5.2640
8					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	6.8540
9					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
10	Industrial 3-inch	226.88	320.00	215.20	Tier One Breakover (M Gal):	999999	999999	130	4.4500	4.3050	5.2640
11					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	6.8540
12					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
13	Industrial 4-inch	392.84	500.00	336.25	Tier One Breakover (M Gal):	999999	999999	200	4.4500	4.3050	5.2640
14					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	6.8540
15					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
16	Industrial 6-inch	815.30	1,000.00	672.50	Tier One Breakover (M Gal):	999999	999999	400	4.4500	4.3050	5.2640
17					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	6.8540
18					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
19	Industrial 8-inch	1,091.31	1,600.00	1,076.00	Tier One Breakover (M Gal):	999999	999999	650	4.4500	4.3050	5.2640
20					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	6.8540
21					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
22	Industrial 10-inch	1,534.75	3,200.00	1,546.75	Tier One Breakover (M Gal):	999999	999999	900	4.4500	4.3050	5.2640
23					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	6.8540
24					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	8.15	25.00	13.45					n/a	n/a	n/a
31	8-inch service	10.91	25.00	21.52					n/a	n/a	n/a
32	10-inch service	15.35	25.00	30.94					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	136.16	93.59	-	Tier One Breakover (M Gal):	999999	65	999.999	4.4500	6.0020	6.8540
37					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.2020	6.8540
38					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
39	Construction Water (3-Inch)	226.88	213.92	-	Tier One Breakover (M Gal):	999999	125	999.999	4.4500	6.0020	6.8540
40					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.2020	6.8540
41					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
42	Construction Water (4-Inch)	392.84	334.25	-	Tier One Breakover (M Gal):	999999	200	999.999	4.4500	6.0020	6.8540
43					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.2020	6.8540
44					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	140.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	6.8540
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	6.8540
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	320.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	6.8540
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	6.8540
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,000.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	6.8540
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	6.8540
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Overgard - Consolidated
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	2,765	$ 30.70	$ 27.20	$ (3.50)	-11.41%
Median Usage	772	$ 21.84	$ 17.23	$ (4.60)	-21.08%
Staff Recommended					
Average Usage	2,765	$ 30.70	$ 21.75	$ (8.96)	-29.18%
Median Usage	772	$ 21.84	$ 15.77	$ (6.07)	-27.80%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 18.40	$ 13.37	-27.34%	$ 13.45	-26.90%
1,000	22.85	18.37	-19.60%	16.45	-28.01%
2,000	27.30	23.37	-14.38%	19.45	-28.75%
3,000	31.75	28.38	-10.63%	22.45	-29.29%
4,000	36.20	34.38	-5.03%	27.71	-23.44%
5,000	40.65	40.38	-0.66%	32.98	-18.87%
6,000	45.10	46.38	2.84%	38.24	-15.21%
7,000	49.55	52.38	5.72%	43.51	-12.20%
8,000	54.00	58.39	8.12%	48.77	-9.69%
9,000	58.45	64.39	10.16%	54.03	-7.56%
10,000	62.90	70.39	11.91%	59.30	-5.73%
11,000	67.35	77.59	15.21%	66.15	-1.78%
12,000	71.80	84.79	18.10%	73.01	1.68%
13,000	76.25	92.00	20.65%	79.86	4.73%
14,000	80.70	99.20	22.92%	86.71	7.45%
15,000	85.15	106.40	24.96%	93.57	9.89%
16,000	89.60	113.60	26.79%	100.42	12.08%
17,000	94.05	120.80	28.45%	107.28	14.06%
18,000	98.50	128.01	29.96%	114.13	15.87%
19,000	102.95	135.21	31.33%	120.98	17.52%
20,000	107.40	142.41	32.60%	127.84	19.03%
25,000	129.65	178.42	37.62%	162.11	25.04%
30,000	151.90	214.43	41.17%	196.38	29.28%
35,000	174.15	250.44	43.81%	230.65	32.44%
40,000	196.40	286.45	45.85%	264.92	34.89%
45,000	218.65	322.46	47.48%	299.19	36.83%
50,000	240.90	358.47	48.80%	333.46	38.42%
75,000	352.15	538.52	52.92%	504.81	43.35%
100,000	463.40	718.57	55.06%	676.16	45.91%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Overgaard									
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge				Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 18.40	$ 13.37	$ 11.25	Tier One Breakover (M Gal):	999999	3	3	$ 4.4500	$ 5.0020	$ 3.9300
2					Tier Two Breakover (M Gal):	999999	10	10	4.4500	6.002	5.8770
3					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
4	Residential 1-inch	46.00	26.74	28.13	Tier One Breakover (M Gal):	999999	10	20	4.4500	6.002	5.8770
5					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
6					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
7	Residential 2-inch	136.16	93.59	90.00	Tier One Breakover (M Gal):	999999	50	65	4.4500	6.002	5.8770
8					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
9					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
10	Residential 3-inch	226.88	213.92	180.00	Tier One Breakover (M Gal):	999999	125	135	4.4500	6.002	5.8770
11					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
12					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
13	Residential 4-inch	392.84	334.25	281.25	Tier One Breakover (M Gal):	999999	200	215	4.4500	6.002	5.8770
14					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
15					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
16	Residential 6-inch	815.30	668.50	562.50	Tier One Breakover (M Gal):	999999	350	430	4.4500	6.002	5.8770
17					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
18					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
19	Residential 8-inch	1,091.31	1,069.60	900.00	Tier One Breakover (M Gal):	999999	650	690	4.4500	6.002	5.8770
20					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
21					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
22	Residential 10-inch	1,534.75	2,139.20	1,293.75	Tier One Breakover (M Gal):	999999	1400	1,000	4.4500	6.002	5.8770
23					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
24					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	18.40	13.37	11.25	Tier One Breakover (M Gal):	999999	10	10	4.4500	6.002	5.8770
26					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
27					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
28	Commercial 1-inch	46.00	26.74	28.13	Tier One Breakover (M Gal):	999999	15	20	4.4500	6.002	5.8770
29					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
30					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
31	Commercial 2-inch	136.16	93.59	90.00	Tier One Breakover (M Gal):	999999	65	65	4.4500	6.002	5.8770
32					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
33					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
34	Commercial 3-inch	226.88	213.92	180.00	Tier One Breakover (M Gal):	999999	125	135	4.4500	6.002	5.8770
35					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
36					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
37	Commercial 4-inch	392.84	334.25	281.25	Tier One Breakover (M Gal):	999999	200	215	4.4500	6.002	5.8770
38					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
39					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
40	Commercial 6-inch	815.30	668.50	562.50	Tier One Breakover (M Gal):	999999	400	430	4.4500	6.002	5.8770
41					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
42					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
43	Commercial 8-inch	1,091.31	1,069.60	900.00	Tier One Breakover (M Gal):	999999	675	690	4.4500	6.002	5.8770
44					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
45					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
46	Commercial 10-inch	1,534.75	2,139.20	1,293.75	Tier One Breakover (M Gal):	999999	1400	1,000	4.4500	6.002	5.8770
47					Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.202	7.0560
48					Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Overgaard										
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge				Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 18.40	$ 20.00	$ 11.25		Tier One Breakover (M Gal):	999999	999999	10	$ 4.4500	$ 4.3050	$ 5.8770
2						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	7.0560
3						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
4	Industrial 1-inch	46.00	40.00	28.13		Tier One Breakover (M Gal):	999999	999999	20	4.4500	4.3050	5.8770
5						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	7.0560
6						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
7	Industrial 2-inch	136.16	140.00	90.00		Tier One Breakover (M Gal):	999999	999999	65	4.4500	4.3050	5.8770
8						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	7.0560
9						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
10	Industrial 3-inch	226.88	320.00	180.00		Tier One Breakover (M Gal):	999999	999999	135	4.4500	4.3050	5.8770
11						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	7.0560
12						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
13	Industrial 4-inch	392.84	500.00	281.25		Tier One Breakover (M Gal):	999999	999999	215	4.4500	4.3050	5.8770
14						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	7.0560
15						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
16	Industrial 6-inch	815.30	1,000.00	562.50		Tier One Breakover (M Gal):	999999	999999	430	4.4500	4.3050	5.8770
17						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	7.0560
18						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
19	Industrial 8-inch	1,091.31	1,600.00	900.00		Tier One Breakover (M Gal):	999999	999999	690	4.4500	4.3050	5.8770
20						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	7.0560
21						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
22	Industrial 10-inch	1,534.75	3,200.00	1,293.75		Tier One Breakover (M Gal):	999999	999999	1,000	4.4500	4.3050	5.8770
23						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	4.3050	7.0560
24						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	8.15	25.00	11.25						n/a	n/a	n/a
31	8-inch service	10.91	25.00	18.00						n/a	n/a	n/a
32	10-inch service	15.35	25.00	25.88						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	136.16	93.59	-		Tier One Breakover (M Gal):	999999	65	999.999	4.4500	6.0020	7.0560
37						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.2020	7.0560
38						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
39	Construction Water (3-Inch)	226.88	213.92	-		Tier One Breakover (M Gal):	999999	125	999.999	4.4500	6.0020	7.0560
40						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.2020	7.0560
41						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
42	Construction Water (4-Inch)	392.84	334.25	-		Tier One Breakover (M Gal):	999999	200	999.999	4.4500	6.0020	7.0560
43						Tier Two Breakover (M Gal):	999999	999999	999999	4.4500	7.2020	7.0560
44						Tier Three Breakover (M Gal):	999999	999999	999999	4.4500	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	140.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	7.0560
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	7.0560
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	320.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	7.0560
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	7.0560
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,000.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.0020	7.0560
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.0020	7.0560
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Overgard
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	2,765	$ 30.70	$ 27.20	$ (3.50)	-11.41%
Median Usage	772	$ 21.84	$ 17.23	$ (4.60)	-21.08%
Staff Recommended					
Average Usage	2,765	$ 30.70	$ 22.12	$ (8.59)	-27.97%
Median Usage	772	$ 21.84	$ 14.28	$ (7.55)	-34.58%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 18.40	$ 13.37	-27.34%	$ 11.25	-38.86%
1,000	22.85	18.37	-19.60%	15.18	-33.57%
2,000	27.30	23.37	-14.38%	19.11	-30.00%
3,000	31.75	28.38	-10.63%	23.04	-27.43%
4,000	36.20	34.38	-5.03%	28.92	-20.12%
5,000	40.65	40.38	-0.66%	34.79	-14.41%
6,000	45.10	46.38	2.84%	40.67	-9.82%
7,000	49.55	52.38	5.72%	46.55	-6.06%
8,000	54.00	58.39	8.12%	52.43	-2.92%
9,000	58.45	64.39	10.16%	58.30	-0.25%
10,000	62.90	70.39	11.91%	64.18	2.03%
11,000	67.35	77.59	15.21%	71.24	5.77%
12,000	71.80	84.79	18.10%	78.29	9.04%
13,000	76.25	92.00	20.65%	85.35	11.93%
14,000	80.70	99.20	22.92%	92.40	14.50%
15,000	85.15	106.40	24.96%	99.46	16.80%
16,000	89.60	113.60	26.79%	106.52	18.88%
17,000	94.05	120.80	28.45%	113.57	20.76%
18,000	98.50	128.01	29.96%	120.63	22.46%
19,000	102.95	135.21	31.33%	127.68	24.02%
20,000	107.40	142.41	32.60%	134.74	25.46%
25,000	129.65	178.42	37.62%	170.02	31.14%
30,000	151.90	214.43	41.17%	205.30	35.15%
35,000	174.15	250.44	43.81%	240.58	38.14%
40,000	196.40	286.45	45.85%	275.86	40.46%
45,000	218.65	322.46	47.48%	311.14	42.30%
50,000	240.90	358.47	48.80%	346.42	43.80%
75,000	352.15	538.52	52.92%	522.82	48.46%
100,000	463.40	718.57	55.06%	699.22	50.89%

ARIZONA WATER COMPANY
NORTHERN GROUP:
SEDONA

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Sedona - Consolidated											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]	
		Basic Service Charge				Break-Over Points				Commodity Charge			
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended		Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 15.70	$ 22.31	$ 17.00		Tier One Breakover (M Gal):	999999	3	3		$ 1.6600	$ 2.2210	$ 1.6600
2						Tier Two Breakover (M Gal):	999999	10	10		1.6600	2.7760	3.0690
3						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
4	Residential 1-inch	33.28	55.78	42.50		Tier One Breakover (M Gal):	999999	10	40		1.6600	2.7760	3.0690
5						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
6						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
7	Residential 2-inch	97.18	178.48	136.00		Tier One Breakover (M Gal):	999999	125	125		1.6600	2.7760	3.0690
8						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
9						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
10	Residential 3-inch	174.58	356.96	272.00		Tier One Breakover (M Gal):	999999	325	290		1.6600	2.7760	3.0690
11						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
12						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
13	Residential 4-inch	309.92	557.75	425.00		Tier One Breakover (M Gal):	999999	500	480		1.6600	2.7760	3.0690
14						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
15						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
16	Residential 6-inch	591.42	1,115.50	850.00		Tier One Breakover (M Gal):	999999	925	1,000		1.6600	2.7760	3.0690
17						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
18						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
19	Residential 8-inch	826.92	1,784.80	1,360.00		Tier One Breakover (M Gal):	999999	1500	1,600		1.6600	2.7760	3.0690
20						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
21						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
22	Residential 10-inch	1,350.51	3,569.60	1,955.00		Tier One Breakover (M Gal):	999999	3000	2,300		1.6600	2.7760	3.0690
23						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
24						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	15.70	22.31	17.00		Tier One Breakover (M Gal):	999999	10	10		1.6600	2.7760	3.0690
26						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
27						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
28	Commercial 1-inch	33.28	55.78	42.50		Tier One Breakover (M Gal):	999999	40	40		1.6600	2.7760	3.0690
29						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
30						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
31	Commercial 2-inch	97.18	178.48	136.00		Tier One Breakover (M Gal):	999999	125	125		1.6600	2.7760	3.0690
32						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
33						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
34	Commercial 3-inch	174.58	356.96	272.00		Tier One Breakover (M Gal):	999999	325	290		1.6600	2.7760	3.0690
35						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
36						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
37	Commercial 4-inch	309.92	557.75	425.00		Tier One Breakover (M Gal):	999999	500	480		1.6600	2.7760	3.0690
38						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
39						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
40	Commercial 6-inch	591.42	1,115.50	850.00		Tier One Breakover (M Gal):	999999	925	1,000		1.6600	2.7760	3.0690
41						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
42						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
43	Commercial 8-inch	826.92	1,784.80	1,360.00		Tier One Breakover (M Gal):	999999	1500	1,600		1.6600	2.7760	3.0690
44						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
45						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a
46	Commercial 10-inch	1,350.51	3,569.60	1,955.00		Tier One Breakover (M Gal):	999999	3000	2,300		1.6600	2.7760	3.0690
47						Tier Two Breakover (M Gal):	999999	999999	999999		1.6600	3.4700	3.8690
48						Tier Three Breakover (M Gal):	999999	999999	999999		1.6600	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Sedona - Consolidated										
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 15.70	$ 22.31	$ 17.00	Tier One Breakover (M Gal):	999999	999999	10	$ 1.6600	$ 1.9340	$ 3.0690
2					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	3.8690
3					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
4	Industrial 1-inch	33.28	55.78	42.50	Tier One Breakover (M Gal):	999999	999999	40	1.6600	1.9340	3.0690
5					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	3.8690
6					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
7	Industrial 2-inch	97.18	178.48	136.00	Tier One Breakover (M Gal):	999999	999999	125	1.6600	1.9340	3.0690
8					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	3.8690
9					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
10	Industrial 3-inch	174.58	356.96	272.00	Tier One Breakover (M Gal):	999999	999999	290	1.6600	1.9340	3.0690
11					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	3.8690
12					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
13	Industrial 4-inch	309.92	557.75	425.00	Tier One Breakover (M Gal):	999999	999999	480	1.6600	1.9340	3.0690
14					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	3.8690
15					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
16	Industrial 6-inch	591.42	1,115.50	850.00	Tier One Breakover (M Gal):	999999	999999	1,000	1.6600	1.9340	3.0690
17					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	3.8690
18					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
19	Industrial 8-inch	826.92	1,784.80	1,360.00	Tier One Breakover (M Gal):	999999	999999	1,600	1.6600	1.9340	3.0690
20					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	3.8690
21					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
22	Industrial 10-inch	1,350.51	3,569.60	1,955.00	Tier One Breakover (M Gal):	999999	999999	2,300	1.6600	1.9340	3.0690
23					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	3.8690
24					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	5.91	25.00	17.00					n/a	n/a	n/a
31	8-inch service	8.27	25.00	27.20					n/a	n/a	n/a
32	10-inch service	13.51	25.00	39.10					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				123.00	82.0324	74.20
36	Construction Water (2-Inch)	97.18	178.48	-	Tier One Breakover (M Gal):	999999	125	999.999	1.6600	2.7760	3.8690
37					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	3.8690
38					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
39	Construction Water (3-Inch)	174.58	356.96	-	Tier One Breakover (M Gal):	999999	325	999.999	1.6600	2.7760	3.8690
40					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	3.8690
41					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
42	Construction Water (4-Inch)	309.92	557.75	-	Tier One Breakover (M Gal):	999999	500	999.999	1.6600	2.7760	3.8690
43					Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	3.8690
44					Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	178.48	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.7760	3.8690
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.7760	3.8690
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	356.96	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.7760	3.8690
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.7760	3.8690
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,115.50	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.7760	3.8690
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.7760	3.8690
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Sedona - Consolidated
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	10,264	$ 32.74	$ 49.32	$ 16.58	50.65%
Median Usage	6,910	$ 27.17	$ 39.83	$ 12.66	46.58%
Staff Recommended					
Average Usage	10,264	$ 32.74	$ 44.49	$ 11.75	35.89%
Median Usage	6,910	$ 27.17	$ 33.98	$ 6.81	25.08%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 15.70	$ 22.31	42.10%	$ 17.00	8.29%
1,000	17.36	24.53	41.31%	18.66	7.50%
2,000	19.02	26.75	40.65%	20.32	6.85%
3,000	20.68	28.97	40.10%	21.98	6.31%
4,000	22.34	31.75	42.12%	25.05	12.14%
5,000	24.00	34.53	43.85%	28.12	17.18%
6,000	25.66	37.30	45.37%	31.19	21.55%
7,000	27.32	40.08	46.69%	34.26	25.40%
8,000	28.98	42.85	47.87%	37.33	28.81%
9,000	30.64	45.63	48.92%	40.40	31.85%
10,000	32.30	48.41	49.86%	43.47	34.57%
11,000	33.96	51.88	52.75%	47.34	39.38%
12,000	35.62	55.35	55.38%	51.20	43.75%
13,000	37.28	58.82	57.77%	55.07	47.72%
14,000	38.94	62.29	59.95%	58.94	51.36%
15,000	40.60	65.76	61.96%	62.81	54.70%
16,000	42.26	69.23	63.81%	66.68	57.77%
17,000	43.92	72.70	65.52%	70.54	60.62%
18,000	45.58	76.17	67.10%	74.41	63.25%
19,000	47.24	79.64	68.58%	78.28	65.70%
20,000	48.90	83.11	69.95%	82.15	67.99%
25,000	57.20	100.46	75.62%	101.49	77.42%
30,000	65.50	117.81	79.85%	120.83	84.47%
35,000	73.80	135.16	83.14%	140.17	89.93%
40,000	82.10	152.51	85.76%	159.51	94.28%
45,000	90.40	169.86	87.89%	178.85	97.84%
50,000	98.70	187.21	89.67%	198.19	100.80%
75,000	140.20	273.96	95.40%	294.89	110.33%
100,000	181.70	360.71	98.52%	391.59	115.51%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Sedona										
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 15.70	$ 22.31	$ 18.25		Tier One Breakover (M Gal):	999999	3	3	$ 1.6600	$ 2.2210	$ 1.6550
2						Tier Two Breakover (M Gal):	999999	10	10	1.6600	2.7760	2.5310
3						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
4	Residential 1-inch	33.28	55.78	45.63		Tier One Breakover (M Gal):	999999	10	65	1.6600	2.7760	2.5310
5						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
6						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
7	Residential 2-inch	97.18	178.48	146.00		Tier One Breakover (M Gal):	999999	125	275	1.6600	2.7760	2.5310
8						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
9						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
10	Residential 3-inch	174.58	356.96	292.00		Tier One Breakover (M Gal):	999999	325	575	1.6600	2.7760	2.5310
11						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
12						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
13	Residential 4-inch	309.92	557.75	456.25		Tier One Breakover (M Gal):	999999	500	900	1.6600	2.7760	2.5310
14						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
15						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
16	Residential 6-inch	591.42	1,115.50	912.50		Tier One Breakover (M Gal):	999999	925	1,900	1.6600	2.7760	2.5310
17						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
18						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
19	Residential 8-inch	826.92	1,784.80	1,460.00		Tier One Breakover (M Gal):	999999	1500	3,000	1.6600	2.7760	2.5310
20						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
21						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
22	Residential 10-inch	1,350.51	3,569.60	2,098.75		Tier One Breakover (M Gal):	999999	3000	4,000	1.6600	2.7760	2.5310
23						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
24						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	15.70	22.31	18.25		Tier One Breakover (M Gal):	999999	10	10	1.6600	2.7760	2.5310
26						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
27						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
28	Commercial 1-inch	33.28	55.78	45.63		Tier One Breakover (M Gal):	999999	40	65	1.6600	2.7760	2.5310
29						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
30						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
31	Commercial 2-inch	97.18	178.48	146.00		Tier One Breakover (M Gal):	999999	125	275	1.6600	2.7760	2.5310
32						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
33						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
34	Commercial 3-inch	174.58	356.96	292.00		Tier One Breakover (M Gal):	999999	325	575	1.6600	2.7760	2.5310
35						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
36						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
37	Commercial 4-inch	309.92	557.75	456.25		Tier One Breakover (M Gal):	999999	500	900	1.6600	2.7760	2.5310
38						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
39						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
40	Commercial 6-inch	591.42	1,115.50	912.50		Tier One Breakover (M Gal):	999999	925	1,900	1.6600	2.7760	2.5310
41						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
42						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
43	Commercial 8-inch	826.92	1,784.80	1,460.00		Tier One Breakover (M Gal):	999999	1500	3,000	1.6600	2.7760	2.5310
44						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
45						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
46	Commercial 10-inch	1,350.51	3,569.60	2,098.75		Tier One Breakover (M Gal):	999999	3000	4,000	1.6600	2.7760	2.5310
47						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
48						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Sedona											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 15.70	$ 22.31	$ 18.25		Tier One Breakover (M Gal):	999999	999999	10	$ 1.6600	$ 1.9340	$ 2.5310
2						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	2.9240
3						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
4	Industrial 1-inch	33.28	55.78	45.63		Tier One Breakover (M Gal):	999999	999999	65	1.6600	1.9340	2.5310
5						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	2.9240
6						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
7	Industrial 2-inch	97.18	178.48	146.00		Tier One Breakover (M Gal):	999999	999999	275	1.6600	1.9340	2.5310
8						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	2.9240
9						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
10	Industrial 3-inch	174.58	356.96	292.00		Tier One Breakover (M Gal):	999999	999999	575	1.6600	1.9340	2.5310
11						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	2.9240
12						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
13	Industrial 4-inch	309.92	557.75	456.25		Tier One Breakover (M Gal):	999999	999999	900	1.6600	1.9340	2.5310
14						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	2.9240
15						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
16	Industrial 6-inch	591.42	1,115.50	912.50		Tier One Breakover (M Gal):	999999	999999	1,900	1.6600	1.9340	2.5310
17						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	2.9240
18						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
19	Industrial 8-inch	826.92	1,784.80	1,460.00		Tier One Breakover (M Gal):	999999	999999	3,000	1.6600	1.9340	2.5310
20						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	2.9240
21						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
22	Industrial 10-inch	1,350.51	3,569.60	2,098.75		Tier One Breakover (M Gal):	999999	999999	4,000	1.6600	1.9340	2.5310
23						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	1.9340	2.9240
24						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	5.91	25.00	18.25						n/a	n/a	n/a
31	8-inch service	8.27	25.00	29.20						n/a	n/a	n/a
32	10-inch service	13.51	25.00	41.98						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				123.00	82.0324	89.97
36	Construction Water (2-Inch)	97.18	178.48	-		Tier One Breakover (M Gal):	999999	125	999.999	1.6600	2.7760	2.9240
37						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
38						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
39	Construction Water (3-Inch)	174.58	356.96	-		Tier One Breakover (M Gal):	999999	325	999.999	1.6600	2.7760	2.9240
40						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
41						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
42	Construction Water (4-Inch)	309.92	557.75	-		Tier One Breakover (M Gal):	999999	500	999.999	1.6600	2.7760	2.9240
43						Tier Two Breakover (M Gal):	999999	999999	999999	1.6600	3.4700	2.9240
44						Tier Three Breakover (M Gal):	999999	999999	999999	1.6600	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	178.48	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.7760	2.9240
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.7760	2.9240
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	356.96	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.7760	2.9240
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.7760	2.9240
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,115.50	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.7760	2.9240
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.7760	2.9240
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Sedona
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	10,264	$ 32.74	$ 49.32	$ 16.58	50.65%
Median Usage	6,910	$ 27.17	$ 39.83	$ 12.66	46.58%
Staff Recommended					
Average Usage	10,264	$ 32.74	$ 41.70	$ 8.97	27.39%
Median Usage	6,910	$ 27.17	$ 33.11	$ 5.94	21.86%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 15.70	$ 22.31	42.10%	$ 18.25	16.24%
1,000	17.36	24.53	41.31%	19.91	14.66%
2,000	19.02	26.75	40.65%	21.56	13.35%
3,000	20.68	28.97	40.10%	23.22	12.26%
4,000	22.34	31.75	42.12%	25.75	15.25%
5,000	24.00	34.53	43.85%	28.28	17.82%
6,000	25.66	37.30	45.37%	30.81	20.06%
7,000	27.32	40.08	46.69%	33.34	22.03%
8,000	28.98	42.85	47.87%	35.87	23.78%
9,000	30.64	45.63	48.92%	38.40	25.33%
10,000	32.30	48.41	49.86%	40.93	26.72%
11,000	33.96	51.88	52.75%	43.86	29.14%
12,000	35.62	55.35	55.38%	46.78	31.33%
13,000	37.28	58.82	57.77%	49.70	33.33%
14,000	38.94	62.29	59.95%	52.63	35.15%
15,000	40.60	65.76	61.96%	55.55	36.83%
16,000	42.26	69.23	63.81%	58.48	38.37%
17,000	43.92	72.70	65.52%	61.40	39.80%
18,000	45.58	76.17	67.10%	64.32	41.12%
19,000	47.24	79.64	68.58%	67.25	42.35%
20,000	48.90	83.11	69.95%	70.17	43.50%
25,000	57.20	100.46	75.62%	84.79	48.24%
30,000	65.50	117.81	79.85%	99.41	51.77%
35,000	73.80	135.16	83.14%	114.03	54.51%
40,000	82.10	152.51	85.76%	128.65	56.70%
45,000	90.40	169.86	87.89%	143.27	58.49%
50,000	98.70	187.21	89.67%	157.89	59.97%
75,000	140.20	273.96	95.40%	230.99	64.76%
100,000	181.70	360.71	98.52%	304.09	67.36%

ARIZONA WATER COMPANY
NORTHERN GROUP:
PINEWOOD

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Pinewood - Consolidated											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended		Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 19.86	$ 22.31	$ 17.00		Tier One Breakover (M Gal):	999999	3	3		$ 3.6900	$ 3.4360	$ 1.6600
2						Tier Two Breakover (M Gal):	999999	10	10		3.6900	4.2950	3.0690
3						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
4	Residential 1-inch	42.10	55.78	42.50		Tier One Breakover (M Gal):	999999	10	40		3.6900	4.2950	3.0690
5						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
6						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
7	Residential 2-inch	122.93	178.48	136.00		Tier One Breakover (M Gal):	999999	125	125		3.6900	4.2950	3.0690
8						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
9						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
10	Residential 3-inch	220.84	356.96	272.00		Tier One Breakover (M Gal):	999999	325	290		3.6900	4.2950	3.0690
11						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
12						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
13	Residential 4-inch	392.03	557.75	425.00		Tier One Breakover (M Gal):	999999	500	480		3.6900	4.2950	3.0690
14						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
15						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
16	Residential 6-inch	748.12	1,115.50	850.00		Tier One Breakover (M Gal):	999999	925	1,000		3.6900	4.2950	3.0690
17						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
18						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
19	Residential 8-inch	1,046.02	1,784.80	1,360.00		Tier One Breakover (M Gal):	999999	1500	1,600		3.6900	4.2950	3.0690
20						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
21						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
22	Residential 10-inch	1,708.36	3,569.60	1,955.00		Tier One Breakover (M Gal):	999999	3000	2,300		3.6900	4.2950	3.0690
23						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
24						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	19.86	22.31	17.00		Tier One Breakover (M Gal):	999999	10	10		3.6900	4.2950	3.0690
26						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
27						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
28	Commercial 1-inch	42.10	55.78	42.50		Tier One Breakover (M Gal):	999999	40	40		3.6900	4.2950	3.0690
29						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
30						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
31	Commercial 2-inch	122.93	178.48	136.00		Tier One Breakover (M Gal):	999999	125	125		3.6900	4.2950	3.0690
32						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
33						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
34	Commercial 3-inch	220.84	356.96	272.00		Tier One Breakover (M Gal):	999999	325	290		3.6900	4.2950	3.0690
35						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
36						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
37	Commercial 4-inch	392.03	557.75	425.00		Tier One Breakover (M Gal):	999999	500	480		3.6900	4.2950	3.0690
38						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
39						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
40	Commercial 6-inch	748.12	1,115.50	850.00		Tier One Breakover (M Gal):	999999	925	1,000		3.6900	4.2950	3.0690
41						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
42						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
43	Commercial 8-inch	1,046.02	1,784.80	1,360.00		Tier One Breakover (M Gal):	999999	1500	1,600		3.6900	4.2950	3.0690
44						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
45						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a
46	Commercial 10-inch	1,708.36	3,569.60	1,955.00		Tier One Breakover (M Gal):	999999	3000	2,300		3.6900	4.2950	3.0690
47						Tier Two Breakover (M Gal):	999999	999999	999999		3.6900	5.3688	3.8690
48						Tier Three Breakover (M Gal):	999999	999999	999999		3.6900	n/a	n/a

		Pinewood - Consolidated										
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 19.86	$ 22.31	$ 17.00	Tier One Breakover (M Gal):	999999	999999	10	$ 3.6900	$ 4.2950	$ 3.0690
2					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	3.8690
3					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
4	Industrial 1-inch	42.10	55.78	42.50	Tier One Breakover (M Gal):	999999	999999	40	3.6900	4.2950	3.0690
5					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	3.8690
6					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
7	Industrial 2-inch	122.93	178.48	136.00	Tier One Breakover (M Gal):	999999	999999	125	3.6900	4.2950	3.0690
8					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	3.8690
9					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
10	Industrial 3-inch	220.84	356.96	272.00	Tier One Breakover (M Gal):	999999	999999	290	3.6900	4.2950	3.0690
11					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	3.8690
12					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
13	Industrial 4-inch	392.03	557.75	425.00	Tier One Breakover (M Gal):	999999	999999	480	3.6900	4.2950	3.0690
14					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	3.8690
15					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
16	Industrial 6-inch	748.12	1,115.50	850.00	Tier One Breakover (M Gal):	999999	999999	1,000	3.6900	4.2950	3.0690
17					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	3.8690
18					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
19	Industrial 8-inch	1,046.02	1,784.80	1,360.00	Tier One Breakover (M Gal):	999999	999999	1,600	3.6900	4.2950	3.0690
20					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	3.8690
21					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
22	Industrial 10-inch	1,708.36	3,569.60	1,955.00	Tier One Breakover (M Gal):	999999	999999	2,300	3.6900	4.2950	3.0690
23					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	3.8690
24					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	7.48	25.00	17.00					n/a	n/a	n/a
31	8-inch service	10.46	25.00	27.20					n/a	n/a	n/a
32	10-inch service	17.08	25.00	39.10					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	122.93	178.48	-	Tier One Breakover (M Gal):	999999	125	999.999	3.6900	4.2950	3.8690
37					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	3.8690
38					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
39	Construction Water (3-Inch)	220.84	356.96	-	Tier One Breakover (M Gal):	999999	325	999.999	3.6900	4.2950	3.8690
40					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	3.8690
41					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
42	Construction Water (4-Inch)	392.03	557.75	-	Tier One Breakover (M Gal):	999999	500	999.999	3.6900	4.2950	3.8690
43					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	3.8690
44					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	178.48	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	3.8690
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	3.8690
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	356.96	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	3.8690
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	3.8690
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,115.50	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	3.8690
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	3.8690
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Pinewood - Consolidated
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	2,407	$ 28.74	$ 30.58	$ 1.84	6.40%
Median Usage	536	$ 21.84	$ 24.15	$ 2.31	10.60%
Staff Recommended					
Average Usage	2,407	$ 28.74	$ 21.00	$ (7.74)	-26.94%
Median Usage	536	$ 21.84	$ 17.89	$ (3.95)	-18.08%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 19.86	$ 22.31	12.34%	$ 17.00	-14.40%
1,000	23.55	25.75	9.32%	18.66	-20.76%
2,000	27.24	29.18	7.13%	20.32	-25.40%
3,000	30.93	32.62	5.46%	21.98	-28.93%
4,000	34.62	36.91	6.62%	25.05	-27.64%
5,000	38.31	41.21	7.56%	28.12	-26.60%
6,000	42.00	45.50	8.34%	31.19	-25.74%
7,000	45.69	49.80	8.99%	34.26	-25.02%
8,000	49.38	54.09	9.54%	37.33	-24.41%
9,000	53.07	58.39	10.02%	40.40	-23.88%
10,000	56.76	62.68	10.44%	43.47	-23.42%
11,000	60.45	68.05	12.58%	47.33	-21.70%
12,000	64.14	73.42	14.47%	51.20	-20.17%
13,000	67.83	78.79	16.16%	55.07	-18.81%
14,000	71.52	84.16	17.67%	58.94	-17.59%
15,000	75.21	89.53	19.04%	62.81	-16.49%
16,000	78.90	94.90	20.27%	66.67	-15.50%
17,000	82.59	100.26	21.40%	70.54	-14.59%
18,000	86.28	105.63	22.43%	74.41	-13.76%
19,000	89.97	111.00	23.38%	78.28	-13.00%
20,000	93.66	116.37	24.25%	82.15	-12.29%
25,000	112.11	143.21	27.74%	101.49	-9.48%
30,000	130.56	170.06	30.25%	120.83	-7.46%
35,000	149.01	196.90	32.14%	140.17	-5.94%
40,000	167.46	223.75	33.61%	159.51	-4.75%
45,000	185.91	250.59	34.79%	178.85	-3.80%
50,000	204.36	277.43	35.76%	198.19	-3.02%
75,000	296.61	411.65	38.79%	294.89	-0.58%
100,000	388.86	545.87	40.38%	391.59	0.70%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Pinewood										
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 19.86	$ 22.31	$ 15.50		Tier One Breakover (M Gal):	999999	3	3	$ 3.6900	$ 3.4360	$ 4.3200
2						Tier Two Breakover (M Gal):	999999	10	10	3.6900	4.2950	6.4700
3						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
4	Residential 1-inch	42.10	55.78	38.75		Tier One Breakover (M Gal):	999999	10	25	3.6900	4.2950	6.4700
5						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
6						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
7	Residential 2-inch	122.93	178.48	124.00		Tier One Breakover (M Gal):	999999	125	88	3.6900	4.2950	6.4700
8						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
9						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
10	Residential 3-inch	220.84	356.96	248.00		Tier One Breakover (M Gal):	999999	325	180	3.6900	4.2950	6.4700
11						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
12						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
13	Residential 4-inch	392.03	557.75	387.50		Tier One Breakover (M Gal):	999999	500	284	3.6900	4.2950	6.4700
14						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
15						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
16	Residential 6-inch	748.12	1,115.50	775.00		Tier One Breakover (M Gal):	999999	925	575	3.6900	4.2950	6.4700
17						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
18						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
19	Residential 8-inch	1,046.02	1,784.80	1,240.00		Tier One Breakover (M Gal):	999999	1500	925	3.6900	4.2950	6.4700
20						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
21						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
22	Residential 10-inch	1,708.36	3,569.60	1,782.50		Tier One Breakover (M Gal):	999999	3000	1,300	3.6900	4.2950	6.4700
23						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
24						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	19.86	22.31	15.50		Tier One Breakover (M Gal):	999999	10	10	3.6900	4.2950	6.4700
26						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
27						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
28	Commercial 1-inch	42.10	55.78	38.75		Tier One Breakover (M Gal):	999999	40	25	3.6900	4.2950	6.4700
29						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
30						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
31	Commercial 2-inch	122.93	178.48	124.00		Tier One Breakover (M Gal):	999999	125	88	3.6900	4.2950	6.4700
32						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
33						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
34	Commercial 3-inch	220.84	356.96	248.00		Tier One Breakover (M Gal):	999999	325	180	3.6900	4.2950	6.4700
35						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
36						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
37	Commercial 4-inch	392.03	557.75	387.50		Tier One Breakover (M Gal):	999999	500	284	3.6900	4.2950	6.4700
38						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
39						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
40	Commercial 6-inch	748.12	1,115.50	775.00		Tier One Breakover (M Gal):	999999	925	575	3.6900	4.2950	6.4700
41						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
42						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
43	Commercial 8-inch	1,046.02	1,784.80	1,240.00		Tier One Breakover (M Gal):	999999	1500	925	3.6900	4.2950	6.4700
44						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
45						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
46	Commercial 10-inch	1,708.36	3,569.60	1,782.50		Tier One Breakover (M Gal):	999999	3000	1,300	3.6900	4.2950	6.4700
47						Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
48						Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Pinewood								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 19.86	$ 22.31	$ 15.50	Tier One Breakover (M Gal):	999999	999999	10	$ 3.6900	$ 4.2950	$ 6.4700
2					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	7.7910
3					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
4	Industrial 1-inch	42.10	55.78	38.75	Tier One Breakover (M Gal):	999999	999999	25	3.6900	4.2950	6.4700
5					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	7.7910
6					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
7	Industrial 2-inch	122.93	178.48	124.00	Tier One Breakover (M Gal):	999999	999999	88	3.6900	4.2950	6.4700
8					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	7.7910
9					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
10	Industrial 3-inch	220.84	356.96	248.00	Tier One Breakover (M Gal):	999999	999999	180	3.6900	4.2950	6.4700
11					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	7.7910
12					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
13	Industrial 4-inch	392.03	557.75	387.50	Tier One Breakover (M Gal):	999999	999999	284	3.6900	4.2950	6.4700
14					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	7.7910
15					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
16	Industrial 6-inch	748.12	1,115.50	775.00	Tier One Breakover (M Gal):	999999	999999	575	3.6900	4.2950	6.4700
17					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	7.7910
18					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
19	Industrial 8-inch	1,046.02	1,784.80	1,240.00	Tier One Breakover (M Gal):	999999	999999	925	3.6900	4.2950	6.4700
20					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	7.7910
21					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
22	Industrial 10-inch	1,708.36	3,569.60	1,782.50	Tier One Breakover (M Gal):	999999	999999	1,300	3.6900	4.2950	6.4700
23					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	4.2950	7.7910
24					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	7.48	25.00	15.50					n/a	n/a	n/a
31	8-inch service	10.46	25.00	24.80					n/a	n/a	n/a
32	10-inch service	17.08	25.00	35.65					n/a	n/a	n/a
33	*Other Water Revenues*										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	122.93	178.48	-	Tier One Breakover (M Gal):	999999	125	999.999	3.6900	4.2950	7.7910
37					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
38					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
39	Construction Water (3-Inch)	220.84	356.96	-	Tier One Breakover (M Gal):	999999	325	999.999	3.6900	4.2950	7.7910
40					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
41					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
42	Construction Water (4-Inch)	392.03	557.75	-	Tier One Breakover (M Gal):	999999	500	999.999	3.6900	4.2950	7.7910
43					Tier Two Breakover (M Gal):	999999	999999	999999	3.6900	5.3688	7.7910
44					Tier Three Breakover (M Gal):	999999	999999	999999	3.6900	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	178.48	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	7.7910
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	7.7910
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	356.96	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	7.7910
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	7.7910
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,115.50	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	7.7910
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	7.7910
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Pinewood
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	2,407	$ 28.74	$ 30.58	$ 1.84	6.40%
Median Usage	536	$ 21.84	$ 24.15	$ 2.31	10.60%
Staff Recommended					
Average Usage	2,407	$ 28.74	$ 25.90	$ (2.84)	-9.89%
Median Usage	536	$ 21.84	$ 17.82	$ (4.02)	-18.42%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 19.86	$ 22.31	12.34%	$ 15.50	-21.95%
1,000	23.55	25.75	9.32%	19.82	-15.84%
2,000	27.24	29.18	7.13%	24.14	-11.38%
3,000	30.93	32.62	5.46%	28.46	-7.99%
4,000	34.62	36.91	6.62%	34.93	0.90%
5,000	38.31	41.21	7.56%	41.40	8.07%
6,000	42.00	45.50	8.34%	47.87	13.98%
7,000	45.69	49.80	8.99%	54.34	18.93%
8,000	49.38	54.09	9.54%	60.81	23.15%
9,000	53.07	58.39	10.02%	67.28	26.78%
10,000	56.76	62.68	10.44%	73.75	29.93%
11,000	60.45	68.05	12.58%	81.54	34.89%
12,000	64.14	73.42	14.47%	89.33	39.28%
13,000	67.83	78.79	16.16%	97.12	43.19%
14,000	71.52	84.16	17.67%	104.91	46.69%
15,000	75.21	89.53	19.04%	112.71	49.85%
16,000	78.90	94.90	20.27%	120.50	52.72%
17,000	82.59	100.26	21.40%	128.29	55.33%
18,000	86.28	105.63	22.43%	136.08	57.72%
19,000	89.97	111.00	23.38%	143.87	59.91%
20,000	93.66	116.37	24.25%	151.66	61.93%
25,000	112.11	143.21	27.74%	190.62	70.02%
30,000	130.56	170.06	30.25%	229.57	75.83%
35,000	149.01	196.90	32.14%	268.53	80.21%
40,000	167.46	223.75	33.61%	307.48	83.61%
45,000	185.91	250.59	34.79%	346.44	86.35%
50,000	204.36	277.43	35.76%	385.39	88.58%
75,000	296.61	411.65	38.79%	580.17	95.60%
100,000	388.86	545.87	40.38%	774.94	99.29%

ARIZONA WATER COMPANY
NORTHERN GROUP:
RIMROCK

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Rimrock - Consolidated

Line No.	Customer Class	[A] Basic Service Charge: Company Present Rate	[B] Basic Service Charge: Company Proposed Rate	[C] Basic Service Charge: Staff Recommended Rate		[D] Break-Over Points: Company Present	[E] Break-Over Points: Company Proposed	[F] Break-Over Points: Staff Recommended	[G] Commodity Charge: Company Present Rate	[H] Commodity Charge: Company Proposed Rate	[I] Commodity Charge: Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 16.10	$ 22.31	$ 17.00	Tier One Breakover (M Gal):	999999	3	3	$ 2.5000	$ 3.4360	$ 1.6600
2					Tier Two Breakover (M Gal):	999999	10	10	2.5000	4.2950	3.0690
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
4	Residential 1-inch	34.13	55.78	42.50	Tier One Breakover (M Gal):	999999	10	40	2.5000	4.2950	3.0690
5					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
7	Residential 2-inch	99.66	178.48	136.00	Tier One Breakover (M Gal):	999999	125	125	2.5000	4.2950	3.0690
8					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
10	Residential 3-inch	179.03	356.96	272.00	Tier One Breakover (M Gal):	999999	325	290	2.5000	4.2950	3.0690
11					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
13	Residential 4-inch	317.81	557.75	425.00	Tier One Breakover (M Gal):	999999	500	480	2.5000	4.2950	3.0690
14					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
16	Residential 6-inch	606.48	1,115.50	850.00	Tier One Breakover (M Gal):	999999	925	1,000	2.5000	4.2950	3.0690
17					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
19	Residential 8-inch	847.98	1,784.80	1,360.00	Tier One Breakover (M Gal):	999999	1500	1,600	2.5000	4.2950	3.0690
20					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
22	Residential 10-inch	1,384.92	3,569.60	1,955.00	Tier One Breakover (M Gal):	999999	3000	2,300	2.5000	4.2950	3.0690
23					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	16.10	22.31	17.00	Tier One Breakover (M Gal):	999999	10	10	2.5000	4.2950	3.0690
26					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
27					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
28	Commercial 1-inch	34.13	55.78	42.50	Tier One Breakover (M Gal):	999999	40	40	2.5000	4.2950	3.0690
29					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
30					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
31	Commercial 2-inch	99.66	178.48	136.00	Tier One Breakover (M Gal):	999999	125	125	2.5000	4.2950	3.0690
32					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
33					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
34	Commercial 3-inch	179.03	356.96	272.00	Tier One Breakover (M Gal):	999999	325	290	2.5000	4.2950	3.0690
35					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
36					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
37	Commercial 4-inch	317.81	557.75	425.00	Tier One Breakover (M Gal):	999999	500	480	2.5000	4.2950	3.0690
38					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
39					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
40	Commercial 6-inch	606.48	1,115.50	850.00	Tier One Breakover (M Gal):	999999	925	1,000	2.5000	4.2950	3.0690
41					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
42					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
43	Commercial 8-inch	847.98	1,784.80	1,360.00	Tier One Breakover (M Gal):	999999	1500	1,600	2.5000	4.2950	3.0690
44					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
45					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
46	Commercial 10-inch	1,384.92	3,569.60	1,955.00	Tier One Breakover (M Gal):	999999	3000	2,300	2.5000	4.2950	3.0690
47					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
48					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Rimrock - Consolidated

Line No.	Customer Class	[A] Basic Service Charge: Company Present Rate	[B] Basic Service Charge: Company Proposed Rate	[C] Basic Service Charge: Staff Recommended Rate	Break-Over Points	[D] Company Present	[E] Company Proposed	[F] Staff Recommended	[G] Commodity Charge: Company Present Rate	[H] Commodity Charge: Company Proposed Rate	[I] Commodity Charge: Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 16.10	$ 22.31	$ 17.00	Tier One Breakover (M Gal):	999999	999999	10	$ 2.5000	$ 4.2950	$ 3.0690
2					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	3.8690
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
4	Industrial 1-inch	34.13	55.78	42.50	Tier One Breakover (M Gal):	999999	999999	40	2.5000	4.2950	3.0690
5					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	3.8690
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
7	Industrial 2-inch	99.66	178.48	136.00	Tier One Breakover (M Gal):	999999	999999	125	2.5000	4.2950	3.0690
8					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	3.8690
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
10	Industrial 3-inch	179.03	356.96	272.00	Tier One Breakover (M Gal):	999999	999999	290	2.5000	4.2950	3.0690
11					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	3.8690
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
13	Industrial 4-inch	317.81	557.75	425.00	Tier One Breakover (M Gal):	999999	999999	480	2.5000	4.2950	3.0690
14					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	3.8690
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
16	Industrial 6-inch	606.48	1,115.50	850.00	Tier One Breakover (M Gal):	999999	999999	1,000	2.5000	4.2950	3.0690
17					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	3.8690
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
19	Industrial 8-inch	847.98	1,784.80	1,360.00	Tier One Breakover (M Gal):	999999	999999	1,600	2.5000	4.2950	3.0690
20					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	3.8690
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
22	Industrial 10-inch	1,384.92	3,569.60	1,955.00	Tier One Breakover (M Gal):	999999	999999	2,300	2.5000	4.2950	3.0690
23					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	3.8690
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	6.06	25.00	17.00					n/a	n/a	n/a
31	8-inch service	8.48	25.00	27.20					n/a	n/a	n/a
32	10-inch service	13.85	25.00	39.10					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-inch)	99.66	178.48	-	Tier One Breakover (M Gal):	999999	125	999.999	2.5000	4.2950	3.8690
37					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
38					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
39	Construction Water (3-inch)	179.03	356.96	-	Tier One Breakover (M Gal):	999999	325	999.999	2.5000	4.2950	3.8690
40					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
41					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
42	Construction Water (4-inch)	317.81	557.75	-	Tier One Breakover (M Gal):	999999	500	999.999	2.5000	4.2950	3.8690
43					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	3.8690
44					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
45	Sales for Resale (2-inch)	n/a	178.48	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	3.8690
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	3.8690
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-inch)	n/a	356.96	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	3.8690
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	3.8690
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-inch)	n/a	1,115.50	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	3.8690
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	3.8690
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Rimrock - Consolidated
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	6,165	$ 31.51	$ 46.21	$ 14.70	46.65%
Median Usage	4,128	$ 26.42	$ 37.46	$ 11.04	41.80%
Staff Recommended					
Average Usage	6,165	$ 31.51	$ 31.70	$ 0.19	0.59%
Median Usage	4,128	$ 26.42	$ 25.45	$ (0.97)	-3.68%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 16.10	$ 22.31	38.57%	$ 17.00	5.59%
1,000	18.60	25.75	38.42%	18.66	0.33%
2,000	21.10	29.18	38.30%	20.32	-3.68%
3,000	23.60	32.62	38.21%	21.99	-6.84%
4,000	26.10	36.91	41.43%	25.06	-4.00%
5,000	28.60	41.21	44.08%	28.12	-1.66%
6,000	31.10	45.50	46.31%	31.19	0.30%
7,000	33.60	49.80	48.21%	34.26	1.97%
8,000	36.10	54.09	49.84%	37.33	3.41%
9,000	38.60	58.39	51.26%	40.40	4.66%
10,000	41.10	62.68	52.51%	43.47	5.76%
11,000	43.60	68.05	56.08%	47.34	8.57%
12,000	46.10	73.42	59.26%	51.21	11.07%
13,000	48.60	78.79	62.12%	55.07	13.32%
14,000	51.10	84.16	64.69%	58.94	15.34%
15,000	53.60	89.53	67.03%	62.81	17.18%
16,000	56.10	94.90	69.15%	66.68	18.85%
17,000	58.60	100.26	71.10%	70.55	20.38%
18,000	61.10	105.63	72.89%	74.41	21.79%
19,000	63.60	111.00	74.53%	78.28	23.08%
20,000	66.10	116.37	76.05%	82.15	24.28%
25,000	78.60	143.21	82.21%	101.49	29.12%
30,000	91.10	170.06	86.67%	120.83	32.63%
35,000	103.60	196.90	90.06%	140.17	35.30%
40,000	116.10	223.75	92.72%	159.51	37.39%
45,000	128.60	250.59	94.86%	178.85	39.07%
50,000	141.10	277.43	96.62%	198.19	40.46%
75,000	203.60	411.65	102.19%	294.89	44.84%
100,000	266.10	545.87	105.14%	391.59	47.16%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Rimrock											
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 16.10	$ 22.31	$ 24.20	Tier One Breakover (M Gal):	999999	3	3	$ 2.5000	$ 3.4360	$ 3.8400
2					Tier Two Breakover (M Gal):	999999	10	10	2.5000	4.2950	5.7600
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
4	Residential 1-inch	34.13	55.78	60.50	Tier One Breakover (M Gal):	999999	10	35	2.5000	4.2950	5.7600
5					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
7	Residential 2-inch	99.66	178.48	193.60	Tier One Breakover (M Gal):	999999	125	125	2.5000	4.2950	5.7600
8					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
10	Residential 3-inch	179.03	356.96	387.20	Tier One Breakover (M Gal):	999999	325	280	2.5000	4.2950	5.7600
11					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
13	Residential 4-inch	317.81	557.75	605.00	Tier One Breakover (M Gal):	999999	500	450	2.5000	4.2950	5.7600
14					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
16	Residential 6-inch	606.48	1,115.50	1,210.00	Tier One Breakover (M Gal):	999999	925	925	2.5000	4.2950	5.7600
17					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
19	Residential 8-inch	847.98	1,784.80	1,936.00	Tier One Breakover (M Gal):	999999	1500	1,500	2.5000	4.2950	5.7600
20					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
22	Residential 10-inch	1,384.92	3,569.60	2,783.00	Tier One Breakover (M Gal):	999999	3000	2,100	2.5000	4.2950	5.7600
23					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	16.10	22.31	24.20	Tier One Breakover (M Gal):	999999	10	10	2.5000	4.2950	5.7600
26					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
27					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
28	Commercial 1-inch	34.13	55.78	60.50	Tier One Breakover (M Gal):	999999	40	35	2.5000	4.2950	5.7600
29					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
30					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
31	Commercial 2-inch	99.66	178.48	193.60	Tier One Breakover (M Gal):	999999	125	125	2.5000	4.2950	5.7600
32					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
33					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
34	Commercial 3-inch	179.03	356.96	387.20	Tier One Breakover (M Gal):	999999	325	280	2.5000	4.2950	5.7600
35					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
36					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
37	Commercial 4-inch	317.81	557.75	605.00	Tier One Breakover (M Gal):	999999	500	450	2.5000	4.2950	5.7600
38					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
39					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
40	Commercial 6-inch	606.48	1,115.50	1,210.00	Tier One Breakover (M Gal):	999999	925	925	2.5000	4.2950	5.7600
41					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
42					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
43	Commercial 8-inch	847.98	1,784.80	1,936.00	Tier One Breakover (M Gal):	999999	1500	1,500	2.5000	4.2950	5.7600
44					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
45					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
46	Commercial 10-inch	1,384.92	3,569.60	2,783.00	Tier One Breakover (M Gal):	999999	3000	2,100	2.5000	4.2950	5.7600
47					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
48					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Rimrock								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 16.10	$ 22.31	$ 24.20	Tier One Breakover (M Gal):	999999	999999	10	$ 2.5000	$ 4.2950	$ 5.7600
2					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	6.8870
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
4	Industrial 1-inch	34.13	55.78	60.50	Tier One Breakover (M Gal):	999999	999999	35	2.5000	4.2950	5.7600
5					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	6.8870
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
7	Industrial 2-inch	99.66	178.48	193.60	Tier One Breakover (M Gal):	999999	999999	125	2.5000	4.2950	5.7600
8					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	6.8870
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
10	Industrial 3-inch	179.03	356.96	387.20	Tier One Breakover (M Gal):	999999	999999	280	2.5000	4.2950	5.7600
11					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	6.8870
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
13	Industrial 4-inch	317.81	557.75	605.00	Tier One Breakover (M Gal):	999999	999999	450	2.5000	4.2950	5.7600
14					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	6.8870
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
16	Industrial 6-inch	606.48	1,115.50	1,210.00	Tier One Breakover (M Gal):	999999	999999	925	2.5000	4.2950	5.7600
17					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	6.8870
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
19	Industrial 8-inch	847.98	1,784.80	1,936.00	Tier One Breakover (M Gal):	999999	999999	1,500	2.5000	4.2950	5.7600
20					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	6.8870
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
22	Industrial 10-inch	1,384.92	3,569.60	2,783.00	Tier One Breakover (M Gal):	999999	999999	2,100	2.5000	4.2950	5.7600
23					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	4.2950	6.8870
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	6.06	25.00	24.20					n/a	n/a	n/a
31	8-inch service	8.48	25.00	38.72					n/a	n/a	n/a
32	10-inch service	13.85	25.00	55.66					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	99.66	178.48	-	Tier One Breakover (M Gal):	999999	125	999.999	2.5000	4.2950	6.8870
37					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
38					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
39	Construction Water (3-Inch)	179.03	356.96	-	Tier One Breakover (M Gal):	999999	325	999.999	2.5000	4.2950	6.8870
40					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
41					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
42	Construction Water (4-Inch)	317.81	557.75	-	Tier One Breakover (M Gal):	999999	500	999.999	2.5000	4.2950	6.8870
43					Tier Two Breakover (M Gal):	999999	999999	999999	2.5000	5.3688	6.8870
44					Tier Three Breakover (M Gal):	999999	999999	999999	2.5000	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	178.48	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	6.8870
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	6.8870
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	356.96	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	6.8870
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	6.8870
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,115.50	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	4.2950	6.8870
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	4.2950	6.8870
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Rimrock
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	6,165	$ 31.51	$ 46.21	$ 14.70	46.65%
Median Usage	4,128	$ 26.42	$ 37.46	$ 11.04	41.80%
Staff Recommended					
Average Usage	6,165	$ 31.51	$ 53.95	$ 22.44	71.20%
Median Usage	4,128	$ 26.42	$ 42.22	$ 15.80	59.79%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 16.10	$ 22.31	38.57%	$ 24.20	50.31%
1,000	18.60	25.75	38.42%	28.04	50.75%
2,000	21.10	29.18	38.30%	31.88	51.09%
3,000	23.60	32.62	38.21%	35.72	51.36%
4,000	26.10	36.91	41.43%	41.48	58.93%
5,000	28.60	41.21	44.08%	47.24	65.17%
6,000	31.10	45.50	46.31%	53.00	70.42%
7,000	33.60	49.80	48.21%	58.76	74.88%
8,000	36.10	54.09	49.84%	64.52	78.73%
9,000	38.60	58.39	51.26%	70.28	82.07%
10,000	41.10	62.68	52.51%	76.04	85.01%
11,000	43.60	68.05	56.08%	82.93	90.20%
12,000	46.10	73.42	59.26%	89.81	94.82%
13,000	48.60	78.79	62.12%	96.70	98.97%
14,000	51.10	84.16	64.69%	103.59	102.72%
15,000	53.60	89.53	67.03%	110.48	106.11%
16,000	56.10	94.90	69.15%	117.36	109.20%
17,000	58.60	100.26	71.10%	124.25	112.03%
18,000	61.10	105.63	72.89%	131.14	114.63%
19,000	63.60	111.00	74.53%	138.02	117.02%
20,000	66.10	116.37	76.05%	144.91	119.23%
25,000	78.60	143.21	82.21%	179.35	128.17%
30,000	91.10	170.06	86.67%	213.78	134.67%
35,000	103.60	196.90	90.06%	248.22	139.59%
40,000	116.10	223.75	92.72%	282.65	143.45%
45,000	128.60	250.59	94.86%	317.09	146.57%
50,000	141.10	277.43	96.62%	351.52	149.13%
75,000	203.60	411.65	102.19%	523.70	157.22%
100,000	266.10	545.87	105.14%	695.87	161.51%

ARIZONA WATER COMPANY
WESTERN GROUP:
CASA GRANDE

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Casa Grande - Consolidated								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 10.48	$ 17.34	$ 14.00	Tier One Breakover (M Gal):	3	3	3	$ 1.0000	$ 1.5900	$ 0.9000
2					Tier Two Breakover (M Gal):	10	10	10	1.4869	1.9880	1.9600
3					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
4	Residential 1-inch	25.20	43.35	35.00	Tier One Breakover (M Gal):	67	10	37	1.4869	1.9880	1.9600
5					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
6					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
7	Residential 2-inch	63.10	138.72	112.00	Tier One Breakover (M Gal):	296	125	140	1.4869	1.9880	1.9600
8					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
9					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
10	Residential 3-inch	105.15	277.44	224.00	Tier One Breakover (M Gal):	552	325	285	1.4869	1.9880	1.9600
11					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
12					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
13	Residential 4-inch	210.25	433.50	350.00	Tier One Breakover (M Gal):	1195	500	460	1.4869	1.9880	1.9600
14					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
15					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
16	Residential 6-inch	367.90	867.00	700.00	Tier One Breakover (M Gal):	2160	925	950	1.4869	1.9880	1.9600
17					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
18					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
19	Residential 8-inch	367.90	1,387.20	1,120.00	Tier One Breakover (M Gal):	2160	1500	1,500	1.4869	1.9880	1.9600
20					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
21					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
22	Residential 10-inch	1,205.20	2,774.40	1,610.00	Tier One Breakover (M Gal):	7292	3000	2,000	1.4869	1.9880	1.9600
23					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
24					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	10.48	17.34	14.00	Tier One Breakover (M Gal):	3	10	10	1.0000	1.9880	1.9600
26					Tier Two Breakover (M Gal):	10	999999	999999	1.4869	2.4850	2.4320
27					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
28	Commercial 1-inch	25.20	43.35	35.00	Tier One Breakover (M Gal):	67	40	37	1.4869	1.9880	1.9600
29					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
30					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
31	Commercial 2-inch	63.10	138.72	112.00	Tier One Breakover (M Gal):	296	125	140	1.4869	1.9880	1.9600
32					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
33					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
34	Commercial 3-inch	105.15	277.44	224.00	Tier One Breakover (M Gal):	552	325	285	1.4869	1.9880	1.9600
35					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
36					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
37	Commercial 4-inch	210.25	433.50	350.00	Tier One Breakover (M Gal):	1195	500	460	1.4869	1.9880	1.9600
38					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
39					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
40	Commercial 6-inch	367.90	867.00	700.00	Tier One Breakover (M Gal):	2160	925	950	1.4869	1.9880	1.9600
41					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
42					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
43	Commercial 8-inch	367.90	1,387.20	1,120.00	Tier One Breakover (M Gal):	2160	1500	1,500	1.4869	1.9880	1.9600
44					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
45					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
46	Commercial 10-inch	1,205.20	2,774.40	1,610.00	Tier One Breakover (M Gal):	7292	3000	2,000	1.4869	1.9880	1.9600
47					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
48					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a

		Casa Grande - Consolidated								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 10.48	$ 10.48	$ 14.00	Tier One Breakover (M Gal):	3	999999	10	$ 1.0000	$ 1.6430	$ 1.9600
2					Tier Two Breakover (M Gal):	10	999999	999999	1.4869	1.6430	2.4320
3					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
4	Industrial 1-inch	25.20	26.20	35.00	Tier One Breakover (M Gal):	67	999999	37	1.4869	1.6430	1.9600
5					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.4320
6					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
7	Industrial 2-inch	63.10	83.84	112.00	Tier One Breakover (M Gal):	296	999999	140	1.4869	1.6430	1.9600
8					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.4320
9					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
10	Industrial 3-inch	105.15	167.68	224.00	Tier One Breakover (M Gal):	552	999999	285	1.4869	1.6430	1.9600
11					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.4320
12					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
13	Industrial 4-inch	210.25	262.00	350.00	Tier One Breakover (M Gal):	1195	999999	460	1.4869	1.6430	1.9600
14					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.4320
15					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
16	Industrial 6-inch	367.90	524.00	700.00	Tier One Breakover (M Gal):	2160	999999	950	1.4869	1.6430	1.9600
17					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.4320
18					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
19	Industrial 8-inch	367.90	838.40	1,120.00	Tier One Breakover (M Gal):	2160	999999	1,500	1.4869	1.6430	1.9600
20					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.4320
21					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
22	Industrial 10-inch	1,205.20	1,676.80	1,610.00	Tier One Breakover (M Gal):	7292	999999	2,000	1.4869	1.6430	1.9600
23					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.4320
24					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	5.00	25.00	14.00					n/a	n/a	n/a
31	8-inch service	5.00	25.00	22.40					n/a	n/a	n/a
32	10-inch service	12.05	25.00	32.20					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	63.10	138.72	-	Tier One Breakover (M Gal):	296	125	999999	1.4869	1.9880	2.4320
37					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
38					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
39	Construction Water (3-Inch)	105.15	277.44	-	Tier One Breakover (M Gal):	552	325	999999	1.4869	1.9880	2.4320
40					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
41					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
42	Construction Water (4-Inch)	210.25	433.50	-	Tier One Breakover (M Gal):	1195	500	999999	1.4869	1.9880	2.4320
43					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.4320
44					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	83.84	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	1.6430	2.4320
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	1.6430	2.4320
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	167.68	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	1.6430	2.4320
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	1.6430	2.4320
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	524.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	1.6430	2.4320
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	1.6430	2.4320
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Casa Grande - Consolidated
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,843	$ 22.17	$ 33.73	$ 11.56	52.14%
Median Usage	6,075	$ 18.05	$ 28.22	$ 10.17	56.34%
Staff Recommended					
Average Usage	8,843	$ 22.17	$ 28.15	$ 5.98	27.00%
Median Usage	6,075	$ 18.05	$ 22.73	$ 4.67	25.90%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 10.48	$ 17.34	65.46%	$ 14.00	33.59%
1,000	11.48	18.93	64.90%	14.90	29.79%
2,000	12.48	20.52	64.42%	15.80	26.60%
3,000	13.48	22.11	64.02%	16.70	23.89%
4,000	14.97	24.10	61.01%	18.66	24.68%
5,000	16.45	26.09	58.54%	20.62	25.32%
6,000	17.94	28.07	56.48%	22.58	25.86%
7,000	19.43	30.06	54.74%	24.54	26.32%
8,000	20.91	32.05	53.24%	26.50	26.71%
9,000	22.40	34.04	51.95%	28.46	27.05%
10,000	23.89	36.03	50.81%	30.42	27.34%
11,000	25.54	38.51	50.80%	32.85	28.64%
12,000	27.19	41.00	50.79%	35.28	29.78%
13,000	28.84	43.48	50.78%	37.72	30.78%
14,000	30.49	45.97	50.77%	40.15	31.68%
15,000	32.14	48.45	50.76%	42.58	32.49%
16,000	33.79	50.94	50.75%	45.01	33.22%
17,000	35.44	53.42	50.74%	47.44	33.88%
18,000	37.09	55.91	50.74%	49.88	34.48%
19,000	38.74	58.39	50.73%	52.31	35.03%
20,000	40.39	60.88	50.73%	54.74	35.53%
25,000	48.64	73.30	50.71%	66.90	37.55%
30,000	56.89	85.73	50.69%	79.06	38.97%
35,000	65.14	98.15	50.68%	91.22	40.04%
40,000	73.39	110.58	50.67%	103.38	40.87%
45,000	81.64	123.00	50.67%	115.54	41.53%
50,000	89.89	135.43	50.66%	127.70	42.07%
75,000	131.14	197.55	50.64%	188.50	43.74%
100,000	172.39	259.68	50.63%	249.30	44.62%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Casa Grande											
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]		
		Basic Service Charge				Break-Over Points			Commodity Charge				
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate	
1	Residential 5/8 x 3/4 -inch	$ 10.48	$ 17.34	$ 14.00		Tier One Breakover (M Gal):	3	3	3	$ 1.0000	$ 1.5900	$ 0.9000	
2						Tier Two Breakover (M Gal):	10	10	10	1.4869	1.9880	1.7500	
3						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
4	Residential 1-inch	25.20	43.35	35.00		Tier One Breakover (M Gal):	67	10	34	1.4869	1.9880	1.7500	
5						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
6						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
7	Residential 2-inch	63.10	138.72	112.00		Tier One Breakover (M Gal):	296	125	125	1.4869	1.9880	1.7500	
8						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
9						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
10	Residential 3-inch	105.15	277.44	224.00		Tier One Breakover (M Gal):	552	325	260	1.4869	1.9880	1.7500	
11						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
12						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
13	Residential 4-inch	210.25	433.50	350.00		Tier One Breakover (M Gal):	1195	500	403	1.4869	1.9880	1.7500	
14						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
15						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
16	Residential 6-inch	367.90	867.00	700.00		Tier One Breakover (M Gal):	2160	925	820	1.4869	1.9880	1.7500	
17						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
18						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
19	Residential 8-inch	367.90	1,387.20	1,120.00		Tier One Breakover (M Gal):	2160	1500	1,300	1.4869	1.9880	1.7500	
20						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
21						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
22	Residential 10-inch	1,205.20	2,774.40	1,610.00		Tier One Breakover (M Gal):	7292	3000	1,800	1.4869	1.9880	1.7500	
23						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
24						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
25	Commercial 5/8 x 3/4 -inch	10.48	17.34	14.00		Tier One Breakover (M Gal):	3	10	10	1.0000	1.9880	1.7500	
26						Tier Two Breakover (M Gal):	10	999999	999999	1.4869	2.4850	2.5220	
27						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
28	Commercial 1-inch	25.20	43.35	35.00		Tier One Breakover (M Gal):	67	40	34	1.4869	1.9880	1.7500	
29						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
30						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
31	Commercial 2-inch	63.10	138.72	112.00		Tier One Breakover (M Gal):	296	125	125	1.4869	1.9880	1.7500	
32						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
33						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
34	Commercial 3-inch	105.15	277.44	224.00		Tier One Breakover (M Gal):	552	325	260	1.4869	1.9880	1.7500	
35						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
36						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
37	Commercial 4-inch	210.25	433.50	350.00		Tier One Breakover (M Gal):	1195	500	403	1.4869	1.9880	1.7500	
38						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
39						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
40	Commercial 6-inch	367.90	867.00	700.00		Tier One Breakover (M Gal):	2160	925	820	1.4869	1.9880	1.7500	
41						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
42						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
43	Commercial 8-inch	367.90	1,387.20	1,120.00		Tier One Breakover (M Gal):	2160	1500	1,300	1.4869	1.9880	1.7500	
44						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
45						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	
46	Commercial 10-inch	1,205.20	2,774.40	1,610.00		Tier One Breakover (M Gal):	7292	3000	1,800	1.4869	1.9880	1.7500	
47						Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220	
48						Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a	

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Casa Grande											
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 10.48	$ 10.48	$ 14.00	Tier One Breakover (M Gal):	3	999999	10	$ 1.0000	$ 1.6430	$ 1.7500
2					Tier Two Breakover (M Gal):	10	999999	999999	1.4869	1.6430	2.5220
3					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
4	Industrial 1-inch	25.20	25.15	35.00	Tier One Breakover (M Gal):	67	999999	34	1.4869	1.6430	1.7500
5					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.5220
6					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
7	Industrial 2-inch	63.10	62.88	112.00	Tier One Breakover (M Gal):	296	999999	125	1.4869	1.6430	1.7500
8					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.5220
9					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
10	Industrial 3-inch	105.15	104.80	224.00	Tier One Breakover (M Gal):	552	999999	260	1.4869	1.6430	1.7500
11					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.5220
12					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
13	Industrial 4-inch	210.25	209.60	350.00	Tier One Breakover (M Gal):	1195	999999	403	1.4869	1.6430	1.7500
14					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.5220
15					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
16	Industrial 6-inch	367.90	366.80	700.00	Tier One Breakover (M Gal):	2160	999999	820	1.4869	1.6430	1.7500
17					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.5220
18					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
19	Industrial 8-inch	367.90	366.80	1,120.00	Tier One Breakover (M Gal):	2160	999999	1,300	1.4869	1.6430	1.7500
20					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.5220
21					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
22	Industrial 10-inch	1,205.20	1,676.80	1,610.00	Tier One Breakover (M Gal):	7292	999999	1,800	1.4869	1.6430	1.7500
23					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	1.6430	2.5220
24					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	5.00	25.00	14.00					n/a	n/a	n/a
31	8-inch service	5.00	25.00	22.40					n/a	n/a	n/a
32	10-inch service	12.05	25.00	32.20					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	63.10	138.72	-	Tier One Breakover (M Gal):	296	125	999999	1.4869	1.9880	2.5220
37					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220
38					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
39	Construction Water (3-Inch)	105.15	277.44	-	Tier One Breakover (M Gal):	552	325	999999	1.4869	1.9880	2.5220
40					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220
41					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
42	Construction Water (4-Inch)	210.25	433.50	-	Tier One Breakover (M Gal):	1195	500	999999	1.4869	1.9880	2.5220
43					Tier Two Breakover (M Gal):	999999	999999	999999	1.6500	2.4850	2.5220
44					Tier Three Breakover (M Gal):	999999	999999	999999	1.6500	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	83.84	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	1.6430	2.5220
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	1.6430	2.5220
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	167.68	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	1.6430	2.5220
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	1.6430	2.5220
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	524.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	1.6430	2.5220
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	1.6430	2.5220
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Casa Grande
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,843	$ 22.17	$ 33.73	$ 11.56	52.14%
Median Usage	6,075	$ 18.05	$ 28.22	$ 10.17	56.34%
Staff Recommended					
Average Usage	8,843	$ 22.17	$ 26.93	$ 4.76	21.46%
Median Usage	6,075	$ 18.05	$ 22.08	$ 4.03	22.32%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 10.48	$ 17.34	65.46%	$ 14.00	33.59%
1,000	11.48	18.93	64.90%	14.90	29.79%
2,000	12.48	20.52	64.42%	15.80	26.60%
3,000	13.48	22.11	64.02%	16.70	23.89%
4,000	14.97	24.10	61.01%	18.45	23.27%
5,000	16.45	26.09	58.54%	20.20	22.77%
6,000	17.94	28.07	56.48%	21.95	22.35%
7,000	19.43	30.06	54.74%	23.70	21.99%
8,000	20.91	32.05	53.24%	25.45	21.69%
9,000	22.40	34.04	51.95%	27.20	21.42%
10,000	23.89	36.03	50.81%	28.95	21.19%
11,000	25.54	38.51	50.80%	31.47	23.23%
12,000	27.19	41.00	50.79%	33.99	25.03%
13,000	28.84	43.48	50.78%	36.52	26.62%
14,000	30.49	45.97	50.77%	39.04	28.04%
15,000	32.14	48.45	50.76%	41.56	29.32%
16,000	33.79	50.94	50.75%	44.08	30.47%
17,000	35.44	53.42	50.74%	46.60	31.51%
18,000	37.09	55.91	50.74%	49.13	32.46%
19,000	38.74	58.39	50.73%	51.65	33.33%
20,000	40.39	60.88	50.73%	54.17	34.12%
25,000	48.64	73.30	50.71%	66.78	37.30%
30,000	56.89	85.73	50.69%	79.39	39.55%
35,000	65.14	98.15	50.68%	92.00	41.24%
40,000	73.39	110.58	50.67%	104.61	42.54%
45,000	81.64	123.00	50.67%	117.22	43.58%
50,000	89.89	135.43	50.66%	129.83	44.43%
75,000	131.14	197.55	50.64%	192.88	47.08%
100,000	172.39	259.68	50.63%	255.93	48.46%

ARIZONA WATER COMPANY
WESTERN GROUP:
COOLIDGE

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Coolidge - Consolidated								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 10.90	$ 17.34	$ 14.00	Tier One Breakover (M Gal):	3	3	3	$ 1.5500	$ 1.5900	$ 0.9000
2					Tier Two Breakover (M Gal):	10	10	10	1.9600	1.9880	1.9600
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
4	Residential 1-inch	27.25	43.35	35.00	Tier One Breakover (M Gal):	47	10	37	1.9600	1.9880	1.9600
5					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
7	Residential 2-inch	87.20	138.72	112.00	Tier One Breakover (M Gal):	258	125	140	1.9600	1.9880	1.9600
8					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
10	Residential 3-inch	174.40	277.44	224.00	Tier One Breakover (M Gal):	568	325	285	1.9600	1.9880	1.9600
11					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
13	Residential 4-inch	272.50	433.50	350.00	Tier One Breakover (M Gal):	917	500	460	1.9600	1.9880	1.9600
14					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
16	Residential 6-inch	545.00	867.00	700.00	Tier One Breakover (M Gal):	1889	925	950	1.9600	1.9880	1.9600
17					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
19	Residential 8-inch	872.00	1,387.20	1,120.00	Tier One Breakover (M Gal):	3055	1500	1,500	1.9600	1.9880	1.9600
20					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
22	Residential 10-inch	1,253.50	2,774.40	1,610.00	Tier One Breakover (M Gal):	4416	3000	2,000	1.9600	1.9880	1.9600
23					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	10.90	17.34	14.00	Tier One Breakover (M Gal):	3	10	10	1.5500	1.9880	1.9600
26					Tier Two Breakover (M Gal):	10	999999	999999	1.9600	2.4850	2.4320
27					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
28	Commercial 1-inch	27.25	43.35	35.00	Tier One Breakover (M Gal):	47	40	37	1.9600	1.9880	1.9600
29					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
30					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
31	Commercial 2-inch	87.20	138.72	112.00	Tier One Breakover (M Gal):	258	125	140	1.9600	1.9880	1.9600
32					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
33					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
34	Commercial 3-inch	174.40	277.44	224.00	Tier One Breakover (M Gal):	568	325	285	1.9600	1.9880	1.9600
35					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
36					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
37	Commercial 4-inch	272.50	433.50	350.00	Tier One Breakover (M Gal):	917	500	460	1.9600	1.9880	1.9600
38					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
39					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
40	Commercial 6-inch	545.00	867.00	700.00	Tier One Breakover (M Gal):	1889	925	950	1.9600	1.9880	1.9600
41					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
42					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
43	Commercial 8-inch	872.00	1,387.20	1,120.00	Tier One Breakover (M Gal):	3055	1500	1,500	1.9600	1.9880	1.9600
44					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
45					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
46	Commercial 10-inch	1,253.50	2,774.40	1,610.00	Tier One Breakover (M Gal):	4416	3000	2,000	1.9600	1.9880	1.9600
47					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
48					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Coolidge - Consolidated									
		[A]	[B]	[C]		[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 10.90	$ 10.48	$ 14.00	Tier One Breakover (M Gal):	3	999999	10	$ 1.5500	$ 2.1000	$ 1.9600
2					Tier Two Breakover (M Gal):	10	999999	999999	1.9600	2.1000	2.4320
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
4	Industrial 1-inch	27.25	26.20	35.00	Tier One Breakover (M Gal):	47	999999	37	1.9600	2.1000	1.9600
5					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.4320
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
7	Industrial 2-inch	87.20	83.84	112.00	Tier One Breakover (M Gal):	258	999999	140	1.9600	2.1000	1.9600
8					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.4320
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
10	Industrial 3-inch	174.40	167.68	224.00	Tier One Breakover (M Gal):	568	999999	285	1.9600	2.1000	1.9600
11					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.4320
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
13	Industrial 4-inch	272.50	262.00	350.00	Tier One Breakover (M Gal):	917	999999	460	1.9600	2.1000	1.9600
14					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.4320
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
16	Industrial 6-inch	545.00	524.00	700.00	Tier One Breakover (M Gal):	1889	999999	950	1.9600	2.1000	1.9600
17					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.4320
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
19	Industrial 8-inch	872.00	838.40	1,120.00	Tier One Breakover (M Gal):	3055	999999	1,500	1.9600	2.1000	1.9600
20					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.4320
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
22	Industrial 10-inch	1,253.50	1,676.80	1,610.00	Tier One Breakover (M Gal):	4416	999999	2,000	1.9600	2.1000	1.9600
23					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.4320
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	5.45	25.00	14.00					n/a	n/a	n/a
31	8-inch service	8.72	25.00	22.40					n/a	n/a	n/a
32	10-inch service	12.54	25.00	32.20					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				104.00	114.5483	116.18
36	Construction Water (2-Inch)	87.20	138.72	-	Tier One Breakover (M Gal):	258	125	999999	1.9600	1.9880	2.4320
37					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
38					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
39	Construction Water (3-Inch)	174.40	277.44	-	Tier One Breakover (M Gal):	568	325	999999	1.9600	1.9880	2.4320
40					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
41					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
42	Construction Water (4-Inch)	272.50	433.50	-	Tier One Breakover (M Gal):	917	500	999999	1.9600	1.9880	2.4320
43					Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.4320
44					Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	83.84	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.1000	2.4320
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.1000	2.4320
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	167.68	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.1000	2.4320
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.1000	2.4320
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	524.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.1000	2.4320
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.1000	2.4320
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Coolidge - Consolidated
Typical Bill Analysis
Residential 5/8x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,134	$ 25.61	$ 32.32	$ 6.70	26.17%
Median Usage	5,998	$ 21.43	$ 28.07	$ 6.64	31.01%
Staff Recommended					
Average Usage	8,134	$ 25.61	$ 26.76	$ 1.15	4.49%
Median Usage	5,998	$ 21.43	$ 22.58	$ 1.15	5.37%

Present & Proposed Rates (Without Taxes)
Residential 5/8x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 10.90	$ 17.34	59.08%	$ 14.00	28.44%
1,000	12.45	18.93	52.05%	14.90	19.68%
2,000	14.00	20.52	46.57%	15.80	12.86%
3,000	15.55	22.11	42.19%	16.70	7.40%
4,000	17.51	24.10	37.62%	18.66	6.57%
5,000	19.47	26.09	33.98%	20.62	5.91%
6,000	21.43	28.07	31.00%	22.58	5.37%
7,000	23.39	30.06	28.53%	24.54	4.92%
8,000	25.35	32.05	26.43%	26.50	4.54%
9,000	27.31	34.04	24.64%	28.46	4.21%
10,000	29.27	36.03	23.08%	30.42	3.93%
11,000	31.51	38.51	22.22%	32.85	4.26%
12,000	33.75	41.00	21.47%	35.28	4.55%
13,000	35.99	43.48	20.81%	37.72	4.80%
14,000	38.23	45.97	20.24%	40.15	5.02%
15,000	40.47	48.45	19.72%	42.58	5.21%
16,000	42.71	50.94	19.26%	45.01	5.39%
17,000	44.95	53.42	18.85%	47.44	5.55%
18,000	47.19	55.91	18.47%	49.88	5.69%
19,000	49.43	58.39	18.13%	52.31	5.82%
20,000	51.67	60.88	17.82%	54.74	5.94%
25,000	62.87	73.30	16.59%	66.90	6.41%
30,000	74.07	85.73	15.74%	79.06	6.74%
35,000	85.27	98.15	15.11%	91.22	6.98%
40,000	96.47	110.58	14.62%	103.38	7.16%
45,000	107.67	123.00	14.24%	115.54	7.31%
50,000	118.87	135.43	13.93%	127.70	7.43%
75,000	174.87	197.55	12.97%	188.50	7.79%
100,000	230.87	259.68	12.48%	249.30	7.98%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Coolidge										
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 10.90	$ 17.34	$ 12.50		Tier One Breakover (M Gal):	3	3	3	$ 1.5500	$ 1.5900	$ 1.0000
2						Tier Two Breakover (M Gal):	10	10	10	1.9600	1.9880	2.0000
3						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
4	Residential 1-inch	27.25	43.35	31.25		Tier One Breakover (M Gal):	47	10	40	1.9600	1.9880	2.0000
5						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
6						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
7	Residential 2-inch	87.20	138.72	100.00		Tier One Breakover (M Gal):	258	125	150	1.9600	1.9880	2.0000
8						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
9						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
10	Residential 3-inch	174.40	277.44	200.00		Tier One Breakover (M Gal):	568	325	300	1.9600	1.9880	2.0000
11						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
12						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
13	Residential 4-inch	272.50	433.50	312.50		Tier One Breakover (M Gal):	917	500	480	1.9600	1.9880	2.0000
14						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
15						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
16	Residential 6-inch	545.00	867.00	625.00		Tier One Breakover (M Gal):	1889	925	1,000	1.9600	1.9880	2.0000
17						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
18						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
19	Residential 8-inch	872.00	1,387.20	1,000.00		Tier One Breakover (M Gal):	3055	1500	1,600	1.9600	1.9880	2.0000
20						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
21						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
22	Residential 10-inch	1,253.50	2,774.40	1,437.50		Tier One Breakover (M Gal):	4416	3000	2,300	1.9600	1.9880	2.0000
23						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
24						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	10.90	17.34	12.50		Tier One Breakover (M Gal):	3	10	10	1.5500	1.9880	2.0000
26						Tier Two Breakover (M Gal):	10	999999	999999	1.9600	2.4850	2.5080
27						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
28	Commercial 1-inch	27.25	43.35	31.25		Tier One Breakover (M Gal):	47	40	40	1.9600	1.9880	2.0000
29						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
30						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
31	Commercial 2-inch	87.20	138.72	100.00		Tier One Breakover (M Gal):	258	125	150	1.9600	1.9880	2.0000
32						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
33						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
34	Commercial 3-inch	174.40	277.44	200.00		Tier One Breakover (M Gal):	568	325	300	1.9600	1.9880	2.0000
35						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
36						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
37	Commercial 4-inch	272.50	433.50	312.50		Tier One Breakover (M Gal):	917	500	480	1.9600	1.9880	2.0000
38						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
39						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
40	Commercial 6-inch	545.00	867.00	625.00		Tier One Breakover (M Gal):	1889	925	1,000	1.9600	1.9880	2.0000
41						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
42						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
43	Commercial 8-inch	872.00	1,387.20	1,000.00		Tier One Breakover (M Gal):	3055	1500	1,600	1.9600	1.9880	2.0000
44						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
45						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
46	Commercial 10-inch	1,253.50	2,774.40	1,437.50		Tier One Breakover (M Gal):	4416	3000	2,300	1.9600	1.9880	2.0000
47						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
48						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Coolidge											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 10.90	$ 10.48	$ 12.50		Tier One Breakover (M Gal):	3	999999	10	$ 1.5500	$ 2.1000	$ 2.0000
2						Tier Two Breakover (M Gal):	10	999999	999999	1.9600	2.1000	2.5080
3						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
4	Industrial 1-inch	27.25	26.20	31.25		Tier One Breakover (M Gal):	47	999999	40	1.9600	2.1000	2.0000
5						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.5080
6						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
7	Industrial 2-inch	87.20	83.84	100.00		Tier One Breakover (M Gal):	258	999999	150	1.9600	2.1000	2.0000
8						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.5080
9						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
10	Industrial 3-inch	174.40	167.68	200.00		Tier One Breakover (M Gal):	568	999999	300	1.9600	2.1000	2.0000
11						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.5080
12						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
13	Industrial 4-inch	272.50	262.00	312.50		Tier One Breakover (M Gal):	917	999999	480	1.9600	2.1000	2.0000
14						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.5080
15						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
16	Industrial 6-inch	545.00	524.00	625.00		Tier One Breakover (M Gal):	1889	999999	1,000	1.9600	2.1000	2.0000
17						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.5080
18						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
19	Industrial 8-inch	872.00	838.40	1,000.00		Tier One Breakover (M Gal):	3055	999999	1,600	1.9600	2.1000	2.0000
20						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.5080
21						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
22	Industrial 10-inch	1,253.50	1,676.80	1,437.50		Tier One Breakover (M Gal):	4416	999999	2,300	1.9600	2.1000	2.0000
23						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.1000	2.5080
24						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	5.45	25.00	12.50						n/a	n/a	n/a
31	8-inch service	8.72	25.00	20.00						n/a	n/a	n/a
32	10-inch service	12.54	25.00	28.75						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				104.00	114.5483	113.86
36	Construction Water (2-Inch)	87.20	138.72	-		Tier One Breakover (M Gal):	258	125	999999	1.9600	1.9880	2.5080
37						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
38						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
39	Construction Water (3-Inch)	174.40	277.44	-		Tier One Breakover (M Gal):	568	325	999999	1.9600	1.9880	2.5080
40						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
41						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
42	Construction Water (4-Inch)	272.50	433.50	-		Tier One Breakover (M Gal):	917	500	999999	1.9600	1.9880	2.5080
43						Tier Two Breakover (M Gal):	999999	999999	999999	2.2400	2.4850	2.5080
44						Tier Three Breakover (M Gal):	999999	999999	999999	2.2400	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	83.84	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.1000	2.5080
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.1000	2.5080
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	167.68	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.1000	2.5080
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.1000	2.5080
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	524.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.1000	2.5080
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.1000	2.5080
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Coolidge
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	8,134	$ 25.61	$ 32.32	$ 6.70	26.17%
Median Usage	5,998	$ 21.43	$ 28.07	$ 6.64	31.01%
Staff Recommended					
Average Usage	8,134	$ 25.61	$ 25.77	$ 0.16	0.61%
Median Usage	5,998	$ 21.43	$ 21.50	$ 0.07	0.33%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 10.90	$ 17.34	59.08%	$ 12.50	14.68%
1,000	12.45	18.93	52.05%	13.50	8.43%
2,000	14.00	20.52	46.57%	14.50	3.57%
3,000	15.55	22.11	42.19%	15.50	-0.32%
4,000	17.51	24.10	37.62%	17.50	-0.06%
5,000	19.47	26.09	33.98%	19.50	0.15%
6,000	21.43	28.07	31.00%	21.50	0.33%
7,000	23.39	30.06	28.53%	23.50	0.47%
8,000	25.35	32.05	26.43%	25.50	0.59%
9,000	27.31	34.04	24.64%	27.50	0.70%
10,000	29.27	36.03	23.08%	29.50	0.79%
11,000	31.51	38.51	22.22%	32.01	1.58%
12,000	33.75	41.00	21.47%	34.52	2.27%
13,000	35.99	43.48	20.81%	37.02	2.87%
14,000	38.23	45.97	20.24%	39.53	3.41%
15,000	40.47	48.45	19.72%	42.04	3.88%
16,000	42.71	50.94	19.26%	44.55	4.30%
17,000	44.95	53.42	18.85%	47.06	4.69%
18,000	47.19	55.91	18.47%	49.56	5.03%
19,000	49.43	58.39	18.13%	52.07	5.34%
20,000	51.67	60.88	17.82%	54.58	5.63%
25,000	62.87	73.30	16.59%	67.12	6.76%
30,000	74.07	85.73	15.74%	79.66	7.55%
35,000	85.27	98.15	15.11%	92.20	8.13%
40,000	96.47	110.58	14.62%	104.74	8.57%
45,000	107.67	123.00	14.24%	117.28	8.93%
50,000	118.87	135.43	13.93%	129.82	9.21%
75,000	174.87	197.55	12.97%	192.52	10.09%
100,000	230.87	259.68	12.48%	255.22	10.55%

ARIZONA WATER COMPANY
WESTERN GROUP:
STANFIELD

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Stanfield - Consolidated								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 14.65	$ 17.34	$ 14.00	Tier One Breakover (M Gal):	3	3	3	$ 2.0300	$ 2.3270	$ 0.9000
2					Tier Two Breakover (M Gal):	10	10	10	2.8900	2.9090	2.9500
3					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
4	Residential 1-inch	36.63	43.35	35.00	Tier One Breakover (M Gal):	29	10	37	2.8900	2.9090	2.9500
5					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
6					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
7	Residential 2-inch	117.20	138.72	112.00	Tier One Breakover (M Gal):	139	125	135	2.8900	2.9090	2.9500
8					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
9					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
10	Residential 3-inch	234.40	277.44	224.00	Tier One Breakover (M Gal):	303	325	280	2.8900	2.9090	2.9500
11					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
12					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
13	Residential 4-inch	366.25	433.50	350.00	Tier One Breakover (M Gal):	487	500	440	2.8900	2.9090	2.9500
14					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
15					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
16	Residential 6-inch	732.50	867.00	700.00	Tier One Breakover (M Gal):	1002	925	900	2.8900	2.9090	2.9500
17					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
18					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
19	Residential 8-inch	1,172.00	1,387.20	1,120.00	Tier One Breakover (M Gal):	1620	1500	1,450	2.8900	2.9090	2.9500
20					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
21					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
22	Residential 10-inch	1,684.75	2,774.40	1,610.00	Tier One Breakover (M Gal):	2341	3000	2,000	2.8900	2.9090	2.9500
23					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
24					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	14.65	17.34	14.00	Tier One Breakover (M Gal):	3	10	10	2.0300	2.9090	2.9500
26					Tier Two Breakover (M Gal):	10	999999	999999	2.8900	3.6360	3.7000
27					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
28	Commercial 1-inch	36.63	43.35	35.00	Tier One Breakover (M Gal):	29	40	37	2.8900	2.9090	2.9500
29					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
30					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
31	Commercial 2-inch	117.20	138.72	112.00	Tier One Breakover (M Gal):	139	125	135	2.8900	2.9090	2.9500
32					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
33					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
34	Commercial 3-inch	234.40	277.44	224.00	Tier One Breakover (M Gal):	303	325	280	2.8900	2.9090	2.9500
35					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
36					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
37	Commercial 4-inch	366.25	433.50	350.00	Tier One Breakover (M Gal):	487	500	440	2.8900	2.9090	2.9500
38					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
39					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
40	Commercial 6-inch	732.50	867.00	700.00	Tier One Breakover (M Gal):	1002	925	900	2.8900	2.9090	2.9500
41					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
42					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
43	Commercial 8-inch	1,172.00	1,387.20	1,120.00	Tier One Breakover (M Gal):	1620	1500	1,450	2.8900	2.9090	2.9500
44					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
45					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
46	Commercial 10-inch	1,684.75	2,774.40	1,610.00	Tier One Breakover (M Gal):	2341	3000	2,000	2.8900	2.9090	2.9500
47					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
48					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Stanfield - Consolidated											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 14.65	$ 10.48	$ 14.00		Tier One Breakover (M Gal):	3	999999	10	$ 2.0300	$ 2.9090	$ 2.9500
2						Tier Two Breakover (M Gal):	10	999999	999999	2.8900	2.9090	3.7000
3						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
4	Industrial 1-inch	36.63	26.20	35.00		Tier One Breakover (M Gal):	29	999999	37	2.8900	2.9090	2.9500
5						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	3.7000
6						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
7	Industrial 2-inch	117.20	83.84	112.00		Tier One Breakover (M Gal):	139	999999	135	2.8900	2.9090	2.9500
8						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	3.7000
9						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
10	Industrial 3-inch	234.40	167.68	224.00		Tier One Breakover (M Gal):	303	999999	280	2.8900	2.9090	2.9500
11						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	3.7000
12						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
13	Industrial 4-inch	366.25	262.00	350.00		Tier One Breakover (M Gal):	487	999999	440	2.8900	2.9090	2.9500
14						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	3.7000
15						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
16	Industrial 6-inch	732.50	524.00	700.00		Tier One Breakover (M Gal):	1002	999999	900	2.8900	2.9090	2.9500
17						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	3.7000
18						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
19	Industrial 8-inch	1,172.00	838.40	1,120.00		Tier One Breakover (M Gal):	1620	999999	1,450	2.8900	2.9090	2.9500
20						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	3.7000
21						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
22	Industrial 10-inch	1,684.75	1,676.80	1,610.00		Tier One Breakover (M Gal):	2341	999999	2,000	2.8900	2.9090	2.9500
23						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	3.7000
24						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	7.33	25.00	14.00						n/a	n/a	n/a
31	8-inch service	11.72	25.00	22.40						n/a	n/a	n/a
32	10-inch service	16.85	25.00	32.20						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				65.00	78.2819	77.19
36	Construction Water (2-Inch)	117.20	138.72	-		Tier One Breakover (M Gal):	139	125	999.999	2.8900	2.9090	3.7000
37						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
38						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
39	Construction Water (3-Inch)	234.40	277.44	-		Tier One Breakover (M Gal):	303	325	999.999	2.8900	2.9090	3.7000
40						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
41						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
42	Construction Water (4-Inch)	366.25	433.50	-		Tier One Breakover (M Gal):	487	500	999.999	2.8900	2.9090	3.7000
43						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	3.7000
44						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	83.84	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.9090	3.7000
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.9090	3.7000
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	167.68	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.9090	3.7000
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.9090	3.7000
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	524.00	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.9090	3.7000
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.9090	3.7000
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
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Schedule JMM-2

Stanfield -Consolidated
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,162	$ 38.55	$ 42.25	$ 3.70	9.59%
Median Usage	7,262	$ 33.06	$ 36.72	$ 3.66	11.08%
Staff Recommended					
Average Usage	9,162	$ 38.55	$ 34.88	$ (3.67)	-9.52%
Median Usage	7,262	$ 33.06	$ 29.27	$ (3.78)	-11.45%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 14.65	$ 17.34	18.36%	$ 14.00	-4.44%
1,000	16.68	19.67	17.91%	14.90	-10.67%
2,000	18.71	21.99	17.55%	15.80	-15.55%
3,000	20.74	24.32	17.27%	16.70	-19.48%
4,000	23.63	27.23	15.23%	19.65	-16.84%
5,000	26.52	30.14	13.65%	22.60	-14.78%
6,000	29.41	33.05	12.37%	25.55	-13.12%
7,000	32.30	35.96	11.32%	28.50	-11.76%
8,000	35.19	38.87	10.45%	31.45	-10.63%
9,000	38.08	41.78	9.70%	34.40	-9.66%
10,000	40.97	44.68	9.07%	37.35	-8.84%
11,000	44.57	48.32	8.41%	41.05	-7.90%
12,000	48.17	51.96	7.86%	44.75	-7.10%
13,000	51.77	55.59	7.38%	48.45	-6.41%
14,000	55.37	59.23	6.97%	52.15	-5.82%
15,000	58.97	62.86	6.60%	55.85	-5.29%
16,000	62.57	66.50	6.28%	59.55	-4.83%
17,000	66.17	70.14	5.99%	63.25	-4.41%
18,000	69.77	73.77	5.74%	66.95	-4.04%
19,000	73.37	77.41	5.50%	70.65	-3.71%
20,000	76.97	81.04	5.29%	74.35	-3.40%
25,000	94.97	99.22	4.48%	92.85	-2.23%
30,000	112.97	117.40	3.92%	111.35	-1.43%
35,000	130.97	135.58	3.52%	129.85	-0.86%
40,000	148.97	153.76	3.22%	148.35	-0.42%
45,000	166.97	171.94	2.98%	166.85	-0.07%
50,000	184.97	190.12	2.79%	185.35	0.21%
75,000	274.97	281.02	2.20%	277.85	1.05%
100,000	364.97	371.92	1.91%	370.35	1.47%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Stanfield											
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 14.65	$ 17.34	$ 42.00		Tier One Breakover (M Gal):	3	3	3	$ 2.0300	$ 2.3270	$ 4.1800
2						Tier Two Breakover (M Gal):	10	10	10	2.8900	2.9090	6.2800
3						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
4	Residential 1-inch	36.63	43.35	105.00		Tier One Breakover (M Gal):	29	10	50	2.8900	2.9090	6.2800
5						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
6						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
7	Residential 2-inch	117.20	138.72	336.00		Tier One Breakover (M Gal):	139	125	200	2.8900	2.9090	6.2800
8						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
9						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
10	Residential 3-inch	234.40	277.44	672.00		Tier One Breakover (M Gal):	303	325	450	2.8900	2.9090	6.2800
11						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
12						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
13	Residential 4-inch	366.25	433.50	1,050.00		Tier One Breakover (M Gal):	487	500	730	2.8900	2.9090	6.2800
14						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
15						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
16	Residential 6-inch	732.50	867.00	2,100.00		Tier One Breakover (M Gal):	1002	925	1,500	2.8900	2.9090	6.2800
17						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
18						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
19	Residential 8-inch	1,172.00	1,387.20	3,360.00		Tier One Breakover (M Gal):	1620	1500	2,400	2.8900	2.9090	6.2800
20						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
21						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
22	Residential 10-inch	1,684.75	2,774.40	4,830.00		Tier One Breakover (M Gal):	2341	3000	3,500	2.8900	2.9090	6.2800
23						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
24						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	14.65	17.34	42.00		Tier One Breakover (M Gal):	3	10	10	2.0300	2.9090	6.2800
26						Tier Two Breakover (M Gal):	10	999999	999999	2.8900	3.6360	7.5190
27						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
28	Commercial 1-inch	36.63	43.35	105.00		Tier One Breakover (M Gal):	29	40	50	2.8900	2.9090	6.2800
29						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
30						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
31	Commercial 2-inch	117.20	138.72	336.00		Tier One Breakover (M Gal):	139	125	200	2.8900	2.9090	6.2800
32						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
33						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
34	Commercial 3-inch	234.40	277.44	672.00		Tier One Breakover (M Gal):	303	325	450	2.8900	2.9090	6.2800
35						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
36						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
37	Commercial 4-inch	366.25	433.50	1,050.00		Tier One Breakover (M Gal):	487	500	730	2.8900	2.9090	6.2800
38						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
39						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
40	Commercial 6-inch	732.50	867.00	2,100.00		Tier One Breakover (M Gal):	1002	925	1,500	2.8900	2.9090	6.2800
41						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
42						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
43	Commercial 8-inch	1,172.00	1,387.20	3,360.00		Tier One Breakover (M Gal):	1620	1500	2,400	2.8900	2.9090	6.2800
44						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
45						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
46	Commercial 10-inch	1,684.75	2,774.40	4,830.00		Tier One Breakover (M Gal):	2341	3000	3,500	2.8900	2.9090	6.2800
47						Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
48						Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Stanfield								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 14.65	$ 17.34	$ 42.00	Tier One Breakover (M Gal):	3	999999	10	$ 2.0300	$ 2.9090	$ 6.2800
2					Tier Two Breakover (M Gal):	10	999999	999999	2.8900	2.9090	7.5190
3					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
4	Industrial 1-inch	36.63	43.35	105.00	Tier One Breakover (M Gal):	29	999999	50	2.8900	2.9090	6.2800
5					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	7.5190
6					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
7	Industrial 2-inch	117.20	138.72	336.00	Tier One Breakover (M Gal):	139	999999	200	2.8900	2.9090	6.2800
8					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	7.5190
9					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
10	Industrial 3-inch	234.40	277.44	672.00	Tier One Breakover (M Gal):	303	999999	450	2.8900	2.9090	6.2800
11					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	7.5190
12					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
13	Industrial 4-inch	366.25	433.50	1,050.00	Tier One Breakover (M Gal):	487	999999	730	2.8900	2.9090	6.2800
14					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	7.5190
15					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
16	Industrial 6-inch	732.50	867.00	2,100.00	Tier One Breakover (M Gal):	1002	999999	1,500	2.8900	2.9090	6.2800
17					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	7.5190
18					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
19	Industrial 8-inch	1,172.00	1,387.20	3,360.00	Tier One Breakover (M Gal):	1620	999999	2,400	2.8900	2.9090	6.2800
20					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	7.5190
21					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
22	Industrial 10-inch	1,684.75	2,774.40	4,830.00	Tier One Breakover (M Gal):	2341	999999	3,500	2.8900	2.9090	6.2800
23					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	2.9090	7.5190
24					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00					n/a	n/a	n/a
30	6-inch service	7.33	25.00	42.00					n/a	n/a	n/a
31	8-inch service	11.72	25.00	67.20					n/a	n/a	n/a
32	10-inch service	16.85	25.00	96.60					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				65.00	78.2819	36.26
36	Construction Water (2-Inch)	117.20	138.72	-	Tier One Breakover (M Gal):	139	125	999.999	2.8900	2.9090	7.5190
37					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
38					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
39	Construction Water (3-Inch)	234.40	277.44	-	Tier One Breakover (M Gal):	303	325	999.999	2.8900	2.9090	7.5190
40					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
41					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
42	Construction Water (4-Inch)	366.25	433.50	-	Tier One Breakover (M Gal):	487	500	999.999	2.8900	2.9090	7.5190
43					Tier Two Breakover (M Gal):	999999	999999	999999	3.6000	3.6360	7.5190
44					Tier Three Breakover (M Gal):	999999	999999	999999	3.6000	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	138.72	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.9090	7.5190
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.9090	7.5190
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	277.44	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.9090	7.5190
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.9090	7.5190
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	867.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	2.9090	7.5190
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	2.9090	7.5190
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

Stanfield
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	9,162	$ 38.55	$ 42.25	$ 3.70	9.59%
Median Usage	7,262	$ 33.06	$ 36.72	$ 3.66	11.08%
Staff Recommended					
Average Usage	9,162	$ 38.55	$ 93.24	$ 54.69	141.87%
Median Usage	7,262	$ 33.06	$ 81.31	$ 48.25	145.95%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 14.65	$ 17.34	18.36%	$ 42.00	186.69%
1,000	16.68	19.67	17.91%	46.18	176.86%
2,000	18.71	21.99	17.55%	50.36	169.16%
3,000	20.74	24.32	17.27%	54.54	162.97%
4,000	23.63	27.23	15.23%	60.82	157.38%
5,000	26.52	30.14	13.65%	67.10	153.02%
6,000	29.41	33.05	12.37%	73.38	149.51%
7,000	32.30	35.96	11.32%	79.66	146.63%
8,000	35.19	38.87	10.45%	85.94	144.22%
9,000	38.08	41.78	9.70%	92.22	142.17%
10,000	40.97	44.68	9.07%	98.50	140.42%
11,000	44.57	48.32	8.41%	106.02	137.87%
12,000	48.17	51.96	7.86%	113.54	135.70%
13,000	51.77	55.59	7.38%	121.06	133.84%
14,000	55.37	59.23	6.97%	128.58	132.21%
15,000	58.97	62.86	6.60%	136.10	130.79%
16,000	62.57	66.50	6.28%	143.61	129.53%
17,000	66.17	70.14	5.99%	151.13	128.40%
18,000	69.77	73.77	5.74%	158.65	127.39%
19,000	73.37	77.41	5.50%	166.17	126.48%
20,000	76.97	81.04	5.29%	173.69	125.66%
25,000	94.97	99.22	4.48%	211.29	122.48%
30,000	112.97	117.40	3.92%	248.88	120.31%
35,000	130.97	135.58	3.52%	286.48	118.73%
40,000	148.97	153.76	3.22%	324.07	117.54%
45,000	166.97	171.94	2.98%	361.67	116.60%
50,000	184.97	190.12	2.79%	399.26	115.85%
75,000	274.97	281.02	2.20%	587.24	113.56%
100,000	364.97	371.92	1.91%	775.21	112.40%

ARIZONA WATER COMPANY
WESTERN GROUP:
WHITE TANK

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

White Tank

Line No.	Customer Class	Basic Service Charge: Company Present Rate [A]	Basic Service Charge: Company Proposed Rate [B]	Basic Service Charge: Staff Recommended Rate [C]	Break-Over Points	Break-Over Points: Company Present [D]	Break-Over Points: Company Proposed [E]	Break-Over Points: Staff Recommended [F]	Commodity Charge: Company Present Rate [G]	Commodity Charge: Company Proposed Rate [H]	Commodity Charge: Staff Recommended Rate [I]
1	Residential 5/8 x 3/4 -inch	$ 16.05	$ 29.97	$ 20.00	Tier One Breakover (M Gal):	3	3	3	$ 1.6000	$ 1.9240	$ 1.2500
2					Tier Two Breakover (M Gal):	10	10	10	2.2500	2.4050	2.1500
3					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
4	Residential 1-inch	31.10	74.93	50.00	Tier One Breakover (M Gal):	30	10	35	2.2500	2.4050	2.1500
5					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
6					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
7	Residential 2-inch	82.85	239.76	160.00	Tier One Breakover (M Gal):	183	185	140	2.2500	2.4050	2.1500
8					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
9					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
10	Residential 3-inch	155.40	479.52	320.00	Tier One Breakover (M Gal):	401	400	285	2.2500	2.4050	2.1500
11					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
12					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
13	Residential 4-inch	401.25	749.25	500.00	Tier One Breakover (M Gal):	1145	800	450	2.2500	2.4050	2.1500
14					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
15					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
16	Residential 6-inch	802.50	1,498.50	1,000.00	Tier One Breakover (M Gal):	2359	1500	940	2.2500	2.4050	2.1500
17					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
18					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
19	Residential 8-inch	1,284.00	2,397.60	1,600.00	Tier One Breakover (M Gal):	3817	2500	1,500	2.2500	2.4050	2.1500
20					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
21					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
22	Residential 10-inch	1,845.75	4,795.20	2,300.00	Tier One Breakover (M Gal):	5518	5500	2,175	2.2500	2.4050	2.1500
23					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
24					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	16.05	29.97	20.00	Tier One Breakover (M Gal):	3	10	10	1.6000	2.4050	2.1500
26					Tier Two Breakover (M Gal):	10	999999	999999	2.2500	3.0060	3.1650
27					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
28	Commercial 1-inch	31.10	74.93	50.00	Tier One Breakover (M Gal):	30	75	35	2.2500	2.4050	2.1500
29					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
30					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
31	Commercial 2-inch	82.85	239.76	160.00	Tier One Breakover (M Gal):	183	325	140	2.2500	2.4050	2.1500
32					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
33					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
34	Commercial 3-inch	155.40	479.52	320.00	Tier One Breakover (M Gal):	401	700	285	2.2500	2.4050	2.1500
35					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
36					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
37	Commercial 4-inch	401.25	749.25	500.00	Tier One Breakover (M Gal):	1145	1100	450	2.2500	2.4050	2.1500
38					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
39					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
40	Commercial 6-inch	802.50	1,498.50	1,000.00	Tier One Breakover (M Gal):	2359	2200	940	2.2500	2.4050	2.1500
41					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
42					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
43	Commercial 8-inch	1,284.00	2,397.60	1,600.00	Tier One Breakover (M Gal):	3817	3500	1,500	2.2500	2.4050	2.1500
44					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
45					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
46	Commercial 10-inch	1,845.75	4,795.20	2,300.00	Tier One Breakover (M Gal):	5518	7000	2,175	2.2500	2.4050	2.1500
47					Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
48					Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		White Tank										
		[A]	[B]	[C]		[D]	[E]	[F]		[G]	[H]	[I]
		Basic Service Charge				Break-Over Points				Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate			Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 16.05	$ 33.00	$ 20.00		Tier One Breakover (M Gal):	3	999999	10	$ 1.6000	$ 3.0690	$ 2.1500
2						Tier Two Breakover (M Gal):	10	999999	999999	2.2500	3.0690	3.1650
3						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
4	Industrial 1-inch	31.10	82.50	50.00		Tier One Breakover (M Gal):	30	999999	35	2.2500	3.0690	2.1500
5						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0690	3.1650
6						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
7	Industrial 2-inch	82.85	264.00	160.00		Tier One Breakover (M Gal):	183	999999	140	2.2500	3.0690	2.1500
8						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0690	3.1650
9						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
10	Industrial 3-inch	155.40	528.00	320.00		Tier One Breakover (M Gal):	401	999999	285	2.2500	3.0690	2.1500
11						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0690	3.1650
12						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
13	Industrial 4-inch	401.25	825.00	500.00		Tier One Breakover (M Gal):	1145	999999	450	2.2500	3.0690	2.1500
14						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0690	3.1650
15						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
16	Industrial 6-inch	802.50	1,650.00	1,000.00		Tier One Breakover (M Gal):	2359	999999	940	2.2500	3.0690	2.1500
17						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0690	3.1650
18						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
19	Industrial 8-inch	1,284.00	2,640.00	1,600.00		Tier One Breakover (M Gal):	3817	999999	1,500	2.2500	3.0690	2.1500
20						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0690	3.1650
21						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
22	Industrial 10-inch	1,845.75	5,280.00	2,300.00		Tier One Breakover (M Gal):	5518	999999	2,175	2.2500	3.0690	2.1500
23						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0690	3.1650
24						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00						n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00						n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00						n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00						n/a	n/a	n/a
29	4-inch service	5.00	25.00	10.00						n/a	n/a	n/a
30	6-inch service	8.03	25.00	20.00						n/a	n/a	n/a
31	8-inch service	12.84	25.00	32.00						n/a	n/a	n/a
32	10-inch service	18.46	25.00	46.00						n/a	n/a	n/a
33	Other Water Revenues											
34	Public Fire Hydrant	n/a	n/a	n/a						n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a		No. Gallons / $ .25 (quarter)				-	n/a	n/a
36	Construction Water (2-Inch)	82.85	239.76	-		Tier One Breakover (M Gal):	183	325	999.999	2.2500	2.4050	3.1650
37						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
38						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
39	Construction Water (3-Inch)	155.40	479.52	-		Tier One Breakover (M Gal):	401	700	999.999	2.2500	2.4050	3.1650
40						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
41						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
42	Construction Water (4-Inch)	401.25	749.25	-		Tier One Breakover (M Gal):	1145	1100	999.999	2.2500	2.4050	3.1650
43						Tier Two Breakover (M Gal):	999999	999999	999999	2.5500	3.0060	3.1650
44						Tier Three Breakover (M Gal):	999999	999999	999999	2.5500	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	239.76	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.0690	3.1650
46						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.0690	3.1650
47						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	479.52	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.0690	3.1650
49						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.0690	3.1650
50						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,498.50	-		Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	3.0690	3.1650
52						Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	3.0690	3.1650
53						Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

White Tank
Typical Bill Analysis
Residential 5/8 X 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	15,648	$ 51.00	$ 69.55	$ 18.55	36.38%
Median Usage	10,201	$ 37.11	$ 53.18	$ 16.07	43.30%
Staff Recommended					
Average Usage	15,648	$ 51.00	$ 56.68	$ 5.67	11.12%
Median Usage	10,201	$ 37.11	$ 39.44	$ 2.32	6.26%

Present & Proposed Rates (Without Taxes)
Residential 5/8 X 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 16.05	$ 29.97	86.73%	$ 20.00	24.61%
1,000	17.65	31.89	80.70%	21.25	20.40%
2,000	19.25	33.82	75.68%	22.50	16.88%
3,000	20.85	35.74	71.42%	23.75	13.91%
4,000	23.10	38.15	65.14%	25.90	12.12%
5,000	25.35	40.55	59.97%	28.05	10.65%
6,000	27.60	42.96	55.64%	30.20	9.42%
7,000	29.85	45.36	51.97%	32.35	8.38%
8,000	32.10	47.77	48.81%	34.50	7.48%
9,000	34.35	50.17	46.06%	36.65	6.70%
10,000	36.60	52.58	43.65%	38.80	6.01%
11,000	39.15	55.58	41.97%	41.97	7.19%
12,000	41.70	58.59	40.50%	45.13	8.23%
13,000	44.25	61.60	39.20%	48.30	9.14%
14,000	46.80	64.60	38.04%	51.46	9.96%
15,000	49.35	67.61	36.99%	54.63	10.69%
16,000	51.90	70.61	36.06%	57.79	11.35%
17,000	54.45	73.62	35.20%	60.96	11.95%
18,000	57.00	76.63	34.43%	64.12	12.49%
19,000	59.55	79.63	33.72%	67.29	12.99%
20,000	62.10	82.64	33.07%	70.45	13.45%
25,000	74.85	97.67	30.48%	86.28	15.26%
30,000	87.60	112.70	28.65%	102.10	16.55%
35,000	100.35	127.73	27.28%	117.93	17.51%
40,000	113.10	142.76	26.22%	133.75	18.26%
45,000	125.85	157.79	25.38%	149.58	18.85%
50,000	138.60	172.82	24.69%	165.40	19.34%
75,000	202.35	247.97	22.54%	244.53	20.84%
100,000	266.10	323.12	21.43%	323.65	21.63%

ARIZONA WATER COMPANY
WESTERN GROUP:
AJO

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Ajo								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Residential 5/8 x 3/4 -inch	$ 21.04	$ 26.24	$ 24.00	Tier One Breakover (M Gal):	3	3	3	$ 4.5000	$ 5.1590	$ 4.5000
2					Tier Two Breakover (M Gal):	10	10	10	5.5000	6.4490	6.7200
3					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
4	Residential 1-inch	52.10	65.60	60.00	Tier One Breakover (M Gal):	25	10	30	5.5000	6.4490	6.7200
5					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
6					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
7	Residential 2-inch	170.00	209.92	192.00	Tier One Breakover (M Gal):	25	90	115	5.5000	6.4490	6.7200
8					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
9					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
10	Residential 3-inch	336.34	419.84	384.00	Tier One Breakover (M Gal):	165	200	240	5.5000	6.4490	6.7200
11					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
12					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
13	Residential 4-inch	526.00	656.00	600.00	Tier One Breakover (M Gal):	325	325	390	5.5000	6.4490	6.7200
14					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
15					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
16	Residential 6-inch	1,052.00	1,312.00	1,200.00	Tier One Breakover (M Gal):	775	725	800	5.5000	6.4490	6.7200
17					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
18					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
19	Residential 8-inch	1,683.20	2,099.20	1,920.00	Tier One Breakover (M Gal):	1310	1200	1,300	5.5000	6.4490	6.7200
20					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
21					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
22	Residential 10-inch	2,419.60	4,198.40	2,760.00	Tier One Breakover (M Gal):	1940	2400	1,875	5.5000	6.4490	6.7200
23					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
24					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
25	Commercial 5/8 x 3/4 -inch	21.04	26.24	24.00	Tier One Breakover (M Gal):	3	10	10	4.5000	6.4490	6.7200
26					Tier Two Breakover (M Gal):	10	999999	999999	5.5000	8.0610	8.0800
27					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
28	Commercial 1-inch	52.10	65.60	60.00	Tier One Breakover (M Gal):	25	30	30	5.5000	6.4490	6.7200
29					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
30					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
31	Commercial 2-inch	170.00	209.92	192.00	Tier One Breakover (M Gal):	25	100	115	5.5000	6.4490	6.7200
32					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
33					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
34	Commercial 3-inch	336.34	419.84	384.00	Tier One Breakover (M Gal):	165	200	240	5.5000	6.4490	6.7200
35					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
36					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
37	Commercial 4-inch	526.00	656.00	600.00	Tier One Breakover (M Gal):	325	325	390	5.5000	6.4490	6.7200
38					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
39					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
40	Commercial 6-inch	1,052.00	1,312.00	1,200.00	Tier One Breakover (M Gal):	775	725	800	5.5000	6.4490	6.7200
41					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
42					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
43	Commercial 8-inch	1,683.20	2,099.20	1,920.00	Tier One Breakover (M Gal):	1310	1200	1,300	5.5000	6.4490	6.7200
44					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
45					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
46	Commercial 10-inch	2,419.60	4,198.40	2,760.00	Tier One Breakover (M Gal):	1940	2400	1,875	5.5000	6.4490	6.7200
47					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
48					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

		Ajo								
		[A]	[B]	[C]	[D]	[E]	[F]	[G]	[H]	[I]
		Basic Service Charge			Break-Over Points			Commodity Charge		
Line No.	Customer Class	Company Present Rate	Company Proposed Rate	Staff Recommended Rate		Company Present	Company Proposed	Staff Recommended	Company Present Rate	Company Proposed Rate	Staff Recommended Rate
1	Industrial 5/8 x 3/4 -inch	$ 21.04	$ 26.24	$ 24.00	Tier One Breakover (M Gal):	3	999999	10	$ 4.5000	$ 6.4490	$ 6.7200
2					Tier Two Breakover (M Gal):	10	999999	999999	5.5000	6.4490	8.0800
3					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
4	Industrial 1-inch	52.10	65.60	60.00	Tier One Breakover (M Gal):	25	999999	30	5.5000	6.4490	6.7200
5					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	6.4490	8.0800
6					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
7	Industrial 2-inch	170.00	209.92	192.00	Tier One Breakover (M Gal):	25	999999	115	5.5000	6.4490	6.7200
8					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	6.4490	8.0800
9					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
10	Industrial 3-inch	336.34	419.84	384.00	Tier One Breakover (M Gal):	165	999999	240	5.5000	6.4490	6.7200
11					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	6.4490	8.0800
12					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
13	Industrial 4-inch	526.00	656.00	600.00	Tier One Breakover (M Gal):	325	999999	390	5.5000	6.4490	6.7200
14					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	6.4490	8.0800
15					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
16	Industrial 6-inch	1,052.00	1,312.00	1,200.00	Tier One Breakover (M Gal):	775	999999	800	5.5000	6.4490	6.7200
17					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	6.4490	8.0800
18					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
19	Industrial 8-inch	1,683.20	2,099.20	1,920.00	Tier One Breakover (M Gal):	1310	999999	1,300	5.5000	6.4490	6.7200
20					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	6.4490	8.0800
21					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
22	Industrial 10-inch	2,419.60	4,198.40	2,760.00	Tier One Breakover (M Gal):	1940	999999	1,875	5.5000	6.4490	6.7200
23					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	6.4490	8.0800
24					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
25	Private Fire Service 5/8-inch service	5.00	25.00	10.00					n/a	n/a	n/a
26	1-inch service	5.00	25.00	10.00					n/a	n/a	n/a
27	2-inch service	5.00	25.00	10.00					n/a	n/a	n/a
28	3-inch service	5.00	25.00	10.00					n/a	n/a	n/a
29	4-inch service	5.26	25.00	10.00					n/a	n/a	n/a
30	6-inch service	10.52	25.00	24.00					n/a	n/a	n/a
31	8-inch service	16.83	25.00	38.40					n/a	n/a	n/a
32	10-inch service	24.20	25.00	55.20					n/a	n/a	n/a
33	Other Water Revenues										
34	Public Fire Hydrant	n/a	n/a	n/a					n/a	n/a	n/a
35	Coin Machine	n/a	n/a	n/a	No. Gallons / $ .25 (quarter)				36.00	35.3112	33.89
36	Construction Water (2-Inch)	170.00	209.92	-	Tier One Breakover (M Gal):	25	100	999.999	5.5000	6.4490	8.0800
37					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
38					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
39	Construction Water (3-Inch)	336.34	419.84	-	Tier One Breakover (M Gal):	165	200	999.999	5.5000	6.4490	8.0800
40					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
41					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
42	Construction Water (4-Inch)	526.00	656.00	-	Tier One Breakover (M Gal):	325	325	999.999	5.5000	6.4490	8.0800
43					Tier Two Breakover (M Gal):	999999	999999	999999	6.5000	8.0610	8.0800
44					Tier Three Breakover (M Gal):	999999	999999	999999	6.5000	n/a	n/a
45	Sales for Resale (2-Inch)	n/a	209.92	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.4490	8.0800
46					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.4490	8.0800
47					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
48	Sales for Resale (3-Inch)	n/a	419.84	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.4490	8.0800
49					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.4490	8.0800
50					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a
51	Sales for Resale (6-Inch)	n/a	1,312.00	-	Tier One Breakover (M Gal):	n/a	999.999	999999	n/a	6.4490	8.0800
52					Tier Two Breakover (M Gal):	n/a	999999	999999	n/a	6.4490	8.0800
53					Tier Three Breakover (M Gal):	n/a	999999	999999	n/a	n/a	n/a

AJO
Typical Bill Analysis
Residential 5/8 x 3/4 Inch Meters

Company Proposed	Gallons	Present Rates	Proposed Rates	Dollar Increase	Percent Increase
Average Usage	5,185	$ 46.56	$ 55.81	$ 9.25	19.87%
Median Usage	3,754	$ 38.69	$ 46.58	$ 7.89	20.40%
Staff Recommended					
Average Usage	5,185	$ 46.56	$ 52.18	$ 5.63	12.08%
Median Usage	3,754	$ 38.69	$ 42.57	$ 3.88	10.03%

Present & Proposed Rates (Without Taxes)
Residential 5/8 x 3/4 Inch Meters

Gallons Consumption	Present Rates	Company Proposed Rates	% Increase	Staff Recommended Rates	% Increase
-	$ 21.04	$ 26.24	24.71%	$ 24.00	14.07%
1,000	25.54	31.40	22.94%	28.50	11.59%
2,000	30.04	36.56	21.70%	33.00	9.85%
3,000	34.54	41.72	20.78%	37.50	8.57%
4,000	40.04	48.17	20.29%	44.22	10.44%
5,000	45.54	54.62	19.93%	50.94	11.86%
6,000	51.04	61.06	19.64%	57.66	12.97%
7,000	56.54	67.51	19.41%	64.38	13.87%
8,000	62.04	73.96	19.22%	71.10	14.60%
9,000	67.54	80.41	19.06%	77.82	15.22%
10,000	73.04	86.86	18.92%	84.54	15.74%
11,000	79.54	94.92	19.34%	92.62	16.44%
12,000	86.04	102.98	19.69%	100.70	17.04%
13,000	92.54	111.04	19.99%	108.78	17.55%
14,000	99.04	119.10	20.26%	116.86	17.99%
15,000	105.54	127.17	20.49%	124.94	18.38%
16,000	112.04	135.23	20.69%	133.02	18.73%
17,000	118.54	143.29	20.88%	141.10	19.03%
18,000	125.04	151.35	21.04%	149.18	19.31%
19,000	131.54	159.41	21.19%	157.26	19.55%
20,000	138.04	167.47	21.32%	165.34	19.78%
25,000	170.54	207.78	21.83%	205.74	20.64%
30,000	203.04	248.08	22.18%	246.14	21.23%
35,000	235.54	288.39	22.44%	286.54	21.65%
40,000	268.04	328.69	22.63%	326.94	21.97%
45,000	300.54	369.00	22.78%	367.34	22.23%
50,000	333.04	409.30	22.90%	407.74	22.43%
75,000	495.54	610.83	23.26%	609.74	23.05%
100,000	658.04	812.35	23.45%	811.74	23.36%

Arizona Water Company
Docket No. W-01445A-08-0440
Test Year Ended December 31, 2007

Schedule JMM-5

Service Charge	Company Current Rates	Company Proposed Rates	Staff Recommended Rates
Establishment	$16.00	$16.00	$16.00
Guarantee Deposit	Residential - maximum: Two(2) times average customer class bill. Non-Residential-maximum: Two and one-half (21/2) times that customers estimated maximum monthly bill.	No Change	No Change
Reconnection for Delinquency	$16.00	$16.00	$16.00
Re-Establishment	Eight (8) times the customer's monthly minimum charge, or payment of the minimums since disconnection, whichever is less.	No Change	No Change
Service Call Out	During regular working hours - No charge. After regular working hours, on Saturdays, Sundays, or holidays - $35.00	No Change	No Change
Returned Check	$25.00	$25.00	$25.00
Meter Re-read	No charge, if done during regular working hours, otherwise, a $35.00 service call out.	No Change	No Change
Meter Test	No charge for the first test; for the second test for the same customer within any twelve (12) month period, $50.00, or actual time and material whichever is greater.	No Change	No Change
Service Line and Meter Installation	No charge for 5/8" and 1" if on existing pipelines. Full cost for 5/8" and 1" if on new pipelines. Full cost for 2" and alrger if on existing or new pipelines. Advances for service line and meter installation shall be refundable.		

Meter Size	Service Line	Meter	Total
5/8-inch	$ 445	$ 155	$ 600
1-inch	$ 495	$ 315	$ 810
2" turbine	$ 830	$ 1,045	$ 1,875
2" compound	$ 830	$ 1,890	$ 2,720
3" turbine	$ 1,045	$ 1,670	$ 2,715
3" compound	$ 1,165	$ 2,545	$ 3,710
4" turbine	$ 1,490	$ 2,670	$ 4,160
4" compound	$ 1,670	$ 3,645	$ 5,315
6" turbine	$ 2,210	$ 5,025	$ 7,235
6" compound	$ 2,330	$ 6,920	$ 9,250
8" turbine	$ 2,210	$ 5,025	$ 7,235
8" compound	$ 2,330	$ 6,920	$ 9,250
10" turbine	$ 2,210	$ 5,025	$ 7,235
10" compound	$ 2,330	$ 6,920	$ 9,250

*Meter charge includes meter box or vault.

Meter Size	Service Line	Meter	Total
5/8-inch	$ 445	$ 155	$ 600
1-inch	$ 495	$ 315	$ 810
2" turbine	$ 830	$ 1,045	$ 1,875
2" compound	$ 830	$ 1,890	$ 2,720
3" turbine	$ 1,045	$ 1,670	$ 2,715
3" compound	$ 1,165	$ 2,545	$ 3,710
4" turbine	$ 1,490	$ 2,670	$ 4,160
4" compound	$ 1,670	$ 3,645	$ 5,315
6" turbine	$ 2,210	$ 5,025	$ 7,235
6" compound	$ 2,330	$ 6,920	$ 9,250
8" turbine	$ 2,210	$ 5,025	$ 7,235
8" compound	$ 2,330	$ 6,920	$ 9,250
10" turbine	$ 2,210	$ 5,025	$ 7,235
10" compound	$ 2,330	$ 6,920	$ 9,250

*Meter charge includes meter box or vault.

Late Charge	1.5 percent after 15 days.	No Change	No Change