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BEFORE THE ARIZONA CORPORATION COMMISSION

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COMMISSIONERS
KRISTIN K. MAYES, CHAIRMAN
GARY PIERCE
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BOB STUMP

IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WATER AND WASTEWATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.	**DOCKET NO. SW-01428A-09-0103**
IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR A DETERMINATION OF THE FAIR VALUE OF ITS UTILITY PLANTS AND PROPERTY AND FOR INCREASES IN ITS WATER RATES AND CHARGES FOR UTILITY SERVICE BASED THEREON.	**DOCKET NO. W-01427A-09-0104**
IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR AUTHORITY (1) TO ISSUE EVIDENCE OF INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED $1,755,000 IN CONNECTION WITH (A) THE CONSTRUCTION OF TWO RECHARGE WELL INFRASTRUCTURE IMPROVEMENTS AND (2) TO ENCUMBER ITS REAL PROPERTY AND PLANT AS SECURITY FOR SUCH INDEBTEDNESS.	**DOCKET NO. W-01427A-09-0116**

Arizona Corporation Commission
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IN THE MATTER OF THE APPLICATION OF LITCHFIELD PARK SERVICE COMPANY, AN ARIZONA CORPORATION, FOR AUTHORITY (1) TO ISSUE EVIDENCE OF INDEBTEDNESS IN AN AMOUNT NOT TO EXCEED $1,170,000 IN CONNECTION WITH (A) THE CONSTRUCTION OF ONE 200 KW ROOF MOUNTED SOLAR GENERATOR INFRASTRUCTURE IMPROVEMENTS AND (2) TO ENCUMBER ITS REAL PROPERTY AND PLANT AS SECURITY FOR SUCH INDEBTEDNESS.	**DOCKET NO. W-01427A-09-0120**

SURREBUTTAL TESTIMONY OF RICHARD L. DARNALL

SURREBUTTAL TESTIMONY
RICHARD L. DARNALL
ON BEHALF OF CITY OF LITCHFIELD PARK
(Dkt Nos. SW-01428A-09-0103, W-01427A-09-0104,
W-01427A-09-0116, & W-01427A-09-0120)

INDEX

PAGE

INTRODUCTION 1

SUMMARY OF TESTIMONY 1

COST OF SERVICE 1

PROPOSED RATES 6

RESPONSE TO MR. SORENSON 10

SURRREBUTTAL TESTIMONY
RICHARD DARNALL
ON BEHALF OF CITY OF LITCHFIELD PARK
(Dkt Nos.SW-01428A-09-0103, W-01427A-09-0104,
W-01427A-09-0116, & W-01427A-09-0120)

INTRODUCTION

Q. PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.

A. My name is Richard L. Darnall. My business address is 4645 S. Lakeshore Drive, Tempe, Arizona, 85282.

Q. ON WHOSE BEHALF ARE YOU TESTIFYING IN THIS CASE?

A. I am appearing on behalf of the City of Litchfield Park, Arizona ("City"), a municipal customer of Litchfield Park Services Company ("LPSCO").

Q. HAVE YOU PREVIOUSLY PRESENTED TESTIMONY IN THIS PROCEEDING?

A. Yes. I previously provided direct testimony in this proceeding.

SUMMARY OF TESTIMONY

Q. WOULD YOU BRIEFLY SUMMARIZE YOUR SURREBUTTAL TESTIMONY?

A. I am providing surrebuttal testimony regarding LPSCO's proposed allocated cost of service study and its proposed rates. I have prepared a fully allocated cost of service study and developed proposed rates based upon that study to the extent practical. I will also respond to comments made by LPSCO's witnesses in their rebuttal testimony to my Direct Testimony.

COST OF SERVICE

Q. BRIEFLY DESCRIBE THE PROCESS YOU USED IN DEVELOPING YOUR COST OF SERVICE STUDY.

A. The starting point for a cost of service study is the development of allocation factors. There are two (2) allocation factors that need to be developed. The first is the allocation to cost

components and the second is to customer classes. The cost components consist of commodity, demand, customers, meters and services and direct. Once these cost components have been developed the various operating expenses and rate base elements will then be allocated to the customer classes using commodity, demand, customer and meters and customers allocation factors.

I have used as a starting point the ACC Staff's proposed operating expenses, which also includes depreciation expenses, property taxes and income taxes, and their rate base and rate of return to develop the cost of service study. I would also note that LPSCO has agreed to include the revenues from water sales to the City of Goodyear in its rebuttal filing.

Q. IS THE CITY ADOPTING STAFF'S POSITION RELATING TO THESE ITEMS?

A. Not at this time. The City believes that the hearing process will establish additional or different adjustments as appropriate. As noted in my direct testimony, the City did not have the time or the budget to allow full evaluation of LPSCO's filings and expects to explore various issues through the hearing process. I am using Staff's position as an approximation to allow me to develop rates using a cost of service approach that I deem to be more reflective of the costs of providing service than that proposed by LPSCO. Once these issues are fully litigated, my cost of service study would need to be modified to reflect the values accepted by the Commission and then final rates would be developed. However, I believe my cost of service study develops appropriate rates if the Staff's case is adopted by the Commission.

Q. HOW DOES YOUR COST OF SERVICE STUDY DIFFER FROM LPSCO WITNESS BOURASSA'S COST OF SERVICE STUDY?

A. My cost of service study differs from Mr. Bourassa's cost of service study in the development of allocation factors and the assignment of property taxes and income taxes to all cost components and not to just the demand component. My cost of study also allocates a portion

of LPSCO's power for purchases to the demand component because a portion of its power bills are demand related.

Q. IN HIS REBUTTAL TESTIMONY,[1] MR. BOURASSA ARGUES THAT NO PORTION OF POWER COSTS IS DEMAND RELATED. PLEASE EXPLAIN WHAT JUSTIFIES CHARACTERIZING A PORTION OF POWER COSTS AS DEMAND RELATED.

A. My analysis of the power bills provided by LPSCO resulted in about 5.0% of the APS power bills being demand related. APS's bills to LPSCO include, among other charges, a demand charge, stated in kW, and an energy charge, stated in kWh. The kW demand charge reflects the size of the motor and associated pumping rate of each well. This demand charge is a fixed rate/kW and does not reflect the amount of water (kWh) being pumped. Therefore, I allocated 5.0% of power purchases to the demand component.

Q. WHAT OTHER DIFFERENCES EXIST BETWEEN YOUR COST OF SERVICE STUDY AND THE ONE SUBMITTED BY MR. BOURASSA?

A. Mr. Bourassa allocated the cost of back flow prevention devices between demand and commodity components. My cost of service study allocates this cost to the customer component. A back flow prevention device is installed to protect the Company's system from contamination from the customer's side of the meter. Its size, cost and configuration are related to the size of the meter and service that is provided and the activity on the customer's premises, not on the volume of water delivered.

Additionally, my cost of service study allocates property taxes, income taxes and return on the basis of how the rate base was allocated to customer classes and not all of these items are allocated just to demand. A portion of the rate base, upon which the return is based, was

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[1] Rebuttal Testimony of Thomas J. Bourassa on Rate Base et al (Bourassa –RB) at 56.

allocated to commodity, customer and meters and services. Accordingly, Property and Income Taxes should be allocated on the same basis.

Finally, I developed the level of revenues for each customer class based upon the sum of the total revenue requirements; operating expenses, depreciation expenses, property taxes, income taxes and return. This revenue level then became my target for developing rates.

Q. HAVE YOU PREPARED AN EXHIBIT THAT SHOWS YOUR DEVELOPMENT OF THE COST OF SERVICE STUDY?

A. Attached as Exhibit RLD-4 is my cost of service study. Page 1 of RLD-4 shows the summary results of the cost of service study. The return for all classes of customers is positive because the Metered Water Revenues are the revenues required to provide the indicated rate of return. The returns for the larger meter classes are higher because the preponderance of water sales in these classes are to commercial customers. This follows LPSCO's proposal, although the rate of return is not as high as proposed by LPSCO. Pages 2 through 7 shows the allocation of operating expenses, depreciation expenses, property taxes, income taxes, return and rate base by cost component and the allocation to the customer classes using the allocation factors shown on pages 11 and 12. Pages 8, 9 and 10 show the allocation of operating expenses, depreciation expenses and rate base to the cost components of commodity, demand, customer and meters and services.

Q. WHAT ARE THE DIFFERENCES BETWEEN YOUR DEMAND ALLOCATION FACTORS AND THOSE USED BY MR. BOURASSA?

A. Mr. Bourassa develops his demand cost allocation factor using an equivalent weight factor. This weighting is based upon the ratio of a larger meter sizes maximum flow rate to a 5/8" x ¾" meter flow rate. This factor may provide an indication of the individual customers demand, but not the demand that a particular class has on the system demand. The water system is designed to meet the maximum demand imposed on the entire system at a given time

plus the demand required to provide fire protection on a moments notice. Most water utilities know through system studies and other analyses what the maximum day or hour demand has been historically and what it may be in the future. A peak load factor, or capacity factor, is developed using the average system flows and the peak demands of the system. This capacity factor is used to analyze the water system's ability to meet maximum system demands. Therefore, I believe it is appropriate to allocate demand costs using this capacity factor and not the equivalent weighting of meter sizes. Mr. Bourassa's factor allocates a disproportionate amount of demand costs to the residential class when compared to the commodity factor. The equivalent meter size factor is appropriate for allocating meters and services costs, but not demand cost. I have used the equivalent weighting of meters to allocate meters and services costs. Mr. Bourassa has relied upon a weighting factor of the cost of installing meters and services used by the ACC in connection with the pricing of meters and service lines. Mr. Bourassa does not provide the underlying basis of the weighting factors he has adopted or shown how or if they are relevant to LPSCO's operations.

Q. MR. BOURASSA CRITICIZES THE FLOW DEMANDS UTILIZED IN YOUR COST OF SERVICE STUDY TO DEVELOP DEMAND FACTORS.[2] HOW DO YOU RESPOND TO MR. BOURASSA'S CRITICISM?

A. Mr. Bourassa states that my demand allocator is not based upon the maximum peak day or peak hour data. That is not correct. The demand allocation factor I used is based upon LPSCO's most recent master system study and indicates that the maximum peak day demand factor is 1.8 times the average daily flow. My Exhibit RLD-4 page 12 shows the Maximum Day Peak demands. He also stated that the system study prepared for LPSCO was stale however, it was the last study prepared for LPSCO showing what the system demands are and the capacity factors used to develop water system requirements.

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[2] Bourassa –RB at 57.

PROPOSED RATES

Q. HAVE YOU DEVELOPED PROPOSED RATES BASED UPON THE COST OF SERVICE STUDY?

A. Yes I have. I have prepared Exhibit RLD-5 showing my proposed rates as compared to LPSCO and ACC Staff. I have also included some typical bill comparisons for ¾" and 1" residential, commercial and irrigation customers as Exhibit RLD-6.

Q. WHAT APPROACH DID YOU USE TO DEVELOP THESE RATES?

A. I developed rates that would recover to the extent practical the level of revenues shown on my cost of service summary Exhibit RLD-4, page 1. However, I took it one step further and developed separate revenue requirements for each residential, commercial and irrigation class of customer. These revenue requirements are sometimes referred to as revenue targets. Using these revenue targets I then developed billing frequencies for each class. These bill frequencies give the rate designer an indication of appropriate break points in the rates. For example, for the ¾" residential class of customers, almost 84% of water sales occur by 15,000 gallons of consumption. The remaining 16% of water sales will come from those customers using more than 15,000 gallons. Only 1% of total water sales are greater than 50,000 gallons. Accordingly, LPSCO will be able to earn most of their fixed costs as well as its commodity costs within the 50,000 gallons break point.

I made this analysis for each of the 5/8" x ¾", ¾" and 1.0" rate classes and developed rates for each block. Based upon the results of these analyses I am proposing that all of the ¾" and 1" residential, commercial and irrigation rates have a 3-tier rate as opposed to a 2-tier rate. This 3-tier rate gives some additional relief to those customers who may not have the ability to conserve because of economic or social issues. For the larger meters size customers I used similar rate blocks as those proposed by LPSCO, except for the 8" and 10" meters. I am proposing a flat commodity rate for those customers.

Q. WHAT IS THE IMPACT ON CUSTOMERS USING YOUR RATE AS OPPOSED TO RATE DESIGN PROPOSED BY LPSCO?

A. I have prepared RLD-6 showing six (6) 'Typical' bill comparisons for ¾" and 1.0" for the residential, commercial and irrigation customers. The rates I have prepared are typically lower in the 5,000 to 50,000 range of use than either LPSCO or the ACC Staff. This is a result of using a 3-tier rate for all 5/8" x ¾", ¾", and 1.0" meter customers, instead of for just the residential customers with 5/8" x ¾" and ¾" meters. The commodity rates for the third tier are much higher than that proposed by LPSCO and Staff and sends a stronger pricing signal. I believe the use of a 3-tier rate sends a better pricing signal than the 2-tier rate and will promote conversation by those customers using large quantities of water.

Q. HAVE YOU PREPARED MUNICIPAL RATES?

A. Not directly. The City has 121 accounts with LPSCO as both commercial and irrigation customers. Their annual payments to LPSCO amount to $182,000 and are a substantial portion of its budgeted expenditures. A 100 % increase in water rates will have a significant impact on the City's operations and require additional cutbacks in all areas and impact a number of LPSCO's customers who rely upon the City for services. I have proposed commercial and irrigation rates that include water sales to the City, but I have not designed any special rates for a municipal customer such as the City because they take water service under several different rates (meter sizes) and it would be difficult to bundle them under one rate.

However, as I testified in my direct testimony, the public nature of municipalities coupled with the extremely poor economic condition, and the tremendous deficits faced by State and local governments that are causing them to cut services, would justify providing municipality's a discount of between five (5) and ten (10) percent. At the same time, the City fully recognizes that LPSCO would be entitled to request recovery of the reduced revenues to municipalities

from other customer classes. The Company has indicated in its rebuttal filings that it would pursue recovery of any revenues lost due to a discount provided to the municipalities.

Unfortunately, the same economic hardship facing the municipalities is befalling all categories of LPSCO customers. In view of the impact to all LPSCO customers from the very significant rate increase being sought by LPSCO in this case, the City has decided to forego requesting any specific discount directed solely toward municipality's in this rate case. The City, however, implores the Commission to fully consider this same economic upheaval when determining a fair and reasonable rate of return for this utility at this unique time in history. I would go further and challenge Liberty and its shareholder to voluntarily forego a portion of the return to which it may otherwise be entitled. This could have been done either by accepting a return on the equity at the bottom or below the range of reasonableness established on this record or proposing it a phase-in of rates over not less than two (2) years without demanding that it be made whole through a deferral mechanism that would result in even higher rates in the final phase.

Q. ARE YOU SUGGESTING THAT LPSCO HAS A LEGAL DUTY TO FOREGO REVENUE AT THIS TIME?

A. I am not an attorney so I am uncomfortable in talking in terms of legal duties. Certainly, this Commission has significant latitude in determining what factors to consider and the weight to be given to them when setting rates. I have worked with many municipal and non-profit utilities over my years of consulting. I can assure you that in almost every instance their elected governing bodies balance the ability of their customers to absorb a rate increase when determining when and what amount of an increase to seek. Therefore, it is my opinion that during times of economic hardship, especially where faced with a request to significantly increase rates, it is appropriate for rate setting bodies to approve rates and returns below those levels derived using only the traditional rate setting tools of cost of capital, return on investment and cost of service.

I also note that LPSCO chose to enter into a business that involves a "public" commodity. Therefore, one would expect the Company to willingly try to ameliorate the adverse impact of increased rates on the "public" it serves, in addition to trying to secure a reasonable return for its shareholder. Other than discussions related to the low income rate being proposed, I found the Company's case almost devoid of sensitivity to the economic hardships faced by its customers, while trying to ensure that its shareholder receive full recovery of their investment.

Q. HAVE YOU DEVELOPED A BULK RATE FOR WATER DELIVERIES TO THE CITY OF GOODYEAR?

A. The cost of service study I performed enables the development of a bulk rate for water deliveries to the City of Goodyear. LPSCO initially proposed totally removing these water sales and revenues from its test year. Both RUCO and I objected to this treatment in our direct testimony. In Rebuttal, LPSCO has included the revenues and proposes a bulk rate of $1.47 per 1,000 gallons.

This customer was classified as an 8" by LPSCO in its initial filing. I have included this customer in my cost of service study as an 8" customer and allocated costs to that customer. The cost of service study justifies a monthly service charge of $1,200.00 and a flat commodity rate of $2.97 per 1000 gallons for this customer. This customer imposes a considerable demand on LPSCO's system with annual water sales of 301,780,000 gallons. Therefore, a monthly service charge is appropriate. If the City of Goodyear were to be billed using an all commodity rate the rate would be $3.12 per 1,000 gallons in order to recover its allocated costs. This flat rate is considerably greater than the rate proposed by LPSCO of $1.47 per 1,000 gallons.

Q. DO YOU HAVE ANY COMMENTS ON LPSCO'S EFFLUENT RATE?

A. Yes. LPSCO's approved effluent rate is set as "Market Rate," but there is nothing that determines the Market Rate other than negotiations. I believe it is unfair for a regulated

monopoly to be able to negotiate rates without any restrictions. Small users with no bargaining power could be abused, while others may pay little or nothing. Therefore, I believe it better for the Commission to provide a range of acceptable rates to protect against either extreme.

Q. IS THE RATE PROPOSED BY RUCO AN APPROPRIATE FLOOR OR CEILING?

A. LPSCO argues that many of its reclaimed water users would flee to groundwater if RUCO's proposed rate of $1.50 per thousand gallons for treated effluent becomes mandatory. However, LPSCO provided no evidence that this will occur. The mere fact that an alternative source is available, even a cheaper one, does not mean it will be preferred. There are many factors that impact the choice of a water source, such as price, quality, access and governmental restrictions.

I believe a reasonable range for treated effluent for this system is between $0.95 and $2.00 per thousand gallons. This provides a floor that is slightly less than 80% of the cheapest irrigation potable water rate developed by my cost of service study and a ceiling price significantly above that amount currently being charged under the Market Rate.

RESPONSE TO MR. SORENSON

Q. MR. SORENSON SUGGESTS THAT YOU TOOK A SHOTGUN APPROACH AND THREW OUT A RASH OF CONCLUSORY AND UNSUPPORTED STATEMENTS ATTACKING LPSCO IN YOUR DIRECT TESTIMONY AND IMPLYING LPSCO IS DOING SOMETHING WRONG BY REFERENCING THE NUMBER AND SIZE OF ITS PENDING RATE CASE REQUESTS.[3] HOW DO YOU RESPOND TO MR. SORENSON'S CRITICISM?

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[3] Rebuttal Testimony of Greg Sorenson (Sorenson) at 33-36.

A. First, I note that Staff, RUCO or both made adjustments in many of the areas I suggested be examined closely, such as use of related companies, new construction, rate case expense and reduction in revenues. In some instances, LPSCO has even accepted an adjustment as a result.

Secondly, I do not think it appropriate to criticize a witness for highlighting areas deserving of closer review because they also candidly explain that, due to timing and limited financial resources, they were not able to do so. Unfortunately, there are few customers, even municipalities such as the City, that have resources available to undertake an in depth analysis of a complex, multi-national company like LPSCO, its parent and other affiliates. That is why the Commission and RUCO exist in the first place.

Secondly, Mr. Sorenson's suggestion that I was implying LPSCO was doing something wrong by identifying issues of concern is misdirected. There are a multitude of reasons for disallowing expenses that have nothing to with whether the conduct of a Company was improper, such as being ill-timed, excessive, duplicative, poorly documented, out of test year, to name a few. As Mr. Sorenson purports to recognize, LPSCO has the burden to support its expenditures[4] and its costs should be scrutinized.[5] My objective was to identify some major areas where I felt such scrutiny was warranted after reviewing the filing and responses to some data requests.

Thirdly, Mr. Sorenson does not contest the accuracy of my testimony relating to the timing and extent of the multiple rates cases that Liberty Water has pending in Arizona. Instead he states he should not have to explain, even to the Commission, why it is seeking recovery in this manner or at this time, even though Liberty is seeking double and triple digit increases throughout the State during the worst economic crisis most of us have ever experienced.

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[4] Sorenson at 28.
[5] Sorenson at 3.

The City commends LPSCO for making a substantial investment throughout Arizona to provide safe and reliable utility service. At the same time, it must also be recognized that such investment is a fundamental obligation of a public service corporation and that the utility making it has the opportunity to do so in a manner that will minimize adverse impacts on its customers. Quite bluntly, I believe waiting an additional two (2) years, for a total of eight (8) years, until a return on all of its "millions of dollars" of investment could be obtained without "fighting over CWIP, used and useful, excess capacity and operating expenses that don't match plant" evidences a complete lack of sensitivity to the heavy burden being placed on the customers LPSCO serves.

Q. DO YOU HAVE ANY COMMENT ON THE OTHER EXPENSE, RATE BASE AND COST OF CAPITAL ISSUES RAISED IN THIS CASE?

A. As I testified previously, the City intends to monitor these and other issues throughout the hearing process and may take a position on them at some point, but it is not doing so at this time.

Q. DOES THIS CONCLUDE YOUR SURREBUTTAL TESTIMONY?

A. Yes it does.

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RLD-4

Litchfield Park Service Company - Water Division
Summary Cost of Service
For the Test Year Ended September 30, 2008

Exhbit RLD-4
Surrebuttal
Page 1
Witness: Darnall

Line No.	Description	Staff Adjusted Totals (1)	Adjustments	Adjusted Totals	5/8 X 3/4"	"3/4"	1.0"	1.5"
	Revenues							
1	Metered Water Revenues	$ 6,347,481	$ 5,328,747	$ 11,676,228	$ 48,960	$ 3,453,579	$ 3,278,626	$ 461,032
2	Other Revenues	$ 127,522	$ -	$ 127,522	$ 1,793	$ 74,129	$ 44,936	$ 1,490
3	Total Revenues	$ 6,475,003	$ 5,328,747	$ 11,803,750	$ 50,753	$ 3,527,708	$ 3,323,562	$ 462,521
4								
5	Operating Expenses (2)	$ 4,268,552		$ 4,268,552	$ 21,163	$ 1,398,089	$ 1,278,849	$ 174,245
6	Depreciation & Amort. Expense (3)	$ 2,191,077		$ 2,191,077	$ 9,932	$ 692,862	$ 661,908	$ 88,127
7	Property Taxes (4)	$ 327,992	$ -	$ 327,992	$ 1,207	$ 88,180	$ 84,869	$ 12,284
8	IncomeTaxes (5)	$ (449,705)	$ 1,949,419	$ 1,778,145	$ 6,541	$ 478,051	$ 460,100	$ 66,596
9	Total Operating Expenses	$ 6,337,916	$ 1,949,419	$ 8,565,766	$ 38,842	$ 2,657,182	$ 2,485,725	$ 341,252
10								
11	Net Income (Return)	$ 137,087	$ 3,100,897	$ 3,237,984	$ 11,911	$ 870,526	$ 837,837	$ 121,270
12								
13	Rate Base (6)	$ 37,218,182		$ 37,218,182	$ 148,885	$ 10,881,579	$ 10,472,958	$ 1,515,874
14	Return On OLCD Rate Base	0.37%		8.70%	8.00%	8.00%	8.00%	8.00%

Line No.	Description	2.0"	4.0"	8.0"	10.0"	Hydrant	Totals
15	**Revenues**						
16	Metered Water Revenues	$ 2,533,137	$ 381,115	$ 941,553	$ 38,343	$ 472,891	$ 11,609,236
17	Other Revenues	$ 4,789	$ 172	$ 16	$ 8	$ 188	$ 127,522
18	Total Revenues	$ 2,537,927	$ 381,287	$ 941,569	$ 38,352	$ 473,079	
19							
20	Operating Expenses	$ 904,191	$ 133,299	$ 305,560	$ 12,050	$ 41,107	$ 4,268,552
21	Depreciation & Amort. Expense	$ 470,323	$ 68,814	$ 152,384	$ 6,758	$ 39,988	$ 2,191,077
22	Property Taxes	$ 71,404	$ 10,997	$ 29,682	$ 1,200	$ 24,059	$ 323,880
23	Income Taxes	$ 387,101	$ 59,616	$ 160,916	$ 6,503	$ 130,431	$ 1,755,855
24	Total Operating Expenses	$ 1,833,019	$ 272,726	$ 648,543	$ 26,510	$ 235,565	
25							
26	Net Income (Return)	$ 704,907	$ 108,561	$ 293,026	$ 11,842	$ 237,514	$ 3,197,394
27							
28	Rate Base	$ 8,169,472	$ 1,215,215	$ 2,800,893	$ 113,193	$ 1,900,113	$ 37,218,182
29	Return On OLCD Rate Base	8.63%	8.93%	10.46%	10.46%	12.50%	8.59%

1). Base data taken from ACC Staff Schdules JMM-W1
2). From RLD-4, page 2
3). From RLD-4, page 3
4). From RLD-4, page4
5). From RLD-4, page 5
6). From RLD-4, page 6

Litchfield Park Service Company - Water Division
For the Test Year Ended September 30, 2008

Allocation of Operating Expense Cost Components to Customers Classes

Exhibit RLD-4
Surrebuttal
Page 2
Witness: Darnell

Line No.	Description	Totals	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total
	Operating Expenses											
	Commodity											
1	Residential	$ 990,564	$ 1,546	$ 492,685	$ 439,300	$ 14,422	$ 37,220	$ 5,392	$ -	$ -	$ -	$ 990,564
2	Commercial	$ 298,793	$ 4,744	$ 2,620	$ 6,154	$ 18,510	$ 93,272	$ 22,196	$ 146,286	$ 5,011	$ -	$ 298,793
3	Irrigation	$ 408,556	$ 327	$ 10,148	$ 44,027	$ 46,698	$ 273,622	$ 33,733	$ -	$ -	$ -	$ 408,556
4	Total	$ 1,697,913	$ 6,616	$ 505,453	$ 489,481	$ 79,630	$ 404,113	$ 61,321	$ 146,286	$ 5,011	$ -	$ 1,697,913
5												
6	Demand											
7	Residential	$ 935,932	$ 1,368	$ 462,519	$ 412,402	$ 13,926	$ 39,932	$ 5,785	$ -	$ -	$ -	$ 935,932
8	Commercial	$ 318,368	$ 4,326	$ 2,530	$ 5,943	$ 19,363	$ 100,070	$ 23,814	$ 156,947	$ 5,377	$ -	$ 318,368
9	Irrigation	$ 405,067	$ 280	$ 8,710	$ 38,970	$ 43,839	$ 278,886	$ 34,382	$ -	$ -	$ -	$ 405,067
10	Hydrant	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11	Total	$ 1,659,367	$ 5,975	$ 473,759	$ 457,314	$ 77,128	$ 418,887	$ 63,981	$ 156,947	$ 5,377	$ -	$ 1,659,367
12												
13	Customer											
14	Residential	$ 355,989	$ 1,420	$ 221,270	$ 129,390	$ 1,071	$ 2,765	$ 75	$ -	$ -	$ -	$ 355,989
15	Commercial	$ 14,819	$ 3,960	$ 1,395	$ 1,893	$ 1,171	$ 6,077	$ 249	$ 50	$ 25	$ -	$ 14,819
16	Irrigation	$ 16,588	$ 75	$ 2,864	$ 5,430	$ 2,291	$ 5,729	$ 199	$ -	$ -	$ -	$ 16,588
17	Hydrant	$ 573	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 573	$ 573
18	Total	$ 387,969	$ 5,455	$ 225,529	$ 136,712	$ 4,533	$ 14,570	$ 523	$ 50	$ 25	$ 573	$ 387,969
19												
20	Meters & Services											
21	Residential	$ 392,156	$ 811	$ 189,697	$ 184,878	$ 3,061	$ 12,641	$ 1,068	$ -	$ -	$ -	$ 392,156
22	Commercial	$ 44,769	$ 2,263	$ 1,196	$ 2,705	$ 3,345	$ 27,787	$ 3,559	$ 2,278	$ 1,637	$ -	$ 44,769
23	Irrigation	$ 45,844	$ 43	$ 2,456	$ 7,758	$ 6,548	$ 26,193	$ 2,847	$ -	$ -	$ -	$ 45,844
24	Hydrant	$ 327	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 327	$ 327
25	Total	$ 483,097	$ 3,117	$ 193,348	$ 195,341	$ 12,954	$ 66,620	$ 7,473	$ 2,278	$ 1,637	$ 327	$ 483,097
26												
27	Hydrants	$ 40,207	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 40,207	$ 40,207
28												
29	Total Operating Expenses	$ 4,268,552	$ 21,163	$ 1,398,089	$ 1,278,849	$ 174,245	$ 904,191	$ 133,299	$ 305,560	$ 12,050	$ 41,107	$ 4,268,552
30												
31	Residential	$ 2,674,640	$ 5,145	$ 1,366,170	$ 1,165,970	$ 32,479	$ 92,557	$ 12,319	$ -	$ -	$ -	$ 2,674,640
32	Commercial	$ 676,750	$ 15,293	$ 7,740	$ 16,694	$ 42,388	$ 227,206	$ 49,818	$ 305,560	$ 12,050	$ -	$ 676,750
33	Irrigation	$ 876,055	$ 725	$ 24,178	$ 96,185	$ 99,377	$ 584,429	$ 71,162	$ -	$ -	$ -	$ 876,055
34	Hydrants	$ 41,107	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 41,107	$ 41,107
		$ 4,268,552	$ 21,163	$ 1,398,089	$ 1,278,849	$ 174,245	$ 904,191	$ 133,299	$ 305,560	$ 12,050	$ 41,107	$ 4,268,552

References
Total column taken from Operating Expense Components Allocation
Allocation to customer classes using Allocation Factor Table.

Litchfield Park Service Company - Water Division
For the Test Year Ended September 30, 2008

Allocation of Depreciation Expense Cost Components to Customers Classes

Exhibit RLD-4
Surrebuttal
Page 3
Witness: Darnell

Line No.	Description	Totals	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total
	Depreciation Expense											
1	Commodity											
2	Residential	$ 94,097	$ 147	$ 46,802	$ 41,731	$ 1,370	$ 3,536	$ 512	$ -	$ -	$ -	$ 94,097
3	Commercial	$ 28,383	$ 451	$ 249	$ 585	$ 1,758	$ 8,860	$ 2,108	$ 13,896	$ 476	$ -	$ 28,383
4	Irrigation	$ 38,810	$ 31	$ 964	$ 4,182	$ 4,436	$ 25,992	$ 3,204	$ -	$ -	$ -	$ 38,810
5	Total	$ 161,291	$ 629	$ 48,015	$ 46,498	$ 7,564	$ 38,388	$ 5,825	$ 13,896	$ 476	$ -	$ 161,291
6												
7	Demand											
8	Residential	$ 812,441	$ 1,188	$ 401,492	$ 357,988	$ 12,088	$ 34,663	$ 5,021	$ -	$ -	$ -	$ 812,441
9	Commercial	$ 276,362	$ 3,755	$ 2,196	$ 5,158	$ 16,808	$ 86,866	$ 20,672	$ 136,239	$ 4,667	$ -	$ 276,362
10	Irrigation	$ 351,621	$ 243	$ 7,561	$ 33,828	$ 38,055	$ 242,089	$ 29,846	$ -	$ -	$ -	$ 351,621
11	Hydrant	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
12	Total	$ 1,440,424	$ 5,186	$ 411,249	$ 396,975	$ 66,951	$ 363,618	$ 55,539	$ 136,239	$ 4,667	$ -	$ 1,440,424
13												
14	Customer											
15	Residential	$ 68,626	$ 274	$ 42,656	$ 24,943	$ 205	$ 533	$ 14	$ -	$ -	$ -	$ 68,626
16	Commercial	$ 2,857	$ 763	$ 269	$ 365	$ 226	$ 1,172	$ 48	$ 10	$ 5	$ -	$ 2,857
17	Irrigation	$ 3,198	$ 14	$ 552	$ 1,047	$ 442	$ 1,104	$ 38	$ -	$ -	$ -	$ 3,198
18	Hydrant	$ 110	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 110	$ 110
19	Total	$ 74,791	$ 1,052	$ 43,477	$ 26,355	$ 874	$ 2,809	$ 101	$ 10	$ 5	$ 110	$ 74,791
20												
21	Meters & Services											
22	Residential	$ 385,611	$ 798	$ 186,531	$ 181,793	$ 3,009	$ 12,430	$ 1,050	$ -	$ -	$ -	$ 385,611
23	Commercial	$ 44,022	$ 2,226	$ 1,176	$ 2,660	$ 3,289	$ 27,323	$ 3,499	$ 2,240	$ 1,610	$ -	$ 44,022
24	Irrigation	$ 45,079	$ 42	$ 2,415	$ 7,529	$ 6,439	$ 25,755	$ 2,800	$ -	$ -	$ -	$ 45,079
25	Hydrant	$ 322	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 322	$ 322
26	Total	$ 475,034	$ 3,065	$ 190,122	$ 192,081	$ 12,738	$ 65,508	$ 7,349	$ 2,240	$ 1,610	$ 322	$ 475,034
27												
28	Hydrants	$ 39,536	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 39,536	$ 39,536
29												
30	Total Depreciation Expense	$ 2,191,077	$ 9,932	$ 692,862	$ 661,908	$ 88,127	$ 470,323	$ 68,814	$ 152,384	$ 6,758	$ 39,968	$ 2,191,077
31												
32	Residential	$ 1,360,776	$ 2,406	$ 677,481	$ 606,455	$ 16,674	$ 51,162	$ 6,598	$ -	$ -	$ -	$ 1,360,776
33	Commercial	$ 351,624	$ 7,195	$ 3,890	$ 8,768	$ 22,081	$ 124,221	$ 26,328	$ 152,384	$ 6,758	$ -	$ 351,624
34	Irrigation	$ 438,708	$ 331	$ 11,492	$ 46,686	$ 49,371	$ 294,941	$ 35,888	$ -	$ -	$ -	$ 438,708
35	Hydrant	$ 39,968	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 39,968	$ 39,968
36	Total	$ 2,191,077	$ 9,932	$ 692,862	$ 661,908	$ 88,127	$ 470,323	$ 68,814	$ 152,384	$ 6,758	$ 39,968	$ 2,191,077

References
Total column taken from Depreciation Expense Components Allocation
Allocation to customer classes using Allocation Factor Table.

Litchfield Park Service Company - Water Division
For the Test Year Ended September 30, 2008

Allocation of Property Taxes to Customer Classes

Exhibit RLD-4
Surrebuttal
Page 4
Witness: Darnall

Line No.	Description	Totals	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total
1	Residential -											
2	Commidity	$ 1,807	$ 3	$ 899	$ 801	$ 26	$ 68	$ 10	$ -	$ -	$ -	$ 1,807
3	Demand	$ 132,543	$ 194	$ 65,500	$ 58,403	$ 1,972	$ 5,655	$ 819	$ -	$ -	$ -	$ 132,543
4	Customer	$ 4,536	$ 18	$ 2,819	$ 1,649	$ 14	$ 35	$ 1	$ -	$ -	$ -	$ 4,536
5	Meters & Services	$ 35,074	$ 73	$ 16,966	$ 16,535	$ 274	$ 1,131	$ 95	$ -	$ -	$ -	$ 35,074
6	Total Residential Property Taxes	$ 173,959	$ 287	$ 86,184	$ 77,388	$ 2,286	$ 6,889	$ 925	$ -	$ -	$ -	$ 173,959
7												
8	Commercial -											
9	Commidity	$ 695	$ 9	$ 5	$ 11	$ 34	$ 222	$ 53	$ 349	$ 12	$ -	$ 695
10	Demand	$ 57,558	$ 613	$ 358	$ 842	$ 2,742	$ 18,532	$ 4,410	$ 29,066	$ 996	$ -	$ 57,558
11	Customer	$ 214	$ 50	$ 18	$ 24	$ 15	$ 101	$ 4	$ 1	$ 0	$ -	$ 214
12	Meters & Services	$ 4,975	$ 202	$ 107	$ 242	$ 299	$ 3,250	$ 416	$ 266	$ 191	$ -	$ 4,975
13	Total Commercial Property Taxes	$ 63,441	$ 874	$ 488	$ 1,119	$ 3,090	$ 22,106	$ 4,883	$ 29,682	$ 1,200	$ -	$ 63,441
14												
15	Irrigation -											
16	Commidity	$ 745	$ 1	$ 19	$ 80	$ 85	$ 499	$ 62	$ -	$ -	$ -	$ 745
17	Demand	$ 57,364	$ 40	$ 1,233	$ 5,519	$ 6,208	$ 39,495	$ 4,869	$ -	$ -	$ -	$ 57,364
18	Customer	$ 211	$ 1	$ 36	$ 69	$ 29	$ 73	$ 3	$ -	$ -	$ -	$ 211
19	Meters & Services	$ 4,100	$ 4	$ 220	$ 694	$ 586	$ 2,343	$ 255	$ -	$ -	$ -	$ 4,100
20	Total Irrigation Property Taxes	$ 62,421	$ 45	$ 1,508	$ 6,362	$ 6,908	$ 42,409	$ 5,188	$ -	$ -	$ -	$ 62,421
21												
22	Hydrant -											
23	Commidity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Demand	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
25	Customer	$ 11	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 11	$ 11
26	Meters & Services	$ 46	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 46	$ 46
27	Direct	$ 24,002	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,002	$ 24,002
28	Total Hydrant Property Taxes	$ 24,059	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 24,059	$ 24,059
29												
30	Total Property Taxes	$ 323,880	$ 1,207	$ 88,180	$ 84,869	$ 12,284	$ 71,404	$ 10,997	$ 29,682	$ 1,200	$ 24,059	$ 323,880

References
Totals based upon return allocations
Allocation to customer classes using Allocation Factor Table.

Litchfield Park Service Company - Water Division
For the Test Year Ended September 30, 2008

Allocation of Income Taxes to Customer Classes

Exhibit RLD-4
Surrebuttal
Page 5
Witness: Darnall

Line No.	Description	Totals	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total
1	Residential -											
2	Commidity	$ 9,795	$ 15	$ 4,872	$ 4,344	$ 143	$ 368	$ 53	$ -	$ -	$ -	$ 9,795
3	Demand	$ 718,554	$ 1,050	$ 355,095	$ 316,618	$ 10,691	$ 30,658	$ 4,441	$ -	$ -	$ -	$ 718,554
4	Customer	$ 24,590	$ 98	$ 15,284	$ 8,938	$ 74	$ 191	$ 5	$ -	$ -	$ -	$ 24,590
5	Meters & Services	$ 190,148	$ 393	$ 91,980	$ 89,644	$ 1,484	$ 6,129	$ 518	$ -	$ -	$ -	$ 190,148
6	Total Residential Income Taxes	$ 943,087	$ 1,557	$ 467,231	$ 419,543	$ 12,392	$ 37,346	$ 5,017	$ -	$ -	$ -	$ 943,087
7												
8	Commercial -											
9	Commidity	$ 3,766	$ 47	$ 26	$ 61	$ 183	$ 1,206	$ 287	$ 1,892	$ 65	$ -	$ 3,766
10	Demand	$ 312,041	$ 3,321	$ 1,942	$ 4,562	$ 14,865	$ 100,467	$ 23,908	$ 157,576	$ 5,398	$ -	$ 312,041
11	Customer	$ 1,160	$ 274	$ 96	$ 131	$ 81	$ 549	$ 22	$ 4	$ 2	$ -	$ 1,160
12	Meters & Services	$ 26,969	$ 1,097	$ 580	$ 1,311	$ 1,622	$ 17,619	$ 2,257	$ 1,444	$ 1,038	$ -	$ 26,969
13	Total Commercial Income Taxes	$ 343,935	$ 4,739	$ 2,644	$ 6,065	$ 16,751	$ 119,842	$ 26,475	$ 160,916	$ 6,503	$ -	$ 343,935
14												
15	Irrigation -											
16	Commidity	$ 4,040	$ 3	$ 100	$ 435	$ 462	$ 2,706	$ 334	$ -	$ -	$ -	$ 4,040
17	Demand	$ 310,987	$ 215	$ 6,687	$ 29,919	$ 33,657	$ 214,112	$ 26,397	$ -	$ -	$ -	$ 310,987
18	Customer	$ 1,146	$ 5	$ 198	$ 375	$ 158	$ 396	$ 14	$ -	$ -	$ -	$ 1,146
19	Meters & Services	$ 22,229	$ 21	$ 1,191	$ 3,762	$ 3,175	$ 12,700	$ 1,380	$ -	$ -	$ -	$ 22,229
20	Total Irrigation Income Taxes	$ 338,402	$ 244	$ 8,176	$ 34,491	$ 37,452	$ 229,914	$ 28,125	$ -	$ -	$ -	$ 338,402
21												
22	Hydrant -											
23	Commidity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Demand	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
25	Customer	$ 62	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 62	$ 62
26	Meters & Services	$ 248	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 248	$ 248
27	Direct	$ 130,121	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 130,121	$ 130,121
28	Total Hydrant Income Taxes	$ 130,431	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 130,431	$ 130,431
29												
30	Total Income Taxes		$ 6,541	$ 478,051	$ 460,100	$ 66,596	$ 387,101	$ 59,616	$ 160,916	$ 6,503	$ 130,431	$ 1,755,855

References
Totals based upon return allocations
Allocation to customer classes using Allocation Factor Table.

Litchfield Park Service Company - Water Division
For the Test Year Ended September 30, 2008

Allocation of Return to Customer Classes

Exhibit RLD-4
Surrebuttal
Page 6
Witness: Darnall

Line No.	Description	Totals	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total
1	Residential -											
2	Commidity	$ 17,837	$ 28	$ 8,872	$ 7,910	$ 260	$ 670	$ 97	$ -	$ -	$ -	$ 17,837
3	Demand	$ 1,308,479	$ 1,913	$ 646,624	$ 576,558	$ 19,469	$ 55,827	$ 8,087	$ -	$ -	$ -	$ 1,308,479
4	Customer	$ 44,778	$ 179	$ 27,832	$ 16,275	$ 135	$ 348	$ 9	$ -	$ -	$ -	$ 44,778
5	Meters & Services	$ 346,258	$ 716	$ 167,495	$ 163,240	$ 2,702	$ 11,161	$ 943	$ -	$ -	$ -	$ 346,258
6	Total Residential Return	$ 1,717,351	$ 2,836	$ 850,823	$ 763,984	$ 22,566	$ 68,006	$ 9,137	$ -	$ -	$ -	$ 1,717,351
7												
8	Commercial -											
9	Commidity	$ 7,036	$ 85	$ 47	$ 111	$ 333	$ 2,196	$ 523	$ 3,445	$ 118	$ -	$ 6,858
10	Demand	$ 582,050	$ 6,048	$ 3,537	$ 8,308	$ 27,070	$ 182,950	$ 43,537	$ 286,944	$ 9,829	$ -	$ 568,223
11	Customer	$ 2,438	$ 498	$ 175	$ 238	$ 147	$ 1,000	$ 41	$ 8	$ 4	$ -	$ 2,112
12	Meters & Services	$ 51,693	$ 1,998	$ 1,056	$ 2,388	$ 2,954	$ 32,084	$ 4,109	$ 2,630	$ 1,890	$ -	$ 49,109
13	Total Commercial Return	$ 643,216	$ 8,630	$ 4,815	$ 11,045	$ 30,504	$ 218,230	$ 48,210	$ 293,026	$ 11,842	$ -	$ 626,302
14												
15	Irrigation -											
16	Commidity	$ 7,357	$ 6	$ 183	$ 793	$ 841	$ 4,927	$ 607	$ -	$ -	$ -	$ 7,357
17	Demand	$ 566,304	$ 392	$ 12,177	$ 54,482	$ 61,289	$ 389,896	$ 48,068	$ -	$ -	$ -	$ 566,304
18	Customer	$ 2,086	$ 9	$ 360	$ 683	$ 288	$ 721	$ 25	$ -	$ -	$ -	$ 2,086
19	Meters & Services	$ 40,479	$ 38	$ 2,168	$ 6,850	$ 5,782	$ 23,127	$ 2,514	$ -	$ -	$ -	$ 40,479
20	Total Irrigation Return	$ 616,226	$ 445	$ 14,888	$ 62,807	$ 68,200	$ 418,671	$ 51,215	$ -	$ -	$ -	$ 616,226
21												
22	Hydrant -											
23	Commidity	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
24	Demand	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
25	Customer	$ 113	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 113	$ 113
26	Meters & Services	$ 452	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 452	$ 452
27	Direct	$ 236,950	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 236,950	$ 236,950
28	Total Hydrant Return	$ 237,514	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 237,514	$ 237,514
29												
30	Total Rate of Return	$ 3,214,308	$ 11,911	$ 870,526	$ 837,837	$ 121,270	$ 704,907	$ 108,561	$ 293,026	$ 11,842	$ 237,514	$ 3,197,394

References
Totals based upon rate base allocations
Allocation to customer classes using Allocation Factor Table.

Litchfield Park Service Company - Water Division
For the Test Year Ended September 30, 2008

Allocation of Rate Base, CIAC, AIAC and Deferred Income Taxes to Customer Classes

Exhibit RLD-4
Surrebuttal
Page 7
Witness: Darnall

Line No.	Description	Totals	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total
	Commodity											
1	Residential	$ 222,957	$ 348	$ 110,894	$ 98,878	$ 3,246	$ 8,377	$ 1,214	$ -	$ -	$ -	$ 222,957
2	Commercial	$ 67,253	$ 1,068	$ 590	$ 1,385	$ 4,166	$ 20,994	$ 4,996	$ 32,926	$ 1,128	$ -	$ 67,253
3	Irrigation	$ 91,958	$ 74	$ 2,284	$ 9,910	$ 10,511	$ 61,587	$ 7,593	$ -	$ -	$ -	$ 91,958
4	Total	$ 382,168	$ 1,489	$ 113,768	$ 110,173	$ 17,923	$ 90,958	$ 13,802	$ 32,926	$ 1,128	$ -	$ 382,168
5												
6	Demand											
7	Residential	$ 16,355,982	$ 23,911	$ 8,082,797	$ 7,206,980	$ 243,363	$ 697,839	$ 101,092	$ -	$ -	$ -	$ 16,355,982
8	Commercial	$ 5,563,681	$ 75,600	$ 44,211	$ 103,850	$ 338,373	$ 1,748,778	$ 416,161	$ 2,742,750	$ 93,958	$ -	$ 5,563,681
9	Irrigation	$ 7,078,803	$ 4,901	$ 152,215	$ 681,020	$ 766,115	$ 4,873,699	$ 600,853	$ -	$ -	$ -	$ 7,078,803
10	Hydrant	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11	Total	$ 28,998,465	$ 104,412	$ 8,279,223	$ 7,991,849	$ 1,347,851	$ 7,320,317	$ 1,118,106	$ 2,742,750	$ 93,958	$ -	$ 28,998,465
12												
13	Customer											
14	Residential	$ 559,725	$ 2,232	$ 347,904	$ 203,440	$ 1,884	$ 4,347	$ 117	$ -	$ -	$ -	$ 559,725
15	Commercial	$ 23,301	$ 6,227	$ 2,193	$ 2,976	$ 1,841	$ 9,555	$ 392	$ 78	$ 39	$ -	$ 23,301
16	Irrigation	$ 26,081	$ 117	$ 4,503	$ 8,537	$ 3,603	$ 9,007	$ 313	$ -	$ -	$ -	$ 26,081
17	Hydrant	$ 901	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 901	$ 901
18	Total	$ 610,007	$ 8,576	$ 354,601	$ 214,953	$ 7,127	$ 22,909	$ 822	$ 78	$ 39	$ 901	$ 610,007
19												
20	Meters & Services											
21	Residential	$ 4,328,227	$ 8,955	$ 2,093,687	$ 2,040,505	$ 33,779	$ 139,516	$ 11,783	$ -	$ -	$ -	$ 4,328,227
22	Commercial	$ 494,120	$ 24,981	$ 13,197	$ 29,851	$ 36,922	$ 306,685	$ 39,278	$ 25,138	$ 18,068	$ -	$ 494,120
23	Irrigation	$ 505,982	$ 471	$ 27,102	$ 85,627	$ 72,272	$ 289,088	$ 31,423	$ -	$ -	$ -	$ 505,982
24	Hydrant	$ 3,614	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 3,614	$ 3,614
25	Total	$ 5,331,943	$ 34,408	$ 2,133,987	$ 2,155,983	$ 142,973	$ 735,289	$ 82,484	$ 25,138	$ 18,068	$ 3,614	$ 5,331,943
26												
27	Hydrants	$ 1,895,599	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 1,895,599	$ 1,895,599
28												
29	Total Rate Base	$ 37,218,182	$ 148,885	$ 10,881,579	$ 10,472,958	$ 1,515,874	$ 8,169,472	$ 1,215,215	$ 2,800,893	$ 113,193	$ 1,900,113	$ 37,218,182

References
Total column taken from Rate Base Components Allocation
Allocation to customer classes using Allocation Factor Table.

Litchfield Park Services Company - Water Division
For the Test Year Ended September 30, 2008

RLD-4
Surrebuttal
Page 8
Witness: Darnall

ALLOCATION OF OPERATING EXPENSES TO COST COST COMPONENTS

Line No.	Description	Adjusted Amount (1)	Demand	Commodity	Customer	Meters & Serv.	Hydrants
1	Salaries and Wages	$ -	$ -	$ -	$ -	$ -	$ -
2	Purchased Water	$ 5,011		$ 5,011	$ -	$ -	$ -
3	Purchased Power	$ 1,013,811	$ 50,691	$ 963,120	$ -	$ -	$ -
4	Fuel For Power Production	$ 58,147	$ 2,907	$ 55,240	$ -	$ -	$ -
5	Chemicals	$ 503,278		$ 503,278	$ -	$ -	$ -
6	Repairs and Maintenance	$ 44,001	$ 39,600	$ 4,400	$ -	$ -	$ -
7	Office Supplies and Expense	$ -					
8	Outside Services	$ 12,469			$ 12,469		
9	Outside Services - Other	$ 2,132,794	$ 1,402,109	$ 157,000	$ 72,802	$ 462,399	$ 38,484
10	Outside Services - Legal	$ 14,317			$ 14,317		
11	Water Testing	$ 28,365	$ 25,529	$ 2,837	$ -	$ -	$ -
12	Rents	$ 10,647			$ 10,647	$ -	$ -
13	Transportation Expenses	$ 151,879	$ 37,970		$ 113,909	$ -	$ -
14	Insurance - General Liability	$ 95,469	$ 62,761	$ 7,028	$ 3,259	$ 20,698	$ 1,723
15	Insurance - Health and Life	$ 3,319			$ 3,319	$ -	$ -
16	Reg. Comm. Exp.	$ 63,662			$ 63,662	$ -	$ -
17	Reg. Comm. Exp. - Rate Case	$ 42,000	$ 37,800		$ 4,200	$ -	$ -
18	Miscellaneous Expense	$ 80,837			$ 80,837	$ -	$ -
19	Bad Debt Expense	$ 8,548	$ -	$ -	$ 8,548	$ -	$ -
	Total Expenses Excluding Propert and Income Taxes	$ 4,268,552	$ 1,659,367	$ 1,697,913	$ 387,969	$ 483,097	$ 40,207
	1). From Staff Schedule JMM-W12, column (E).						

Litchfield Park Service Company - Water Division
Test Year Ended September 30, 2008

ALLOCATION OF DEPRECIATION EXPENSE TO COST COMPONENTS

Exhibit RLD-4
Surrebuttal
Page 9
Witness: Darnell

Line No.	Account No.	Description	Original Cost (1)	Depreciation Rate (1)	Depreciation Expense (1)	Demand	Commodity	Customer	Meters & Serv.	Hydrants
1	Intangible									
2	301	Organization	$ 100		$ -	$ 100				
3	302	Franchises	-		-					
4										
5	Subtotal Intangible		$ -		$ -					
6										
7		Source of Supply & Pumping Plant								
8	303	Land and Land Rights	$ 1,284,595	0.000%	$ -					
9	304	Structures and Improvements	24,658,322	3.330%	821,056	$ 738,950	$ 82,106	$ -	$ -	$ -
10	305	Collecting and Impounding Res.	-	2.500%	-					
11	306	Lakes, Rivers, Other Intakes	-	2.500%	-					
12	307	Wells and Springs	2,382,102	3.330%	79,324	$ 71,392	$ 7,932	$ -	$ -	$ -
13	308	Infiltration Galleries and Tunnels	-	6.670%	-					
14	309	Supply Mains	-	2.000%	-					
15	310	Power Generation Equipment	202,269	5.000%	10,113	$ 9,102	$ 1,011	$ -	$ -	$ -
16	311	Electric Pumping Equipment	917,055	12.500%	114,632	$ 103,169	$ 11,463	$ -	$ -	$ -
17	Subtotal Source of Supply & Pumping Plant		$ 29,442,343		$ 1,025,125	$ 922,612	$ 102,512	$ -	$ -	$ -
18										
19	Water Treatment									
20	320	Water Treatment Equipment	1,337,824	3.330%	44,550	$ 40,095	$ 4,455	$ -	$ -	$ -
21	Subtotal Water Treatment		$ 1,337,824		$ 44,550	$ 40,095	$ 4,455	$ -	$ -	$ -
22										
23	Transmission and Distribution Plant									
24	330	Distribution Reservoirs & Standpipe	$ 430,644	2.220%	$ 9,560	$ 8,604	$ 956	$ -	$ -	$ -
25	331	Transmission and Distribution Mains	28,929,171	2.000%	578,583	$ 520,725	$ 57,858	$ -	$ -	$ -
26	333	Services	4,249,744	3.330%	141,516				$ 141,516	$ -
27	334	Meters	4,138,752	8.330%	344,758				$ 344,758	$ -
28	335	Hydrants	2,055,781	2.000%	41,116			$ -	$ -	$ 41,116
29	336	Backflow Prevention Devices	38,387	6.670%	2,560		$ 2,560	$ -	$ -	$ -
30	339	Other Plant and Miscellaneous Equipment	259,531	6.670%	17,311	$ 15,580	$ 1,731	$ -	$ -	$ -
31	Subtotal Transmission and Distribution Plant		$ 40,102,010		$ 1,135,405	$ 544,909	$ 63,106	$ -	$ 488,274	$ 41,116
32										
33	General Plant									
34	340	Office Furniture and Fixtures	$ 551,757	6.670%	$ 36,802			$ 36,802	$ -	$ -
35	341	Transportation Equipment	177,165	20.000%	35,433	$ 8,858		$ 26,575	$ -	$ -
36	342	Stores Equipment	31,711	4.000%	1,268			$ 1,268	$ -	$ -
37	343	Tools and Work Equipment	23,350	5.000%	1,168			$ 1,168	$ -	$ -
38	344	Laboratory Equipment	-	10.000%	-			$ -	$ -	$ -
39	345	Power Operated Equipment	-	5.000%	-			$ -	$ -	$ -
40	346	Communications Equipment	119,710	10.000%	11,971	$ 2,993		$ 8,978	$ -	$ -
41	347	Miscellaneous Equipment	-	10.00%	-	$ -	$ -	$ -	$ -	$ -
42	348	Other Tangible Plant	-	10.00%	-	$ -	$ -	$ -	$ -	$ -
43	Subtotal General Plant		$ 903,694		$ 86,642	$ 11,851	$ -	$ 74,791	$ -	$ -
44	Total Plant		$ 73,731,715		$ 2,291,722	$ 1,519,467	$ 170,073	$ 74,791	$ 488,274	$ 41,116
45										
46	Less: Amortization of Contributions									
47	311	Electric Pumping Equipment	$ (15,219)	12.5000%	$ (2,838)	$ (2,554)	$ (284)	$ -	$ -	$ -
48	331	Trans. and Dist. Mains	(2,854,613)	2.0000%	(84,987)	$ (76,488)	$ (8,499)	$ -	$ -	$ -
49	333	Services	(151,402)	3.3300%	(7,523)		$ -	$ -	$ (7,523)	$ -
50	334	Meters	(29,899)	8.3300%	(3,717)			$ -	$ (3,717)	$ -
51	335	Hydrants	(52,935)	2.0000%	(1,580)			$ -	$ -	$ (1,580)
52	Total Depreciation Expense		(3,104,068)		$ 2,191,077	$ 1,440,424	$ 161,291	$ 74,791	$ 475,034	$ 39,536
	From ACC Staff Schedule JMM-W4 & W18					65.74%	7.36%	3.41%	21.68%	1.80%

Litchfield Park Services Company - Water Division
For the Test Year Ended September 30, 2008

ALLOCATION OF RATE BASE TO COST COMPONENTS

RLD-4
Surrebuttal
Page 10
Witness: Darnall

Line No.	Account No.	Description	Original Cost Plant	Accum. Res. Depn.	Net Plant	Demand	Commodity	Customer	Meters & Serv.	Hydrants
					Intangible					
1	301	Organization	$ 100	$ -	$ 100	$ 100	$ -	$ -	$ -	$ -
2	302	Franchises	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
3										
4	Subtotal Intangible		$ 100	$ -	$ 100	$ 100	$ -	$ -	$ -	$ -
5										
6	Source of Supply & Pumping Plant									
7	303	Land and Land Rights	$ 1,284,595	$ -	$ 1,284,595	$ 1,284,595	$ -	$ -	$ -	$ -
8	304	Structures and Improvements	$ 24,656,322	$ 430,084	$ 24,226,238	$ 24,226,238	$ -	$ -	$ -	$ -
9	305	Collecting and Impounding Res.	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
10	306	Lakes, Rivers, Other Intakes	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
11	307	Wells and Springs	$ 2,382,102	$ 634,680	$ 1,747,422	$ 1,572,679	$ 174,742	$ -	$ -	$ -
12	308	Infiltration Galleries and Tunnels	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
13	309	Supply Mains	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
14	310	Power Generation Equipment	$ 202,269	$ 56,403	$ 145,866	$ 131,279	$ 14,587	$ -	$ -	$ -
15	311	Electric Pumping Equipment	$ 917,055	$ 615,059	$ 301,996	$ 271,797	$ 30,200	$ -	$ -	$ -
16	Subtotal Source of Supply & Pumping Plant		$ 29,442,343	$ 1,736,226	$ 27,706,117	$ 27,486,588	$ 219,528	$ -	$ -	$ -
17										
18	Water Treatment									
19	320	Water Treatment Equipment	$ 3,223,594	$ 49,101	$ 3,174,493	$ 2,857,043	$ 317,449	$ -	$ -	$ -
20	Subtotal Water Treatment									
21										
22	Transmission and Distribution Plant									
23	330	Distribution Reservoirs & Standpipe	$ 430,644	$ 175,875	$ 254,768	$ 229,291	$ 25,477	$ -	$ -	$ -
24	331	Transmission and Distribution Mains	$ 28,929,171	$ 3,847,188	$ 25,081,983	$ 22,573,785	$ 2,508,198	$ -	$ -	$ -
25	333	Services	$ 4,249,744	$ 886,575	$ 3,363,169	$ -	$ -	$ -	$ 3,363,169	$ -
26	334	Meters	$ 4,138,752	$ 1,934,295	$ 2,204,457	$ -	$ -	$ -	$ 2,204,457	$ -
27	335	Hydrants	$ 2,055,781	$ 160,182	$ 1,895,599	$ -	$ -	$ -		$ 1,895,599
28	336	Backflow Prevention Devices	$ 38,387	$ 7,404	$ 30,984	$ -	$ -	$ 30,984	$ -	$ -
29	339	Other Plant and Miscellaneous Equip.	$ 259,531	$ 36,679	$ 222,852	$ 200,567	$ 22,285	$ -	$ -	$ -
30	Subtotal Transmission and Distribution Plant		$ 40,102,010	$ 7,048,198	$ 33,053,812	$ 23,003,643	$ 2,555,960	$ 30,984	$ 5,567,626	$ 1,895,599
31										
32	General Plant									
33	340	Office Furniture and Fixtures	$ 551,757	$ 124,878	$ 426,879	$ -	$ -	$ 426,879	$ -	$ -
34	341	Transportation Equipment	$ 177,165	$ 83,065	$ 94,101	$ 23,525	$ -	$ 70,575	$ -	$ -
35	342	Stores Equipment	$ 31,711	$ 1,586	$ 30,126	$ -	$ -	$ 30,126	$ -	$ -
36	343	Tools and Work Equipment	$ 23,350	$ 7,135	$ 16,215	$ -	$ -	$ 16,215	$ -	$ -
37	344	Laboratory Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
38	345	Power Operated Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
39	346	Communications Equipment	$ 119,710	$ 21,730	$ 97,980	$ 24,495		$ 73,485	$ -	$ -
40	347	Miscellaneous Equipment	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
41	348	Other Tangible Plant	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
42		Subtotal General Plant	$ 903,694	$ 238,393	$ 665,300	$ 48,020	$ -	$ 617,280	$ -	$ -
43		Total Plant	$ 73,671,741	$ 9,071,919	$ 64,599,822	$ 63,395,395	$ 3,092,938	$ 648,264	$ 5,567,626	$ 1,895,599
44										
45		Contributions in Aid of Construction, Net	$ (3,096,180)	$ 860,706	$ (2,235,474)	$ (1,977,495)	$ (219,722)	$ (38,257)	$ -	$ -
46		Advances in Aid of Construction	$ (24,574,996)	$ -	$ (24,574,996)	$ (22,117,496)	$ (2,457,500)	$ -	$ -	$ -
47		Meter Deposits	$ (235,683)	$ -	$ (235,683)	$ -	$ -	$ -	$ (235,683)	$ -
48		Deferred Income Tax	$ (335,487)	$ -	$ (335,487)	$ (301,938)	$ (33,549)	$ -	$ -	$ -
49		Deferred Reg Assets	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
50		Unamortized Debt Service Costs	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ -
51		Rate Base	$ 45,429,395	$ 9,932,625	$ 37,218,182	$ 28,998,465	$ 382,168	$ 610,007	$ 5,331,943	$ 1,895,599

From ACC Staff Schedules JMM-W-4

Litchfield Park Service Company - Water Division
Test Year Ended September 30, 2008
ALLOCATION FACTORS FOR COST COMPONENTS
Plant and Depreciation Expense Allocations Functions

RLD-4
Surrebuttal
Page 11
Witness: Darnall

Line No.	Description		Total	Demand	Commodity	Customer	Meters & Services	Hydrants
1	Wells		1.90	0.90	1.00			
2	Pumps & Equipment		0.10	-	0.10			
3	Trans. & Dist. Mains		1.90	0.90	1.00			
4	Structures & Improv.		1.00	1.00				
5	Land		1.00	1.00				
6	Customer		1.00			1.00		
7	Services		-				1.00	
8	Meters		-				1.00	
9	Fire Hydrants		-					1.00
10	Transportation Equip.		1.00	0.25		0.75		
11	Office Furniture		1.00			1.00		
12	Communication Equip.		1.00	0.25		0.75		
13	Water Treatment Equip.		1.00	0.90	0.10			

Line No.	Description		Total	Demand	Commodity	Customer	Meters & Services	Hydrants
	Expense Type							
13	Repairs and Maintenance		1.00	0.90	0.10			
14	Contractual Services		1.00	0.40	0.20	0.40		
15	Purchased Power/Fuel for Power Prod.		1.00	0.05	0.95			
16	Purchased Water		1.00		1.00			
17	Transportation		1.00	0.25		0.75		
18	Chemicals		1.00		1.00			
19	Water Testing		1.00	0.90	0.10			
20	Salaries and Wages		1.00	0.40	0.20	0.40		

Litchfield Park Service Company - Water Division
Test Year Ended September 30, 2008
COMMODITY, DEMAND, CUSTOMER ALLOCATION FACTORS

Exhibit RLD-4
Surrebuttal
Page 11
Witness: Darnall

COMMODITY FACTOR	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total	Percent W/O Hydrant
Residential	3,189	1,016,384	906,253	29,752	76,782	11,123				2,043,483	58.34%
Percent Factor	0.16%	49.74%	44.35%	1.46%	3.76%	0.54%				100.00%	
Commercial	9,786	5,405	12,696	38,185	192,415	45,789	301,780	10,338		616,395	17.60%
Percent Factor	1.59%	0.88%	2.06%	6.19%	31.22%	7.43%	48.96%	1.68%		100.00%	
Irrigation	674	20,935	90,826	96,336	564,468	69,590				842,830	24.06%
Percent Factor	0.08%	2.48%	10.78%	11.43%	66.97%	8.26%				100.00%	
Direct - Hydrant									33,183	33,183	
Percent Factor									100.00%	100.00%	
Total	13,649	1,042,724	1,009,775	164,274	833,665	126,503	301,780	10,338	33,183	3,535,890	
Percent	0.39%	29.49%	28.56%	4.65%	23.58%	3.58%	8.53%	0.29%	0.94%	100.00%	100.00%

DEMAND FACTOR	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total	Percent
Maximum Day Demand Ratio											
Residential	1.65	1.75	1.75	1.80	2.00	2.00					
Commercial	1.70	1.80	1.80	1.95	2.00	2.00	2.00	2.00			
Irrigation	1.60	1.60	1.65	1.75	1.90	1.90					
Hydrant									4.00		
Maximum Day Demand											
Residential	14	4,873	4,345	147	421	61				9,861	56.40%
Percent Factor	0.15%	49.42%	44.06%	1.49%	4.27%	0.62%				100.00%	
Commercial	46	27	63	204	1,054	251	1,654	57		3,354	19.19%
Percent Factor	1.36%	0.79%	1.87%	6.08%	31.43%	7.48%	49.30%	1.69%		100.00%	
Irrigation	3	92	411	462	2,938	362				4,268	24.41%
Percent Factor	0.07%	2.15%	9.62%	10.82%	68.85%	8.49%				100.00%	
Direct - Hydrant									0	0	0.00%
Percent Factor									0	0	
Total	63	4,991	4,818	813	4,413	674	1,654	57	0	17,483	100.00%
Percent	0.36%	28.55%	27.56%	4.65%	25.24%	3.86%	9.46%	0.32%	0.00%	100.00%	

CUSTOMER ALLOCATION FACTORS	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total	Percent
Residential	57	8,884	5,195	43	111	3				14,293	91.76%
Percent Factor	0.40%	62.16%	36.35%	0.30%	0.78%	0.02%				100.00%	
Commercial	159	56	76	47	244	10	2	1		595	3.82%
Percent Factor	26.72%	9.41%	12.77%	7.90%	41.01%	1.68%	0.34%	0.17%		100.00%	
Irrigation	3	115	218	92	230	8				666	4.28%
Percent Factor	0.45%	17.27%	32.73%	13.81%	34.53%	1.20%				100.00%	
Direct - Hydrant									23	23	0.15%
Percent Factor										0.00%	
Total	219	9,055	5,489	182	585	21	2	1	23	15,577	100.00%
Percent	1.41%	58.13%	35.24%	1.17%	3.76%	0.13%	0.01%	0.01%	0.15%	100.00%	

SERVICES and METER ALLOCATION FACTORS	5/8 X 3/4"	"3/4"	1.0"	1.5"	2.0"	4.0"	8.0"	10.0"	Hydrant	Total	Percent
Equivalent Weight Factor	1.00	1.50	2.50	5.00	8.00	25.00	80.00	115.00	115.00		
Residential Equivalent Services	57	13,326	12,988	215	888	75				27,549	81.18%
Percent Factor	0.21%	48.37%	47.14%	0.78%	3.22%	0.27%				100.00%	
Commercial Equivalent Services	159	84	190	235	1,952	250	160	115		3,145	9.27%
Percent Factor	5.06%	2.67%	6.04%	7.47%	62.07%	7.95%	5.09%	3.66%		100.00%	
Irrigation Equivalent Services	3	173	545	460	1,840	200				3,221	9.49%
Percent Factor	0.09%	5.36%	16.92%	14.28%	57.13%	6.21%				100.00%	
Direct - Hydrant Equivalent Services									23	23	0.07%
Percent Factor										0.00%	
Total	219	13,583	13,723	910	4,680	525	160	115	23	33,937	100.00%
Percent	0.65%	40.02%	40.44%	2.68%	13.79%	1.55%	0.47%	0.34%	0.07%	100.00%	

RLD-5

Litchfield Park Services Company - Water Division

Exhibit RLD-5

Comparison of LPSCO, Staff City Proposed Water Rates

Monthly Service Charge	Present Rates	Company Proposed	Staff Proposed	City Proposed
Residential				
5/8 x3/4"	$ 6.75	$ 10.32	$ 10.00	$ 9.50
3/4 "	$ 8.30	$ 26.32	$ 10.00	$ 15.00
1.0"	$ 14.60	$ 43.86	$ 32.00	$ 20.95
1.5"	$ 28.60	$ 54.08	$ 53.00	$ 45.00
2.0"	$ 56.50	$ 66.56	$ 95.00	$ 86.00
4.0"	$ 132.00	$ 208.00	$ 170.00	$ 255.00
Commercial				
5/8 x3/4"	$ 6.75	$ 10.32	$ 10.00	$ 9.50
3/4 "	$ 8.30	$ 26.32	$ 10.00	$ 15.00
1.0"	$ 14.60	$ 43.86	$ 32.00	$ 20.95
1.5"	$ 28.60	$ 54.08	$ 53.00	$ 75.00
2.0"	$ 56.50	$ 66.56	$ 95.00	$ 123.00
4.0"	$ 132.00	$ 208.00	$ 170.00	$ 950.00
8.0"	$ 225.00	$ 499.20	$ 1,000.00	$ 1,200.00
10.0"	$ 330.00	$ 956.80	$ 1,600.00	$ 400.00
Irrigation				
5/8 x3/4"	$ 6.75	$ 10.32	$ 10.00	$ 9.50
3/4 "	$ 8.30	$ 26.32	$ 10.00	$ 15.00
1.0"	$ 14.60	$ 43.86	$ 32.00	$ 25.00
1.5"	$ 28.60	$ 54.08	$ 53.00	$ 70.00
2.0"	$ 56.50	$ 66.56	$ 95.00	$ 86.00
4.0"	$ 132.00	$ 208.00	$ 170.00	$ 370.00
Hydrants	$ 100.00		-	-

Comparison of LPSCO, Staff City Proposed Water Rates

COMMODITY CHARGES	Present Rates	Company Proposed	Staff Proposed	City Proposed
Residential				
5/8 x3/4"				
0 To 5000	$ 0.87			
Over 5000	$ 1.32			
0 To 3000		$ 1.22	$ 1.00	
Next 6000		$ 1.82	$ 1.75	
Over 9000		$ 2.42	$ 2.68	
0 To 3000				$ 1.20
Next 7000				$ 1.53
Over10000				$ 2.20
3/4 " Meter				
0 To 5000	$ 0.87			
Over 5000	$ 1.32			
0 To 3000		$ 1.22	$ 1.00	
Next 6000		$ 1.82	$ 1.75	
Over 9000		$ 2.42	$ 2.68	
0 To 15000				$ 1.50
Next 35000				$ 1.95
Over 50000				$ 3.00
1.0 " Meter				
0 To 5000	$ 0.87			
Over 5000	$ 1.32			
0 to 40000				
Over 40000				
0 to 20000		$ 1.82	$ 1.75	
Over 20000		$ 2.42	$ 2.68	
0 To 15000				$ 1.50
Next 85000				$ 1.95
Over 100000				$ 3.00

Comparison of LPSCO, Staff City Proposed Water Rates

1.5" Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 30000			$	1.82	$	1.75		
Over 30000			$	2.42	$	2.68		
0 to 90000							$	1.50
Over 90000							$	2.70
2.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 50000			$	1.82				
Over 50000			$	2.42				
0 to 55000					$	1.75		
Over 55000					$	2.68		
0 to 140000							$	1.50
Over 140000							$	2.70
4.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 210000								
Over 210000					$	1.75		
					$	2.68		
0 to 180000			$	1.82				
Over 180000			$	2.42				
0 to 440000							$	1.50
Over 440000							$	2.70

Litchfield Park Services Company - Water Division

Comparison of LPSCO, Staff City Proposed Water Rates

Commercial

5/8 x3/4"								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 To 10000			$	1.82	$	1.75		
Over 10000			$	2.42	$	2.68		
0 To 3000							$	1.20
Next 7000							$	1.53
Over10000							$	2.20
3/4 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 To 10000				1.82	$	1.75		
Over 10000				2.42	$	2.68		
0 To 15000								1.50
Next 35000								1.95
Over 50000								3.00
1.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 20000				1.82		1.75		
Over 20000				2.42		2.68		
0 To 15000								1.50
Next 85000								1.95
Over 100000								3.00
1.5" Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 30000				1.82	$	1.75		
Over 30000				2.42		2.68		
0 to 90000							$	1.50
Over 90000							$	2.70

Litchfield Park Services Company - Water Division

Comparison of LPSCO, Staff City Proposed Water Rates

2.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 55000					$	1.75		
Over 55000						2.68		
0 to 50000				1.82				
Over 50000				2.42				
0 to 140000							$	1.50
Over 140000							$	2.70
4.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 55000					$	1.75		
Over 55000					$	2.68		
0 TO 180000				1.82				
Over 180000				2.42				
0 to 440000							$	2.60
Over 440000							$	3.90
8.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 55000					$	1.75		
Over 55000					$	2.68		
0 to 670000				1.82				
Over 670000				2.42				
All Water							$	2.97
10.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 55000					$	1.75		
Over 55000					$	2.68		
0 to 940000				1.82				
Over 940000				2.42				
All Water							$	0.55

Comparison of LPSCO, Staff City Proposed Water Rates

Irrigation

5/8 x3/4"								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 To 10000			$	1.82	$	1.75		
Over 10000			$	2.42	$	2.68		
0 To 3000							$	1.20
Next 7000							$	1.53
Over10000							$	2.20
3/4 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 To 10000			$	1.82	$	1.75		
Over 10000			$	2.42	$	2.68		
0 To 15000							$	1.50
Next 35000							$	1.95
Over 50000							$	3.00
1.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 40000								
Over 40000								
0 to 20000			$	1.82	$	1.75		
Over 20000			$	2.42	$	2.68		
0 To 15000							$	1.50
Next 85000							$	1.95
Over 100000							$	3.00
1.5" Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 30000			$	1.82	$	1.75		
Over 30000			$	2.42	$	2.68		
0 to 90000							$	1.50
Over 90000							$	2.70

Comparison of LPSCO, Staff City Proposed Water Rates

2.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 55000					$	1.75		
Over 55000					$	2.68		
0 to 50000			$	1.82				
Over 50000			$	2.42				
0 to 140000							$	1.50
Over 140000							$	2.70
4.0 " Meter								
0 To 5000	$	0.87						
Over 5000	$	1.32						
0 to 55000					$	1.75		
Over 55000					$	2.68		
0 to 180.000			$	1.82				
Over 180000			$	2.42				
0 to 280.000							$	1.75
Over 280000							$	2.81

RLD-6

Litchfield Park Services Company - Water Division
Typical Bill Comparison of Present and Proposed Rates
Residential 3/4" Service

Usage	Present Rate	Proposed Rate	Increase	Percent		
0	$ 8.30	$ 15.00	$ 6.70	80.72%		
1000	$ 9.17	$ 16.50	$ 7.33	79.93%		
2000	$ 10.04	$ 18.00	$ 7.96	79.28%	Present Rate	
3000	$ 10.91	$ 19.50	$ 8.59	78.74%	Service Charge	$8.30
4000	$ 11.78	$ 21.00	$ 9.22	78.27%		
5000	$ 12.65	$ 22.50	$ 9.85	77.87%	Volume Charge	
6000	$ 13.97	$ 24.00	$ 10.03	71.80%	First 5000	$0.87
7000	$ 15.29	$ 25.50	$ 10.21	66.78%	Over 5000	$1.32
8000	$ 16.61	$ 27.00	$ 10.39	62.55%		
9000	$ 17.93	$ 28.50	$ 10.57	58.95%		
10000	$ 19.25	$ 30.00	$ 10.75	55.84%	Proposed Rate	
11000	$ 20.57	$ 31.50	$ 10.93	53.14%	Service Charge	$15.00
12000	$ 21.89	$ 33.00	$ 11.11	50.75%		
13000	$ 23.21	$ 34.50	$ 11.29	48.64%	Volume Charge	
14000	$ 24.53	$ 36.00	$ 11.47	46.76%	First 15000	$1.50
15000	$ 25.85	$ 37.50	$ 11.65	45.07%	Next 35000	$1.95
16000	$ 27.17	$ 39.45	$ 12.28	45.20%	Over 50000	$3.00
17000	$ 28.49	$ 41.40	$ 12.91	45.31%		
18000	$ 29.81	$ 43.35	$ 13.54	45.42%		
19000	$ 31.13	$ 45.30	$ 14.17	45.52%		
20000	$ 32.45	$ 47.25	$ 14.80	45.61%		
21000	$ 33.77	$ 49.20	$ 15.43	45.69%		
22000	$ 35.09	$ 51.15	$ 16.06	45.77%		
23000	$ 36.41	$ 53.10	$ 16.69	45.84%		
24000	$ 37.73	$ 55.05	$ 17.32	45.91%		
25000	$ 39.05	$ 57.00	$ 17.95	45.97%		
50000	$ 72.05	$ 105.75	$ 33.70	46.77%		
75000	$ 105.05	$ 180.75	$ 75.70	72.06%		
100000	$ 138.05	$ 255.75	$ 117.70	85.26%		

Average Usage	Present Rate	Proposed Rate	Increase	Percent
9,537	$ 18.64	$ 29.31	$ 10.67	57.23%

Typical Bill Comparison of Present and Proposed Rates
Residential 1" Service

Usage	Present Rate	Proposed Rate	Increase	Percent		
0	$ 14.60	$ 20.95	$ 6.35	43.49%		
1000	$ 15.47	$ 22.45	$ 6.98	45.12%		
2000	$ 16.34	$ 23.95	$ 7.61	46.57%	Present Rate	
3000	$ 17.21	$ 25.45	$ 8.24	47.88%	Service Charge	$14.60
4000	$ 18.08	$ 26.95	$ 8.87	49.06%		
5000	$ 18.95	$ 28.45	$ 9.50	50.13%	Volume Charge	
6000	$ 20.27	$ 29.95	$ 9.68	47.76%	First 5000	$0.87
7000	$ 21.59	$ 31.45	$ 9.86	45.67%	Over 5000	$1.32
8000	$ 22.91	$ 32.95	$ 10.04	43.82%		
9000	$ 24.23	$ 34.45	$ 10.22	42.18%		
10000	$ 25.55	$ 35.95	$ 10.40	40.70%	Proposed Rate	
11000	$ 26.87	$ 37.45	$ 10.58	39.37%	Service Charge	$20.95
12000	$ 28.19	$ 38.95	$ 10.76	38.17%		
13000	$ 29.51	$ 40.45	$ 10.94	37.07%	Volume Charge	
14000	$ 30.83	$ 41.95	$ 11.12	36.07%	First 15000	$1.50
15000	$ 32.15	$ 43.45	$ 11.30	35.15%	Next 35000	$1.95
16000	$ 33.47	$ 45.40	$ 11.93	35.64%	Over 50000	$3.00
17000	$ 34.79	$ 47.35	$ 12.56	36.10%		
18000	$ 36.11	$ 49.30	$ 13.19	36.53%		
19000	$ 37.43	$ 51.25	$ 13.82	36.92%		
20000	$ 38.75	$ 53.20	$ 14.45	37.29%		
21000	$ 40.07	$ 55.15	$ 15.08	37.63%		
22000	$ 41.39	$ 57.10	$ 15.71	37.96%		
23000	$ 42.71	$ 59.05	$ 16.34	38.26%		
24000	$ 44.03	$ 61.00	$ 16.97	38.54%		
25000	$ 45.35	$ 62.95	$ 17.60	38.81%		
50000	$ 78.35	$ 111.70	$ 33.35	42.57%		
75000	$ 111.35	$ 160.45	$ 49.10	44.10%		
100000	$ 144.35	$ 209.20	$ 64.85	44.93%		

Average Usage	Present Rate	Proposed Rate	Increase	Percent
14,556	$ 31.56	$ 42.78	$ 11.22	35.55%

Typical Bill Comparison of Present and Proposed Rates
Commercial 3/4"

Usage	Present Rate	Proposed Rate	Increase	Percent
0	$ 8.30	$ 15.00	$ 6.70	80.72%
1000	$ 9.17	$ 16.50	$ 7.33	79.93%
2000	$ 10.04	$ 18.00	$ 7.96	79.28%
3000	$ 10.91	$ 19.50	$ 8.59	78.74%
4000	$ 11.78	$ 21.00	$ 9.22	78.27%
5000	$ 12.65	$ 22.50	$ 9.85	77.87%
6000	$ 13.97	$ 24.00	$ 10.03	71.80%
7000	$ 15.29	$ 25.50	$ 10.21	66.78%
8000	$ 16.61	$ 27.00	$ 10.39	62.55%
9000	$ 17.93	$ 28.50	$ 10.57	58.95%
10000	$ 19.25	$ 30.00	$ 10.75	55.84%
11000	$ 20.57	$ 31.50	$ 10.93	53.14%
12000	$ 21.89	$ 33.00	$ 11.11	50.75%
13000	$ 23.21	$ 34.50	$ 11.29	48.64%
14000	$ 24.53	$ 36.00	$ 11.47	46.76%
15000	$ 25.85	$ 37.50	$ 11.65	45.07%
16000	$ 27.17	$ 39.45	$ 12.28	45.20%
17000	$ 28.49	$ 41.40	$ 12.91	45.31%
18000	$ 29.81	$ 43.35	$ 13.54	45.42%
19000	$ 31.13	$ 45.30	$ 14.17	45.52%
20000	$ 32.45	$ 47.25	$ 14.80	45.61%
21000	$ 33.77	$ 49.20	$ 15.43	45.69%
22000	$ 35.09	$ 51.15	$ 16.06	45.77%
23000	$ 36.41	$ 53.10	$ 16.69	45.84%
24000	$ 37.73	$ 55.05	$ 17.32	45.91%
25000	$ 39.05	$ 57.00	$ 17.95	45.97%
30000	$ 72.05	$ 105.75	$ 33.70	46.77%
40000	$ 105.05	$ 180.75	$ 75.70	72.06%
50000	$ 138.05	$ 255.75	$ 117.70	85.26%

Present Rate	
Service Charge	$8.30
Volume Charge	
First 5000	$0.87
Over 5000	$1.32
Proposed Rate	
Service Charge	$15.00
Volume Charge	
First 15000	$1.50
Next 35000	$1.95
Over 50000	$3.00

Average Usage	Present Rate	Proposed Rate	Increase	Percent
8,000	$ 16.70	$ 27.00	$ 10.30	61.65%

Typical Bill Comparison of Present and Proposed Rates
Commercial 1.0" Service

Usage	Present Rate	Proposed Rate	Increase	Percent
0	$14.60	$20.95	$6.35	43.49%
1000	$ 15.47	$ 22.45	$6.98	45.12%
2000	$ 16.34	$ 23.95	$7.61	46.57%
3000	$ 17.21	$ 25.45	$8.24	47.88%
4000	$ 18.08	$ 26.95	$8.87	49.06%
5000	$ 18.95	$ 28.45	$9.50	50.13%
6000	$ 20.27	$ 29.95	$9.68	47.76%
7000	$ 21.59	$ 31.45	$9.86	45.67%
8000	$ 22.91	$ 32.95	$10.04	43.82%
9000	$ 24.23	$ 34.45	$10.22	42.18%
10000	$ 25.55	$ 35.95	$10.40	40.70%
11000	$ 26.87	$ 37.45	$10.58	39.37%
12000	$ 28.19	$ 38.95	$10.76	38.17%
13000	$ 29.51	$ 40.45	$10.94	37.07%
14000	$ 30.83	$ 41.95	$11.12	36.07%
15000	$ 32.15	$ 43.45	$11.30	35.15%
16000	$ 33.47	$ 45.40	$11.93	35.64%
17000	$ 34.79	$ 47.35	$12.56	36.10%
18000	$ 36.11	$ 49.30	$13.19	36.53%
19000	$ 37.43	$ 51.25	$13.82	36.92%
20000	$ 38.75	$ 53.20	$14.45	37.29%
21000	$ 40.07	$ 55.15	$15.08	37.63%
22000	$ 41.39	$ 57.10	$15.71	37.96%
23000	$ 42.71	$ 59.05	$16.34	38.26%
24000	$ 44.03	$ 61.00	$16.97	38.54%
25000	$ 45.35	$ 62.95	$17.60	38.81%
50000	$ 78.35	$ 111.70	$33.35	42.57%
75000	$ 111.35	$ 160.45	$49.10	44.10%
100000	$ 144.35	$ 209.20	$64.85	44.93%

Present Rate		
Service Charge	$	14.60
Volume Charge		
First 5000	$	0.87
Over 5000	$	1.32
Proposed Rate		
Service Charge	$	20.95
Volume Charge		
First 15000	$	1.50
Next 85000	$	1.95
Over 100000	$	3.00

Average Usage	Present Rate	Proposed Rate	Increase	Percent
13,804	$ 30.57	$ 41.66	$ 11.08	36.26%

Typical Bill Comparison of Present and Proposed Rates
Irrigation 3/4" Service

Usage	Present Rate	Proposed Rate	Increase	Percent		
0	$ 8.30	$ 15.00	$ 6.70	80.72%		
1000	$ 9.17	$ 16.50	$ 7.33	79.93%		
2000	$ 10.04	$ 18.00	$ 7.96	79.28%	Present Rate	
3000	$ 10.91	$ 19.50	$ 8.59	78.74%	Service Charge	$8.30
4000	$ 11.78	$ 21.00	$ 9.22	78.27%		
5000	$ 12.65	$ 22.50	$ 9.85	77.87%	Volume Charge	
6000	$ 13.97	$ 24.00	$ 10.03	71.80%	First 5000	$0.87
7000	$ 15.29	$ 25.50	$ 10.21	66.78%	Over 5000	$1.32
8000	$ 16.61	$ 27.00	$ 10.39	62.55%		
9000	$ 17.93	$ 28.50	$ 10.57	58.95%		
10000	$ 19.25	$ 30.00	$ 10.75	55.84%	Proposed Rate	
11000	$ 20.57	$ 31.50	$ 10.93	53.14%	Service Charge	$15.00
12000	$ 21.89	$ 33.00	$ 11.11	50.75%		
13000	$ 23.21	$ 34.50	$ 11.29	48.64%	Volume Charge	
14000	$ 24.53	$ 36.00	$ 11.47	46.76%	First 15000	$1.50
15000	$ 25.85	$ 37.50	$ 11.65	45.07%	Next 35000	$1.95
16000	$ 27.17	$ 39.45	$ 12.28	45.20%	Over 50000	$3.00
17000	$ 28.49	$ 41.40	$ 12.91	45.31%		
18000	$ 29.81	$ 43.35	$ 13.54	45.42%		
19000	$ 31.13	$ 45.30	$ 14.17	45.52%		
20000	$ 32.45	$ 47.25	$ 14.80	45.61%		
21000	$ 33.77	$ 49.20	$ 15.43	45.69%		
22000	$ 35.09	$ 51.15	$ 16.06	45.77%		
23000	$ 36.41	$ 53.10	$ 16.69	45.84%		
24000	$ 37.73	$ 55.05	$ 17.32	45.91%		
25000	$ 39.05	$ 57.00	$ 17.95	45.97%		
50000	$ 72.05	$ 105.75	$ 33.70	46.77%		
75000	$ 105.05	$ 180.75	$ 75.70	72.06%		
100000	$ 138.05	$ 255.75	$ 117.70	85.26%		

Average Usage	Present Rate	Proposed Rate	Increase	Percent
15,176	$ 26.08	$ 29.31	$ 3.22	12.36%

Typical Bill Comparison of Present and Proposed Rates
Irrigation 1" Service

Usage	Present Rate	Proposed Rate	Increase	Percent
0	$14.60	$25.00	$10.40	71.23%
1000	$ 15.47	$ 26.50	$11.03	71.30%
2000	$ 16.34	$ 28.00	$11.66	71.36%
3000	$ 17.21	$ 29.50	$12.29	71.41%
4000	$ 18.08	$ 31.00	$12.92	71.46%
5000	$ 18.95	$ 32.50	$13.55	71.50%
6000	$ 20.27	$ 34.00	$13.73	67.74%
7000	$ 21.59	$ 35.50	$13.91	64.43%
8000	$ 22.91	$ 37.00	$14.09	61.50%
9000	$ 24.23	$ 38.50	$14.27	58.89%
10000	$ 25.55	$ 40.00	$14.45	56.56%
11000	$ 26.87	$ 41.50	$14.63	54.45%
12000	$ 28.19	$ 43.00	$14.81	52.54%
13000	$ 29.51	$ 44.50	$14.99	50.80%
14000	$ 30.83	$ 46.00	$15.17	49.21%
15000	$ 32.15	$ 47.50	$15.35	47.74%
16000	$ 33.47	$ 49.45	$15.98	47.74%
17000	$ 34.79	$ 51.40	$16.61	47.74%
18000	$ 36.11	$ 53.35	$17.24	47.74%
19000	$ 37.43	$ 55.30	$17.87	47.74%
20000	$ 38.75	$ 57.25	$18.50	47.74%
21000	$ 40.07	$ 59.20	$19.13	47.74%
22000	$ 41.39	$ 61.15	$19.76	47.74%
23000	$ 42.71	$ 63.10	$20.39	47.74%
24000	$ 44.03	$ 65.05	$21.02	47.74%
25000	$ 45.35	$ 67.00	$21.65	47.74%
50000	$ 78.35	$ 115.75	$37.40	47.73%
75000	$ 111.35	$ 164.50	$53.15	47.73%
100000	$ 144.35	$ 213.25	$68.90	47.73%

Present Rate	
Service Charge	$14.60
Volume Charge	
First 5000	$0.87
Over 5000	$1.32
Proposed Rate	
Service Charge	$25.00
Volume Charge	
First 15000	$1.50
Next 35000	$1.95
Over 50000	$3.00

Average Usage	Present Rate	Proposed Rate	Increase	Percent
34,762	$ 58.24	$ 86.04	$ 27.80	47.74%