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BEFORE THE ARIZONA CORPORATION COMMISSION

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AZ CORP COMMISSION
DOCKET CONTROL

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

IN THE MATTER OF THE APPLICATION OF COMMUNITY WATER OF GREEN VALLEY FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PROPERTY AND FOR AN INCREASE IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICES	DOCKET NO. W-02304A-08-0590 **NOTICE OF FILIING REJOINDER TESTIMONY**

Community Water Company of Green Valley ("CWCGV") files the Rejoinder Testimony of Arturo Gabaldon and Thomas J. Bourassa.

RESPECTFULLY SUBMITTED this 13th day of October, 2009.

By _____

Jason D. Gellman
Michael W. Patten
ROSHKA DEWULF & PATTEN, PLC.
One Arizona Center
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Phoenix, Arizona 85004

Original and thirteen copies of the foregoing filed this 13th day of October, 2009, with:

Docket Control
ARIZONA CORPORATION COMMISSION
1200 West Washington Street
Phoenix, Arizona 85007

Arizona Corporation Commission
DOCKETED
OCT 13 2009
DOCKETED BY

Copy of the foregoing hand-delivered
this 13th day of October , 2009, to:

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Rejoinder Testimony
Of
Arturo Gabaldón

On Behalf Of
Community Water Of Green Valley

October 13, 2009

BEFORE THE ARIZONA CORPORATION COMMISSION

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

IN THE MATTER OF THE APPLICATION OF COMMUNITY WATER COMPANY OF GREEN VALLEY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PLANT AND PROPERTY AND FOR INCREASES IN ITS RATES AND CHARGES FOR UTILITY SERVICE.	DOCKET NO. W-02304A-08-0590

Rejoinder Testimony

Of

Arturo Gabaldón

On Behalf Of

Community Water Of Green Valley

October 13, 2009

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III. Miscellaneous Charges.....3

I. INTRODUCTION.

Q. Please state your name and address.

A. My name is Arturo Raúl Gabaldón; my work and mailing address is 1501 S La Canada Drive, Green Valley, AZ 85622.

Q. Are you the same Mr. Gabaldón that submitted pre-filed Direct and Rebuttal Testimony on behalf of Community Water Company of Green Valley ("Company")?

A. Yes.

Q. What is the purpose of your Rejoinder Testimony?

A. The purpose of my Rejoinder Testimony is to respond to the Surrebuttal Testimony of the Arizona Corporation Commission ("Commission") Utilities Division Staff ("Staff").

II. REFUNDING CONSTRUCTION WATER CHARGES.

Q. What is the Company's response regarding the Staffs position regarding refunds to Construction Water Meter charges?

A. Company agrees to refund the money and will work with Staff to determine the amount and means of refunding affected customers. The Company calculates the total amount of refund to be approximately $20,000.

Q. Does the Company maintain its position that, going forward, minimum monthly charges apply to construction customers?

A. Yes.

Q. What is the Company's response to Mr. Chavez's argument regarding construction customers holding meters?

A. The Company believes that the current rate structure does incent construction customers to not close their accounts, which consequently results in the Company not getting meters returned when no longer needed. The Company is required to pay a 6% return on these deposits, which is higher than the return that a customer can currently get in the market. The Company currently has a rate of return on deposits of less than 2%. Customers will recognize that leaving a construction account open and reserving the use of a meter will generate interest income while incurring no costs or risk. At zero consumption, the Company will continue to absorb administrative costs associated with maintaining these deposits, reading the meters and sending bills (even with a zero balance). For these reasons, the Company believes that a monthly minimum is necessary to provide incentive for construction customers to close their accounts when not needed and allow for a more productive use of meters.

Q. Does Staff's recommendation regarding a hydrant meter deposit discourage customers from holding onto meters?

A. No. Customers will still recognize that the 6% interest earned on deposits provides them with a better return and will not provide incentive for them to close the account and return the meters.

Q. What is the Company's response regarding the Staffs position regarding charging the commodity rate and minimum for the construction meters?

A. The Company maintains its position that construction customers pay both a monthly minimum charge as well as the commodity rate requested. The monthly minimum charge recovers certain fixed costs the Company incurs, while the commodity rates are designed to cover the cost of the water delivery. This better ensures that other customer classes do not subsidize costs that construction customers place on the Company's system.

III. MISCELLANEOUS CHARGES.

Q. Does the Company have any comments to other items not directly addressed by Staff in its Surrebuttal Testimony?

A. Yes. Staff did not explicitly address the Company's proposal to increase its reconnection fees and call-out charges in its Surrebuttal Testimony. The Company maintains its proposal for a $70 call out charge for after hours and Saturdays. This is because service personnel who respond to the after hour calls cost the Company an average of $35 per hour, not including any adjustment for overtime. Because the Company actually incurs a

two-hour minimum, it believes a $70 is reasonable for this charge. On Sundays and Holidays, the Company incurs a two-hour minimum at double time, which is why its actual cost is $140 and why it is requesting that the call out charges for Sundays and Holidays be at $140.

Further, the Company's request to increase reconnection fees to $70 reflects the actual cost the Company incurs for performing this service.

The Company requests that, at a minimum, its requests to increase the reconnection fees and call-out charges be approved to better reflect the actual cost the Company incurs to provide these services. These changes will ensure that cost causers absorb the impact of these optional services, rather than have them subsidized by the other users.

Q. Does your silence on any of the issues, matters or finding addressed in Staff's testimony constitute your acceptance of their positions on such issues, matters or findings?

A. No, the Company limited its discussion to the specific issues outlined above. The Company's lack of response to any issue in this proceeding should not be construed as agreement with Staff's position. Rather, where there is no response in its Rejoinder Testimony, the Company maintains its position in either its Direct Testimony, or its Rebuttal Testimony.

Q. Does that conclude your Rejoinder Testimony?

A. Yes, it does.

Rejoinder Testimony
Of
Thomas J. Bourassa

On Behalf Of
Community Water Of Green Valley

October 13, 2009

BEFORE THE ARIZONA CORPORATION COMMISSION

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

IN THE MATTER OF THE APPLICATION OF COMMUNITY WATER COMPANY OF GREEN VALLEY FOR A DETERMINATION OF THE CURRENT FAIR VALUE OF ITS UTILITY PROPERTY AND FOR AN INCREASE IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICES	Docket No: W-02304A-08-0590

Rejoinder Testimony

of

Thomas J. Bourassa

on Behalf of

Community Water Company of Green Valley

October 13, 2009

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I. INTRODUCTION AND SUMMARY OF TESTIMONY.

Q. Please state your name and address.

A. My name is Thomas J. Bourassa. My business address is 139 W. Wood Drive, Phoenix, Arizona 85029.

Q. Have you previously submitted Direct and Rebuttal Testimony in the instant case?

A. Yes, my Direct Testimony and Rebuttal Testimony was submitted in support of the Application by Community Water Company of Green Valley ("CWCGV" or "Company") in this docket.

Q. What is the purpose of this Rebuttal Testimony?

A. I am providing Rejoinder Testimony in response to the Surrebuttal Testimony filing by Arizona Corporation Commission Utilities Division Staff ("Staff") with respect to rate base, revenues and expenses, operating margin and rate design.

Q. What is the revenue increase that the Company is proposing in its rejoinder filing?

A. The Company has not modified its recommendation from its rebuttal filing and continues to propose a total revenue requirement of $3,825,058, which constitutes an increase in revenues of $803,315, or 26.58 percent over test year revenues. The Company continues to propose an operating margin of 15 percent, which is the same operating margin Staff proposes.

Q. What is the proposed increase to metered revenues?

A. The company proposes to increase metered water revenues by $775,493. The balance of the overall rate increase, or approximately $27,822, comes from the Company's proposed

increases in miscellaneous charges. Together, these total the Company's proposed rate increase of $803,315 ($775,493 plus $27,822).

Q. Has the Company proposed rejoinder rate base changed?

A. Yes, by a small amount. The Company's rejoinder proposed Original Cost Rate Base ("OCRB") has increased to $7,504,829 over its rebuttal proposed OCRB of $7,502,117. As I will discuss, the increase is due to a revision to the Company's proposed accumulated depreciation balance.

The Company continues to propose that its OCRB be used as its Fair Value Rate Base ('FVRB").

II. REVENUE REQUIREMENT.

Q. What are the proposed revenue requirements and rate increases for the Company and Staff at this stage of the proceeding?

A. The proposed revenue requirements and proposed rate increases are as follows:

	Revenue Req.	Revenue Incr.	% Increase
Company Direct	$4,026,636	$1,004,893	33.26%
Staff Direct	$3,798,428	$ 790,351	26.27%
Company Rebuttal	$3,825,058	$ 803,315	26.58%
Staff Surrebuttal	$3,798,428	$ 790,351	26.27%
Company Rejoinder	$3,825,058	$ 803,315	26.58%

Q. Please briefly explain the differences between the parties with respect to the revenue requirement.

A. The difference in proposed revenue requirement is $26,630 ($3,825,058 minus 3,798,428). The primary cause of the differences between the parties in the revenue requirement is due to differences in the parties proposed depreciation expense. While both parties recommend the same level of plant-in-service and recommend the same depreciation rates, Staff's recommended depreciation expense is $893,297 and the Company's recommended depreciation expense is $914,676 – a difference of $21,379. In my Rebuttal Testimony (at pages 8 to 9) I discussed the difference between Staff and the Company regarding depreciation expense and will not repeat that testimony here.

The balance of the difference in the revenue requirement or $5,251 ($26,630 minus $21,379) is due to a $1,255 difference in property tax expense and a $3,996 difference in proposed operating income. Property tax expense proposed by the parties is based on the proposed revenues recommended by Staff and the Company. (See my Rebuttal Testimony at page 9). The difference in operating income is due to the difference in the parties proposed revenue requirements.

III. RATE BASE.

Q. Would you please indentify the parties' respective rate base recommendations at this stage of the proceeding?

A. The rate bases proposed by all parties in the case are as follows:

	OCRB	FVRB
Company Direct	$7,517,443	$7,517,443
Staff Direct	$6,636,141	$6,636,141
Company Rebuttal	$7,502,117	$7,502,117

Staff Surrebuttal	$6,958,108	$6,958,108
Company Rejoinder	$7,504,829	$7,504,829

a. <u>Plant-in-Service.</u>

Q. Please discuss the Company's rejoinder proposed Original Cost Rate base and any additional adjustments the Company is proposing.

A. The Company's rejoinder rate base adjustments to OCRB are shown on my rejoinder schedules, at Schedule B-2, pages 3. The Company previously adopted Staff's proposed adjustments to plant-in-service. *Id.* at 4. After adopting a small rounding difference, both Staff and the Company now agree to a plant-in-service balance of $37,798,942.

b. <u>Accumulated Depreciation</u>

Q. Please discuss the Company's rejoinder proposed accumulated depreciation and any additional adjustments the Company proposes.

A. The Company is proposing a correction (from its rebuttal filing) to its proposed accumulated depreciation balance in the amount of ($2,709) for a rejoinder proposed accumulated depreciation balance $7,123,193. This correction primarily reflects a change to the year in which the reclassified plant proposed by Staff and adopted by the Company in its rebuttal ($22,903) was assumed to be placed into service. In the Company's rebuttal filing, the re-computation of accumulated depreciation assumed the plant was placed into service in 2006, when it was actually place into service in 2007.

Staff recommends an accumulated depreciation balance of $7,132,363 – a difference to the Company's recommend accumulated depreciation of $9,170. I discussed in my Rebuttal Testimony (at page 5) a number of errors in Staff's accumulated depreciation balance.

Staff addressed these errors. However, the Company believes that Staff's computation still contains errors and is overstated.

Q. Please explain the remaining errors contained in Staff's accumulated depreciation computation and balance.

A. The first error is that Staff's computation does not include a salvage amount for transportation equipment of $6,630 associated with a 2006 retirement (See Rejoinder Schedule B-2, page 3.2). The salvage value of the retirement increases accumulated depreciation by $6,630. The second error is an overstatement in the depreciation expense for transportation equipment for 2006. The Company's computation is $43,943 (See Rejoinder Schedule B-2, page 3.2) where as Staff's computed depreciation expense (from Staff work papers) is $59,765 – a difference of $15,822.

The impact of the first error is to understate accumulated depreciation while the impact of the second error is to overstate accumulated depreciation. Together, these represent an overstatement of accumulated depreciation of $9,192 ($15,822 minus $6,630).

Q Why is the 2006 depreciation expense for transportation equipment too high in Staff's computation?

A. Because Staff failed to consider that the un-depreciated balance of transportation equipment at the end of 2006 was less than its computed depreciation of $59,765 for 2006. In other words, at the end of 2006, there was only $43,943 of un-depreciated transportation equipment. So, the maximum depreciation for transportation equipment in 2006 could only be $43,943.

Q. Please continue.

A. The balance of the accumulated depreciation difference of $22 ($9,192 minus $9,170) is due the fact that Staff's beginning balance of accumulated depreciation (the balance from the last case) is approximately $30 too low and that Staff computes $10 of depreciation in 2005 for account 304.1 Structures and Improvements when it should be zero. Together, these comprise the $20 remaining difference ($30 minus $10).

Q. Why should the 2005 depreciation expense for 304.1 Structures and Improvements be zero?

A. Because there was no un-depreciated balance for this account at the end of 2005.

c. <u>Contributions-in-aid of Construction ("CIAC").</u>

Q. Please continue with the parties' respective rate base recommendations.

A. The Company continues to disagree with Staff's proposal to include CIAC related to construction work-in-progress ("CWIP") of in rate base. As I have previously testified, since the plant cost for CWIP is not in rate base, neither should the related CIAC. To include CIAC in rate base without the corresponding plant cost will create a mismatch between rate base, revenues and expenses.

Q. Does the inclusion of the CIAC funding CWIP in rate base preserve the ratemaking balance and remove excess earnings potential?

A. No. Frankly, Staff's assertion that inclusion of CIAC funding CWIP preserves that ratemaking balance is simply not accurate. In fact, it does the opposite. In my Rebuttal Testimony (at pages 5 to 8) I extensively discussed the impact on including CIAC in rate base without the corresponding plant-in-service. But Staff's assertion that including CIAC removes the excess earnings potential (as Mr. Chaves' stated in his Surrebuttal

Testimony at page 5) is also incorrect. Inclusion of CIAC funding CWIP will result in an understatement of depreciation expense and will understate the revenue requirement as well as earnings.

Staff has yet to demonstrate by example, or otherwise, that the ratemaking balance is preserved by including the CIAC funding CWIP in rate base and/or that an excess earnings potential exists if it is not included in rate base. For all of the reasons that I have stated in my Rebuttal and Rejoinder Testimonies, the Commission should reject Staff's position.

IV. INCOME STATEMENT.

a. Revenues and Expenses.

Q. Has the Company modified its proposed revenues and expenses in its rejoinder filings?

A. No. The Company rejoinder adjustments, detailed on Rejoinder Schedule C-2, pages 1-10, are the same as its rebuttal adjustments. The rejoinder income statement with adjustments is shown on Rejoinder Schedule C-1, pages 1-5. I have explained the Company's proposed adjustments to revenues and expenses in my Rebuttal Testimony at pages 8 to 10.

Q. Does the Company continue to disagree with Staff on the removal of construction meter minimum charge revenues from the test year revenues?

A. Yes. I have previously explained the Company's position in my Rebuttal Testimony (at page 15). Mr. Gabaldón has also explained the Company's position on this issue in his Rebuttal Testimony, and provides additional testimony in his Rejoinder Testimony.

V. RATE DESIGN.

a. Company-Proposed Rates.

Q. What are the Company's rejoinder proposed rates?

A. The monthly charges at proposed rates are listed below.

All Classes

Meter Size	Monthly Minimum	Gallons included in Monthly Minimum
5/8 Inch	$ 13.21	0
¾ Inch	$ 13.21	0
1 Inch	$ 24.02	0
1 1 /2 Inch	$ 39.63	0
2 Inch	$ 66.06	0
3 Inch	$ 105.09	0
4 Inch	$ 396.33	0
6 Inch	$ 661.55	0
8 Inch	$1,080.90	0

The commodity charges and tiers by meter size are:

Residential (Res.), Commercial (Com.), and Commercial/Residential (Res./Com.)

Meter Size	Tier (gallons)	Charge per 1,000 gallons
5/8 and 3/4 (Res.)	1 to 3,000	$ 1.54
	3,001 to 9,000	$ 2.45
	Over 10,000	$ 3.00
5/8 and 3/4 (Com.,Res./Com.)	1 to 10,000	$ 2.45
	Over 10,000	$ 3.00

1 (Res.,Com.,Res./Com.)	1 to 24,000	$ 2.45
	Over 24,000	$ 3.00
1 ½ (Res.,Com.)	1 to 50,000	$ 2.45
	Over 50,000	$ 3.00
2 (Res.,Com.,Res./Com.)	1 to 100,000	$ 2.45
	Over 100,000	$ 3.00
3 (Res.,Com.)	1 to 180,000	$ 2.45
	Over 180,000	$ 3.00
4 (Res.,Com.)	1 to 380,000	$ 2.45
	Over 380,000	$ 3.00
6 (Res.,Com.)	1 to 800,000	$ 2.45
	Over 800,000	$ 3.00
8 (Res.,Com.)	1 to 1,250,000	$ 2.45
	Over 1,250,000	$ 3.00
Construction		
All Meter Sizes	All gallons	$3.00

Q. Are these the same rates the Company proposed in its rebuttal filing?

A. Yes.

Q. Has Staff modified its rate design in response to the Company's Rebuttal Testimony?

A. No.

Q. Does the Company continue to propose a monthly minimum charge for construction meters?

Q. Yes. I discussed the reasons for this in my Rebuttal Testimony. Mr. Gabaldón provides additional testimony in his Rejoinder Testimony.

b. <u>Miscellaneous Charges.</u>

Q. Do the Company and Staff continue to disagree on the proposed changes to miscellaneous charges?

A. Yes. With the exception of a proposed labeling change ("Turn On/Off Fee" to "Call Out Charge"), the Company and Staff continue to disagree on the Company's proposed changes to the Establishment Fee, Reconnection Fee (delinquent), Reconnection Fees (delinquent and after hours), NFS Check Charge, Turn On/Off Fee –After Hours, Turn On/Off Fee – Sunday/Holiday, After Hours Service Charge, Meter Test Charge, Deposit Interest, and Charge for Moving Customer Meter at Customer Request. I have explained the differences between Staff and the Company in my Rebuttal Testimony at pages 16 to 17. Mr. Gabaldón has also addressed the differences in his testimony.

Q. Has Staff agreed with the Company to increase the meter charge for the 5/8 inch meter size as was proposed by the Company in its Rebuttal Filing?

A. No. My Rebuttal Testimony (at page 17) details the Company proposal that the 5/8 inch meter size charge for meters be increased to reflect the higher cost of radio read meters. Staff has not adopted the Company's proposed charge.

Q. Are Staff and the Company in agreement on the meter and service line charges for all other meter sizes?

A. Yes.

Q. Does that conclude your Rejoinder Testimony?

A. Yes.

SCHEDULES

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Computation of Increase in Gross Revenue
Requirements As Adjusted

Exhibit
Rejoinder Schedule A-1
Page 1
Witness: Bourassa

Line No.			
1	Fair Value Rate Base	$	7,504,829
2			
3	Adjusted Operating Income		(229,556)
4			
5	Current Rate of Return		-3.06%
6			
7	Required Operating Income (Operating Margin = 15%)	$	573,759
8			
9	Required Rate of Return on Fair Value Rate Base		N/A
10			
11	Operating Income Deficiency	$	803,315
12			
13	Gross Revenue Conversion Factor		1.0000
14			
15	Increase in Gross Revenue		
16	Requirement	$	803,315
17			
18	Test Year Adjusted Revenues	$	3,021,743
19	Increase in Revenue Requirement	$	803,315
20	Prposed Revenue Requirement	$	3,825,058
21	% Increase		26.58%
22			
23			

24	Customer	Present	Proposed	Dollar	Percent
25	**Classification**	**Rates**	**Rates**	**Increase**	**Increase**
26	**(Residential Commercial, Irrigation)**				
27	5/8 Inch Meter	$ 2,126,295	$ 2,648,084	$ 521,789	24.54%
28	3/4 Inch Meter	15,425	18,800	3,376	21.89%
29	1 Inch Meter	319,751	414,309	94,558	29.57%
30	1.5 Inch Meter	88,663	115,855	27,193	30.67%
31	2 Inch Meter	348,058	455,997	107,939	31.01%
32	3 Inch Meter	11,381	14,545	3,165	27.81%
33	*1 Inch Bulk Water*	203	243	41	20.08%
34	3 Inch Bulk Water	36,247	43,513	7,266	20.05%
35	6 Inch Bulk Water	3,765	4,521	756	20.09%
36	Fire Sprinklers	8,145	8,145	-	0.00%
37					
38					
39	**Subtotal**	$ 2,957,930	$ 3,724,013	$ 766,082	25.90%
40	**Other Revenues**				
41	Misc Service Revenues	50,491	78,313	27,822	55.10%
42	Fire Hydrants	4,439	4,439	-	0.00%
43	**Subtotal**	$ 54,930	$ 82,752	$ 27,822	50.65%
44	**Revenue Annualizations**				
45	Revenue Annualization - Rates	$ 14,519	$ 18,183	3,664	25.24%
46	Misc Revenue Annualizations				
47	Service Charges (Est. Fees, etc.)	-	-	-	0.00%
48	Service Charges (Other Fees)	-	-	-	0.00%
49	**Subtotal**	$ 14,519	$ 18,183	$ 3,664	25.24%
50	**Subtotal**	$ 3,027,380	$ 3,824,948	$ 797,568	26.35%
51	H-1 Bill Count Difference to C-1	(5,637)	110	5,747	-101.95%
52	**Total**	$ 3,021,743	$ 3,825,058	$ 803,315	26.58%
53					

54 SUPPORTING SCHEDULES:
55 Rejoinder B-1
56 Rejoinder C-1
57 Rejoinder C-3
58 Rejoinder H-1

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Summary of Rate Base

Exhibit
Rejoinder Schedule B-1
Page 1
Witness: Bourassa

Line No.		Original Cost Rate base	Fair Value Rate Base
1			
2	Gross Utility Plant in Service	$ 37,798,942	$ 37,798,942
3	Less: Accumulated Depreciation	7,123,193	7,123,193
4			
5	Net Utility Plant in Service	$ 30,675,749	$ 30,675,749
6			
7	Less:		
8	Advances in Aid of		
9	Construction	9,677,466	9,677,466
10	Contributions in Aid of		
11	Construction - Net of amortization	13,493,454	13,493,454
12	Meter and Service Line Advances	-	-
13	Deferred Income Taxes & Credits	-	-
14	Investment tax Credits	-	-
15			
16			
17	Plus:		
18	Prepayments	-	-
19	Materials and Supplies	-	-
20	Deferred Assets	-	-
21	Allowance for Working Capital	-	-
22			
23			
24	Total Rate Base	$ 7,504,829	$ 7,504,829
25			
26			
27			
28	SUPPORTING SCHEDULES:		
29	Rejoinder B-2		
30	Rejoinder B-3		
31	Rejoinder B-5		
32			
33			

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 1
Witness: Bourassa

Line No.		Direct Adjusted End of Test Year	Adjustments	Rebuttal Adjusted End of Test Year
1	Gross Utility			
2	Plant in Service	$ 37,776,036	22,906	$ 37,798,942
3				
4	**Less:**			
5	Accumulated			
6	Depreciation	7,087,673	35,520	7,123,193
7				
8				
9	Net Utility Plant			
10	in Service	$ 30,688,363	$ (12,614)	$ 30,675,749
11				
12	**Less:**			
13	Advances in Aid of			
14	Construction	9,677,466	-	9,677,466
15				
16	Contributions in Aid of			
17	Construction - Net	14,578,352	-	14,578,352
18				
19	Accumulated Amortization of CIAC	(1,084,898)	-	(1,084,898)
20				
21	Meter and Service Line Advances	-	-	-
22	Deferred Income Taxes	-	-	-
23	Investment Tax Credits	-	-	-
24				-
25				
26	**Plus:**			
27	Unamortized Finance			-
28	Charges	-	-	-
29	Deferred Tax Assets	-	-	-
30				
31				
32	Working Capital	-	-	-
33				
34				
35	Total	$ 7,517,443	$ (12,614)	$ 7,504,829
36				
37				
38				
39	SUPPORTING SCHEDULES:			RECAP SCHEDULES:
40	Rejoinder B-2, page 2			Rejoinder B-1
41				
42				
43				
44				
45				
46				
47				
48				

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Original Cost Rate Base Proforma Adjustments

Exhibit
Rejoinder Schedule B-2
Page 2
Witness: Bourassa

Line No.		Adjusted at End of Test Year	Proforma Adjustments 1 Plant-in-Service	2 Accumulated Depreciation	3 CIAC	4 Accum. Amort. of CIAC	Rebuttal Adjusted at end of Test Year
1	Gross Utility						
2	Plant in Service	$ 37,776,036	$ 22,906				$ 37,798,942
3							
4	**Less:**						
5	Accumulated						
6	Depreciation	7,087,673		35,520			7,123,193
7							
8							
9	*Net Utility Plant*						
10	in Service	$ 30,688,363	$ 22,906	$ (35,520)	$ -	$ -	$ 30,675,749
11							
12	**Less:**						
13	Advances in Aid of						
14	Construction	9,677,466					9,677,466
15							
16	Contributions in Aid of						
17	Construction	14,578,352					14,578,352
18							
19	Accumulated Amortization of CIAC	(1,084,898)					(1,084,898)
20							
21	Customer Meter Deposits	-					-
22	Deferred Income Taxes	-					-
23	Investment Tax Credits	-					-
24		-					-
25							
26	**Plus:**						
27	Unamortized Finance						
28	Charges	-					-
29	Deferred Tax Assets	-					-
30							
31							
32	Working Capital	-					-
33							
34							
35	Total	$ 7,517,443	$ 22,906	$ (35,520)	$ -	$ -	$ 7,504,829
36							
37							
38							
39	SUPPORTING SCHEDULES:						RECAP SCHEDULES:
40	Rejoinder B-2, page 3						Rejoinder B-2, page 1
41	Rejoinder B-2, page 4						
42							
43							
44							

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Original Cost Rate Base Proforma Adjustments
Adjustment Number 1

Exhibit
Rejoinder Schedule B-2
Page 3
Witness: Bourassa

Line No.	Plant-in-Service			A	B	C	D	
2			Direct			Intentionally	Intentionally	Rebuttal
3	Account		Adjusted	Capitalized		Left	Left	Adjusted
4	No.	Description	Original Cost	Expenses	Rounding	Blank	Blank	Original Cost
5	301	Organization Cost	47,863					47,863
6	302	Franchise Cost	244					244
7	303	Land and Land Rights	169,578					169,578
8	304	Structures and Improvements	-					-
9	304.1	Structures and Improvements - Pumping	24,640					24,640
10	304.2	Structures and Improvements - Water Treatment	138,396					138,396
11	307	Wells and Springs	1,999,899	10,903				2,010,802
12	310	Power Generation Equipment	-					-
13	311	Electric Pumping Equipment	3,459,933					3,459,933
14	311.1	Gas Pumping Equipment	122,126					122,126
15	320	Water Treatment Equipment	4,373,993					4,373,993
16	330	Distribution Reservoirs & Standpipe	1,064,732					1,064,732
17	331	Transmission and Distribution Mains	18,042,745					18,042,745
18	333	Services	3,725,465					3,725,465
19	333.1	Fire Sprinkler Taps	239,551					239,551
20	334	Meters	711,853					711,853
21	335	Hydrants	1,862,371					1,862,371
22	339	Other Plant and Miscellaneous Equipment	549,839					549,839
23	340	Office Furniture and Fixtures	150,571					150,571
24	340.1	Computer Equipment	265,818					265,818
25	341	Transportation Equipment	464,094					464,094
26	342	Stores Equipment	2,441					2,441
27	343	Tools and Work Equipment	110,595					110,595
28	344	Laboratory Equipment	(246)	12,000				11,754
29	345	Power Operated Equipment	72,281					72,281
30	345.1	Power Operated Equipment - Backhoe	107,179					107,179
31	346	Communications Equipment	69,340					69,340
32	347	Miscellaneous Equipment	-					-
33	348	Other Tangible Plant	738					738
34		Rounding	(2)		3			1
35		TOTALS	$ 37,776,036	$ 22,903	$ 3	$ -	$ -	$ 37,798,942
36								
37								
38	Plant-in-Service per Direct Filing							$ 37,776,036
39								
40	Increase (decrease) in Plant-in-Service							$ 22,906
41								
42	Adjustment to Plant-in-Service							$ 22,906
43								
44	SUPPORTING SCHEDULES							
45	Rejoinder B-2, page 3.1 to 3.4							
46								
47								

Community Water Company of Green Valley
Plant Additions and Retirements

Exhibit
Rejoinder Schedule B-2
Page 3.1
Witness: Bourassa

Line No.	Acct. No.	Description	Deprec. Rate Before Dec-06	Deprec. Rate After Dec-06	Per Decsion 69205 Plant At 12/31/2004	Per Decsion 69205 2004 Accum. Depr.	2005 Plant Additions	2005 Plant Adjustments	2005 Adjusted Plant Additions	2005 Plant Retirements	2005 Plant Salvage A/D Only	2005 Plant Balance	2005 Deprec.
1	301	Organization Cost	0.00%	0.00%	47,863	-			-			47,863	-
2	302	Franchise Cost	0.00%	0.00%	244	-			-			244	-
3	303	Land and Land Rights	0.00%	0.00%	113,654	-			-			113,654	-
4	304	Structures and Improvements	2.49%	3.33%	-	-			-			-	-
5	304.1	Structures and Improv - Pumping	2.49%	3.33%	409	635			-			409	-
6	304.2	Structures and Improv - Water Trmnt	2.49%	3.33%	46,118	1,157	3,141		3,141			49,259	1,187
7	307	Wells and Springs	2.49%	3.33%	557,845	(5,421)			-	(16,500)		541,345	13,685
8	310	Power Generation Equipment	2.49%	5.00%	-	-			-			-	-
9	311	Electric Pumping Equipment	2.49%	12.50%	381,324	10,422			-			381,324	9,495
10	311.1	Gas Pumping Equipment	2.49%	12.50%	122,126	4,677			-			122,126	3,041
11	320	Water Treatment Equipment	2.49%	3.33%	(2,421)	(45,225)	800,762		800,762			798,341	9,909
12	330	Distribution Reservoirs & Standpipe	2.49%	2.22%	1,066,452	303,264			-			1,066,452	26,555
13	331	Transmission and Distribution Mains	2.49%	2.00%	8,986,699	2,708,283	791,649		791,649	(19,598)		9,758,751	233,381
14	333	Services	2.49%	3.33%	2,630,292	661,825	287,856		287,856	(6,422)		2,911,726	68,998
15	333.1	Fire Sprinkler Taps	2.49%	3.33%	199,609	60,874	17,242		17,242	(22,410)		194,441	4,906
16	334	Meters	2.49%	8.33%	577,663	107,625	40,634		40,634	(29,700)		588,597	14,520
17	335	Hydrants	2.49%	2.00%	1,131,366	372,074	224,158		224,158			1,355,524	30,962
18	339	Other Plant and Misc Equipment	2.49%	6.67%	499,762	214,020	11,784		11,784	(248)		511,299	12,588
19	340	Office Furniture and Fixtures	5.00%	6.67%	126,249	(455)	14,590		14,590			140,839	6,677
20	340.1	Computer Equipment	12.50%	20.00%	236,985	145,471	11,717		11,717	(10,000)		238,702	29,730
21	341	Transportation Equipment	16.67%	20.00%	302,375	275,788	41,094		41,094			343,469	53,831
22	342	Stores Equipment	2.49%	4.00%	2,441	799			-			2,441	61
23	343	Tools and Work Equipment	2.49%	5.00%	100,457	13,834	3,271		3,271	(2,450)		101,278	2,512
24	344	Laboratory Equipment	2.49%	10.00%	2,344	988			-			2,344	58
25	345	Power Operated Equipment	2.49%	5.00%	44,573	7,168			-	(2,500)		42,073	1,079
26	345.1	Power Operated Equip - Backhoe	6.25%	5.00%	107,179	68,900			-			107,179	6,699
27	346	Communications Equipment	2.49%	10.00%	68,154	21,851	1,186		1,186			69,340	1,712
28	347	Miscellaneous Equipment	2.49%	10.00%	-	-			-			-	-
29	348	Other Tangible Plant	2.49%	10.00%	738	9			-			738	18
30		Rounding											
31													
32													
33													
34		TOTAL WATER PLANT			17,350,500	4,928,562	2,249,085	-	2,249,085	(109,827)		19,489,758	531,604

Community Water Company of Green Valley
Plant Additions and Retirements

Exhibit
Rejoinder Schedule B-2
Page 3.2
Witness: Bourassa

Line No.	Acct. No.	Description	Deprec. Rate Before Dec-06	Deprec. Rate After Dec-06	2006 Plant Additions	2006 Plant Adjustments	2006 Adjusted Plant Additions	2006 Plant Retirements	2006 Plant Salvage A/D Only	2006 Plant Balance	2006 Deprec.
1	301	Organization Cost	0.00%	0.00%			-			47,863	-
2	302	Franchise Cost	0.00%	0.00%			-			244	-
3	303	Land and Land Rights	0.00%	0.00%	52,634		52,634			166,288	-
4	304	Structures and Improvements	2.49%	3.33%			-			-	-
5	304.1	Structures and Improv - Pumping	2.49%	3.33%	16,507		16,507			16,916	216
6	304.2	Structures and Improv - Water Trmnt	2.49%	3.33%	89,137		89,137			138,396	2,336
7	307	Wells and Springs	2.49%	3.33%	1,116,761		1,116,761			1,658,106	27,383
8	310	Power Generation Equipment	2.49%	5.00%			-			-	-
9	311	Electric Pumping Equipment	2.49%	12.50%	1,045,685		1,045,685			1,427,009	22,514
10	311.1	Gas Pumping Equipment	2.49%	12.50%			-			122,126	3,041
11	320	Water Treatment Equipment	2.49%	3.33%	2,091,975		2,091,975			2,890,316	45,924
12	330	Distribution Reservoirs & Standpipe	2.49%	2.22%			-			1,066,452	26,555
13	331	Transmission and Distribution Mains	2.49%	2.00%	3,767,879		3,767,879			13,526,630	289,903
14	333	Services	2.49%	3.33%	446,715		446,715	(6,993)		3,351,448	77,977
15	333.1	Fire Sprinkler Taps	2.49%	3.33%	38,024		38,024	(950)		231,515	5,303
16	334	Meters	2.49%	8.33%	102,216		102,216	(13,936)		676,877	15,755
17	335	Hydrants	2.49%	2.00%	428,784		428,784	(15,818)		1,768,490	38,894
18	339	Other Plant and Misc Equipment	2.49%	6.67%	2,168		2,168			513,467	12,758
19	340	Office Furniture and Fixtures	5.00%	6.67%	9,704		9,704	(900)		149,643	7,262
20	340.1	Computer Equipment	12.50%	20.00%	11,747		11,747	(3,500)		246,950	30,353
21	341	Transportation Equipment	16.67%	20.00%	71,552		71,552	(41,459)	6,630	373,563	43,943
22	342	Stores Equipment	2.49%	4.00%			-			2,441	61
23	343	Tools and Work Equipment	2.49%	5.00%	9,002		9,002	(6,340)		103,941	2,555
24	344	Laboratory Equipment	2.49%	10.00%			-			2,344	58
25	345	Power Operated Equipment	2.49%	5.00%	35,458		35,458	(4,000)		73,531	1,439
26	345.1	Power Operated Equip - Backhoe	6.25%	5.00%			-			107,179	6,699
27	346	Communications Equipment	2.49%	10.00%			-			69,340	1,727
28	347	Miscellaneous Equipment	2.49%	10.00%			-			-	-
29	348	Other Tangible Plant	2.49%	10.00%			-			738	18
30		Rounding									
31											
32											
33											
34		TOTAL WATER PLANT			9,335,949	-	9,335,949	(93,896)		28,731,811	662,674

Community Water Company of Green Valley
Plant Additions and Retirements

Exhibit
Rejoinder Schedule B-2
Page 3.3
Witness: Bourassa

Line No.	Acct. No.	Description	Deprec. Rate Before Dec-06	Deprec. Rate After Dec-06	2007 Plant Additions	Staff Proposed 2007 Plant Adjustments	2007 Adjusted Plant Additions	2007 Plant Retirements	2007 Plant Salvage A/D Only	2007 Plant Balance	2007 Deprec.
1	301	Organization Cost	0.00%	0.00%			-			47,863	-
2	302	Franchise Cost	0.00%	0.00%			-			244	-
3	303	Land and Land Rights	0.00%	0.00%	3,290		3,290			169,578	-
4	304	Structures and Improvements	2.49%	3.33%			-			-	-
5	304.1	Structures and Improv - Pumping	2.49%	3.33%	7,724		7,724			24,640	692
6	304.2	Structures and Improv - Water Trmnt	2.49%	3.33%			-			138,396	4,609
7	307	Wells and Springs	2.49%	3.33%	342,014	10,903	352,917	(220)		2,010,802	61,087
8	310	Power Generation Equipment	2.49%	5.00%			-			-	-
9	311	Electric Pumping Equipment	2.49%	12.50%	2,032,924		2,032,924			3,459,933	305,434
10	311.1	Gas Pumping Equipment	2.49%	12.50%			-			122,126	15,266
11	320	Water Treatment Equipment	2.49%	3.33%	1,488,386		1,488,386	(4,710)		4,373,993	120,951
12	330	Distribution Reservoirs & Standpipe	2.49%	2.22%			-	(1,720)		1,064,732	23,656
13	331	Transmission and Distribution Mains	2.49%	2.00%	4,521,765		4,521,765	(5,650)		18,042,745	315,694
14	333	Services	2.49%	3.33%	385,078		385,078	(11,060)		3,725,465	117,831
15	333.1	Fire Sprinkler Taps	2.49%	3.33%	8,036		8,036			239,551	7,843
16	334	Meters	2.49%	8.33%	68,210		68,210	(33,234)		711,853	57,841
17	335	Hydrants	2.49%	2.00%	98,081		98,081	(4,200)		1,862,371	36,309
18	339	Other Plant and Misc Equipment	2.49%	6.67%	36,598		36,598	(225)		549,839	35,461
19	340	Office Furniture and Fixtures	5.00%	6.67%	2,527		2,527	(1,600)		150,571	10,012
20	340.1	Computer Equipment	12.50%	20.00%	24,368		24,368	(5,500)		265,818	51,277
21	341	Transportation Equipment	16.67%	20.00%	90,531		90,531			464,094	83,766
22	342	Stores Equipment	2.49%	4.00%			-			2,441	98
23	343	Tools and Work Equipment	2.49%	5.00%	6,655		6,655			110,595	5,363
24	344	Laboratory Equipment	2.49%	10.00%		12,000	12,000	(2,590)		11,754	705
25	345	Power Operated Equipment	2.49%	5.00%	500		500	(1,750)		72,281	3,645
26	345.1	Power Operated Equip - Backhoe	6.25%	5.00%			-			107,179	5,359
27	346	Communications Equipment	2.49%	10.00%			-			69,340	6,934
28	347	Miscellaneous Equipment	2.49%	10.00%			-			-	-
29	348	Other Tangible Plant	2.49%	10.00%			-			738	74
30		Rounding				1	1			1	
31											
32											
33											
34		TOTAL WATER PLANT			9,116,686	22,904	9,139,590	(72,459)		37,798,942	1,269,905

Community Water Company of Green Valley
Plant Additions and Retirements

Exhibit
Rejoinder Schedule B-2
Page 3.4
Witness: Bourassa

Line No.	Acct. No.	Description	Deprec. Rate Before Dec-06	Deprec. Rate After Dec-06	Year End Accumulated Depreciation by Account 2004	2005	2006	2007
1	301	Organization Cost	0.00%	0.00%	-	-	-	-
2	302	Franchise Cost	0.00%	0.00%	-	-	-	-
3	303	Land and Land Rights	0.00%	0.00%	-	-	-	-
4	304	Structures and Improvements	2.49%	3.33%	-	-	-	-
5	304.1	Structures and Improv - Pumping	2.49%	3.33%	635	635	850	1,542
6	304.2	Structures and Improv - Water Trmnt	2.49%	3.33%	1,157	2,345	4,681	9,290
7	307	Wells and Springs	2.49%	3.33%	(5,421)	(8,236)	19,147	80,014
8	310	Power Generation Equipment	2.49%	5.00%	-	-	-	-
9	311	Electric Pumping Equipment	2.49%	12.50%	10,422	19,917	42,431	347,865
10	311.1	Gas Pumping Equipment	2.49%	12.50%	4,677	7,718	10,759	26,024
11	320	Water Treatment Equipment	2.49%	3.33%	(45,225)	(35,316)	10,608	126,848
12	330	Distribution Reservoirs & Standpipe	2.49%	2.22%	303,264	329,818	356,373	378,309
13	331	Transmission and Distribution Mains	2.49%	2.00%	2,708,283	2,922,066	3,211,969	3,522,013
14	333	Services	2.49%	3.33%	661,825	724,401	795,385	902,155
15	333.1	Fire Sprinkler Taps	2.49%	3.33%	60,874	43,369	47,722	55,565
16	334	Meters	2.49%	8.33%	107,625	92,445	94,265	118,871
17	335	Hydrants	2.49%	2.00%	372,074	403,035	426,111	458,220
18	339	Other Plant and Misc Equipment	2.49%	6.67%	214,020	226,360	239,119	274,355
19	340	Office Furniture and Fixtures	5.00%	6.67%	(455)	6,222	12,584	20,996
20	340.1	Computer Equipment	12.50%	20.00%	145,471	165,201	192,054	237,831
21	341	Transportation Equipment	16.67%	20.00%	275,788	329,620	338,734	422,500
22	342	Stores Equipment	2.49%	4.00%	799	860	921	1,018
23	343	Tools and Work Equipment	2.49%	5.00%	13,834	13,896	10,111	15,474
24	344	Laboratory Equipment	2.49%	10.00%	988	1,047	1,105	(780)
25	345	Power Operated Equipment	2.49%	5.00%	7,168	5,747	3,186	5,081
26	345.1	Power Operated Equip - Backhoe	6.25%	5.00%	68,900	75,599	82,298	87,657
27	346	Communications Equipment	2.49%	10.00%	21,851	23,563	25,290	32,224
28	347	*Miscellaneous Equipment*	2.49%	10.00%	-	-	-	-
29	348	Other Tangible Plant	2.49%	10.00%	9	28	46	120
30		Rounding						
31								
32								
33					-			
34		TOTAL WATER PLANT			4,928,562	5,350,339	5,925,747	7,123,192

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Original Cost Rate Base Proforma Adjustments
Adjustment Number 2

Exhibit
Rejoinder Schedule B-2
Page 4
Witness: Bourassa

Line No.				A	B	C	
1	Accumulated Depreciation						
2							
3	Account		Direct Adjusted	A/D Capitalized	Difference To Computed	Intentionally Left	Rebuttal Adjusted
4	No.	Description	Accum. Depr.	Expenses	A/D	Blank	Accum. Depr.
5	301	Organization Cost	47,588		(47,588)		-
6	302	Franchise Cost	136		(136)		-
7	303	Land and Land Rights	-		-		-
8	304	Structures and Improvements	-		-		-
9	304.1	Structures and Improvements - *Pumping*	-		1,542		1,542
10	304.2	Structures and Improvements - Water Treatment	10,842		(1,552)		9,290
11	307	Wells and Springs	91,529	182	(11,696)		80,014
12	310	Power Generation Equipment	-		-		-
13	311	Electric Pumping Equipment	345,211		2,653		347,865
14	311.1	Gas Pumping Equipment	26,024		0		26,024
15	320	Water Treatment Equipment	112,561		14,287		126,848
16	330	Distribution Reservoirs & Standpipe	378,309		0		378,309
17	331	Transmission and Distribution Mains	3,528,697		(6,684)		3,522,013
18	333	Services	902,158		(2)		902,155
19	333.1	Fire Sprinkler Taps	80,553		(24,987)		55,565
20	334	Meters	127,040		(8,170)		118,871
21	335	Hydrants	426,872		31,348		458,220
22	339	Other Plant and Miscellaneous Equipment	274,395		(40)		274,355
23	340	Office Furniture and Fixtures	13,958		7,038		20,996
24	340.1	Computer Equipment	207,046		30,785		237,831
25	341	Transportation Equipment	378,887		43,613		422,500
26	342	Stores Equipment	1,018		(0)		1,018
27	343	Tools and Work Equipment	12,819		2,655		15,474
28	344	Laboratory Equipment	1,340	600	(2,720)		(780)
29	345	Power Operated Equipment	5,081		(0)		5,081
30	345.1	Power Operated Equipment - Backhoe	83,265		4,391		87,657
31	346	Communications Equipment	32,224		(0)		32,224
32	347	Miscellaneous Equipment	-		-		-
33	348	*Other Tangible Plant*	120		(0)		120
34							
35		TOTALS	$ 7,087,672	$ 782	$ 34,739	$ -	$ 7,123,192
36							
37							
38	Accumulated Depreciation per Direct Filing						$ 7,087,672
39							
40	Increase (decrease) in Accumulated Depreciation						$ 35,520
41							
42	Adjustment to Accumulate Depreciation						$ 35,520
43							
44	SUPPORTING SCHEDULES						
45	Rejoinder B-2, page 3.1 to 3.4						
46							
47							

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Computation of Working Capital

Exhibit
Rejoinder Schedule B-5
Page 1
Witness: Bourassa

Line No.			
1	Cash Working Capital (1/8 of Allowance		
2	Operation and Maintenance Expense)	$	242,565
3	Pumping Power (1/24 of Pumping Power)		10,204
4	Purchased Water (1/24 of Purchased Water)		-
5			
6			
7			
8			
9	*Total Working Capital Allowance*	$	252,770
10			
11			
12	Working Capital Requested	$	-
13			
14			
15	SUPPORTING SCHEDULES:	RECAP SCHEDULES:	
16	Rejoinder C-1, page 1	Rejoinder B-1	
17			

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 1
Witness: Bourassa

Line No.		Adjusted Test Year Book Results	Adjustment	Rebuttal Adjusted Results	Proposed Rate Increase	Rebuttal Adjusted with Rate Increase
1	**Revenues**					
2	Metered Water Revenues	$ 2,922,680	$ -	$ 2,922,680	$ 775,493	$ 3,698,173
3	Unmetered Water Revenues	48,572	-	48,572		48,572
4	Other Water Revenues	50,491	-	50,491	27,822	78,313
5		$ 3,021,743	$ -	$ 3,021,743	$ 803,315	$ 3,825,058
6	**Operating Expenses**					
7	Salaries and Wages	$ 923,207	-	$ 923,207		$ 923,207
8	Purchased Water	-	-	-		-
9	Purchased Power	339,905	(95,000)	244,905		244,905
10	Chemicals	21,432	-	21,432		21,432
11	Repairs and Maintenance	118,681	-	118,681		118,681
12	Office Supplies and Expense	8,091	-	8,091		8,091
13	Outside Services	34,557	-	34,557		34,557
14	Water Testing	32,903	(20,744)	12,159		12,159
15	Rents	2,532	-	2,532		2,532
16	Transportation Expenses	116,265	-	116,265		116,265
17	Insurance - General Liability	21,900	-	21,900		21,900
18	Insurance - health and Life	139,981	-	139,981		139,981
19	Reg. Commission Exp. - Rate Case	33,333	-	33,333		33,333
20	Miscellaneous Expense	441,287	-	441,287		441,287
21	Depreciation Expense	989,839	(75,163)	914,676		914,676
22	Taxes Other Than Income	67,097	-	67,097		67,097
23	Property Taxes	131,630	19,565	151,195		151,195
24	Income Tax	-	-	-	-	-
25	**Total Operating Expenses**	$ 3,422,641	$ (171,341)	$ 3,251,300	$ -	$ 3,251,300
26	**Operating Income**	$ (400,898)	$ 171,341	$ (229,556)	$ 803,315	$ 573,759
27	**Other Income (Expense)**					
28	Interest Income	73,844	-	73,844		73,844
29	Other income (loss)	16,718	-	16,718		16,718
30	Interest Expense	(187,293)	-	(187,293)		(187,293)
31	Other Expense	-	-	-		-
32				-		-
33	***Total Other Income (Expense)***	$ (96,731)	$ -	$ (96,731)	$ -	$ (96,731)
34	**Net Profit (Loss)**	$ (497,629)	$ 171,341	$ (326,287)	$ 803,315	$ 477,028
35						
36	SUPPORTING SCHEDULES:				RECAP SCHEDULES:	
37	Rejoinder C-1, page 2				Rejoinder A-1	
38						

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Income Statement

Exhibit
Rejoinder Schedule C-1
Page 2
Witness: Bourassa

Line No.		Adjusted Test Year Book Results	1 Depreciation	2 Property Taxes	3 Purchased Power	4 Water Testing	5 Misc. Revenues	6 Blank	7 Blank	Rebuttal Adjusted Results	Proposed Rate Increase	Rebuttal Adjusted with Rate Increase
1	**Revenues**											
2	Metered Water Revenues	$ 2,922,680								$ 2,922,680	$ 775,493	$ 3,698,173
3	Unmetered Water Revenues	48,572								48,572		48,572
4	Other Water Revenues	50,491								50,491	27,822	78,313
5		$ 3,021,743	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,021,743	$ 803,315	$ 3,825,058
6	**Operating Expenses**											
7	Salaries and Wages	$ 923,207								$ 923,207		$ 923,207
8	Purchased Water	-								-		-
9	Purchased Power	339,905			(95,000)					244,905		244,905
10	Chemicals	21,432								21,432		21,432
11	Repairs and Maintenance	118,681								118,681		118,681
12	Office Supplies and Expense	8,091								8,091		8,091
13	Outside Services	34,557								34,557		34,557
14	Water Testing	32,903				(20,744)				12,159		12,159
15	Rents	2,532								2,532		2,532
16	Transportation Expenses	116,265								116,265		116,265
17	Insurance - General Liability	21,900								21,900		21,900
18	Insurance - Health and Life	139,981								139,981		139,981
19	Reg Comm Expense - Rate Case	33,333								33,333		33,333
20	Miscellaneous Expense	441,287								441,287		441,287
21	Depreciation Expense	989,839	(75,163)							914,676		914,676
22	Taxes Other Than Income	67,097								67,097		67,097
23	Property Taxes	131,630		19,565						151,195		151,195
24	Income Tax	-								-		-
25	**Total Operating Expenses**	$ 3,422,641	$ (75,163)	$ 19,565	$ (95,000)	$ (20,744)	$ -	$ -	$ -	$ 3,251,300	$ -	$ 3,251,300
26	**Operating Income**	$ (400,898)	$ 75,163	$ (19,565)	$ 95,000	$ 20,744	$ -	$ -	$ -	$ (229,556)	$ 803,315	$ 573,759
27	***Other Income (Expense)***											
28	Interest Income	$ 73,844								$ 73,844		$ 73,844
29	Other income (loss)	16,718								16,718		16,718
30	Interest Expense	(187,293)								(187,293)		(187,293)
31	Other Expense	-								-		-
32		-										-
33	**Total Other Income (Expense)**	$ (96,731)	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ (96,731)	$ -	$ (96,731)
34	**Net Profit (Loss)**	$ (497,629)	$ 75,163	$ (19,565)	$ 95,000	$ 20,744	$ -	$ -	$ -	$ (326,287)	$ 803,315	$ 477,028
35												
36	SUPPORTING SCHEDULES:											
37	Rejoinder C-2, pages 1-5											
38												

RECAP SCHEDULES:
Rejoinder C-1, page 1

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Adjustments to Revenues and Expenses

Exhibit
Rejoinder Schedule C-2
Page 1
Witness: Bourassa

Line No.		Adjustments to Revenues and Expenses						
		1 Depreciation Expense	2 Property Taxes	3 Purchased Power	4 Outside Services	5 Intentionally Left Blank	6 Intentionally Left Blank	Subtotal
1								
2								
3	Revenues							-
4								
5	Expenses	(75,163)	19,565	(95,000)	(20,744)			(171,341)
6								
7	Operating							
8	Income	75,163	(19,565)	95,000	20,744	-	-	171,341
9								
10	Interest							
11	Expense							-
12	Other							
13	Income /							-
14	Expense							
15								
16	Net Income	75,163	(19,565)	95,000	20,744	-	-	171,341
17								
18		Adjustments to Revenues and Expenses						
19		7 Intentionally Left Blank	8 Intentionally Left Blank	9 Intentionally Left Blank	10 Intentionally Left Blank	11 Intentionally Left Blank	12 Intentionally Left Blank	Subtotal
20								
21								
22	Revenues							-
23								
24	Expenses	-						(171,341)
25								
26	Operating							
27	Income	-	-	-	-	-	-	171,341
28								
29	Interest							
30	Expense							-
31	Other							
32	Income /							-
33	Expense							
34								
35	Net Income	-	-	-	-	-	-	171,341
36								

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Adjustments to Revenues and Expenses
Adjustment Number 1

Exhibit
Rejoinder Schedule C-2
Page 2
Witness: Bourassa

Depreciation Expense

Line No.	Account No.	Description	Rebuttal Adjusted Original Cost	Proposed Rate	Rebuttal Depreciation Expense
5	301	Organization Cost	$ 47,863	0.00%	-
6	302	Franchise Cost	244	0.00%	-
7	303	Land and Land Rights	169,578	0.00%	-
8	304	Structures and Improvements	-	3.33%	-
9	304.1	Structures and Improvements - Pumping	24,640	3.33%	821
10	304.2	Structures and Improvements - Water Treatment	138,396	3.33%	4,609
11	307	Wells and Springs	2,010,802	3.33%	66,960
12	310	Power Generation Equipment	-	5.00%	-
13	311	Electric Pumping Equipment	3,459,933	12.50%	432,492
14	311.1	Gas Pumping Equipment	122,126	12.50%	15,266
15	320	Water Treatment Equipment	4,373,993	3.33%	145,654
16	330	Distribution Reservoirs & Standpipe	1,064,732	2.22%	23,637
17	331	Transmission and Distribution Mains	18,042,745	2.00%	360,855
18	333	Services	3,725,465	3.33%	124,058
19	333.1	Fire Sprinkler Taps	239,551	3.33%	7,977
20	334	Meters	711,853	8.33%	59,297
21	335	Hydrants	1,862,371	2.00%	37,247
22	339	Other Plant and Miscellaneous Equipment	549,839	6.67%	36,674
23	340	Office Furniture and Fixtures	150,571	6.67%	10,043
24	340.1	Computer Equipment	265,818	20.00%	53,164
25	341	Transportation Equipment	464,094	20.00%	92,819
26	342	Stores Equipment	2,441	4.00%	98
27	343	Tools and Work Equipment	110,595	5.00%	5,530
28	344	Laboratory Equipment	11,754	10.00%	1,175
29	345	Power Operated Equipment	72,281	5.00%	3,614
30	345.1	*Power Operated Equipment - Backhoe*	107,179	5.00%	5,359
31	346	Communications Equipment	69,340	10.00%	6,934
32	347	Miscellaneous Equipment	-	10.00%	-
33	348	Other Tangible Plant	738	10.00%	74
34		Rounding	1		-
35		TOTALS	$ 37,798,942		$ 1,494,355
36					
37	Less: Amort. of CIAC		$ 14,578,352	3.9763%	$ (579,679)
38					
39	Total Depreciation Expense				$ 914,676
40					
41	Depreciation Expense per Direct				$ 989,839
42					
43	Increase (decrease) in Depreciation Expense				(75,163)
44					
45	Adjustment to Revenues and/or Expenses				$ (75,163)
46					
47	SUPPORTING SCHEDULE				
48	Rejoinder B-2, page 3				

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Adjustment to Revenues and Expenses
Adjustment Number 2

Exhibit
Rejoinder Schedule C-2
Page 3
Witness: Bourassa

Line No.			
1	Property Taxes:		
2			
3	Adjusted Revenues in year ended 12/31/07	$	3,021,743
4	Adjusted Revenues in year ended 12/31/07		3,021,743
5	Proposed Revenues		3,825,058
6			
7	Average of three year's of revenue	$	3,289,515
8	Average of three year's of revenue, times 2	$	6,579,030
9			
10	Add:		
11	Construction Work in Progess at 10%	$	53,755
12	Deduct:		
13	Book Value of Transportation Equipment		135,661
14			
15	Full Cash Value	$	6,443,369
16	Assessment Ratio		21.0%
17	Assessed Value		1,353,107
18	Property Tax Rate		11.0507%
19			
20	Property Tax		149,528
21	Tax on Parcels		1,667
22			
23	Total Property Tax at Proposed Rates	$	151,195
24	Property Taxes in the test year		131,630
25	Change in Property Taxes	$	19,565
26			
27			
28	Adjustment to Revenues and/or Expenses	$	19,565
29			
30			

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Adjustment to Revenues and Expenses
Adjustment Number 3

Exhibit
Rejoinder Schedule C-2
Page 4
Witness: Bourassa

Line No.			
1	Purchased Power		
2			
3			
4	Remove Purchased Power per Staff Adj. #2	$	(95,000)
5			
6			
7	Increase (decrease) in Purchased Power	$	(95,000)
8			
9			
10			
11			
12	Adjustment to Revenues and/or Expenses	$	(95,000)
13			
14			
15			
16	REFERENCES		
17	Staff Adj. #2 Schedule PMC-10		
18			
19			
20			

Community Water Company of Green Valley
Test Year Ended December 31, 2007
ADJUSTMENTS TO REVENUES AND/OR EXPENSES
Adjustment Number 4

Exhibit
Rejoinder Schedule C-2
Page 5
Witness: Bourassa

Line No.			
1	Water Testing Expense		
2			
3			
4	Water Testing Expense Adjustment per Staff Adj. #3	$	(20,744)
5			
6			
7	Increase (decrease) in Water Testing Expense	$	(20,744)
8			
9			
10			
11			
12	Adjustment to Revenues and/or Expenses	$	(20,744)
13			
14			
15			
16	REFERENCES		
17	Staff Adj. #3 Schedule PMC-11		
18			
19			
20			
21			
22			
23			
24			

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Computation of Gross Revenue Conversion Factor

Exhibit
Rejoinder Schedule C-3
Page 1
Witness: Bourassa

Line No.	Description	Percentage of Incremental Gross Revenues
1	Federal Income Taxes	0.00%
2		
3	State Income Taxes	0.00%
4		
5	Other Taxes and Expenses	0.00%
6		
7		
8	Total Tax Percentage	0.00%
9		
10	*Operating Income % = 100% - Tax Percentage*	100.00%
11		
12		
13		
14		
15	1 = Gross Revenue Conversion Factor	
16	Operating Income %	1.0000
17		
18	SUPPORTING SCHEDULES:	RECAP SCHEDULES:
19		Rebuttal A-1
20		

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rejoinder Schedule H-1
Page 1
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Proposed Revenues	Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	5/8 Inch	Residential	$ 2,099,765	$ 2,613,783	$ 514,018	24.48%	69.49%	68.33%
2	3/4 Inch	Residential	15,425	18,800	3,376	21.89%	0.51%	0.49%
3	1 Inch	Residential	161,303	207,658	46,354	28.74%	5.34%	5.43%
4	1 Inch	Residential (Dist. 11)	40,055	52,242	12,187	30.43%	1.33%	1.37%
5	1.5 Inch	Residential	2,727	3,495	768	28.18%	0.09%	0.09%
6	1.5 Inch	Residential (Dist. 11)	34,953	45,588	10,635	30.43%	1.16%	1.19%
7	2 Inch	Residential	52,606	69,109	16,503	31.37%	1.74%	1.81%
8	2 Inch	Residential (Dist. 11)	1,559	2,003	444	28.47%	0.05%	0.05%
9	3 Inch	Residential	7,107	9,110	2,003	28.18%	0.24%	0.24%
10		Subtotal	$ 2,415,499	$ 3,021,787	$ 606,289	25.10%	79.94%	79.00%
11								
12	5/8 Inch	Commercial	$ 13,937	$ 17,987	$ 4,050	29.06%	0.46%	0.47%
13	5/8 Inch	Commercial (Dist. 11)	735	978	242	32.92%	0.02%	0.03%
14	1 Inch	Commercial	67,967	88,497	20,530	30.21%	2.25%	2.31%
15	1.5 Inch	Commercial	24,726	32,327	7,601	30.74%	0.82%	0.85%
16	2 Inch	Commercial	196,000	256,878	60,877	31.06%	6.49%	6.72%
17	3 Inch	Commercial	4,274	5,436	1,162	27.19%	0.14%	0.14%
18		Subtotal	307,640	402,102	94,462	30.71%	10.18%	10.51%
19								
20	1 Inch	Commercial/Residential	$ 4,136	$ 5,417	$ 1,281	30.98%	0.14%	0.14%
21	2 Inch	Commercial/Residential	17,211	22,347	5,136	29.84%	0.57%	0.58%
22		Subtotal	$ 21,347	$ 27,764	$ 6,417	30.06%	0.71%	0.73%
23								
24	1 Inch	Construction	$ 203	$ 243	$ 41	20.08%	0.01%	0.01%
25	3 Inch	Construction	36,247	43,513	7,266	20.05%	1.20%	1.14%
26	6 Inch	Construction	3,765	4,521	756	20.09%	0.12%	0.12%
27		Subtotal	$ 40,214	$ 48,277	$ 8,063	20.05%	1.33%	1.26%
28								
29	S1	Fire Sprinkler	$ 6,690	$ 6,690	$ -	0.00%	0.22%	0.17%
30	S2	Fire Sprinkler	1,455	1,455	-	0.00%	0.05%	0.04%
31		Subtotal	$ 8,145	$ 8,145	$ -	0.00%	0.27%	0.21%
32								
33	5/8 Inch	Residential Irrigation	$ 2,566	$ 3,387	821	32.00%	0.08%	0.09%
34	1 Inch	Residential Irrigation	1,583	2,066	483	30.48%	0.05%	0.05%
35	1.5 Inch	Residential Irrigation	-	-	-	0.00%	0.00%	0.00%
36	1.5 Inch	Residential Irrigation (Dist. 11)	20,248	26,806	6,559	32.39%	0.67%	0.70%
37	2 Inch	Residential Irrigation	-	-	-	0.00%	0.00%	0.00%
38	2 Inch	Residential Irrigation (Dist. 11)	33,223	43,583	10,360	31.18%	1.10%	1.14%
39		Subtotal	$ 57,619	$ 75,842	$ 18,223	31.63%	1.91%	1.98%
40								
41	5/8 Inch	Commercial/Residential Irrigation	$ 496	$ 630	$ 134	26.99%	0.02%	0.02%
42	1 Inch	Commercial/Residential Irrigation	1,354	1,757	402	29.72%	0.04%	0.05%
43		Subtotal	$ 1,850	$ 2,387	$ 536	28.99%	0.06%	0.06%
44								
45	5/8 Inch	Commercial Irrigation	$ 8,796	$ 11,320	$ 2,524	28.69%	0.29%	0.30%
46	1 Inch	Commercial Irrigation	43,012	56,249	13,237	30.77%	1.42%	1.47%
47	1 Inch	Commercial Irrigation (Dist. 11)	340	423	83	24.37%	0.01%	0.01%
48	1.5 Inch	Commercial Irrigation	6,010	7,639	1,629	27.11%	0.20%	0.20%
49	2 Inch	Commercial Irrigation	47,458	62,077	14,619	30.80%	1.57%	1.62%
50		Subtotal	$ 105,616	$ 137,708	$ 32,092	30.39%	3.50%	3.60%
51								
52								
53								
54								
55	Total Revenue before Annualization		$ 2,957,930	$ 3,724,013	$ 766,082	25.90%	97.89%	97.36%
56								

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Revenue Summary
With Annualized Revenues to Year End Number of Customers

Exhibit
Rejoinder Schedule H-1
Page 2
Witness: Bourassa

Line No.	Meter Size	Class	Present Revenues	Revenue Annualization Proposed Revenues	Revenue Annualization Dollar Change	Percent Change	Percent of Present Water Revenues	Percent of Proposed Water Revenues
1	5/8 Inch	Residential	$ 21,403	$ 26,431	$ 5,028	23.49%	0.71%	0.69%
2	3/4 Inch	Residential	13	16	3	20.65%	0.000%	0.000%
3	1 Inch	Residential	586	751	165	28.17%	0.019%	0.020%
4	1 Inch	Residential (Dist. 11)	-	-	-	0.00%	0.000%	0.000%
5	1.5 Inch	Residential	(56)	(71)	(15)	26.09%	-0.002%	-0.002%
6	1.5 Inch	Residential (Dist. 11)	-	-	-	0.00%	0.000%	0.000%
7	2 Inch	Residential	(204)	(267)	(63)	30.70%	-0.007%	-0.007%
8	2 Inch	Residential (Dist. 11)	-	-	-	0.00%	0.000%	0.000%
9	3 Inch	Residential	-	-	-	0.00%	0.000%	0.000%
10		Subtotal	$ 21,742	$ 26,861	$ 5,119	23.54%	0.72%	0.70%
11								
12	5/8 Inch	Commercial	$ 114	$ 146	$ 32	27.62%	0.00%	0.00%
13	5/8 Inch	Commercial (Dist. 11)	-	-	-	0.00%	0.000%	0.000%
14	1 Inch	Commercial	(274)	(355)	(80)	29.33%	-0.01%	-0.01%
15	1.5 Inch	Commercial	1,397	1,818	421	30.16%	0.05%	0.05%
16	2 Inch	Commercial	(2,280)	(2,973)	(693)	30.42%	-0.08%	-0.08%
17	3 Inch	Commercial	(160)	(203)	(43)	26.68%	-0.01%	-0.01%
18		Subtotal	$ (1,203)	$ (1,567)	$ (364)	30.23%	-0.04%	-0.04%
19								
20	1 Inch	Commercial/Residential	$ -	$ -	$ -	0.00%	0.00%	0.00%
21	2 Inch	Commercial/Residential	-	-	-	0.00%	0.00%	0.00%
22		Subtotal	-	-	$ -	0.00%	0.00%	0.00%
23								
24	1 Inch	Construction	$ 80	$ 96	$ 16	20.10%	0.00%	0.00%
25	3 Inch	Construction	(3,971)	(4,767)	(796)	20.04%	-0.13%	-0.12%
26	6 Inch	Construction	(3,761)	(4,517)	(756)	20.09%	-0.12%	-0.12%
27		Subtotal	$ (7,652)	$ (9,188)	$ (1,535)	20.06%	-0.25%	-0.24%
28								
29	S1	Fire Sprinkler	$ 150	$ 150	$ -	0.00%	0.00%	0.00%
30	S2	Fire Sprinkler	(15)	(15)	-	0.00%	0.00%	0.00%
31		Subtotal	$ 135	$ 135	$ -	0.00%	0.00%	0.00%
32								
33	5/8 Inch	Residential Irrigation	$ -	$ -	$ -	0.00%	0.00%	0.00%
34	1 Inch	Residential Irrigation	-	-	-	0.00%	0.000%	0.000%
35	1.5 Inch	Residential Irrigation	-	-	-	0.00%	0.000%	0.000%
36	1.5 Inch	Residential Irrigation (Dist. 11)	-	-	-	0.00%	0.000%	0.000%
37	2 Inch	Residential Irrigation	-	-	-	0.00%	0.000%	0.000%
38	2 Inch	Residential Irrigation (Dist. 11)	-	-	-	0.00%	0.000%	0.000%
39		Subtotal	$ -	$ -	$ -	0.00%	0.000%	0.000%
40								
41	5/8 Inch	Commercial/Residential Irrigation	$ -	$ -	$ -	0.00%	0.00%	0.00%
42	1 Inch	Commercial/Residential Irrigation	-	-	-	0.00%	0.00%	0.00%
43		Subtotal	$ -	$ -	$ -	0.00%	0.00%	0.00%
44								
45	5/8 Inch	Commercial Irrigation	$ 197	$ 253	$ 55	28.15%	0.01%	0.01%
46	1 Inch	Commercial Irrigation	275	356	81	29.35%	0.009%	0.009%
47	1 Inch	Commercial Irrigation (Dist. 11)	-	-	-	0.00%	0.000%	0.000%
48	1.5 Inch	Commercial Irrigation	-	-	-	0.00%	0.000%	0.000%
49	2 Inch	Commercial Irrigation	1,025	1,333	308	30.02%	0.034%	0.035%
50		Subtotal	$ 1,498	$ 1,942	$ 444	29.65%	0.050%	0.051%
51								
52								
53	Total Revenue Annualization		$ 14,519	$ 18,183	$ 3,664	25.24%	0.48%	0.48%
54								
55	Total Revenues with Annualization		$ 2,972,450	$ 3,742,196	$ 769,746	25.90%	98.37%	97.83%
56								
57	Misc. Service Revenues (H-3,page 3.1)		50,491	78,313	27,822	55.10%	1.671%	2.047%
58	Fire Hydrants		4,439	4,439	-	0.00%	0.147%	0.116%
59	Unreconciled Difference to C-1		(5,637)	110	5,747	-101.95%	-0.187%	0.003%
60								
61	Total Revenues		$ 3,021,743	$ 3,825,058	$ 803,315	26.58%	100.00%	100.00%
62								

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Analysis of Revenue by Detailed Class

Exhibit
Rejoinder Schedule H-2
Page 1
Witness: Bourassa

Line No.	Meter Size and Class		(a) Average Number of Customers at 12/31/2007	Average Consumption	Revenues Present Rates	Revenues Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8 Inch	Residential	9,302	4,898	$ 2,099,765	$ 2,613,783	$ 514,018	24.48%
2	3/4 Inch	Residential	89	2,422	15,425	18,800	3,376	21.89%
3	1 Inch	Residential	284	14,372	161,303	207,658	46,354	28.74%
4	1 Inch	Residential (Dist. 11)	53	22,174	40,055	52,242	12,187	30.43%
5	1.5 Inch	Residential	3	22,095	2,727	3,495	768	28.18%
6	1.5 Inch	Residential (Dist. 11)	27	39,650	34,953	45,588	10,635	30.43%
7	2 Inch	Residential	21	77,346	52,606	69,109	16,503	31.37%
8	2 Inch	Residential (Dist. 11)	1	41,167	1,559	2,003	444	28.47%
9	3 Inch	Residential	3	59,889	7,107	9,110	2,003	28.18%
10		Subtotal	9,783					
11								
12	5/8 Inch	Commercial	44	7,966	$ 13,937	$ 17,987	$ 4,050	29.06%
13	5/8 Inch	Commercial (Dist. 11)	1	24,584	735	978	242	32.92%
14	1 Inch	Commercial	97	19,115	67,967	88,497	20,530	30.21%
15	1.5 Inch	Commercial	19	38,604	24,726	32,327	7,601	30.74%
16	2 Inch	Commercial	84	70,837	196,000	256,878	60,877	31.06%
17	3 Inch	Commercial	2	45,856	4,274	5,436	1,162	27.19%
18		Subtotal	247					
19								
20	1 Inch	Commercial/Residential	5	24,720	$ 4,136	$ 5,417	$ 1,281	30.98%
21	2 Inch	Commercial/Residential	9	55,330	17,211	22,347	5,136	29.84%
22		Subtotal	14					
23								
24	1 Inch	Construction	1	1,813	$ 203	$ 243	$ 41	20.08%
25	3 Inch	Construction	15	43,074	36,247	43,513	7,266	20.05%
26	6 Inch	Construction	1	30,750	3,765	4,521		
27		Subtotal	17					
28								
29	S1	Fire Sprinkler	56	-	$ 6,690	$ 6,690	-	0.00%
30	S2	Fire Sprinkler	8	-	1,455	1,455	-	0.00%
31		Subtotal	64					
32								
33	5/8 Inch	Residential Irrigation	4	21,157	$ 2,566	$ 3,387	$ 821	32.00%
34	1 Inch	Residential Irrigation	2	24,292	1,583	2,066	483	30.48%
35	1.5 Inch	Residential Irrigation	-	-	-	-	-	0.00%
36	1.5 Inch	Residential Irrigation (Dist. 11)	10	68,919	20,248	26,806	6,559	32.39%
37	2 Inch	Residential Irrigation	-	-	-	-	-	0.00%
38	2 Inch	Residential Irrigation (Dist. 11)	13	83,145	33,223	43,583	10,360	31.18%
39		Subtotal	29					
40								
41	5/8 Inch	Commercial/Residential Irrigation	2	5,188	$ 496	$ 630	$ 134	26.99%
42	1 Inch	Commercial/Residential Irrigation	2	19,271	1,354	1,757	402	29.72%
43		Subtotal	4					
44								
45	5/8 Inch	Commercial Irrigation	29	7,045	$ 8,796	$ 11,320	$ 2,524	28.69%
46	1 Inch	Commercial Irrigation	57	21,264	43,012	56,249	13,237	30.77%
47	1 Inch	Commercial Irrigation (Dist. 11)	1	4,584	340	423	83	24.37%
48	1.5 Inch	Commercial Irrigation	8	15,746	6,010	7,639	1,629	27.11%
49	2 Inch	Commercial Irrigation	22	65,598	47,458	62,077	14,619	30.80%
50		Subtotal	116					
51								
52		Totals	10,274					
53								

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

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Analysis of Average Bill by Detailed Class

Exhibit
Rejoinder Schedule H-2
Page 2
Witness: Bourassa

Line No.	Meter Size and Class		(a) Average Number of Customers at 12/31/2007	Average Consumption	Average Bill Present Rates	Average Bill Proposed Rates	Proposed Increase Dollar Amount	Proposed Increase Percent Amount
1	5/8 Inch	Residential	9,302	4,898	$ 18.20	$ 22.48	$ 4.28	23.49%
2	3/4 Inch	Residential	89	2,422	14.03	16.94	2.91	20.76%
3	1 Inch	Residential	284	14,372	46.16	59.23	13.07	28.33%
4	1 Inch	Residential (Dist. 11)	53	22,174	60.36	78.35	17.99	29.81%
5	1.5 Inch	Residential	3	22,095	73.21	93.76	20.55	28.07%
6	1.5 Inch	Residential (Dist. 11)	27	39,650	105.16	136.77	31.61	30.06%
7	2 Inch	Residential	21	77,346	195.77	255.56	59.79	30.54%
8	2 Inch	Residential (Dist. 11)	1	41,167	129.92	166.92	37.00	28.47%
9	3 Inch	Residential	3	59,889	196.50	251.82	55.32	28.15%
10		Subtotal	9,783					
11								
12	5/8 Inch	Commercial	44	7,966	$ 25.50	$ 32.73	$ 7.23	28.35%
13	5/8 Inch	Commercial (Dist. 11)	1	24,584	61.28	81.46	20.18	32.92%
14	1 Inch	Commercial	97	19,115	54.79	70.85	16.06	29.32%
15	1.5 Inch	Commercial	19	38,604	103.26	134.21	30.95	29.97%
16	2 Inch	Commercial	84	70,837	183.92	239.61	55.69	30.28%
17	3 Inch	Commercial	2	45,856	170.96	217.44	46.48	27.19%
18		Subtotal	247					
19								
20	1 Inch	Commercial/Residential	5	24,720	$ 65.27	$ 84.98	$ 19.72	30.21%
21	2 Inch	Commercial/Residential	9	55,330	155.70	201.62	45.92	29.49%
22		Subtotal	14					
23								
24	1 Inch	Bulk	1	1,813	$ 24.53	$ 29.46	$ 4.93	20.08%
25	3 Inch	Bulk	15	43,074	195.19	234.31	39.13	20.05%
26	6 Inch	Bulk	1	30,750	626.88	752.80	125.93	20.09%
27		Subtotal	17					
28								
29	S1	Fire Sprinkler	56	-	$ 10.00	$ 10.00	-	0.00%
30	S2	Fire Sprinkler	8	-	15.00	15.00	-	0.00%
31		Subtotal	64					
32								
33	5/8 Inch	Residential Irrigation	4	21,157	$ 52.03	$ 68.45	$ 16.42	31.55%
34	1 Inch	Residential Irrigation	2	24,292	64.32	83.70	19.37	30.12%
35	1.5 Inch	Residential Irrigation	-	-	33.00	39.63	6.63	20.09%
36	1.5 Inch	Residential Irrigation (Dist. 11)	10	68,919	165.62	218.89	53.26	32.16%
37	2 Inch	Residential Irrigation	-	-	55.00	66.06	11.06	20.11%
38	2 Inch	Residential Irrigation (Dist. 11)	13	83,145	206.32	269.77	63.44	30.75%
39		Subtotal	29					
40								
41	5/8 Inch	Commercial/Residential Irrigation	2	5,188	$ 20.44	$ 25.92	$ 5.48	26.80%
42	1 Inch	Commercial/Residential Irrigation	2	19,271	55.07	71.23	16.16	29.34%
43		Subtotal	4					
44								
45	5/8 Inch	Commercial Irrigation	29	7,045	$ 23.82	$ 30.47	$ 6.65	27.91%
46	1 Inch	Commercial Irrigation	57	21,264	58.70	76.12	17.42	29.67%
47	1 Inch	Commercial Irrigation (Dist. 11)	1	4,584	28.34	35.25	6.91	24.37%
48	1.5 Inch	Commercial Irrigation	8	15,746	61.66	78.21	16.55	26.84%
49	2 Inch	Commercial Irrigation	22	65,598	174.39	226.78	52.39	30.04%
50		Subtotal	116					
51								
52		Totals	10,274					
53								

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

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Present and Proposed Rates

Exhibit
Rejoinder Schedule H-3
Page 1
Witness: Bourassa

Line No.	Monthly Usage Charge for:	Present Rates	Proposed Rates	Change	Percent Change
1	Meter Size (All Zones and Classes):				
2	5/8 Inch	$ 11.00	$ 13.21	$ 2.21	20.09%
3	3/4 Inch	11.00	13.21	2.21	20.09%
4	1 Inch	20.00	24.02	4.02	20.10%
5	1 1/2 Inch	33.00	39.63	6.63	20.09%
6	2 Inch	55.00	66.06	11.06	20.11%
7	3 Inch	87.50	105.09	17.59	20.10%
8	4 Inch	330.00	396.33	66.33	20.10%
9	6 Inch	550.00	660.55	110.55	20.10%
10	8 Inch	900.00	1,080.90	180.90	20.10%
11					
12					
13					
14	Monthly Service Charge for Fire Sprinkler				
15	6 Inch or smaller	$ 10.00	$ 10.00	-	0.00%
16	8 Inch	15.00	15.00	-	0.00%
17	10 Inch	22.50	22.50	-	0.00%
18	12 Inch	33.75	33.75	-	0.00%
19					
20					
21	Gallons In Minimum (All Zones and Classes)	-	-		
22					
23			(Per 1,000 gallons)		
24	**Commodity Rates**		**Present**	**Proposed**	**Percent**
25	**(Residential, Commercial, Industrial)**	**Block**	**Rate**	**Rate**	**Change**	**Change**
26						
27	5/8 Inch Meter Residential	0 gallons to 3,000 gallons	$ 1.25	$ 1.54	$ 0.29	23.20%
28		3,001 gallons to 10,000 gallons	$ 1.82	$ 2.45	$ 0.63	34.62%
29		over 10,000 gallons	$ 2.20	$ 3.00	$ 0.80	36.36%
30						
31	3/4 Inch Meter Residential	0 gallons to 3,000 gallons	$ 1.25	$ 1.54	$ 0.29	23.20%
32		3,001 gallons to 10,000 gallons	$ 1.82	$ 2.45	$ 0.63	34.62%
33		over 10,000 gallons	$ 2.20	$ 3.00	$ 0.80	36.36%

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Present and Proposed Rates

Exhibit
Rejoinder Schedule H-3
Page 2
Witness: Bourassa

Line No.	Commodity Rates (Residential, Commercial, Industrial)	Block	(Per 1,000 gallons) Present Rate	Proposed Rate	Change	Percent Change
1						
2	**Commodity Rates**		**Present**	**Proposed**		**Percent**
3	**(Residential, Commercial, Industrial)**	**Block**	**Rate**	**Rate**	**Change**	**Change**
4						
5	5/8 Inch Meter Commercial, Res./Com.	0 gallons to 10,000 gallons	$ 1.82	$ 2.45	$ 0.630	34.62%
6		over 10,000 gallons	$ 2.20	$ 3.00	$ 0.800	36.36%
7						
8	1 Inch Meter Residential, Commercial, Res./Com.	0 gallons to 24,000 gallons	$ 1.82	$ 2.45	$ 0.630	34.62%
9		over 24,000 gallons	$ 2.20	$ 3.00	$ 0.800	36.36%
10						
11	1.5 Inch Meter Residential, Commercial	0 gallons to 50,000 gallons	$ 1.82	$ 2.45	$ 0.630	34.62%
12		over 50,000 gallons	$ 2.20	$ 3.00	$ 0.800	36.36%
13						
14	2 Inch Meter Residential, Commercial, Res./Com.	0 gallons to 100,000 gallons	$ 1.82	$ 2.45	$ 0.630	34.62%
15		over 100,000 gallons	$ 2.20	$ 3.00	$ 0.800	36.36%
16						
17	3 Inch Meter Residential, Commercial	0 gallons to 180,000 gallons	$ 1.82	$ 2.45	$ 0.630	34.62%
18		over 180,000 gallons	$ 2.20	$ 3.00	$ 0.800	36.36%
19						
20	4 Inch Meter Residential, Commercial	0 gallons to 380,000 gallons	$ 1.82	$ 2.45	$ 0.630	34.62%
21		over 380,000 gallons	$ 2.20	$ 3.00	$ 0.800	36.36%
22						
23	6 Inch Meter Residential, Commercial	0 gallons to 800,000 gallons	$ 1.82	$ 2.45	$ 0.630	34.62%
24		over 800,000 gallons	$ 2.20	$ 3.00	$ 0.800	36.36%
25						
26	8 Inch Meter Residential, Commercial	0 gallons to 1,250,000 gallons	$ 1.82	$ 2.45	$ 0.630	34.62%
27		over 1,250,000 gallons	$ 2.20	$ 3.00	$ 0.800	36.36%
28						
29						
30	**Construction Water (Bulk)**	All gallons	$ 2.50	$ 3.00	$ 0.500	20.00%
31						
32						
33						

Community Water Company of Green Valley
Changes in Representative Rate Schedules
Test Year Ended December 31, 2007

Exhibit
Rejoinder Schedule H- 3
Page 3
Witness: Bourassa

Line No.	Other Service Charges	Present Rates	Proposed Rates
1	Establishment	$ 25.00	$ 35.00
2	Establishment (After Hours)(d)	$ 35.00	$ 35.00
3	Reconnection (Delinquent)	$ 25.00	$ 70.00
4	Reconnection (Delinquent and After Hours)(d)	$ 35.00	$ 70.00
5	Turn On/Off Fee/ After Hours	$ 10.00	See Call out
6	Turn On/Off Fee/ Sunday/Holiday	$ 20.00	See Call out
7	Call out charge - After Hours/Saturday	see Turn On/Off	$ 70.00
8	Call out charge - Sunday/Holiday	see Turn On/Off	$ 140.00
9	Meter Test (If meter reading correctly)	$ 20.00	$ 35.00
10	Deposit Requirement (Residential)	(a)	(a)
11	Deposit Requirement (None Residential Meter)	(a)	(a)
12	Hydrant Meter Deposit		
13	5/8 Inch Meter	$ 135.00	$ 238.00
14	3/4 Inch Meter	$ 215.00	$ 255.00
15	1 Inch Meter	$ 255.00	$ 315.00
16	1 1/2 Inch Meter	$ 465.00	$ 525.00
17	2 Inch Turbine Meter	$ 965.00	$ 1,045.00
18	2 Inch Compound Meter	$ 1,690.00	$ 1,890.00
19	3 Inch Turbine Meter	$ 1,470.00	$ 1,670.00
20	3 Inch Compound Meter	$ 2,265.00	$ 2,545.00
21	4 Inch Turbine Meter	$ 2,350.00	$ 1,737.00
22	4 Inch Compound Meter	$ 3,245.00	$ 3,645.00
23	6 Inch Turbine Meter	$ 4,545.00	$ 3,766.00
24	6 Inch Compound Meter	$ 6,280.00	$ 6,920.00
25	8 Inch Meter	Cost	Cost
26	10 Inch Meter	Cost	Cost
27	12 Inch Meter	Cost	Cost
28	Deposit Interest	6.00%	2.00%
29	Re-Establishment (With-in 12 Months)	(b)	(b)
30	Re-Establishment (With-in 12 Months & After Hours)(c)	(b)	(b)
31	NSF Check	$ 25.00	$ 30.00
32	Deferred Payment, Per Month	1.50%	1.50%
33	Meter Re-Read	$ 10.00	$ 25.00
34	Charge for replacing meter, at customer request	NT	Cost
35	Charge of Moving Customer Meter -		
36	Customer Requested per Rule R14-2-405B	$ 20.00	Cost
37	After hours service charge, per Rule R14-2-403D	$ 10.00	$ 70.00
38	Late Charge per month	1.50%	1.50%
39	Meter Tampering Charge	Cost	Cost
40	Meter Box "Cut Lock" Charge	Cost	Cost
41	Payment via Debit/Credit Card.	Cost	Cost
42			
43			

44 ** PER COMMISSION RULES (R14-2-403.B)
45 (a) Residential - two times the average bill. Non-residential - two and one-half times the average bill.
46
47 (b) Minimum charge times number of months disconnected.
48
49 (c) Plus applicable Service Charge.
50
51
52
53 IN ADDITION TO THE COLLECTION OF REGULAR RATES, THE UTILITY WILL COLLECT FROM
54 ITS CUSTOMERS A PROPORTIONATE SHARE OF ANY PRIVILEGE, SALES, USE, AND FRANCHISE
55 TAX. PER COMMISSION RULE (14-2-409.D 5).
56 ALL ADVANCES AND/OR CONTRIBUTIONS ARE TO INCLUDE LABOR, MATERIALS, OVERHEADS,
57 AND ALL APPLICABLE TAXES.
58
59

Community Water Company of Green Valley
Changes in Representative Rate Schedules
Impact of Change in Tariff
Test Year Ended December 31, 2007

Exhibit
Rejoinder Schedule H-3
Page 3.1
Witness: Bourassa

Line No.	Other Service Charges	Present Rates	Proposed Rates	Increase in Charge	Number of Occurr-ences (a)	Increase Revenues
5	Establishment	$ 25.00	$ 35.00	$ 10.00	1,247	$ 12,474
6	Establishment (After Hours)	$ 35.00	$ 35.00	$ -	139	-
7	Reconnection (Delinquent)	$ 25.00	$ 70.00	$ 45.00	249	11,219
8	Reconnection (Delinquent and After Hours)	$ 35.00	$ 70.00	$ 35.00	28	970
9	NSF Check	$ 25.00	$ 30.00	$ 5.00	44	220
10	After hours service charge	$ 10.00	$ 70.00	$ 60.00	32	1,920
11	Turn On/Off Fee/ After Hours (Call out charge - After Hours/Saturday)	$ 10.00	$ 70.00	$ 60.00	11	660
12	Turn On/Off Fee/ Sunday/Holiday (Call out charge - Sunday/Holiday)	$ 20.00	$ 140.00	$ 120.00	3	360
13	Totals					$ 27,822
16	Test Year Misc Revenues					$ 50,491
18	Total Proposed Miscellaneous Charges					$ 78,313

(a) Actual Occurrences during the test year

Community Water Company of Green Valley
Test Year Ended December 31, 2007
Service Charges
Meter and Service Line Charges

Exhibit
Schedule H-3
Page 4
Witness: Bourassa

Line No.		Present Service Line Charge	Present Meter Install-ation Charge	Total Present Charge	Proposed Service Line Charge	Proposed Meter Install-ation Charge	Total Proposed Charge
1	5/8 x 3/4 Inch	$ 385.00	$ 135.00	$ 520.00	$ 445.00	$ 238.00	$ 683.00
2	3/4 Inch	385.00	215.00	600.00	445.00	255.00	700.00
3	1 Inch	435.00	255.00	690.00	495.00	315.00	810.00
4	1 1/2 Inch	470.00	465.00	935.00	550.00	525.00	1,075.00
5	2 Inch / Turbine	630.00	965.00	1,595.00	830.00	1,045.00	1,875.00
6	2 Inch / Compound	630.00	1,690.00	2,320.00	830.00	1,890.00	2,720.00
7	3 Inch / Turbine	805.00	1,470.00	2,275.00	1,045.00	1,670.00	2,715.00
8	3 Inch / Compound	845.00	2,265.00	3,110.00	1,165.00	2,545.00	3,710.00
9	4 Inch / Turbine	1,170.00	2,350.00	3,520.00	1,490.00	1,737.00	3,227.00
10	4 Inch / Compound	1,230.00	3,245.00	4,475.00	1,670.00	3,645.00	5,315.00
11	6 Inch / Turbine	1,730.00	4,545.00	6,275.00	2,210.00	3,766.00	5,976.00
12	6 Inch / Compound	1,770.00	6,280.00	8,050.00	2,330.00	6,920.00	9,250.00
13	8 Inch	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost
14	10 Inch	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost
15	12 Inch	At Cost	At Cost	At Cost	At Cost	At Cost	At Cost
16							
17							
18							
19	Plus cost of water line crossing a paved road.						
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